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Rural Problems in the Baltic Countryside

Mapping the Rural Problem in the Baltic Countryside. Transition Processes in the Rural Areas of Estonia, Latvia and Lithuania, ed. Ilkka Alanen, Ashgate, Burlington 2004

This book is a study of social change in the Baltic States during the recent decades of systemic transformation. It provides a comprehensive analysis of fundamental issues connected with this complex political and economic process. As the title indicates, the main focus is: mapping the rural issues and problems in the context of the transformation process. The goal of mapping has been successful. It here means not only recognising and indicating, but investigating and forming interpretations, commenting on models, recognising various political and economic paths, connections and actual as well as possible alternative routes and bridges leading from the past to the future, through important socio-economic change. Much space is given to models of rural development and problems of the rural population, particularly those seen through the perspective of breaking the soviet symbiosis of two main types: collectivisation and de-collectivisation.

The authors refer to historical reminiscences and the region's experiences including Russification, ideological indoctrination, restriction of personal freedom, censorship, political control, experienced less dramatically by people living in villages for various reasons (which will be referred to below). The authors show the complete process of restructuring the public sphere, the redefinition of symbolic boundaries of what is private and public. The book analyses the legalisation of religion which brought with it deep and unexpected changes in the power structure, by confronting in peoples' minds different symbolic worlds which brought new views on past and future, new dreams and needs (Ruutsoo, chapter 3). It mentions many aspects of local historical memory, seen through its structure: constructed and reconstructed and through its reasons and consequences.

The book consists of eleven chapters, including numerous tables and figures, national and international surveys and statistics, as well as the authors' research results. Numerous aspects of post-socialist transition in

Estonia, Latvia and Lithuania are mentioned. This is the result of research work of representatives of various disciplines and academic centres in Estonia, Finland, Lithuania and Latvia. Compared with other publications on the Baltic States' transformation, this book delivers more critical analyses of the transition processes in this region. The main criticism refers to the international model of transformation (World Bank recommendations – regarding speed, strength and direction of processes of transferring resources from collective large-scale farming to family farming). As a result it gives a comprehensive picture of structural change from a Soviet-type society to a capitalist market economy with many consequences on various levels of organisation. Another feature of this publication comparing it to analyses on this issue is the style of debate. The reader will find many important questions (and sometimes answers), and will surely have many more questions in mind than before reading this book.

The authors show the transformation process through analysing certain stages and their characteristics. Among them, there is a discussion on the "awakening phase" and the "transformation phase," followed by a debate on privatisation (Nikula, chapters 4 & 5, with the issue of the necessity of building "generalised trust"), privatisation of companies and integration into the capitalist system. The role of the social history of collective farms in the Baltic States is here also clearly underlined (Ruutsoo, chapter 3).

The authors share the observation that these transition processes, although being similar in character in the three countries through their different socio-cultural and historical context had different results, shaping different structures in the Baltic countries, developing in different directions and at a different speed. Hence, neither the reasons for change, nor the effects can be analysed without taking the multidimensional context and cultural heritage into consideration (its important roots are shown as rural traditions). The authors discuss the broad frames of change presenting shared and specific features of the three societies (Alanen, chapter 2; Nikula, chapters 4 & 5) and their historical and cultural backgrounds. They mention numerous common features like 18th century shared history (when the countries were part of the Russian Empire), the experience of collective and state farms (forced unification system, the experience of the Stalinist attack on social institutions of civic culture) and the western cultural orientation of the Baltic nations caused shared limitations, and differences (Estonia's close cultural ties with Finland) and its strong influence as innovations including innovations in agriculture.

It is also interesting, in terms of rural background, that the three Baltic States not only share similarities but also differ significantly (the rural communities of Estonia, Latvia and Lithuania having very different political and social histories). We can agree with the authors in stating that

differences among the Baltic States in the broad sense, have their roots in the countryside and agriculture. Although the role of peasant culture has a different character in each country. For example, two Baltic nations Estonia and Latvia have a considerably longer modern tradition than Lithuania which has a more peasant way of life and more space for private farming.

The debate opens the criticism of the World Bank transformation concept (Alanen, chapter 2), providing arguments regarding the reason for the failures of de-collectivisation (top-down principle in politics, no regard of the opinions of the agricultural population, and that politics has been too firmly anchored in the family farm system as the ideal organisation of agricultural production). Instead of maximal utilisation, the doctrinal policy of de-collectivisation has led to vast amounts of material and human resources being ruined. The author argues that the World Bank has a conceptually wrong approach (family farms, individual farms, peasant farms are treated synonymously, as a category of non-collective enterprises to make an opposition to corporate farms, but the concept of collective farms also includes kinds of stock-holding companies, cooperative farms based on employee ownership). Indicated by the World Bank adopting family farming – a transformation from collective to individual agriculture became an ultimate goal, and finally adopted by Baltic countries as their own. The ways of adapting were however different. The debate on the right or wrong concept of the WB is quite a refreshing voice regarding views on what happened in the Baltic States during the transition. Valuable remarks refer to the conceptual details of the World Bank model (definitional confusions, plans based on hope e.g. household plot farming were expected to constitute the basis for a new kind of individual farming).

There are important remarks about the people's and the government's voice regarding change. Alanen (chapter 2) stresses that in Lithuania decision making was in the hands of a centralised, national organ, whereas in Estonia and Latvia there were local reform commissions, composed of the management of local kolkhozes and sovkhoses. In both cases "de-collectivisation involved widespread anarchy and lawlessness." Neither the authors nor the readers have any doubt that successful transition to family farming requires that a significant part of the labour force as well as the land and non-land assets of Soviet farms be transferred to family farming and the government support proper policies.

A valuable virtue of this book is the way the authors ask difficult but essential questions, such as: what is the role of household plots in applying the WB model, and why is the path from the household plot heritage to family farming so difficult?, or – to what extent have people established enterprises that on the basis of their external characteristics might be considered technologically advanced family farms in zones between household

plots and large-scale farming? Another – to what extent has the family farm project turned into a household plot project, but also or at the same time into a poverty production project? (Alanen, chapter 2). Answers will probably come with time and further deep studies.

What is convincing when reading this book is its objective approach and considering, despite the criticism of the affixed WB model, the factor of the “unexpected effect.” The de-collectivisation processes varied widely among Soviet farms in these countries in strength and effect, sometimes big farms were broken down into nonviable pieces, while in other cases an average Soviet farm might develop into one of the most successful agricultural enterprises in the country. Among numerous essential factors, which is strongly underlined by the authors, is the role of education and the special place of the middle class in preserving the resources and transferring them to the private sphere (Ruutsoo, chapter 3). It has been indicated as a reason for the Estonian success in preserving technological entities – which became apparent in the continuity of large-scale production, was strictly connected to the middle class which was educationally and socially strong enough to break the hegemonic, anti-large-scale production view of national government, to come up with ideas for large-scale agricultural enterprises based on the Soviet farm and its technological units, and at the same time capable of forming shareholder alliances to finance the purchase of major lots, especially, as Ruutsoo stresses Estonia had a more active tradition of civil society than the other two states.

A significant part of the book covers the analyses of social problems and the consequences of processes of transformation and privatisation resulting in numerous complicated and sometimes negative issues such as social **anomie, conflicts, corruption, poverty** (Alanen, chapter 2; Ruutsoo, chapter 3; Nikula, chapters 4 & 5, Granberg, chapter 6) and their various effects on certain social groups. Ruutsoo examines an especially important question: why do the communities in the countryside, despite their critical role in the Baltic (Singing) Revolutions of 1987–1990 appear to be the losers? He proposes looking for the answer between two broad perspectives of analyses, speaking about the importance of 1988–1990 social movements in the Baltic States to revert to the social effects and people’s reactions to change – such as withdrawal, ritualism, rebellion and innovation. All these types of behaviour were noticeable in the Baltic countryside (there was a high crime rate, a high suicide rate, a high rate of alcoholism, and a high rate of rebellious and aggressive behaviour). But even with such a broad and detailed approach the answer to the question “why are country people the losers?” could not here be fully argued or clarified.

The processes of collectivisation and de-collectivisation certainly were to shape the mental and economic basis of the so-called national collective

scheme and its abolition. The authors analyse the process of collectivisation with all the negative factors, indicating its numerous roots like "unclean incorporation" into the communist party (bribery for party membership to meet the recruitment plan), as well as ways of quitting the party and complex difficulties of the de-collectivisation process.

Ruutsoo makes an important point in his remark regarding undermining the well grounded symbolically named feature of the Soviet economy in the agricultural sector "collectivisation" and "collective." He openly calls it pseudo-collectivist (not a real collective scheme). There is clear criticism in the approach that cooperative farms were a shared social world where private became public and public became private. The authors mention the example of activation of cultural participation – in Estonia collective farms started sponsoring cultural events, musicians, competitions for best poems on rural life, the environment etc... First it was planned to strengthen the role of the collective model, then even government sabotaged these actions as these popular movements could form a new leadership and develop local solidarity. From the government point of view the social dimension of collectivisation was subordinated to the economic, say the authors. The main doctrine – the bigger the better – was reflected in creating a so-called universal common culture, in mass industrialisation and concentration of agricultural production.

Further, the authors bring to the readers' attention some of the historical experiences connected to the Bolshevik stigma "kulaks" and then that of "red barons," not to find any shared features, but to recall the constituting of local history and elements of local mentality regarding the question of identity.

Another important issue is indicating the role of education in this politically and economically complicated period of time. When referring to the social capital concept (mentioning the important role of education) Ruutsoo indicates the dependency of people's involvement in civic and corporate life and the organisation of society and the country's success in development. The authors show the differences between the three Baltic States, despite heavy standardisation and state interference in terms of mobilisation and participation of people in the associations of the voluntary sector. The authors mention numerous examples showing that the biggest gap in association membership and education existed in the countryside and due to this low level of social organisation and mobilisation the countryside could not play a leading role in the "awakening stage" of transformation nor could it make optimal use of its effects. Despite the special role of education and technical advancement (Alanen, chapter 2) the authors stress the meaning of contacts with Western culture. Despite the special influence of external factors in Latvia and Estonia and especially Lithuania, the authors

show the role of tradition in continuing the small family farming programme.

The readers are also challenged with another interesting question (despite the WB positive answer): can the cost of transition be justified and can this kind of damage, including human suffering, be acceptable as the unavoidable price of progress? Many changes touched the deeply economic, social and cultural sphere and many spheres now need salvation steps to keep functioning. But most local communities are left alone with these worries. In other words, the question is: was there a better way of organising the transformation? Although the sphere of government policies has expanded and new institutions have been established, access to them and their effectiveness is not guaranteed (Stanikunas, Kriciukaitiene and Zemeckis, chapter 7). There is also an important question regarding agriculture – how far were the agricultural companies able to find new resources from anywhere during the decollectivisation and how far were the privatised companies able to make use of the resources, technology and know-how they had inherited from the socialist economy experience? (Alanen, chapter 2).

We read about the need for new solutions, new types of activities, new types of companies in rural areas, new forms of rural entrepreneurship – to establish non-agricultural enterprises and new businesses (Nikula, chapter 4), to solve the problem of the agricultural labour force and their continuing the household plot tradition of “subsistence producing” (Stanikunas, Kriciukaitiene and Zemeckis, chapter 7). Although, as has rightly been pointed out, the conditions of adaptation for agricultural and non-agricultural enterprises are different matters, in both sectors there are deficits when speaking about relations to the market – of skills or knowledge about improving quality, the need for meeting customers’ expectations and about successful marketing. But the importance of generating non-agricultural sector employment in rural areas is presented here as an important issue. Rural tourism is given as an example, that if developed in a more organised way (considering high quality natural resources, the author indicates the necessity of developing a network of formal institutional support – exemplifying it by Finnish practice) could become an important sector of rural employment (Granberg, chapter 6). With regard to the multifunctional solution of rural tourism in the countryside, we notice with interest, the author’s remark about rechecking whether traces of neo-romanticism can be observed in the language of rural tourism entrepreneurs and authorities (understanding the role of nature, including the emotional, scientific and philosophical dimension) or if they are just seeing it as hard financial market mechanisms. The author calls for the investigation of this issue in many perspectives: in relation to nature, localism and rural-urban relations,

to conclude – on all its chances, despite the social and environmental effects of learning about participation in building a community in the framework of a free market economy.

The authors disclose that de-collectivisation involved a great deal of uncertainty, pressure, the abuse of power, secrecy, anarchy and rivalry between different actors and alliances in all the Baltic countries. Many of these problems are complex (difficult to be prescribed to a certain single ideology or event) and then difficult to judge (Tisenkopfs & Sumane, chapter 9). Hence not only chances given by transformation are here discussed. The failure of transition policies is broadly reflected in the shape of problems of disintegration among the rural population, poor work ethics, administrative inefficiency and corruption (Nikula, chapter 5), the exclusion of many people from working life (Alanen, chapter 2; Kamarainen, chapter 8; Hannson & Marin, chapter 10), subsistence production (Stanikunas, Kriciukaitiene and Zemeckis, chapter 7; Alanen, chapter 2), unemployment and poverty (Kamarainen, chapter 8; Tisenkopfs & Sumane, chapter 9; Alanen, chapter 2).

However, not only the opportunities and failures of the transition in the Baltic area but also the current **needs** and proposals of these societies are discussed (Nikula, chapter 4 shows the importance of government regulations, the immaturity of existing institutional regulations), e.g. developing new types of entrepreneurship (Granberg, chapter 6), construction of social national identity and developing a community and the role of the church in these processes (Ruutsoo, chapter 3). Nikula (chapter 5) indicates networks, skills and trust as the necessary ingredients for developing rural entrepreneurship in the Baltic countries. Ruutsoo, speaking especially about rural communities brings to the readers' attention the necessity of restoring trust between individuals and of national self-confidence (at both local and national level). The next step towards the modernisation of societies was in the author's opinion the organisation of associations. In all three countries the radical reform of agriculture was part of the overall goal to create a free market economy. Some new needs are built on the fact that in this process of destruction (de-collectivisation as the destruction of social networks, structures and systems which were so crucial to the survival of the industrial complexes) something new was created – a group of private, small, non-agricultural enterprises (construction firms, sawmills, machine-stations somehow connected to kolkhozes and sovkhoses but also private ones). The new agricultural production systems evolving in Estonia, Latvia and Lithuania and essentially their new rural structures are thus primarily the outcome of national agricultural decollectivisation policies. The Estonian model "the middle class large-scale production project," the Latvian decollectivisation author calls "the unintended small-scale production project"

and Lithuania "the enforced World Bank project" (came closest to the ideal recommended by the World Bank solution – the effective family farming system, the reform resulted in a smaller number of potential technologically advanced family farms than in any other Baltic country, the greatest number of elementary household plots mainly used for family subsistence farming, a marked reduction in productivity levels and the deepest rural poverty) are here analysed in detail. Nikula – analysing the strategies of adaptation of former Soviet industrial complexes and the nature of the socialist economy (chapter 5), stresses that the result of industrial privatisation was not the spontaneous rebirth of the capitalist class or the middle classes, but rather a politically guided process. Whatever kind of planning was involved in the past, the social structure has been reshaped, once after Stalin's regime collectivisation and then through decollectivisation. In those circumstances the hope of social participation is based on the expectation of people's will and strength to be involved in the decision-making processes at local level (Alanen, chapter 2; Tisenkopfs & Sumane, chapter 9).

Although the so-called "Soviet collective farm model" was universal in the economic-administrative structure in all three Baltic States, it is certain that the kolkhoz and sovkhos models in Estonia, Latvia and Lithuania were not the same entities in socio-cultural terms. Considerable differences are observed in this region between the rural and the urban populations, as is underlined by the authors. Anti-Soviet mentality in towns was weaker than in the countryside, but at the same time the social mobilisation level was weaker. The reawakening of the villages was essentially due to networks and personal contacts with intellectual circles in towns. The Baltic rural communities isolated from Western trends and affected by the historical-ethnographic shaping of socialist culture suited the conservative tendencies of country people. Song and folk dance festivals, traditional music days etc. were, despite being a part of Soviet political mass culture, much in tune with a popular model of entertainment, which made repression more tolerable.

The social effects of de-collectivisation cannot be univocally evaluated even today. But in transition time they changed the social structures in all possible ways, often surprising even the policies' authors. While most of the "collective economic units" got "dissolved" many kolkhozes remained islands of relative stability for quite a while in a disintegrating system and sometimes maintained the capacity to operate as autonomous territories. What is important for today's economy is that it created a class of agricultural specialists (agronomists, veterinary surgeons, technicians, cultural officers) and was effective in creating a new generation of technically advanced views and knowledge regarding industrial agriculture.

The Baltic States are portrayed in this book as being a window to the West for Central and Eastern Europe, and for the West European Community they were and still are a window to the Eastern part of the region. The debate in this book represents an interesting approach where readers will find very detailed information about structural changes in this region based on statistics as well as suggested interpretations of the region's history and proposals of solutions to complex problems. The analyses range from the broadest political issues of recent times to remarks on the role of romanticism and nostalgia in shaping new frames for entrepreneurship. A connection is pointed out between economic data and cultural effects (socio-cultural integration financed by the communist party, followed by communist planned social disintegration preventing deep integration and solidarity), in urban as well as rural areas.

Although providing the World Bank transformation model's criticism the authors express the fact that no national or international institutions could predict all the consequences and, more importantly, prepare proper responses for all types of results to make the most of the transition changes, without seeing the really experienced effects. Although, even then, the authors emphasise, the voices and opinions will vary and a deep, honest and detailed debate can have tremendous significance for the further development of this region.