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## REGIONAL DIFFERENCES IN TRANSFORMATION OF CZECH AGRICULTURE AFTER 1989

A. Götz: *Regional Differences in Transformation of Czech Agriculture after 1989*. – Sborník ČGS, 99, 2, pp. 93 – 100 (1994). – Two main traits characterize the Czech agriculture after 1989: decrease of agricultural production connected with the fact that a half of active population has left agriculture and then transformation of holder relations with view to property restitution to persons that lost lands and property in the years of collectivization. The article deals with regional differences in the process of both phenomena and tries to explain them.

KEY WORDS: transformation of Czech agriculture – development of agricultural production in the Czech Republic – privatization of the Czech agriculture.

### 1. Introduction

The year 1989 was a turning point which in the modern history has for the Czech agriculture by its importance no analogy since the time when serfdom has been abolished in the past century. Transformations are going on both in property relations and in agricultural production.

Up to 1989, the former Czechoslovakia was a country with the most socialist agriculture in Central Europe. In the Czech republic, state and cooperative farms worked on 3,166 thousand of hectares, that is 98.4 % of arable land (the total being 3,219 thousand hectares). In the same time, ploughing away of balks and further putting together of plots caused that the area of individual plots overpassed 1 sq. km which menaced the arable layer by erosion. Barns for cattle assembled some 200 heads in average.

Although crop and cattle yields went growing, they did not usually reach the level of developed countries. Besides traditionally exported products, a more important success was reached only in growing rape and in breeding poultry.

Up to the beginning of nineties, Czech farmers were stimulated by the state to produce more and more in all regions and that in spite of the fact that the former Czechoslovakia was self-sufficient in all basic aliments and agricultural products that can be produced in temperate zone, with the exception of sheep wool, sea fish and some components for fodder mixtures. The state planned large exportations to East Europe, mainly to the former Soviet Union. Czechoslovakia was loosing its positions in the traditional export commodities as hop, malt, beer, sugar, and sugar exportations, once very important, had practically ceased.

### 2. Agricultural production

The law protecting agricultural land was very strict and it was practically impossible to use agricultural, and especially arable land, for other than agricultural purposes. The state stimulated also farming under bad natural conditions (higher altitude, slopy plots, infertile soils, regions affected by emission of noxious substances, water protection re-

gions, etc.) by providing differential contributions. The state added, to the market production of agricultural enterprises, a bonus growing proportionally to the disfavoured conditions, that in the worst regions reached as much as 94 Kčs per 100 Kčs of market production, in Slovakia even 111 Kčs. If then farmers sold cereals for 100 thousand Kčs (all the cereals were bought by the state), they obtained in the regions with the worst conditions other 94 thousand Kčs from the state because of this differential bonus. Only these bonuses represented annually 8 milliards of subventions. The total annual subventions directed towards the agricultural and alimentary production reached before 1989 about 80 milliards of Kčs. In the same time, the rough agricultural production without subventions was in the whole Czechoslovakia about 120 milliards of Kčs. Although the agriculture was based on large scale production forms (collectivized farms of kolkhoz and sovkhoz type with 5,000 ha of agricultural lands in average), the productivity of labour and the rentability of production in the agriculture were relatively low. It was due to the fact that too many people were active in agriculture. Although "collectivization of production relations" was practiced in the fifties and many people left agriculture for industry, in the eighties, there were always to many people working in agriculture. They were many persons employed in the administrative bodies of cooperative and state farms (each of these collective farms had its "personal department" with agenda covering activities of each worker). Besides, a great number of active population worked in repair service of improductive machinery, in storage and processing of agricultural products, etc.

The Czech farmer feeded thus at the end of eighties some 19 inhabitants (100 in Britain and 97 in Belgium). At present, the number of people working in agriculture decreased to 300 thousand, that is a half of the number of five years ago, and a further reduction up to 250 thousand is planned during the three years to come. It means that one farmer would feed about 40 inhabitants. In the regional perspective, the decrease is adequate to the reduction of the agricultural production. The reduction of the number of farmers is the highest in the western border zone going from Tachov via Ore Mountains to Liberec in the North of Bohemia. In Moravia, the reduction of farming population was very slight, and that not only in lowlands, but also in the mountainous region on the border with Slovakia (the Beskids) where private farmers were most numerous even before 1989. Unfortunately, population active in agriculture is decreasing even in Czech lowlands (Elbe and Ohře Basins) where agriculture should be stabilized.

The transfer of farmers to others sectors should not cause depopulating of villages. The fact that 300 thousand farmers succeeded to find job outside agriculture is an agreeable surprise. Former farmers represent only 9 % of unemployed, which witnesses of adaptability and skill of rural population.

In the last years, agricultural production is constantly decreasing approximately by 7 % a year. In spite of that fact, the Czech agricultural production is excessive and every year there are surpluses of alimentary products that the exportations are not able to pass away, even when the exportations to Western Europe are growing every year.

A differentiation can be expected in the territorial organization of the Czech agriculture. The proper agricultural production will be concentrated, or eventually will increase, only in fertile and rentable regions. On the other side, extensifying of submountainous regions will continue. Farmers in these regions will be stimulated by a sum of 4,000 Kč for each hectare transferred from arable land to meadows and pastures if anyway grassland will be maintained on place for seven years. Herds of cattle bred for meat and not for milk production should pasture on grassland in mountainous regions. In Czech conditions, sheep breeding did not develop in a larger extent in mountains. Wool of races bred in the Czech Republic has a low quality and to be processed, it must be mixed with imported wool.

The attached map shows the decrease of agricultural production according to districts in the years 1989 - 1992. In this period, the agricultural production in the whole state got reduced by 22 % (index 1989 = 100) as shown by the following table.

Table 1: Agricultural production

Year	Gross agricultural production		Production per 1 ha of agricultural land (in Kč)	
	Total	Crop production	Total	Crop production
1980	99,448	38,231	21,867	8,851
1985	104,282	44,705	24,361	10,443
1989	108,633	44,964	25,537	10,506
1990	106,143	44,417	25,993	10,459
1991	96,683	43,072	22,845	10,177
1992	85,008	35,751	20,100	8,453
1993	84,297	38,046	19,682	8,883

Note: 1) The two first columns are given in millions of Kč  
2) In constant prices of the year 1989

The map of development of agricultural production per 1 ha (determination of numeric interval was not possible, as the so-called constant prices were newly determined in that period) indicates that limitation of production does not develop regionally in the expected way. In higher altitudes, as it was already said, the production is supposed to decrease because of poor effectiveness of agricultural production after elimination of the mentioned "differential subventions". On the contrary, the production should stabilize in lowlands and in proximity of big agglomerations.

Up to now, the reality is nevertheless different and shows the lack of adaptability to the market demand. The production continues to fall down even in lowlands, as it is evident in the Central-Bohemian part of the Elbe Basin or in the southern part of Moravian lowland of Haná. Agricultural production continues to decrease also in the neighbourhood of the majority of big cities with the exception of Prague, where farming is

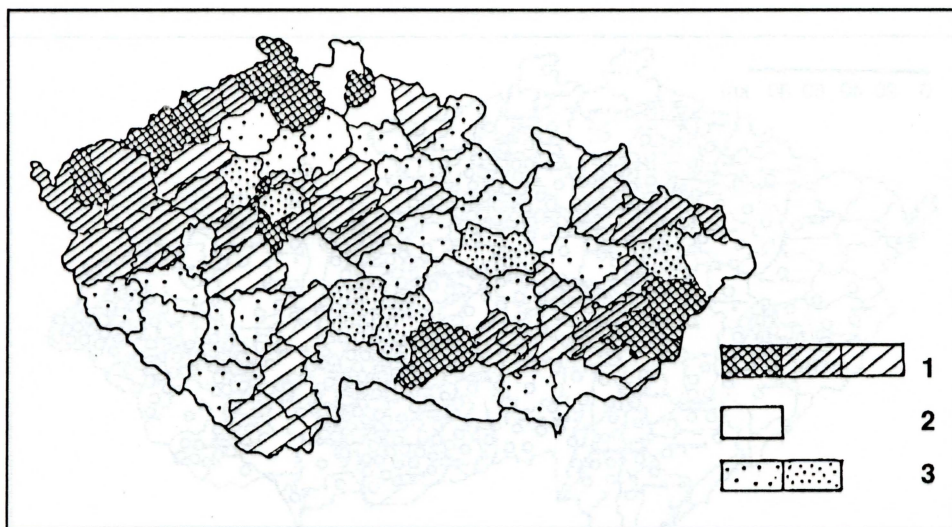


Fig. 1 - Development of agricultural production 1989-1992. 1 - decrease of production, 2 - stagnation, 3 - increase of production.



however only limited. But in densely populated Northern Bohemia, the agricultural production has fallen the most of the whole state territory even if this region is deficient and basic aliments must be imported.

As to the mountainous regions, the agricultural production has got reduced only in the Beskids, but not in the Krkonoše, the Šumava and the Jeseníky. The total regional image of three year development of agricultural production is confused, larger regions of the same trend cannot yet be determined.

Interesting is also a comparison of productivity of labour (1992) measured by the level of agricultural production per one permanent worker in agriculture. It was already said that it is low in comparison with other countries. It is nevertheless sensibly growing every year and it represents now approximately the double of that before 1989. It is the highest in Eastern Bohemia and in Haná Lowland, but low in Western Bohemia, where the farming population is not much numerous but where the agricultural production has decreased even more, disproportionally to the decrease of farming population.

As far as the production structure is concerned, crop production is supposed to develop and cattle breeding is likely to stagnate. Farming near towns was not sufficiently developed. Especially North Bohemian towns and the region of Ostrava are underdeveloped in that sense. In mountainous regions, the role of farming is not to produce but to safeguard cultural state of country landscape. Especially in protected regions, farmers have to protect meadows and pastures from timber flying in, from wetting, etc. The attached map number 5 shows differentiation of regions according to presupposed evolution of farming (development regions, stagnation regions and regions of agricultural production damping).

### 3. Social relations in agriculture

Before 1989, private farmers were only scarce. They farmed only 1.3 % of arable land. After forced collectivization in the fifties, private farmers were forced by different ways to transfer their lands, machinery and buildings to state farms of sovkhoz type and to cooperatives of kolkhoz type.

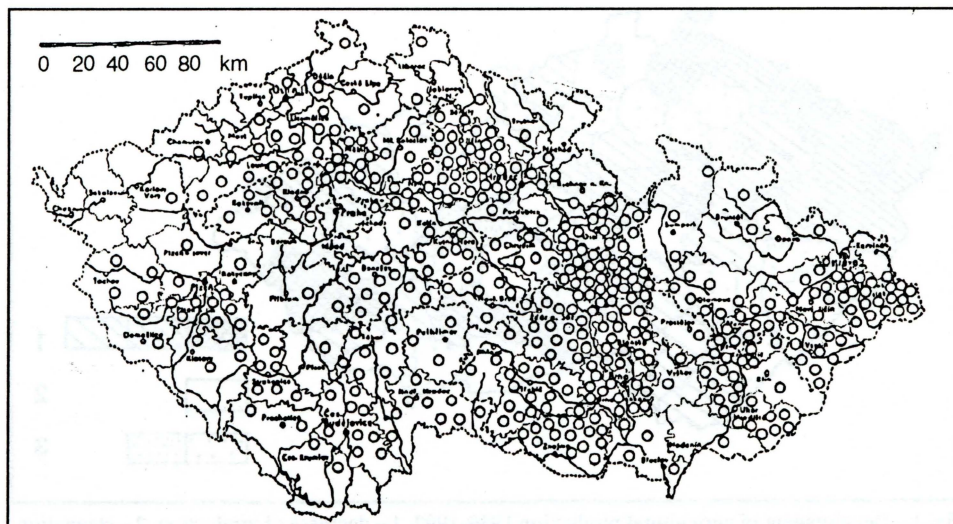


Fig. 2 - Private farming 1993. One dot = 100 private farmers (30.9.1993).

In such cooperatives, they were paid not according to introduced means and capital (soil, stables, cattle, machinery) but only for their work. The introduced capital ceased to be differentiated in relation to the initial holder. This most rigid collectivization of farming has no parallel in other cooperative forms of farming.

The total majority of private farmers worked in disadvantageous mountain regions of Slovakia and in North-Moravian mountains of Beskids where the population is, by its way of life, more tied to near Poland where collectivization was not practiced.

In the end of 1993, private farmers worked already on 17 % of agricultural land. The attached map shows the absolute number of private farmers. Regional differences in private farming are nevertheless considerable and oscillate, according to districts, from practically zero to 50 % part on agricultural land. They are more numerous in Bohemia than in Moravia which is due to a more rapid process of restitution (handing back of property to former holders). There is not much interest in private farming in hilly regions and surprisingly also in some lowlands in Moravian districts with a high fertility of soils (northern part of Haná and Dyje-Svratka Basin). No significant increase is to be expected, especially when the average size of private farms is very small. In the majority of districts, it does not reach 10 ha and only in the region of Břeclav (the most southern lowland Moravian district) it overpasses 30 ha. Responsibles of agriculture consider nevertheless that viable farms should have at least 50 ha of agricultural land.

It is probable that most frequently, land will be farmed by societies created by transformation by former cooperative farms of Soviet kolkhoz type. The majority of them have transformed into cooperatives of holders. Those cooperatives were constituted by transfer of lands of persons to whom lands and other capital were restituted into transformed cooperatives. Today, this type of cooperatives farm 54 % of agricultural land.

Problematic is transformation of state farms of Soviet sovkhoz type. In border regions, they represent a great part (even 90 %) of soils, as under the former regime

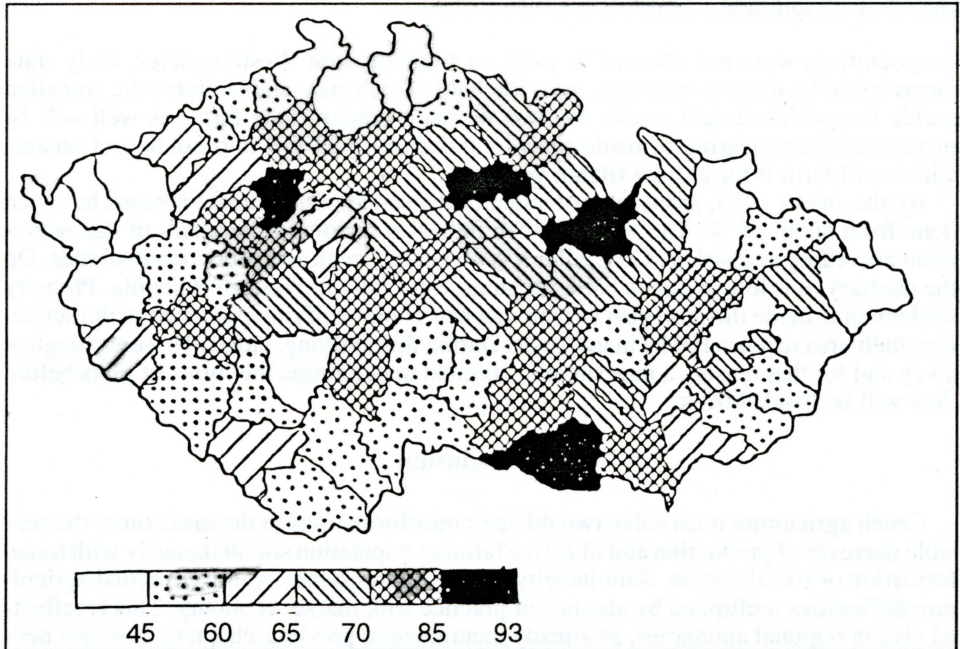


Fig. 3 - Restitution of agricultural land and property 1993. Share of persons legally entitled to regain property, to whom their property has been already passed from cooperatives (in % as to 30.9.1993).



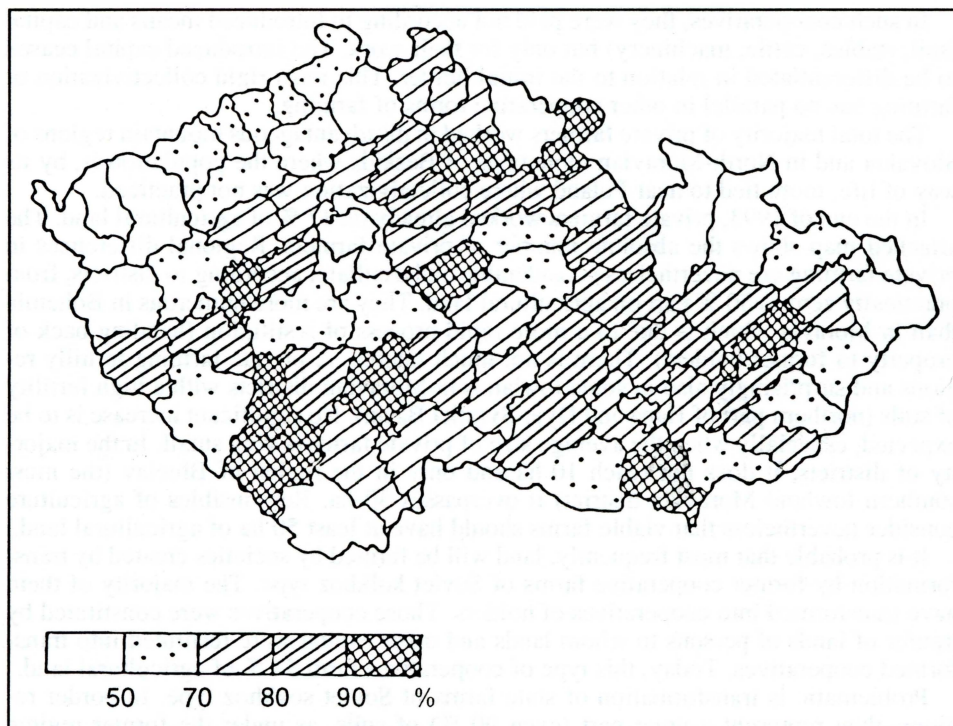


Fig. 4 - Transition of social relation 1993. Share of private farmers and transformed agricultural cooperatives on the agricultural land (in % as to 30.9.1993).

cooperatives were not allowed to work on frontiers with Western states. Only state farms could be there to maintain, with the help of rich state subventions, the so-called arable line which should be unable to cross the state border. State farms as well will be privatized after covering of restitutions by transmitting of soil into holding of tenants which will farm it for at least fifteen years.

By the end of 1993, property settlement of the so-called legitimate persons has been done from about 66 %. The attached map indicates regional differences of this settlement according to districts. Generally, it is higher in Czech and Moravian lowlands. On the contrary, it is low in Czech border regions, especially in Western Bohemia. Property settlement is made difficult also in consequence of plot unifying practiced in the seventies: their area reaches 100 ha in lowlands. During this unifying, plot balks were ploughed away and for that reason, a new survey is needed to determine the limits of plots before they will be handed back.

#### 4. Conclusion

Czech agriculture must solve two difficult transformations in the same time: the sensible decrease of production and of active farming population simultaneously with transformation of social system. Simultaneity of both circumstances causes to actual agriculture difficulties multiplied by absence of practice with market economy. This is reflected also in regional anomalies, as already mentioned in previous chapters. It seems nevertheless that the tendency of development is crossing obstacles towards the supposed stability.

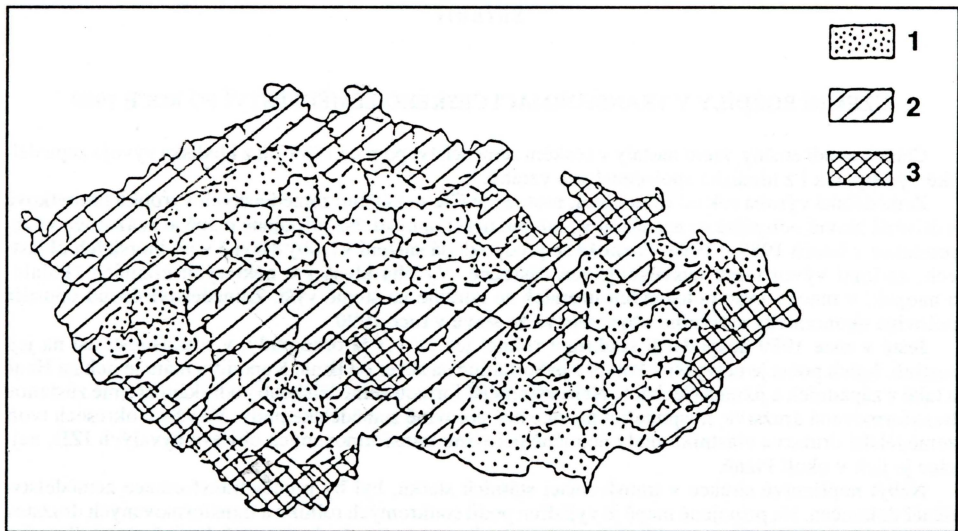


Fig. 5 – Prognosis of agricultural production: 1 – intensive farming in future, 2 – stagnation, 3 – extensification or decrease of production.

However, it is in the first place necessary to maintain farming in the Elbe Basin, in the neighbourhood of Ostrava and Plzeň and in Northern Bohemia at the present level. On the contrary, a sensible reduction of production is to be expected in hilly regions, including Bohemian-Moravian Uplands.

In the European context, no more important changes can be expected. Protectionist policy which would unbalance importations of cheap fruits and some other crops would meet obstacles from the part of West-European countries, as the Czech Republic wants to quickly adapt itself to the European Union. On the contrary, an increase of exportations can be reached only by an amelioration of quality of Czech traditional export commodities or by gaining new markets in the East.

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## ÚZEMNÍ ROZDÍLY V TRANSFORMACI ČESKÉHO ZEMĚDĚLSTVÍ PO ROCE 1989

Článek uvádí změny, které nastaly v českém zemědělství po roce 1989 jak z hlediska vývoje zemědělské výroby, tak i z hlediska společenských vztahů.

Zemědělská výroba rok od roku klesá, protože je ČR ve většině zemědělských výrobních přebytková a dřívější hlavní odbytiště se nacházejí v platební neschopnosti. Na připojené mapě je znázorněn vývoj produkce v letech 1989 - 1993. Přestože se předpokládá snížení výroby hlavně v podhorských oblastech, zatímní vývoj tomu nasvědčuje jen částečně. Výroba klesá i v některých nížinách (Polabí) a naopak, v mnoha výše položených územích se udržuje na stejné výši. Zemědělství dosud opustila polovina ekonomicky aktivního obyvatelstva ze stavu v roce 1990.

Ještě v roce 1989 hospodařili soukromí rolníci jen na 1,3 % orné půdy, v současnosti asi na její šestině. Jejich počet je nejvyšší v Polabí a pahorkatině na sever od Brna. Kupodivu málo je jich na Hané a také v západních a jižních Čechách. Nejrozšířenější formou zemědělského podnikání zřejmě zůstanou transformovaná družstva, hospodařící na více než polovině zemědělské půdy. Ve všech okresech tvoří zemědělská družstva vlastníků půdy nejméně polovinu transformovaných objektů bývalých JZD; nejvíce je jich v okolí Plzně.

Nebýt nepříznivé situace v transformaci státních statků, byl by proces transformace zemědělství téměř dokončen. Na připojené mapě je vyjádřen podíl soukromých rolníků a transformovaných družstev na zemědělské půdě. Tento podíl překračuje polovinu půdy ve všech okresech kromě západního cípu Čech, oblasti Jeseníků, okolí Prahy a individuálně dalších čtyř okresů. Naopak, alespoň z 80 % je transformace provedena na většině plochy jižních Čech, dále v severní části Polabí, na Českomoravské vrchovině a na Hané.

Souběh dvou nepříznivých okolností, a to nutnosti rapidně snížit zemědělskou výrobu a počet zemědělsky aktivního obyvatelstva a přitom se vyrovnat s majetkoprávními otázkami držby půdy, způsobil v zemědělství řadu potíží, zvláště v regionálním pohledu. Nejhorší situace je zřejmě překonána, ale i v budoucnu bude zemědělství druhořadým hospodářským odvětvím.

Obr. 1 - Vývoj zemědělské produkce 1989 - 1992: 1 - pokles produkce, 2 - stagnace, 3 - vzrůst produkce.

Obr. 2 - Počet soukromých zemědělců k 30.9.1993. 1 kroužek = 100 soukromě hospodařících rolníků.  
Obr. 3 - Restituce zemědělské půdy a majetku. Podíl oprávněných osob, jejichž majetek byl již předán z družstev (v % k 30.9.1993).

Obr. 4 - Změny sociálních vztahů. Podíl soukromých zemědělců a transformovaných družstev na zemědělské půdě (v % k 30.9.1993).

Obr. 5 - Prognóza zemědělské výroby. 1 - intenzivní zemědělství v budoucnu, 2 - stagnace, 3 - extenzifikace nebo pokles výroby.