

REPORTS AND BOOK REVIEWS

RURAL EMPLOYMENT AND RURAL REGENERATION IN CENTRAL EUROPE

The research project "Rural Employment and Rural Regeneration in Central Europe" was carried out in four Central European countries: Poland, the Czech Republic, Hungary, and Slovakia. The chief coordinating institution was the University of Liverpool, the national coordination centre was the Research Institute for Agricultural Economics and Food in Bratislava under the direction of G. Blaas. The research was financed by the European Commission within the COST/Copernicus programme.

The research took as its point of departure the expectation that in all transforming countries after 1989 a process of problematic change would be set in motion which must be analysed and understood, and the findings used to propose recommendations for the regeneration of rural areas in Central Europe. The research work undertook to cover a broad spectrum of problems associated with rural development. It focused on the problems of employment and unemployment, and changes that were taking place within the framework of agriculture and outside it, which reflect new socio-economic phenomena associated with the post 1990 transformation.

The research took as its goal to document and analyse the current state of rural areas, to understand the processes taking place in rural areas of Central Europe after the introduction of the market economy, and to identify the socio-professional groups which are the motor for socio-economic change.

Within the framework of the research, background papers were written in which were analysed the socio-economic situation of each country, the economics of agriculture, market characteristics, the vertical integration of the food economy, support for agriculture, unemployment, social care, social policy, local policy, and the transformation of agriculture. The next phase of the research was data collection in the form of case studies.

The qualitative research took the form of in-depth interviews with respondents, continuing over two phases in 36 selected communities in Central Europe, nine of them in Slovakia. In-depth interviews were carried out for the first time in 1993, and they were repeated at the end of 1995 and the beginning of 1996. The selection of villages, where the research was conducted, was by means of typology prepared in advance. The typology identified three types of region:

Core regions – regions with a developed infrastructure and good job opportunities.

Industrial periphery – regions where industrial production went into recession after 1989.

Peripheral regions – regions where agricultural production predominated and where the economic and social infrastructure was weakly developed.

The research team selected 9 Slovak villages according to the afore-mentioned typology, in which semi-structured interviews were carried out on the basis of an 'aide memoire' of research questions. On the basis of the data collected studies were written which also included information from various documents (village chronicles, monographs, company documents, etc.)

The qualitative research took as its subject three cross-sections in the historical development of the village:

1. the period before 1948, examining employment, farming, economic, ethnic, and religious characteristics typical of the village to 1948;

2. the period of socialism from 1948 to 1989, where the primary concern was on farming, employment in the village, commuting to work, community life, and the creation of large-scale production in agriculture;

3. the period after 1989, with a particular focus on the collection of information about changes after 1989 in the area of employment, community life, transformational changes in agriculture, the creation of a private sector, small and medium-sized enterprises at the local level, local policy, and development policies at the communal level.

Within the framework of the problematic of agriculture, the research followed the transformation process, the transformation of cooperatives and state farms, relations between primary producers and suppliers and purchasers, a decline in employment in agriculture, and the direction of this labour to other spheres of the economy. Part of questions concerned the investigation of new legal forms in agriculture, the existence of pluriactivity, and relationships between producers and banks. The subject of interest was not only the possibility of getting loans, but also whether or not producers are becoming subordinated within a vertically integrated food industry.

The questions concerning non-agricultural employment in the village and entrepreneurship outside agriculture were directed towards the creation of new entrepreneurial activities. One of the important questions was the basis for starting in business: whether the stimulus for new entrepreneurial activities was the loss of a job or whether they were created on some other basis. In the area of community life, interest was directed towards the mapping of the current situation in the area of infrastructure and services. This part involved questions concerned with the problem of succession in the region of social care (many socially-oriented activities carried out in the past by agricultural cooperatives could not be preserved). We were interested in whether these activities had been taken over by the commune or any other body. The last section included questions directed towards local policy, the composition of local government, the influence of political parties on the work of local councils, existence of local policies and strategies in the village, and the priorities of development programmes.

Case studies of nine villages were elaborated on the basis of the interviews with key figures in the local community and an analysis of the documents relating to each village. The research was repeated in 1995-1996 in the same villages. The data from the qualitative research were processed to create a database in each participating country.

A wide-ranging survey was carried out in 1994 and was repeated in 1996. The sample consisted of 1,040 respondents in the first phase and was reduced to 500 respondents in the second phase. Slovakia prepared partial analyses from the data obtained, and comprehensive processing for all the Central European countries is in its final stages.

1.1. Changes in employment after 1989

Both the quantitative and the qualitative research corroborated significant changes brought about by the transformation process. The research concentrated primarily on rural areas, where changes were observed in employment and in the situation of the rural population. The introduction of the market economy, price liberalization, the reduction of subsidies directly affected the rural population. The inhabitants suffered a direct impact from two quarters: the simultaneous decrease in employment in agriculture and in non-agricultural sectors.

The original hypothesis that the exodus of labour from agriculture would be swallowed up by a new group of private farmers was not confirmed. No significant interest in private farming was recorded in Slovakia. The findings from the repeated questionnaire in Slovakia showed that, as in Hungary, the best opportunities for new private farmers were offered in 1992. In the following years, conditions were worse for the establishment of new farms. The questionnaire research confirmed a minimum increase in private farmers in 1995-1996. In Slovakia, as in the Czech Republic, the transformed agricultural cooperatives were preserved. The occurrence of large-scale private farms was rather infrequent. Medium-sized farms were operated predominantly by owners who gained the property through restitution.

Non-agricultural activities within cooperatives were eliminated, in many cases, ancillary enterprises were transformed into limited liability companies. Production either continued in the original sphere of activities, or, in some cases, the sphere of activities was extended or changed entirely. One important finding was that employment in such units, in many of the cases examined, was maintained and even extended.

The changes in the rural economy were accompanied by an increase in unemployment; on the other hand, positive trends were recorded in small and medium-sized enterprises. The insufficient coverage of rural services gradually disappeared. Many small business and crafts were established. It was common to and characteristic of all countries that entrepreneurs could be found mostly among qualified workers who entered the sphere of business mainly for existential reasons because of the loss of a job. This was more significant particularly in the less developed regions.

It was shown that in countries in which small and medium-sized enterprise was possible even in pre-transformation period, the most successful entrepreneurs of today are those who had entrepreneurial experience from the past. Contacts from the period of socialism were also shown to be important.

1.2. Agriculture

In Slovakia, transformed cooperatives remain dominant in agricultural primary production. Private farmers constitute a minority group. The research examines the relations of agricultural primary producers with supplier and purchaser organizations. The results from the questionnaire research imply that the former state-owned monopolies are the chief actors in the area of services and purchasing. New private firms providing services for cooperatives and other farmers represented a sign of some competition. Both phases of the research recorded signs of endeavours to overcome dependence on purchasing organizations. Activities such as the construction of storage facilities etc., were recorded. Such measures suggest an attempt to eliminate dependence on the large purchasing firms, where purchase prices for production for farmers were considered discriminatory.

1.3. Unemployment in rural areas

Unemployment became a serious problem in rural areas after 1990. Unemployment in villages was influenced by:

- employment opportunities offered by centres for commuting, particularly job in industry
- employment opportunities in non-agricultural sectors within the village
- employment opportunities in agriculture (in agricultural cooperatives or state farms).

The first phase of research showed that job opportunities in commuting centres were considerably restricted. In the second phase a new trend was recorded, commuting has increased again and has stabilized. The position of rural areas has changed somewhat in the sense that the former isolation of villages has been removed. The current population has access to telecommunication media of all types. The larger part of households owns a TV set, and satellite dishes are not rare in villages. It was also recorded that some villages have cable TV. Possibilities of access to information were thus extended.

1.4. Rural regeneration and new job opportunities

The level of services and infrastructure in rural localities was a neglected area in the past. These shortages began gradually to be eliminated in the period of transformation. Small businesses were renewed focusing on the services (joiners, upholsterers, hairdressers, brick-layers, carpenters, painters, and general shops). The businesses identified by the research were mostly of the family type. Clearly profit-oriented businesses with their characteristic accumulation of property were very rare. Successful enterprises, as in agricultural activities, were in the hands of owners who continued in their tradition in these activities. The social contacts of the new entrepreneurs were confirmed to be of extraordinary importance in both the qualitative and quantitative research. The obstacles to business development cited most frequently were shown to be insufficient services in the field of banking, difficult access to loans and high rate interests, especially for entrepreneurs just starting their businesses.

1.5. Local self-government and rural policy

After market principles were introduced, the attitudes of agricultural cooperatives to their villages changed. Cooperatives had been "sponsors" of the village in the past – supporting the development of the village financially and in other ways. The current possibilities of cooperatives to support the local development of the village are very limited. Most villages did not have sufficient financial resources to support village development.

The strategies of local administrations focused mainly on existing development plans for village development. The main priority of such plans was mostly the completion of the basic infrastructure (water-supply, sewerage, gas, telephones, etc.). In addition, the plans also contained projects for the construction of houses of culture (community centres), new churches, chapels of rest, etc.).

Most of the case studies revealed that the village mayors had no possibility of influencing the local economy from the resources at their disposition.

One important finding was that development in the villages was remarkably influenced by the personality of the mayor, while institutional measures appeared to be a less important factor. Similarly the role of political parties in villages was not dominant at the local level.

Interest groups, entrepreneurial and other, influence local policy to only a minimal extent.

The research collected a rich body of empirical materials from the period before the transformation and also chronicled developments after 1989.

Conclusion

Rural areas today are inhabited by people who are not exclusively linked to agriculture, farmers in the classical sense are a minority component of the countryside. The inhabitants of rural areas are connected with work in industry which they combine with their "household plot" farming and in their gardens. Self-supply of food products constitutes a significant part of the incomes of the village population. The number of private farmers registered in Slovakia was low, with minimal interest in commercial farming in remote regions.

Agricultural cooperatives have been preserved, on the other hand they are not the only and main employer. Transformation has not brought any significant specialization in enterprises. The transition period of the transformation was characterized by an increase in unemployment and at the same time an increase in the number of small and medium-sized businesses.

The research showed that as far as the support of new entrepreneurs is concerned, it is necessary to support their social and cultural capital, factors which were revealed to be the basis for the building of a new business. The key to the success of new entrepreneurs both in agriculture and outside it was their social and cultural capital.

Local authorities do not have sufficient financial resources to be able to develop to the full the fields in which they are competent to act.

In the domain of local policy, the research confirmed the importance of accepting a reform based on an assertion of regional policy. Local authorities today feel responsible for the development of their villages but do not have the necessary finance to solve their problems. European Union policy in western Europe is based on regional policy which supports integrated rural development. In Central Europe it is necessary to take advantage of these experiences and start to help the all-round development of rural areas. From the perspective of future developments in Central Europe, including Slovakia, it is important to see that a radical reform of the Common Agricultural Policy focused on the integrated development of rural areas, is more appropriate for Central European countries than the former policy which was based on price support for farmers who constitute a minority social group in the countryside.

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A NEW PROJECT OF SLOVAK ETHNOLOGY

The results from a large work of Slovak ethnology, the Ethnographic Atlas of Slovakia, indicated the necessity of making comparisons within the broader European cultural space. The analyses of the obtained research materials brought unequivocal evidence that the impulses of the formation, stability and decay of traditions were conditioned by various factors which mostly went beyond the framework of folk culture and had wider geographical, ethnic, cultural, confessional, socio-economic, geopolitical, and other connections.

In certain aspects of folk culture, Slovakia is divided into larger zones, particularly into mountains and lowlands and smaller regions or subregions which, however, often cross its territorial and linguistic borders. Cultural traditions which have been created through centuries and were, as throughout Europe, always determined by pluralism. In contrast to other parts of Europe where pluralism was not so evident, the cultural memory was created here by multiple ethnic, linguistic, and cultural realities, the linguistic and ethnic pluralism having been obvious particularly in urban regions. The pluralism of culture was also reflected in an unusual variety of forms, types, and variants of different manifestations of the traditional folk culture. The location of Slovakia in the centre of Europe was significant for civilization currents from the outside. Throughout the early Middle Ages there was a significant influence of the east European, Byzantine culture and civilization which laid the foundations of the linguistic and cultural links between the inhabitants of Slovakia and the other Slavs. These relationships were strengthened by the Slavic population from eastern and south-eastern Europe which came to Slovakia