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FUNCTIONS OF AGRICULTURE IN STRATEGIES OF GROWTH IN CENTRALLY PLANNED ECONOMIES

Abstract

The paper is an attempt of a synthesis of the role of agriculture in strategies of growth in centrally planned economies. By analysing the historical experiences of socialist countries as well as recently undertaken economic reforms, there are outlined three basic models (concepts) of the role of agriculture in the development process of a centrally planned economy. These are the following:

- the model of "sacrificing" rural and agricultural interests to the interests of non-agricultural sectors, to the city,
- the model of stabilizing functions of agriculture in the national economy,
- the model of dynamic functions of agriculture in the development of national economy.

Introduction

The agriculture of most socialist countries, determined in the economic literature as countries of centrally planned economy, experienced, particularly in the seventies, serious development problems. The most evident proof of that condition was the insufficient increase of agricultural production in relation to social demand. That situation led to considerable imports of agricultural products, especially from capitalistic countries. In the years 1980-81 the socialist countries purchased 32 % of the world cereal supply.¹ The occurring inefficiency of agriculture, which was, in fact, a reflex of vanishing dynamism and rationality of non-agricultural sectors, made, and still makes, a dramatic necessity of reforming the entire national economy, agriculture included. The paper presents an analysis of the conditionings and the course of processes of the breakdown of agricultural performance efficiency, and of the attempts of undertaken reforms to improve the situation. The key for our analysis was deduced from the connotation of the determination strategy of agricultural development, conceived as the combination of the sphere of programming (planning) with that of policy (management) in the choice of means and socio-economic instruments for achieving the model of rural and agricultural development and its ranking in the national economy. In our considerations we concentrate both on the experiences and the reformist actions undertaken in Poland. Although this agriculture is of a specific character and structure - domination of peasant agriculture - it can meet the conditions of a "case study" of the role of agriculture in strategies of growth in centrally planned economies.

The similarity of problems of Polish agriculture to those of other socialist countries results from common determinants of agricultural vicissitudes brought about by the adopted systems of regulation in national economy, which systems, countries. The basic doctrine of socio-economic development of socialist countries, both in its theoretical and applying aspects, is very similar, if not identical, while analysing the subject of the paper in historical categories, the experiences of Poland and other socialist countries can be reduced to three basic models of agricultural functions in the strategies of the performance development:

1. the model of "sacrificing" rural and agricultural interests to the interests of non-agricultural sectors, to the city,
2. the model of stabilizing functions of agriculture in the national economy,
3. the model of dynamic functions of agriculture in the development of national economy, the model actually formulated in the process of reforming the socialist economy.

The model of "sacrificing" rural and agricultural interests to the interests of non-agricultural sectors, to the city

This model became historically shaped as the first one in the practice of the Soviet Union and of the countries of people's democracy. The surprising statement, obtained in the analysis, is that practical implementation of this model was realized by the same determinants, regardless of the fact whether it was made in collectivized or individual agriculture. In both cases there were used economic and command-style administrative instruments.

The basic elements of the implementation scenario of such a model consists of the following determinants:

- in the strategy of economic growth there is assigned to agriculture the function of accumulation of means from investments in non-agricultural sectors in the process of the country's industrialization. The accumulation is implemented by the tax system, administrative orders, and, primarily, by relations, unfavourable for the agriculture, of prices for agricultural produce and those of agricultural supplies;
- another vital function assigned to agriculture is that of reproduction of labour force, and, moreover, by maintaining, in a mass scale, the phenomenon of pluriactivity in agriculture - part-time farmers - also the function of covering the living costs of an essential part of manpower employed outside agriculture;
- the agriculture is burdened with responsibility for production of cheaper food, from the urban viewpoint.

It is a matter of course that the range of the degree of sacrificing rural interests to those of non-agricultural sectors is generally considerable, and changing according to the socio-political situation in single countries.

The appraisal of consequences of the implementation of the model of sacrificing agricultural interests allows the following statements. To justify this model it must be said that, in most cases, it is the only possibility to reach the starting point of national economy in the process of accelerated development. That was evident, for example, in the Soviet Union, but not only there. However, the prolonging in time of that model

was bound to bring a number of most unfavourable consequences. The model blocks agricultural development and modernization. Generally, a small part of accumulation for expanded reproduction of agricultural production potential is left to agriculture itself. Consequently, agriculture is unable to meet the social expectations as regards the volume and adequate structure of food. Low profitability of agricultural production, low ceiling of development possibilities for agriculture, which accounts for a low realization degree of life aspirations for agricultural producers, bring about a tremendous pressure on the migration of people from agriculture to non-agricultural jobs. This migration of the conditions of low-rate modernization of agricultural production and rural standard of life, which is, by the way, definitely lower than the urban one, accounts for an unfavourable selection: more gifted and resourceful youth migrates from agriculture, thus reducing the development possibilities of agriculture for the future, and agricultural absorptiveness for innovations.

All in all, the prolongation of the realization time of the model of sacrificing rural and agricultural interests leads to the checking of agricultural development, which then has an unfavourable bearing on the entire economy, slowing down its development and causing acute economic and social tensions.

It is characteristic that in this model the agriculture becomes incorporated in the national economy as an inferior, buffer sector. This inferiority also involves the psyche of agricultural producers. They feel like an inferior social group, which feeling is consolidated by many disparities of rural and agricultural population in relation to the urban one. Social and political activity of the peasants is dominated by the defence against dangers for the farm, the family, which furthers the cultivation of some conservatism in behaviour and production as a way of maintaining and continuity of possession, of endurance. Peasant organizations bring to the fore as their basic objective the acknowledgement of peasant subjectivity in local communities, institutions and in the global society. The strength and negotiation efficiency of agricultural producers as regards of the conditions of farming and its material level are small and not very effective in this model. The doctrine of economic development, founded on the industrialization process, with the recognition of the workers' class as the most important, leading social power, leads to the treatment of agriculture and rural areas as backward spheres, retarded in development, being an economic and social ballast.

The above named socio-economic phenomena account for the persisting and even growing separateness of agriculture and rural districts in relation to non-agricultural sector, to cities. The incorporating processes of agriculture and rural areas run in the model slowly, with difficulties, hindering the setting-up of a fully coherent system of national economy of full mobility of production factors within the national economy (i.e. a free flow between agriculture and non-agricultural sectors). This situation, if prolonged in time, blocks the effectiveness of agricultural performance in the scale of the whole national economy. The slowing down of the rate and rationality of performance in socialist countries in the seventies was, to an essential degree, the result of that mechanism working.

It is characteristic that economic-agricultural sciences did not really analyse this model or evaluate its effects. In the concepts of development strategy of agriculture

some corrections have been made but partial only. Actually, there came into being another concept of ranking agriculture in national economy, which concept though, in the long run, led to the same effects. Agriculture was assigned a stabilizing function in economic development.

The model of stabilizing functions of agriculture in national economy

This model assigns a dual function to agriculture - it is to develop at a rate and in a scale, which do not cause socio-economic tensions in the economic policy. The agriculture is not expected to dynamize the socio-economic development either. In fact, what is assigned to agriculture is a passive function, reduced to the motto of food self-sufficiency. The development rate of agriculture and the rate of modernizing processes are determined by the ceiling of national food self-sufficiency. It means that the degree of realization of life aspirations of agricultural producers is limited by that self-sufficiency ceiling and by the threat of food surpluses occurring. The long-term consequences of implementation of the model of stabilizing agricultural functions seem to be interesting.

In this model the basic determinant of agricultural development is the extent of social expectation of a specified volume and structure of food, which expectation appears as the demand for food. The demand for food, though, shows a specific regularity of long-term trends. On the one hand, food is the indispensable element of each consumption model, and, on the other hand, the increase of food consumption does not develop in proportion to the rise of economic development level and of individual incomes, which lead, eventually, to the so-called zero income elasticity of the demand for food, which already occurs in economically most developed countries. This regularity, formulated in the so-called Mellor's theorem,² undoubtedly makes a significant determinant and, at the same time, a restraint of dynamics of agricultural development. The rule of food self-sufficiency, which is the essence of the model of stabilizing functions of agriculture in food economics, must lead in effect to damping of the dynamics of agricultural growth, impairing the possibilities of achieving an optimal state by agriculture. The experiences of Hungarian and Czechoslovak agricultures indicate that such is the real danger. In short, the practical realization of the model of stabilizing functions of agriculture in national economy in socialist countries calls for an academic definition of the concept of optimal condition of agriculture.

By way of synthesis, this definition can be reduced to two determinants namely:

- dynamics of the agricultural system, showing an increase of agricultural production, degree and rate of modernization of production techniques, widespread of scientific-technical advance, ability of adjustment of agriculture to the changing outside surrounding,
- rationality of the agricultural system, conceived as maximization of production effects with the given level of outlays, or minimization of outlays with the assumed production level.

It means that the agriculture evolving to optimal conditions is characterized by development dynamics (both in quantity and quality terms), and also by permanent

rationality in the fact that each unit of agricultural output in the successive time unit is obtained by an ever lower volume of outlays.³

The experiences from the implementation of the model of stabilizing functions of agriculture in national economy evidently prove that this model cannot be useful at the time of reforming the economies in socialist countries, of increasing acceleration and rationality in those economies. Thus, the need arises to formulate an adequate model of ranking agriculture in the strategy of growth of a centrally planned economy. Considering, for example, the situation of Poland, such a model has been actually elaborated. It is the model of dynamic functions of agriculture in the development of national economy.

The model of dynamic functions of agriculture in the development of national economy

In this model agriculture is no longer treated as a backward sector of national economy, unable to absorb the accelerated scientific-technical advance (high tech), but it is considered to be one of equal locomotives of national economy. This is the basic assumptions justifying the economic sense of the model of dynamic function of agriculture in national economy. It means that agriculture can produce effectively both food and non-food articles, just like the non-agricultural sectors. The relative drop in prices of food products in relation to non-food products in a number of market-economy countries in recent years seems to indicate the increasing economic competitiveness of agricultural production.

Contrary to the previous two models, the model of dynamic functions assumes a realization scenario treating rural areas and agriculture not as backward spheres, retarded in development, but as a production sphere of a high degree of "high tech" saturation through biotechnology, genetic engineering and management, which starts a new era in the ways of material production.

Living in the country does not have to mean a civilization-cultural degradation. On the contrary, through a high ecological and educational standard it can become a quality desired by urban population. As a result, there occurs the phenomenon of "exurbies", urban people who move to the countryside. Eventually, the present-day agriculture can be not exactly a ballast for the economy, but its factor of development dynamics and rationalization.

In the relation national economy-agriculture the latter has provided full conditions for development in the scale and at the rate determined by two parameters only namely,

- domestic food needs determined by the real demand for food,
- possibilities of export expansion on the market of food and agricultural produce.

This means that in this model the agriculture is open wide (without restraints) to the world market of food and agricultural production.

The agriculture of the model of dynamizing functions is based in its development on creativeness, initiative, dynamic character of agricultural producers, on their intellectual qualities. Those driving forces are "fed" the high-degree possibilities for

realization of life aspirations of agricultural producers. As a matter of fact, the level of realization of life aspirations of agricultural producers is limited only by the degree of winning competition on the world market of food and agricultural production. However, for the model of dynamizing functions of agriculture the condition of the world market of food and agricultural produce becomes the basic parameter. It is known, simultaneously, that today's world market is dominated by the policy of state protectionism, and widespread practices of export subsidizing. In the Polish conditions it makes a barrier hard to overcome. Therefore, the working out and introduction of the "order" on the world market of agricultural produce are the decisive question for the development of Polish agriculture, but not only of the Polish one.

NOTES

¹ FAO, FAO Trade Year Book, Various Issues.

² John W. Mellor, Dealing with the Uncertainty of Growing Food Imbalances, in: Agriculture in a Turbulent World Economy, Grower 1986.

³ Yujiro Hayami, Vernon R. Ruttan, Agricultural Development - an International Perspective, The Johns Hopkins University Press, 1985.

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Michael Obrovsky **ZUM BEGRIFF ENTWICKLUNGSHILFE** **oder: Wenn zwei das gleiche sagen, meinen sie noch lange nicht dasselbe**

Laut der letzten Repräsentativumfrage des Fessel + GfK-Institutes über die Einstellung der Österreicher/innen zum Bereich Entwicklungshilfe sind mehr als drei Viertel unserer Bevölkerung für die Unterstützung der Dritten Welt in Form von Entwicklungshilfe. Jeder zweite würde es sogar akzeptieren, "daß der Staat verschiedene Leistungen für uns zurückstellt, um den Entwicklungsländern zu helfen".¹ Dieser enorme Einstellungswandel der Österreicher/innen zur internationalen Entwicklungszusammenarbeit läßt viel Spielraum für Interpretationen und Erklärungsversuche offen.

Ein bislang kaum berücksichtigter Aspekt ergibt sich einerseits aus dem historischen und andererseits aus dem daraus folgenden semantischen Wandel der im Zusammenhang mit Entwicklungshilfe verwendeten Begriffe.

Geht man davon aus, daß im Rahmen soziokultureller Veränderungen auch die Bedeutungsinhalte von Symbolen, Bezeichnungen und Worten einem Wandel unterzogen sind (alte Begriffe werden umdefiniert oder durch neue, der Realität besser entsprechende, ersetzt), dann bedeutet dies, daß grundlegende soziokulturelle Veränderungen auch ihren entsprechenden Niederschlag in der Sprache finden. Die Veränderung der Sichtweise von Problemen sowie der Wandel von gesellschaftlichen Problemlösungsmechanismen und ihre Auswirkung auf die sprachliche Ebene müßten daher auch im Bereich der Entwicklungshilfe zu rekonstruieren sein. Daß es seit dem Beginn der Entwicklungshilfeleistungen Österreichs in den frühen 60er Jahren Veränderungen der Inhalte, Instrumente und Zielsetzungen der Entwicklungshilfe gegeben hat, wird hier zunächst als bekannt vorausgesetzt.

Verständigung - oder ein politischer Diskurs - über einen gesellschaftspolitisch relevanten Bereich kann nur dann zustande kommen, wenn die am Diskurs teilnehmenden Personen, Organisationen und Parteien nicht nur gleiche Worthüllen verwenden, sondern auch dieselben Bedeutungsinhalte damit verknüpfen.

Vor dem Hintergrund dieser allgemeinen kommunikationstheoretischen Überlegungen läßt sich daher zur Erklärung des starken Anstiegs der positiven Einstellung der österreichischen Bevölkerung zur Entwicklungshilfe folgende Arbeitshypothese formulieren:

Die Veränderung von Begriffsinhalten oder die Verwendung neuer Begriffe im Bereich der Entwicklungshilfe wird weder von den empirischen Sozialforschern noch von der Bevölkerung mit- oder nachvollzogen. Während Experten - und in ihrem Gefolge Politiker - bestimmte differenzierte Begriffe stellvertretend oder synonym für dahinterstehende Entwicklungstheorien und daraus resultierende Maßnahmen verwenden, wird bei der Einstellungsmessung der Bevölkerung Entwicklungshilfe