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Changing Property Structures in Central European Agriculture in the Process of Decollectivisation: The Social Aspects of Appropriation

Abstract

This article analyses the process of farming decollectivisation in the Czech Republic, Hungary, Poland, Romania and Slovakia in the period 1990–1997. It is an attempt to systematize this complex social process. Three stages of this process have been singled out: creating legislature and its ideological political and economic conditions; a two-phased process of formal appropriation and the owners’ and managerial differentiated strategies of real appropriation.

Keywords: collectivist agriculture, agriculture decollectivisation, Central-Eastern Europe, formal and real appropriation, appropriation strategies.

Introduction

This essay is about the decollectivisation of agriculture which took place in Romania, Hungary, Czechia, Slovakia and Poland in the first half of the nineteen-nineties. For the third time in the 20th century, the Central European village corrected the trajectory of its agrarian evolution. It did so for the first time at the beginning of the 20th century when, through many albeit unsystematic agrarian reforms, the newly emerging states in the region made an effort to solve their “agrarian issues”. These agrarian reforms, interrupted by World War II, were completed in the nineteen-forties by new communist governments or governments which remained under communist pressure. The new legislation (decrees and acts of parliament) of 1944–1945 lay down the rules of obligatory
division of land among the peasants without compensation, which were implemented by 1948. Enforced in different years in different countries, as communist rule consolidated, they finalised the peasantry of agriculture. This peasantry was incomplete, because another radical process began in the late nineteen-forties, i.e. collectiveisation.

The history of this process in Europe is still incomplete and its definitions have changed over the years. Collectiveisation usually means liquidation of peasant farming by means of the creation, under political, economic and administrative pressure (as well as terror), of large co-operative farms. Michel Sivignon (1992–1993) defines the process slightly differently, taking as his point of departure the Soviet model of agriculture (organisation of production based on two types of large, non-private farms: the kolkhoz and the sovkhoz) and understands collectiveisation as the popularisation of this model and its institutions throughout the world¹.

The prospect of agrarian decollectivisation suggests yet another distribution of accents in our attempt to define collectiveisation. Here we shall define collectiveisation more broadly, as the process whereby organisational, production and social structures and specific mechanisms for their functioning are developed in agriculture. This is the specific process of absorption of the peasant farm by the so-called socialist economy, based on central planning. This process took place in two stages. The purpose of the first stage (1949–1962) was to lay the foundations for collective farming. In order to do this it was necessary to deprive the peasants of their economic autonomy, take control of their property and clamp them down within the collectivist organisational system. The second major stage of collectiveisation – the nineteen-sixties and seventies – witnessed the implementation of collectivist agrarian order. This stage involved, above all, the development of agrarian structures in the broad sense, of a dual, welfare-and-production logic of their functioning and of the “new farm man”, i.e., decomposition of the farming occupation by introducing narrow professional specialities.

Despite the unified model, similar initial intentions and homogeneous mechanisms of functioning of collective farming, each country developed slightly different agrarian structures. These structures are contingent upon the country’s level of development and its post-war political history as well as on the inert effect of “long agrarian history” which neither radical agrarian reforms nor collectiveisation managed to overcome completely. In each of the countries I am going to analyse there are production co-operatives, state-owned

¹ Collectivisation in this sense took place in the nineteen-seventies. It made its last, ephemeral conquest in Portugal (in Alentejo and Ribatejo) after 1974.
farms and peasant farms although the share of the various forms of organisation of production differs from country to country. After 1989, each of these countries underwent changes which we may call decollectivisation.

Decollectivisation: its nature and determinants

Collectivist farming is farming based on large, complicated, hierarchic production structures which are rooted in collectivist property (i.e. property owned by either a group or the state) and which function according to a dual, welfare-productive rationale. Decollectivisation is a process of elimination of collectivist farming in its two varieties: cooperative and national. Decollectivisation, therefore, must mean changes in ownership relations, changes in the ways production structures are organised and changes in functional rationale. Changes in the economic sphere (particularly in the property structure and organisational hierarchies) lead to changes in the social structure of the countryside. These changes lead in turn to changes in attitudes and values. Decollectivisation of agriculture is a significant part of the process of transformation of the agrarian segments of post-communist societies.

Decollectivisation thus conceived is a process which began in Central-European farming in the early nineteen-nineties. The concept itself, however, emerged in the nineteen-fifties and had a different connotation. Originally, collectivisation meant the spontaneous process of dissolution of farming production co-operatives during the post-Stalinist thaw. Decollectivisation as it was then understood had a narrower meaning than it does today. There is also another difference between the two decollectivisations. Decollectivisation in the 'fifties meant the return to pre-collectivist status quo ante. Decollectivisation in the 'nineties did not lead to the reinstatement of any pre-collectivist status quo ante because of the different countries’ different socio-economic structures, their different locations on the modernisation scale and the advancement of world-wide globalisation processes.

Socialism — as Jadwiga Staniszkis demonstrates in her Ontology of Socialism — had its own systemic identity, largely determined by the specific form of ownership called collectivist ownership, a kind of collective ownership which cannot be divided into parts and which cannot change hands (Staniszkis 1989). And although, chronologically speaking, decollectivisation began with the destruction of collectivist logic, the so-called socialist farm (co-operative or state-owned), the nexus of the decollectivisation process had to be the change of
property relations in agriculture. Various types of agrarian assets, belonging to — often unidentified — collectives (the co-operative, the state), had to find concrete owners. Hence the appropriation process, the reverse of expropriation in the broad sense which was the framework for agrarian collectivisation, was initiated.

Appropriation is based on broadly understood privatisation, i.e. the process whereby the role of ownership and private initiative is increased in society. Appropriation consists of three logically narrower processes:
- reprivatisation, i.e., transfer of property rights to property which had previously been formally or factually taken over by the state or co-operativised to the former owners or their heirs;
- “decollectivist” privatisation, i.e., the process whereby components of state or co-operative property which had never been privately owned pass into private hands;
- spontaneous privatisation, i.e., the process of autonomous development of the private sector.

This multifaceted appropriation process has its own dynamic. We can distinguish three phases: a) the preliminary, euphoric, stage during which the legal foundations for appropriation are laid down, b) the optimistic, primary appropriation stage during which nominal owners are ascribed to property and c) the ongoing state of secondary, realistic appropriation leading to factual ownership. Secondary appropriation also involves transformation of the property structure which was developed in the previous stage. Concentration is a particularly interesting aspect of secondary appropriation.

This presentation is based on empirical studies and continual observation carried out in 1990 – 1997 in Poland, Czechia, Slovakia, Romania and Hungary within the framework of two research projects: “Les decollectivisations en Europe Centrale et Orientale” managed by Marie-Claude Maurel at Montpellier University and “Mutation et transition des modes de production agricole en Europe de l'Ouest et de l'Est” co-ordinated by Hugues Lamarche from CNRS, of which I was co-author and participator, and also my own observations conducted during research visits.

**The legal foundations of appropriation: from civil project to specific solutions**

Although liberalism has no structural foundations in any of the analysed countries and no historical tradition, except perhaps in Czechia, the vision of
individual freedom, rule of law, respect for property rights and rooting of the economy in private ownership and the free market was ubiquitous in this part of Europe in the late nineteen-eighties. Liberal ideology emerged “first as a kind of communism à rebours, and therefore largely as a set of principles which opposed the official ideology and were basically its reversal” (Szacki 1996, p. 91). Post-communist society did not have a civil base for liberalism, a so-called middle class, and private property was practically non-existent. What did exist, however, were the liberal reformers and it was they who began to declare capitalism as a model, an ideological project.

The idea that privatisation of agriculture is the logical consequence of the liberal option of transformation of post-communist societies. On the other hand, it has a logic of its own, rooted in the post-peasant (in the actual and/or ideological sense) nature of Central European societies\(^2\) populated by peasants, formerly collectivised peasants or their legal descendants. This is why the privatisation of agriculture is so politically important and the legal framework for this privatisation was usually developed prior to the first free elections in Central Europe. Therefore, legislation concerning privatisation also has an agrarian stigma. “Through the choice of dates which are the reference points when determining property rights\(^3\), through the use of a specific vocabulary, particularly the open use of the term ‘agrarian reform’\(^4\), through the principles inspiring certain solutions (area restrictions or the value of compensation\(^5\), recognition of the ‘moral right’ of those who work the land to own the land\(^6\)), through the allocation of plots to workers or ‘landless’ village people, through the accompanying concern about proper use of space (rational plot division), these acts of redistribution are acquiring the meaning of agrarian reform. All this reflects the complex ambiguity of the assumptions underlying this social restoration [...]” (Maurel 1996, p. 6).

Legislation concerning agrarian privatisation has its national specificity and is part of the more general transformation rationale in each country.

Most liberal of all is the philosophy of change adopted by the Czechoslovakian reformers who acted on the assumption that the most important

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\(^{2}\) By the actual post-peasant nature of these societies I mean the share of farming populations in these countries’ social structures in the late nineteen-thirties and the symbolically post-peasant popularity of agrarian ideology at that time, exemplified by the then powerful peasant parties.

\(^{3}\) In all cases, those dates included effects of communist agricultural reforms, conducted until 1948.

\(^{4}\) Agricultural reform stands for decollectivisation, eg. in Romania.

\(^{5}\) Limits in Hungary, Slovakia and Romania.

\(^{6}\) In Hungary and Romania.
element of economic transformation was the emergence of owners because it was they, responsible economic actors, who would find the best way to use their property and stimulate economic restructuring. The key words of the Czechoslovakian philosophy of agrarian transformation are: property rights sanctioning possession and unrestricted use of property, restitution, i.e. regaining nationalised property, privatisation meaning the transfer of state property to private hands, and transformation meaning conversion of collective farms into other social forms of organisation of production. Acting on these assumptions, Czechoslovakia developed the most liberal, consistent and ramified legislation including rehabilitation, privatisation, restitution and transformation laws. From 1990 on we have a series of legal acts regulating the restitution of property confiscated in various periods, crowned by the restitution act of 21st May 1991. Estates nationalised between 15.02.1948 and 01.01.1990 were to undergo restitution in kind. Their owners or heirs could apply for restitution in kind and, that not being feasible, they were to receive compensation, part of which was to be paid in cash and part in Restitution Investment Fund bonds. This major act of parliament continued to be obligatory in the two republics which resulted from the division of Czechoslovakia: the Czech Republic (Czechia) and the Slovakian Republic (Slovakia). It was supplemented in Slovakia by an additional act of parliament on the restitution of ecclesiastic and monastic property. The original act was amended in 1996 when the provision was added that satisfaction of demands for restitution is the obligation of the new owner or the Slovakian Land Fund (founded in 1991). Up to 150 ha of arable land and 150 ha of forests were to be returned. These limits were lifted in the Czech Republic. The framework for the transformation of agrarian production co-operatives were laid by a separate act of parliament passed in 1992. This act defined eligibility for participation in the division of co-operative property and the procedures for such division and it also gave the deadline for completion of the legal reorganisation of the farms (1993).

The Hungarian solutions followed a different philosophy although here too the key words were: property rights, private property, transformation, privatisation, compensation and restitution. In contrast with Czech philosophy, the Hungarian philosophy of transformation is not based on mass privatisation because "Hungary adopted a different strategy, i.e. one of seeking and encouraging owners/users who had initiative and were willing to take the risk associated with maximally effective asset management. The Hungarian authorities believed that mass privatisation, limited to modification of the property structure only, would not stimulate restructuring without which there could be
no guarantee of effectiveness. (OCDE 1993, p. 54). The Hungarians wanted to “achieve two mutually incompatible goals: to transform property rights and at the same time to ensure continuity of functioning in agriculture” (Maurel 1996, p. 44) — hardly surprising if we consider the place which agriculture occupies in the Hungarian economy. In this case, agrarian decollectivisation involved privatisation of state-owned enterprises and farms on the one hand and transformation of farming co-operatives on the other. This process was regulated by three groups of legal acts which reflected both the specificity of collectivisation in Hungarian agriculture and the considerable saturation of the as yet socialist Hungarian economy with market mechanisms. The legal framework for decollectivisation was provided by a number of acts of parliament: four compensation acts (1991), two acts regulating transformation of agricultural production co-operatives and several acts dealing with privatisation but not limited to agriculture alone. All in all, these acts render the process of decollectivisation in Hungary quite complicated and ambiguous, not only for the external observer. The procedure for compensation for nationalised land which was to be partial, degressive and step-by-step was the most complicated of all.

The key word of the philosophy of decollectivisation in Romania is “new agrarian reform” and indicates the significance given to the land which “makes” the peasant who, even in communist days, was the synonym of a “good citizen”. The unique Balkan approach to decollectivisation — spontaneous destruction of kolkhozes even before the appropriate legal acts were passed — can be seen here too. The first signs of revolutionary fever are placated by a decree issued by the National Salvation Front on 31 December 1989 increasing the area of homestead plots. In some regions (Transylvania, Maramures) this initiated spontaneous privatisation during which people took over their former plots. However, decollectivisation in Romania was not legally regulated until act of parliament no. 18 called Legea fondului functionar was passed on 16 February 1991. This act provided the framework for the future agrarian system. It stated that state-owned farms would be retained and production co-operatives would be liquidated quickly (by 31 July 1991). It also said which categories would benefit by their liquidation (current and former co-operative members) and defined the future social forms of organisation of production. The rules governing division of land occupied an important place in the act and the act itself is evaluated mainly on their basis.

Polish legislation is quite humble vis-à-vis the legislation presented above. This is justified to a certain extent by the size and specific nature of the
Table 1. A review of the legal foundations for privatisation of farms

<table>
<thead>
<tr>
<th></th>
<th>Czechia/Slovakia</th>
<th>Hungary</th>
<th>Romania</th>
<th>Poland</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Transformation of co-operative farms</strong></td>
<td>obligatory transformation by 31 December 1992</td>
<td>obligatory liquidation by 3 July 1991</td>
<td>no obligation to alter the legal status</td>
<td></td>
</tr>
<tr>
<td><strong>Procedures for privatisation of collectivised land</strong></td>
<td>yes, since May 1990</td>
<td>yes, since November 1989</td>
<td>no</td>
<td>yes, since 1956</td>
</tr>
<tr>
<td>opinion of withdrawing land contribution and farming it individually available (factual appropriation)</td>
<td>restitutions and/or compensation</td>
<td>partial, degressive compensation</td>
<td>restitution up to 5 ha per person and 10 ha per family (only employees)</td>
<td>no</td>
</tr>
<tr>
<td>allocation of land</td>
<td>none</td>
<td>members and employees</td>
<td>other people</td>
<td>no</td>
</tr>
<tr>
<td><strong>Procedures for privatisation of the capital of co-operative farms</strong></td>
<td>sales of 25% to eligible people</td>
<td>distribution of max 10% among employees</td>
<td>distribution according to redistribution logic</td>
<td>increased proportion of share fund possibility of buying housing and cooperative land with this fund</td>
</tr>
<tr>
<td>restitution, and then sale or leasing, Coupon privatisation</td>
<td>commercialisation and then sale or leasing</td>
<td>commercialisation, shares in exchange for land</td>
<td>sales and leasing by tender, commercialisation</td>
<td></td>
</tr>
</tbody>
</table>

* Restitution first of up to 150 ha of arable land in Slovakia, no limit in Czechia.

b For co-operative members who have no land contribution - 30 gold crowns, for co-operative employees - 20 gold crowns.

c every village inhabitant provided there is enough land to go round.
collectivisation of agriculture in Poland. The legislation is based on the same values which determined the specific rationale of the “Balcerowicz reform”, the values of functional economic liberalism which highlight such functions as effectiveness and efficiency and clearly neglect or underestimate other aspects of property rights. The legislation said nothing about reprivatisation, a situation which has persisted to this day with numerous economic, political and psychological consequences. The few existing acts of parliament dealing with decollectivisation in Poland fit into this philosophy very well. Only state-owned farms were to be obligatorily privatised in accordance with the act of 19 October 1991 which defined the forms and methods of their privatisation. Co-operative farms could be transformed but their transformation was not obligatory. After 1989 agricultural production co-operatives continued to operate on the basis of the co-operative law passed in 1982. The 1990 act decreeing obligatory liquidation of all co-operative unions gave farms complete independence but the possibility of property transformation was limited until autumn 1994 due to the still existing principle of indivisibility of co-operative assets. Certain possibilities of change of the internal structure are provided by the share valorisation act of August 1991 and the change in the organisation and operation of co-operatives and share re-valorisation act of October 1992. These acts make it possible to privatise part of the co-operative assets (mainly houses) and to take the road of several stages to transformation of co-operatives into companies. But it is not until the co-operative law is amended in 1994 that property transformation becomes fully possible. This amended act states that the entire co-operative assets belong to the members cum natural persons and can be divided among them if the co-operative is liquidated. The legal foundations for decollectivisation are reviewed in Table 1.

The remaining legal solutions pertaining to decollectivisation can be divided into several groups: a) legislation pertaining to restoration of full property rights to owners whose rights were limited by collectivisation (the peasant right to ownership of land in production co-operatives); b) legislation pertaining to restitution of, or compensation for, property which was confiscated or nationalised in a way recognised as illegal; c) free distribution of property according to a combination of “reparative justice” (according to input) and “re-distributive justice” (according to work effort); d) sales in various forms and e) handing over. A review of these categories leads to several conclusions. The legal solutions pertaining to privatisation of agriculture, although sometimes some of the first privatisation solutions in the country concerned (for example

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7 Sector of collective farming occupied approximately 20% of land.
in Romania), are not intrinsic, isolated or irrational. On the contrary, they are consistent with the global philosophy of transformation adopted by each of the analysed societies. This inchoate pattern will only emerge fully during the stage of economic and secondary appropriation. The legal solutions relating to privatisation of agriculture have their liberal and agrarian roots. These two ideological trends mingle in the discourse preceding the legislation procedure, the moment the project for social change emerges. However, even the first approximation in the form of new legal frameworks suggest withdrawal from liberalism and bowing to collectivism. Although the new decollectivisation law dissociates itself from collectivist ideology it adopts and legitimises a number of collectivist solutions. This conclusion follows from the analysis of the new law from the perspective of: a) the attitude towards the post-war agrarian reforms, b) the adopted scale and character of restitution, c) the principles of distribution of indivisible co-operative property and d) the restrictions concerning owners’ purchase and sale of received property.

The optimistic stage of legal appropriation

The second stage of the appropriation process is broadly understood legal appropriation. Within the framework of property rights this is the process of defining property relations. Rather than regulating “people-object relations” property rights regulate “people-people relations relating to the use of objects. Thanks to property rights, individuals can foresee beforehand what they can rationally expect in their relations with other members of the community” (Demsetz 1967). I suggest that here we adopt a wider perspective on the process of legal appropriation and view it as the general process whereby property rights in agriculture are organised and owners are designated. Two overlapping processes would be involved in this more general process: “designation” of a nominal owner to property or its parts and the purchase of ownership rights by individuals or groups.

The first of these component processes, i.e. owner designation, is an indispensable phase of privatisation but must not be equated with it. First and foremost, it involves the procedures of structure transformation, valuation and division of previously indivisible, collectivist property and designation of each part’s rightful owner. Where real estate is divided the institution of central mortgage register must be restored. Parts of the property may be in kind (i.e. consist of tangible goods) or they may be symbolic (when they are parts of
values, stocks or shares). The process does not always end in the legal designation of a private owner because it often involves taking over property by the state treasury. The property may later be privatised by means of other methods.

The second component process, i.e. acquisition of legal property rights, is both more complex and more interesting. Whatever the country, decollectivist legislation has two elements, both of which are extremely important for the further course of the process. First, change of ownership structure is not a voluntary process, it is compulsory and must proceed according to a predetermined rhythm. The legal acts precisely state the date of obligatory completion of the transformation of the property-structure of farming production co-operatives and the structural-functional transformation of state-owned farms (See Table 1, line “Transformation of co-operative farms”). Several goals seem to have informed this obligatory speed of transformation. The reformers wanted to gain the majority’s political applause and take advantage of the social enthusiasm. At the same time they did not want to leave the collectivist nomenklatura too much time to counterattack. The speed was probably also motivated by the need to change the agrarian production structure as soon as possible in order to avoid a drastic drop in agricultural production. Only Poland could afford to transform at a leisurely pace and adopt a liberal privatisation logic because here most of the agrarian “production force” was located in the family sector.

Ownership rights are not acquired automatically and the future owner must demonstrate much determination and activity from the very start. The future potential owner, and often former owner, must apply for restitution or purchase within a specific deadline even if the property was misappropriated illegally. The time legally given to apply for restitution or allocation of property is very short and once again the Romanian Legea beats all the records giving former owners only 30 days to claim confiscated land.

The legislation concerning reprivatisation and decollectivist privatisation, as formerly defined, indicated who could acquire property rights in agriculture. However, not everybody who was eligible applied for restitution or the right to acquire land. In Romania about 5060 thousand people were eligible but only about 4700 thousand obtained ownership certificates (these were not yet property rights). In Czechia there were about 1500 thousand eligible people and about 95% of them actually applied for restitution. This suggests that the first filter in the development of the group of future owners was the desire to own as well as a certain amount of activity which potential owners had to muster in order to apply for property restitution or allocation and to prove their eligibility.
Let us now have a closer look at the characteristics of the new groups of owners taking Hungary as our example. The new agrarian property owners can be divided into three subgroups: land owners, production capital owners, and stock and share owners. The new owners can further be divided into two categories: those who regained their factual capacity to manage land they formally owned (it is difficult to estimate the size of this category) and those who acquired the land either through purchase or compensation bonds. At the end of 1994 this latter group numbered about 600 thousand. A further 1 143 thousand people became new owners of co-operative production capital, each of whom appropriated property worth about 200 thousand forints on average. Working co-operative members made up 25.3% of this group and together they appropriated 40% of the co-operative property, old-age pensioners made up 30.6% and appropriated 38.7% of the property, former members or their heirs made up 42.3% and appropriated 19.8%, and hired labourers made up 1.75% and appropriated 0.9% of the co-operative property. A third group of new Hungarian agrarian owners consists of owners of shares in farms which have been transformed into joint-stock companies. Most of them are former state-owned farms which have been transformed into either employee companies or state treasury companies where employees acquired part of the shares (usually a rather small part) on preferential conditions (first stock distribution owners).

In all the analysed countries (except Poland) this technically complicated and economically complex stage resulted in the development of a large, spatially dispersed and heterogeneous group of owners of farm land and production capital. Everywhere the main new owners of the means of agrarian production were not people who actually worked in farming but people who were not currently working, i.e. former owners or heirs who now lived in towns and cities. This led to the development of a new albeit temporary situation in agrarian relations: fragmented ownership of means of production was separated from work.

From the formal/legal point of view the decollectivisation process was complete once property was distributed and each part was attributed to an individual, nominal owner. Despite the formal, legal status of owners, new owners were confronted with many economic, social and psychological barriers which limited their freedom of using their property. The main economic barrier was the lack of a market for agrarian property. The main social barriers were rooted in owner characteristics: their “externality” with respect to farming, i.e.
their “urbanity”, old age, other sources of sustenance, physical distance or lack of elementary farming and capital management competence. To this we must add psychological barriers. Although the vast majority of present owners have full legal right to their property they are vicarious owners by a caprice of history. These peoples’ attitudes were formed by real socialism and their individual resourcefulness competes with learned helplessness. The results of a survey conducted among co-operative farmers in Czechia and Hungary in 1991 speak for themselves. Only one-fifth of the respondents approved of the change of social relations of production and private ownership.

The realistic stage of economic appropriation: principal strategies

“The act of appropriation, acquiring something, making a property one’s own implies the owner’s indivisible control of that thing, meaning that the owner concentrates in his or her hand the right of usus, fructus and ab usus or, to put it in another way, the right of material and legal disposal of that thing” (Maurel 1996, p. 1). The stage of legal appropriation produced a large and very heterogeneous category of owners. After this initial phase of systemic transformation Central-Eastern European agriculture (except in Poland) became an agriculture of producers-cum-leaseholders rather than producers-cum-proprietors. In Czechia, for example, it was estimated that only about 10% of the land was cultivated by its direct owners. In this situation, economic appropriation assumed two basically different forms: classical economic appropriation where the owner is the appropriating agent (proprietor appropriation) and factual appropriation where the manager is the appropriating agent (managerial appropriation). These are the two forms of economic appropriation which Françoise Simon identified in her analysis of the privatisation of Czech agriculture (Simon 1995) but this model apparently has a much wider meaning and can be applied to agrarian privatisation in entire Central Europe.

The following strategies can be identified within the “proprietor appropriation” model:

a. the subsistence-oriented strategy, i.e. the regaining or gaining of property which is usually not worth very much and using it for sustenance purposes.

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Maire-Claude Maurel gave a slightly different definition of appropriation strategies. She distinguished the following strategies: retrait concentré, the equivalent of our capital-gaining strategy, appropriation-contrôle, closely related to our collective-solidarity strategy, réappropriation patrimoniale, the equivalent of our patrimony reconstruction, and d’instalation de type entrepreneur, the equivalent of our more narrowly defined entrepreneurial strategy (Maurel 1996).
These purposes may include various scales of self-provision (almost 100% in the case of many Romanian farms in the early nineteen-nineties), an additional source of income (very frequent in Hungary) or recreation (the “khalupa” institution in Czechia and Slovakia);

b. the capital-securing strategy (“grab what’s yours and run”), i.e. taking over property (land, buildings, machinery) from the collectivist farm with the purpose or hope of later selling it. This mainly applies to co-operative farming equipment (Hungary, Romania) which may later be used to start an agricultural service enterprise. It may also apply to buildings, usually farm buildings. We also find cases of restitution (or, as in Hungary, purchase for bonds) of land in the hope that it will soon be possible to sell it for farming, recreational or construction purposes. Physical property appropriation and sale is a marginal and rather rare strategy. Much more popular is the sale of book-stock assets, i.e. company shares, parts or stock, often for less than their nominal value;

c. the collective-solidarity strategy, applied by employee co-proprietors of neocollective forms of organisation of production. The new neocollective farms, most of them co-operatives of various types but also companies, are the legal property of many people. Most of the property is owned by external proprietors. Were they to withdraw their assets, the farm would cease to exist. Because owners-cum-employees have not discovered any other way of making use of their property than the neocollective farm, they are determined to keep the farm running and at this stage they treat it as a certain number of jobs. For this reason they make various efforts to discourage external owners from withdrawing their shares, e.g. by granting them inalienable parts of the property or suggesting that they pay back part of their shares by rendering various services. The next stage of the collective-solidarity strategy, based on covert structural conflict, is played out among external owners, interested in the dividend, and employee owners, interested in jobs. The management plays a major role in these conflicts and sometimes situates itself on one side and at others on the other side. Therefore, the collective-solidarity strategy of retention of workplaces may quickly evolve into a group-clique strategy, property concentration or control (Teller 1996);

d. the patrimony reconstruction strategy is very emotionally tinged and centres around regaining collectivised or nationalised land and reconstructing the farm which existed before collectivisation. There are not many cases like these and they are adopted by the families of once wealthy “kulaks” who were usually brutally deprived of their property and submitted to repression and persecution. For these people, regaining their land and farm has more than just material value, it also has symbolic value and implies social rehabilitation;
e. the enterprise strategy differs from the previous strategies in that it is fuelled by a widely understood project for a future farming enterprise rather than by memory of the past. Farming does not yield rapid and easy profit and therefore this strategy does not attract wheeler-dealers who want to make money quickly and effortlessly (or at least not as many of them). This strategy has many varieties just as there are many types of agricultural enterprises and entrepreneurs. In terms of type of enterprise we have either family farming enterprise projects or projects for large farms based on hired labour. In terms of the entrepreneurs themselves we have entrepreneurs of necessity who are struggling to make a living or defend their achieved status, “occasional” entrepreneurs and entrepreneurs of choice.

When analysing all these real, economic appropriation strategies we must remember that the majority of new agrarian owners have remained passive. This passivity “is not a strategy deliberately chosen by the owners. First and foremost, their passivity expresses their lack of real means of realising their ownership rights. Lack of information, competence and behaviour patterns, lack of or the embryo state of financial markets and land markets explain why most owners were unable to utilise their ownership rights effectively” (Simon 1995, p. 265). This in turn gave way to the second type of economic appropriation, i.e. managerial appropriation. The managerial, non-proprietor type of appropriation had several variations anchored by two extreme strategies. The classic strategy is based on dispersed ownership. This enables the manager to control the owners’ doings. We find this classic managerial appropriation strategy in many new production co-operatives but also in joint-stock or employee-owned companies. The managers behave like active owners, i.e. they manage the property, but they do so on behalf of the owners who have delegated their rights to them. This classic, managerial type of appropriation often degenerates and this degeneration is facilitated — as Jaques Sapir points out — by ‘soft’ ownership rights: the managers are used to governing shared property (that is nobody’s and therefore mine) and the owners are not yet in the habit of executing their rights. Here, appropriation was very seldom overt and direct. It was usually based on various networks, mutual ownership, buying up stock with the help of various funds, e.g. social benefit funds. If, in the previous, classic version we had control of property through delegation (delegation property control), then here we have a different strategy: network property control. Is this, we wonder, just property control or is it a novel, post-collective type of ownership which we may call manageriate?
Concluding remarks

At the beginning of this analysis we called decollectivisation a process of change of property relations in the organisation structures of agrarian production and their functional rationale. When analysing decollectivisation as a social process we must pay attention to several important and characteristic features such as the cyclic (serial) nature of changes, dynamics and sequence of changes and their mutual dependence. We may analyse changes in property structure either from the point of view of the process’s social dynamics or from the point of view of its outcome. Process dynamics have an ideal dimension and a real dimension. The ideal dimension is externalised in the phase of social projects for change and three different aspects of this dimension merit our attention: the liberal aspect, the agrarian aspect and the moral aspect.

When analysing the appropriation process as it really takes place we must pay attention to its rhythm and results. When discussing rhythm we must take note of the spontaneous versus schematic nature of the process on the one hand and its obligatory versus autonomous nature on the other. In Central Europe, meanwhile, it took a much more schematic turn and stuck to the limits defined by law. In other words, it was legal, followed fixed legal procedures, was carried out by legally designated institutions and was obligatory.

The real dimension of the appropriation process pertains, above all, to the consequences for the current property structure in Central European agriculture. Three situations merit our attention. First, not all agrarian property has found a rightful owner. The second factor is the agrarian property structure resulting from decollectivisation. We have also mentioned several aspects of this problem such as the multiplicity and diversity of owner categories and the inherent conflict-generating potential. This also implies — and this is the third situation to which I would like to draw attention — that the present agrarian structure in Central Europe is liable to change.

References


