

AGRAR- ES VIDEKPOLITIKA. (AGRICULTURAL AND RURAL POLICY.)

**by Buday-Sántha, Attila. Buday-Sántha, Attila: SALDO Pénzügyi
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The book of Attila Buday-Sántha titled ‘Agricultural and rural policy’ published by Saldo Financial Consulting and Software Engineering Private Company Limited by Shares is an element of Studia Regionum book series. This book is the significantly revised edition of Dialóg Campus Publisher’s book titled ‘Agricultural policy – Rural policy’ published in 2001. The authors of these book reviews were students of professor Buday-Sántha during the time of the birth of the former textbook, and we experienced the usefulness of that book in higher education transmitting knowledge and skills, enriched data with figures and presenting appropriate style.

Ten years have passed since that time. The book titled ‘Agricultural policy – Rural policy’ ran out from the bookstores. Although several chapters of this book are still up-to-date, the author clearly felt that the agricultural processes of last ten years has required significant changes in the structure and topics of the book. While the former book has just predicted the EU accession, at the moment we can collect the experiences of EU accession. Perhaps, these experiences are the reasons of the differences in the atmosphere of the books. Although the author’s immersive style has not changed, it seems as though the former book’s “enthusiasm” and “expectations” has been replaced by the “presence of mind” and the “wisdom of knowledge”.

At the beginning of the book the author tries to clarify the complex relationships of agricultural and rural policies: “the rural and agriculture are not the same things, but without agriculture there is no rural area”. In this context it is particularly important to define the basic categories, as there is no clear consensus on the conceptual definitions even within the profession. The problem may arise from the fact that neither the scientist nor the territorial management has got a precise definition of rurality, and, consequently, has no exact classification of rural areas or rural settlements. We can read about the detailed description

of OECD's and EU's typologies based on mostly the population density indicators, and the book deals with the difficulties of the Hungarian definition making process emerging from the conditions and differences in the interpretation.

The second topic of the first chapter is the analysis of the role and significance of agriculture. Professor Buday-Sántha formulates the main political, economical, social and environmental requirements of agriculture, and then deals with their implementation process in the light of EU's and Hungarian data. Statements of the author are not obvious, and reflect the multidisciplinary (agricultural, environmental and economical), in-depth knowledge of the writer. In many cases he mentions, for example, the methodological errors of international agricultural statistical comparisons, which show a more negative image of the former socialist countries including Hungary than their actual state. But the author is not satisfied with a simple situation analysis, so he describes the next steps required to achieve the positive changes. It is rare in the Hungarian literature, that the author shows the different specialties and efficiency of the agricultural development of EU member states come from the former eastern block.

The second chapter draws an overall and detailed picture of the state of Hungarian agriculture, from the 18th century presenting the harmonisation requirements of the global market. An important, although "hidden", subchapter which determines the views and beliefs of book deals with the antecedent and effects of the change of regime. Professor Buday-Sántha portrays what kind of ideological and political pressure was in connection with the reform of agriculture, ownership and the farm structure. He shows step by step how the regulatory environment made more and more impossible the maintenance of the agriculture's competitiveness, and how it was strengthened by the country's new integration zone, and the unfavourable foreign market situation. Agriculture, which during the period of the so called "golden age" was able to guarantee the success and the development of ruralities and the increase of the living standard of the rural population, due to the lack of options, also destroyed the rural areas totally. The main causes of the sector's decrease: the fragmented farm structure, the lack of horizontal and vertical integration connections, the unskilled farmers with lack of capital, which were strengthened by the non land user farm owners' capital withdrawal from the sector, and the lack of other opportunities, other employers and political intention.

The presentation of the development of agrarian verticum begins with the analysis of world trade of agricultural products and its global distribution in the context of the sustainability, problems of developing countries, overpopulation, change in the climate and environmental

conditions and energy crisis. Whilst the competition in the market has resulted in the concentration of trade and food processing, the concentration of agricultural production takes place only with difficulty because of the fragmentation of land ownership, the unresolved rural employment or social- and taxation political considerations. But if we look behind the figures still there is a detectable concentration – states the author (such as the ageing society, decrease in the proportion of women and the increase in the number of hobby lands and non- viable sized lands used probably not for producing goods). The pressure of concentration on agriculture could be ameliorated by the (vertical) integration of producers which is popular in the USA or horizontal integration (used in Hungary also): co-operatives, producers' sales organizations, groups of producers and machinery rings. These solutions associating producers operate only as virtual plants and only ease the disadvantages arising from the low prices of capital intensive large farms (i.e. lack of capital, uneven quality, and poor utilization of machinery etc.)

The correlations drafted by Attila Buday-Sántha seem to be opposed to the EU's and domestic political ambitions since the earlier emphasizes the significance of small farms, its role in agrarian employment and the capacity of rural lands to retain the population which are all against the concentration of production. The contradiction is apparent only because the author speaks about real processes demonstrated by statistical data whilst the macro-politics tells about efforts. Another point is that the author has always supported concentration that is why his views have hardly been accepted by the domestic rural developers' community. Although he has always been aware of the problems of rural lands, he saw the solution in the development of local industry, the formation of local labour area and improving the accessibility of the workplaces rather than in the forced employment in agriculture – which allows self-sufficiency at most but does not facilitate competitive production.

The book presents sector analyses on domestic agrarian production problems and tendencies and is illustrated with statistical data and charts. Amongst the problems it emphasizes the dominance of small farms which are unable to produce goods, the decline of agricultural lands, drastic decrease of domestic livestock and the higher share of foreign capital in the domestic food industry resulting in the total destruction of some sectors (i.e. sugar industry) or in the deterioration of competitiveness or the decline of the employment role of the domestic food industry. The author drafts the advanced model of agriculture and its trends: the input intensive integrated model and the knowledge intensive organic farming model and investigates the feasibility of their domestic potentials as well.

In the chapter about the development of the agrarian policy of the EU, the author describes the main steps needed for the transition from the common agricultural policy (CAP - Common Agricultural Policy) to CARPE - Common Agricultural and Rural Policy for Europe. He presents the measures of the current programming period (2007-2013) and the framework conditions for its domestic use. However, from this chapter, the structure is not evident: it does not follow any chronological or geographical logic. It is not fully clear why the author returns to the development history of the agrarian environment protection program in a separate section after the presentation of the agricultural budget of the current planning period. Why should the domestic use of the program be described here before mentioning Hungary's accession to the EU? The structural position of the section dealing with the agricultural institutional system is also questionable. It would be more logical to place the latter two issues in a common section because the administrative systems of agriculture and environmental protection are intertwined significantly both on the EU's and the domestic level. A diagram could also help in the transparency of its complex relationship.

The next chapter dealing with the competitiveness of the agricultural sector is a critical element of the book including honest and harsh facing of the past and suggestions for the future. That is why it would be luckier if it was positioned after the chapter dealing with agrarian production or as quasi-summary at the end of the book.

In connection with the last chapter including the development of local areas, the need of the change of its position in the book may emerge in the readers' minds. The author's logic emphasizing the chronology of the development of CARPE and, due to this, his dealing only with the events of the current programming period is understandable and acceptable. We feel that important analytical considerations were pushed into background by following the strict chronological logic. On one hand, here the author could define his views about the relationship between the development of local areas and rural areas in detail. On the other hand it would be important to emphasize the parallel development of the EU's rural policy – being part of both the common agricultural policy and regional policy. Although AGENDA 2000 declares the development of rural areas as the second pillar of CAP, according to the EU subsidy policy the two have become a single system since 2007 within CARPE. In connection with the chapter dealing with the development of local areas it is notable that although the author refers to both the EU's and Hungary's relations in the title, the former is quite briefly discussed and built on the reader's available knowledge in this field. This chapter focuses rather on the elements concerning rural areas within Hungarian spatial

development whose research is closely related to the concept of ‘rural areas’, the problems of their delimitation, which were described in the first chapter. Thus before the next release it would be worth considering placing it there.

The book titled ‘Agricultural and rural policy’ could be useful for professionals dealing with agrarian and rural policy, history of economy and economic development and spatial development. We believe that it cannot be omitted from the compulsory literature of academic subjects in related topics. (This function could be supported if the book included a classified index in its next edition.) At the same time, the book can be read by non-professionals as well due to its language style accessible to all.