AGRICULTURE AND RURAL LIFE IN FINLAND AND HUNGARY

Edited by Zsuzsanna Varga and Anssi Halmesvirta

SUOMEN MAATALOUSMUSEO Sarka

Agriculture and Rural Life in Finland and Hungary

Edited by: Zsuzsanna Varga and Anssi Halmesvirta

Layout: Etusivupaja Veijo Lieskivi

Cover picture: Emil Laaksonen / Suomen maatalousmuseo Sarka

Printed in: Kopio-Niini, 2018

© Copyright: Suomen maatalousmuseo Sarka
Sarka – the Finnish Museum of Agriculture

ISBN: 978-952-99569-9-9
ISSN: 2489-9771

Maatalousmuseon tutkimuksia 1

www.sarka.fi

AGRICULTURE AND RURAL LIFE IN FINLAND AND HUNGARY

CONTENTS

EDITORS' INTRODUCTION

The Department of History and Ethnology of Jyväskylä University had the honour to organize a conference titled *Development of Agriculture in Hungary and Finland* (May 18th–19th 2017), which aimed at comparing the divergent ways and possible parallels of development of agriculture in the countries from the 19th century to present times. It continued the tradition of bringing Hungarian and Finnish historians together to find common and different features in modern Hungarian and Finnish economic and political history.[1]

The question may arise as to how two countries with such diverse geopolitical locations and natural characteristics could benefit from a comparison of rural development. This type of comparison forces us to reconsider our assumptions and explanations about the uniqueness of our own historical explanations.[2] The conference has proved that such a comparison of the 19th and 20th century rural history of the two countries may lead to interesting questions and new findings by distancing the researchers from the domestic perspective. It is especially well- attested by the re-thinking of the history of agricultural production, land ownership and the recurrent state interventions in the 20th century.

In general, from the end of the 19th century on Finland belonged in the so-called 'developing periphery' of the Nordic countries, which began to catch up with the industrializing core of Europe in terms of economic growth and social change. Hungary, on the contrary, was in an intermediate geopolitical and economic position with a distinct variety of development pattern, still affected by strong feudal traditions in land-owning system in particular but also in distribution of political power.

In view of peripheral economic development and modernization, Hungary supplied food for the 50 million inhabitants of the Dual Monarchy, Finland exported industrial products to Russia. After the First World War they lost these large markets and had to cope with problems of adaptation, which were felt in agriculture, in particular. Because of growing surplus agricultural population and critically low levels of livelihood in countryside, in both countries the political leadership realized the urgent need of land reform.

As the leading articles of this volume by Zsuzsanna Varga and Ilkka Nummela & Jari Ojala respectively show in Hungary the reform was tried but delayed and limited in scope by the political influence of the great landowners (cf.Tibor Toth's, Réka Marchut's

1 Cf. *Economic Development in Hungary and Finland, 1860–1939*. Ed. Tapani Mauranen. Communications. Institute of Economic and Social History, University of Helsinki. No 18. Helsinki, 1985*; Hungary and Finland in the 20th Century.* Ed. Olli Vehviläinen. SKS: Helsinki, 2002: Anssi Halmesvirta, *Kedves rokonok. Magyarország és Finnország 1920–1945.* Napkút Kiadó: Budapest, 2014.

2 *Comparative and Transnational History. Central European Approaches and New Perspectives.* Eds. Heinz–Gerhard Haupt and Jürgen Kocka. Berghahn: New York & Oxford, 2009, 1–31.

and István Papp's articles), whereas in Finland it was quite successful as there were no such 'lords' to stop it and the 'White Finland' was in need of small-farmers according to the policy of self-sufficiency. Like in Hungary also in Finland the political purpose was, in the name of consolidation or containment[3], to heal the wounds of the Civil War and make people work, not to entertain subversive ideas. Remarkably enough, in Hungary the leading economic sector was agriculture with great impact on other prominent sectors such as food processing. In Finland this role belonged to forestry the incomes from which supported small-scale farming, dairy farming, in particular. It is also noteworthy, how agriculture and rural population had a symbolic role in the nation-building in both countries in the first half of the 20th century (see esp. István Papp´s article). During the post-WWI internal conflicts, the Finnish Civil War and the Hungarian counterrevolution, the leaders of the conservative ('White') armies in both countries, C.G.E. Mannerheim and Miklós Horthy respectively, saw their soldiers as 'patriotic peasants' who 'carried the real spirit of the nation' as opposed to the 'immorality of urban proletariat' which comprised the Socialist ('Red') armies.

The same discourse continued in the legitimization of the interwar nationalist policies. In Finland, 'free peasant' as a backbone of the nation was a concept established by historiography and applied politically. For example, the land redistribution laws were regarded as success stories of building social peace, even though inequality and mutual distrust between the larger landowners and former landless remained. In similar vein, 'smallholder peasants' were idealized by the Hungarian government, despite their very limited political influence and actual stagnation of income compared to urban workforce.

In the interwar years, the economic growth and social progress (modernization and formation of socially and politically strong middle-classes) slowed down in Hungary whereas in Finland the rate of growth was one of the fastest in Europe. This 'Finnish success' was partly due to the constellation of political forces: the so-called 'Red Earth' (coalition between Social-democrats and the Agrarians) governments were able to reconcile agricultural and industrial workers' interests and keep the country on the road of 'rule of law'.

The comparison of the land reforms after World War I and World War II has shown an important fact, namely that the modernization of the Hungarian countryside was seriously hindered by the belated land reform. In Finland state intervention in land ownership was driven by considerations like social peace, an adequate income of agricultural producers and reasonable food prices. In Hungary, state intervention pursued other goals: in 1920, the traditional political elite managed to take the wind out of the sail of the peasants' dissatisfaction by introducing a minimal land reform, retaining their own large estates. Therefore, the large estates inherited from feudal times continued to dominate, and consequently the standard of living of peasants with small farm holdings or without any land property did not improve in this era. Therefore, a radical land reform act was passed in spring 1945, quite belatedly, but after the lost war, burdened by the ravages of war and the payments of war compensation, there was not enough material sources to help the new farms.

3 Cf. Häkkinen, Ville, 'From Counterrevolution to Consolidation? Language of politics, nation-building and legitimacy of government in the Hungarian parliamentary debates, 1920–1928'. Doctoral dissertation. Jyväskylä: University of Jyväskylä, 2018, forthcoming.

After the World War II, the plans of Finland and Hungary in agricultural policy parted even more abruptly: progressivist-centrist Finland steering towards becoming a welfare state, which would accommodate also the c. 420,000 Karelian displaced population (see Erkki Laitinen's article). In stark contrast, from 1948/49, the sovietization of the Central Eastern European region was started. Copying the Soviet model of modernization meant that forced industrial development took precedence over agricultural sector completely. The Stalinist agrarian policy had disastrous consequences, contributing to the breakout of the 1956 revolution in Hungary (see Judith Tóth's article). Having finished collectivization, the Kádár regime carried out huge investments in agriculture in the 1960s in order to improve the standard of living of the population. It was the time when tractors replaced horses and combine harvesters became general.

These modernization processes reached Finnish family farms in the 1960s, too. Whereas the majority of land was cultivated by family farms there, Hungarian agricultural producers met the modernization achieved by introducing machinery and by increasing the use of chemicals and fertilizers within the collective farms forced upon them. They became workers in this Soviet-style large-scale agriculture, a process which was not the result of an organic development. It had huge socio-psychological costs as they had to change their lifestyle overnight and it led to an immense loss of traditional values and accumulated knowledge and experience. The prestige of agricultural work decreased and it had far-reaching consequences felt even today. Moreover, in a socialist state, the working class was considered the leader of society and agricultural producers were looked down as inferior people, and their interests were not represented in politics because they were 'represented' by the Communist Party. Nevertheless, after 1956 a particular organ was formed, the so-called agrarian lobby, which mediated between the political decision-makers and the agricultural producers. As a result, the Kádár regime, which prioritized the policy of the standard of living, gradually diverged from the Soviet model to provide enough food supply.

What still remained similar in postwar agriculture in Hungary and in Finland was that in both countries co-operatives played a major role in agriculture, and it seems that also in Hungary they performed roles which could be described as quite 'capitalist' (cf. Holger Fischer's and Jorma Wilmi's articles) And later on, in spite of substantial investments in industry and production of energy, both Kádár's and Kekkonen's regimes paid 'careful' attention to the lot of agricultural population: the refrigerators had to be filled up in order to keep people content and industrious. In the 1980s, when Finnish agriculture witnessed an enormous growth in productivity, in Hungary it was the socialist ideology again that took precedence in the investment policy decisions. Agriculture became an "internal colony" again.

The collapse of Socialism posed a challenge affecting both countries. Finland was struck by the loss of the Soviet market and it also caused huge problems to Hungarian agriculture although they were only part of multiple problems. The post-Socialist elite interfered in the ownership structure of agriculture. However, the combination of privatization with compensation led to a long-lasting crisis. After 1990, when political compensation was announced for the injustices committed against property during the Socialist era, one fifth of the Hungarian population became land owners. Unsustainable farms with 1–2 hectares of land were created (in Finland most of them had disappeared in

the 1960s and the 1970s). The private farms created by a quick and forced transformation of the socialist collective and state farms were expected to accommodate abruptly to the requirements of market economy, the protectionism of the other European countries and after 2004, to the challenges posed by the agrarian policy of the EU. It would deserve further research how the interests of this sector were represented by the various countries when they joined the EU and how it changed agricultural policy and the image of the countryside in general.

At the beginning of the 21st century, one can find in both countries concentration of agricultural production in the hands of fewer and fewer great owners. Due to rationalization and automatized farming their output is on remarkably high levels (see the statistics of the leading articles). What comes to 'traditionally conservative morality' of the agricultural producer, he/she must nowadays be an educated entrepreneur being able product effectively and maximize profit as well as manoeuver in the jungles of European Union directives, which demand great skills of calculative paper work.

Despite many changes in societal and economic structures in both countries, including extensive and continuous urbanization, agriculture and rural life have not lost their appeal or symbolic value, as we learn from the articles of Pilvi Hämeenaho and Péter Porkoláb. Rural nostalgia is characterized by the cultural longing to the rural lifestyle, which is conceptualized as 'original', 'pure' and 'unregulated'. In contrast to the modern urban pace of life, this may occasionally result in former urban professionals turning to small-scale ('green') farming as much for the sake of individual development as for livelihood. The current situation is especially interesting since quality and healthy food is gaining strategic importance nowadays, giving precedence to sustainable agriculture and indirectly to the countryside at large.

As the editors of this book, we hope that we managed to convince our readers that rural history is more than just the history of agricultural production; as a result of complexity of history, rural history has many aspects in terms of ideological history, political history, biographies, and sometimes the history of ethnic minorities.

For readers interested in general parallels and diversities in Hungarian and Finnish history since prehistoric times there is a comprehensive study available: *Geschichte Ungarns und Finnlands*. Multimedia CD-rom Hergestellt mit Unterstützung des Programms Kultur 2000 der EU. Projektmitarbeiter: Hamburg, Rostock, Jyväskylä, ELTE (Budapest). Hamburg, 2002; also in https://www.phf.uni-rostock.de/imd/41/ungarn.html. General eds. Holger Fischer and Anssi Halmesvirta.

Owing to the fact that this volume cannot pretend to cover the entire histories of Hungarian and Finnish agriculture and rural life, those who want to make more detailed and specialized comparisons between them, should consult these two books: *History of Hungarian Agriculture and Rural Life, 1848–2004.* Ed. János Estók. Argumentum Publishing House, Museum of Hungarian Agriculture: Budapest, 2004 and *Suomen maatalouden historia 1–3* [*History of Finnish Agriculture 1–3*] SKS: Helsinki, 2003–2004.

Zsuzsanna Varga
and Anssi Halmesvirta

Jari Ojala and Ilkka Nummela

FEEDING ECONOMIC GROWTH: AGRICULTURE

Developed agriculture is a basic requirement for a developed economy: economic growth, industrialization and urbanization are only possible after there is enough food available at reasonable prices. Finland offers an example of rather late but rapid development in agriculture. Despite the constraints of a cold climate and short growing season, Finnish agriculture has witnessed an enormous growth in productivity especially during the last decades of the 20th century.

Economic growth in every country is dependent on the capacity of the agriculture to feed its people. The development of agriculture leads to a fall in the price of food and to the reduction of poverty. Economic historians have debated when, why and how the second agricultural revolution occurred, that is, the increase in productivity that enabled an escape from the "Malthusian trap" – referring to an assumption made by Thomas Malthus (1766–1834) that, because in the long term population growth is more rapid than the increase in agricultural production, this will ultimately lead to crises. Productivity growth, i.e. the decrease in the aggregate inputs of land and labour to produce agricultural products, occurred in developed countries from the turn of the nineteenth century on. However, even in many of these countries, this change did not take place until the latter part of the twentieth century. For some countries, the change has not even begun yet.[1]

Finland offers an example of a country with a rather late but rapid development of productivity growth in agriculture. Between the world wars, a growth in production was still mainly achieved by increasing the cultivated area, and even after the Second World War, a huge number of new farms were established. Finnish agriculture is also an example of a model in which rather small family farms, supported by cooperatives, have been the dominant form up to the end of the 20th century. Furthermore, the role played by the state in constraining, promoting and enabling agricultural production has played a vital role throughout Finland's history.

At the beginning of the 19th century, almost 90 per cent of employment in Finland came from the primary sector (Table 3.1). A characteristic phenomenon during the following decades until the end of the century, when urbanisation and industrialization really began, was a downward social spiral owing to the high population growth rate in the later part of the 18th century (1.3%

1 Ruttan 2002, 161. On the discussion, see especially Ruttan 2002, Zanden 1991, Allen 2000, Clark 1987, Clark 1991, Clark 1992. This text has been previously published in: Jari Ojala, Jari Eloranta & Ilkka Nummela (eds.), *The Road to Prosperity: An Economic History of Finland* (2006). With a permission of the Finnish Literature Society the text is republished here with some updates.

p.a.) and also in the period 1815–1865 (1.0% p.a.). The economy was not able to cope with the rapid population growth. Primary production in 1860 accounted for about 60 per cent of gross domestic production (GDP) and around 80 per cent of the labour force, while in 2000 its share had declined to 1.5 per cent of GDP and four per cent of the labour force. In the fifteen European countries studied by van Zanden (1991), 55 per cent of the population were working in the primary sector in the 1870s. In Finland, the corresponding figure for the 1880s was 75 per cent. Similarly, by 1910 the European percentage had decreased to 46, while in Finland it was still around 70.[2]

Even after the Second World War, Finland was still highly dependent on the agricultural sector, in terms of both its role as employer and its share of the GDP. By the end of the century, the situation had changed dramatically: the status of agriculture in Finland declined in terms of both its contribution to the national economy and its role as an employer. The rise in production and productivity made it possible to lower the prices of foodstuffs; together with the growth of standard of living people spent less on food and drink. In the late 19th century over 50 per cent of the private consumption expenditure still went on food, but this share had decreased to one third by the early 1950s, to a quarter by the early 1980s, and one eighth by the early 21st century. Thus, as in other Western economies as well, there has been a decline in the aggregate input to produce farm products.[3] Though the importance of agriculture in Finnish GDP has declined during the postwar era, it still plays a fairly important role in large areas of the

2 Zanden 1991, 219.

3 Hjerppe 1989, Jussila 1987, Myyrä and Pietola 1999, Mäkelä 2001, Maataloustilastollinen 2002, Ruttan 2002, Schultz 1951, STV 1950 - 2003, SVT 1950 - 2003.

Table 3.1 Finnish agricultural population and labour force, 1754–2000

Year	Total population, thousands	Total labour force, thousands	Total agricultural population thousands	Total agricultural labour force, thousands	Proportion of agricultural population in total population (%)	Proportion of agricultural labour force in total labour force (%)
1754	450	180	350	..	77	..
1805	898	359	702	..	78	..
1820	1178	521	..	448	..	86
1850	1637	694	..	589	..	85
1880	2061	639	1545	502	75	73
1900	2656	832	1845	566	69	68
1920	3148	1499	2057	1051	65	70
1950	4030	1984	1674	912	42	46
1980	4788	2214	..	279	..	13
2000	5181	2589	..	142	..	4

Sources: Kilpi 1913, Tilastollisia 1979; Official statistics of Finland. Note: agricultural population and labour force refer here to the whole primary sector. Agriculture constituted about 90 per cent of the labour force in the total primary sector during the late 19th century. The data is not available for all years due to the differences in statistics.

country − and also in government policies, as can be seen especially from the important role played by agriculture in Finnish-EU negotiations in the mid-1990s. Even in the early 21st century, 'farmer' was among the most common occupations in Finland; for example, in 2016 there were 71000 farmers in Finland.

The proportions of the agricultural population and labour force in the total population and labour force can be used as indirect estimates of the productivity growth in agriculture, although the calculation takes into account neither changes in consumption patterns nor the role played by imports of foodstuffs[4]. As can be noted from Table 3.1, however, the aggregate labour input in agriculture of the total population has diminished at an increasing rate, especially from the early 20th century on. Urbanisation occurred in Finland rather late: even in the early 19th century only around five per cent of Finns lived in towns, and by the turn of the 20th century this figure was still only around 13 per cent. In the mid-20th century, around one third of the population lived in urban municipalities, while by the end of the millennium the share was two thirds.

The history of Finnish agriculture followed the general trends of development in Swedish agriculture during the era when Finland was under Swedish rule. However, when Finland was annexed to imperial Russia in 1809, Russian agriculture was not taken as a model; for example, serfdom was never introduced into Finland - with the exception of the area called "Old Finland", which was already part of Russia in the 18th century. Feudalism in the continental sense never played a significant role in Finland, and large manors with tenant farmers never occurred in large scale. One of the main characteristics of Finnish agricultural production has been the fact that the farms have been owned and operated mostly by the farmers themselves. The societal importance of agriculture and rural areas as whole can be seen from the importance of the agrarian parties in Finnish politics throughout the 20th century − a phenomenon that has some similarity with the situation in eastern central Europe between the world wars. The development of agriculture during the 20th century was closely related to the building of the welfare society, since even the socialist parties had strong rural roots in the early part of the 20th century. The Finnish story − especially from the late 1980s on, when Finnish agriculture had to be adjusted not only to the standards and restrictions of the European Union but also to GATT and WTO agreements, to a great extent reflects international structural changes in agriculture, the food industries, consumption patterns, politics and the trade in agricultural products.[5]

In the following, we will first describe the development of Finnish agriculture during the last 500 years and follow with an analysis of how state policies, ownership structure and cooperatives have affected this development especially during the 20th century. In the third section of the article, a productivity analysis over the long term is presented, followed by some concluding remarks. The basic argument in this article is that the increase in agricultural production was a result of extensions of the cultivated area and an increase in labour intensity up to the late 19th century. Thereafter productivity growth, both in terms of land and labour, has been of increasing significance. Relatively small family farms have played an important role in the development up to the late 20th century; they have been supported by

4 See especially Allen 2000, Zanden 1991.

5 Myrdal 1985, Myrdal 1999, Myrdal and Söderberg 1991, Fitzgerald 2003, Kola 1998, Kuhmonen 1996, Lauck 2000.

state legislation and joint marketing through cooperatives. Finally, we argue that the development of agriculture during the 20th century was closely related to the building of the welfare society

From famine to overproduction

On the one hand, a large, sparsely populated land area with a cold climate has constrained the possibilities for the commercial expansion of Finnish agriculture (owing to logistic problems, for example). On the other hand, the large land area has enabled the expansion of agriculture, unlike in many European countries, where a scarcity of land has been an important constraint. That was not, however, the case in Finland. On the contrary, forests and marshland were still being cleared for cultivation even in the late 20th century.

As Finland is one of the northernmost agricultural countries in the world, the short growing season and disadvantageous weather conditions are the basic constraints on its agricultural production − although the effect of the Gulf Stream enables cultivation even in Lapland. The growing season in the southernmost parts of Finland is around 180 days, while in the north it is only 120 days. However, there are also a number of advantages accruing from Finnish weather conditions. During the summer, the amount of daylight is greater than for example in central Europe, and in the winter the cold weather has provided a resistance to some diseases both in animal husbandry and in plant cultivation. The winter is favourable for growing rye and especially for fur-farming. Owing to an adequate amount of rain there has not been any need for expensive irrigation systems.

The traditional slash-and-burn technique was the dominant form of agriculture from medieval times on, especially in the eastern parts of the country; during the 17th century, over half of the grain was produced by the slash-and-burn method in these areas. In the western parts of the country, however, field husbandry already flourished during the Middle Ages, and in the 17th century only one-fifth or less of the grain was produced by slash-and-burn cultivation in western Finland. Dairy farming became the dominant form in the late 19th century, though field husbandry grew in importance especially in the southernmost parts of the country. Cattle raising has been closely connected not only with meat and dairy products, but also with the demand for manure. Particularly in Ostrobothnia (the north-western coastal area of Finland), cattle raising grew in importance at a quite early period, and butter even began to be exported quite early on.

It is not possible to point to a 'typical' Finnish farm because of the variation in types of production (for example, from grain growing in the southernmost parts of the country to reindeer husbandry in the north) and because geographic and climatic conditions are so different in different parts of the country. For example, the modernisation of rural Finland spread from the south-west to the north-east. Thus it was not until the last decades of the 20th century that the structural change in society occurred on a large scale in the eastern and northernmost parts of the country.[6]

The settlement of Finland was dictated by the habitats of game animals, and in the early modern period also the areas where it was possible to cultivate rye.[7] The settlement extended rapidly during the 16th century and

6 See e.g. Jussila 1987, 13, 55−63, 88−91; Tykkyläinen and Kavilo 1991, 15; Kuhmonen 1996, 23 - 26.

7 Solantie 1988.

thereafter − the reason being the population growth and the general rise in grain prices in Europe. It was the above-mentioned slash-and-burn technique in rye cultivation that was responsible for in the spreading of settlement to the eastern and northern parts of country. In fact, the slash-and-burn technique was developed in the Savo region in eastern Finland so as to use the conifer forests as a source of good yields. Indeed, the Swedish Crown actually encouraged these cultivators to move to Sweden with their (high) technology − and from there, some of them even emigrated in the early 17th century to North America (the Delaware area), thus, providing an excellent example of an early modern technology transfer.

During the early 19th century, the Finnish economy came to be even more dominated by agriculture after the area called "Old Finland" was attached to the autonomous Grand Duchy of Finland. These areas in the south-east were part of Russia during the 18th century and were important areas of agricultural production, even exporting agricultural products to Russia, especially to nearby St. Petersburg. Before the 19th century, agricultural exports had not played a significant role in the economy. For example, during the 17th century, the share of agricultural production in exports was around one per cent. The exports to Russia expanded from the early 19th century on, and by the 1890s agricultural products accounted for around one third of the value of Finnish exports. Agricultural exports, however, collapsed after the Russian Revolution and the independence of Finland: in the 1920s the share of agriculture was only around two per cent of the total exports, and it remained at a low level throughout the 20th century (see also Yrjö Kaukiainen in this volume). The commercialization of agriculture occurred in conjunction with the expansion of exports, and a monetary economy spread to the rural areas. At the same time, the liability to pay taxes was also extended, and this in turn increased the need for people to have money incomes.

During the 20th century, agricultural production changed from labour-intensive working methods to capital-intensive production as the 'agribusiness' emerged in Finland. This commercialization of production led to specialization in production and to an overall adjustment of production to the market economy. During the 20th century, Finnish agriculture faced a number of changes, including the afore mentioned collapse of export markets in the east. Exports to other areas were not possible owing to the general rise of protectionism in Europe.

Between the world wars, the arable area of the country increased by around a quarter. This was due to the technological development and agricultural reforms carried out during the period. Although technology developed, and fertilizers became more general, in the central areas of the country malnutrition was still widespread in the 1920s owing to the low productivity in subsistence agriculture and lack of complementary incomes. Cultivation of hay in open fields became general, which increased the nitrogen gain of the land and thus, land productivity.

At the same time, agriculture was further commercialized, cooperatives became more general, and "entrepreneurship" in farming emerged. The expansion of agriculture after the Second World War through land acquisition acts was followed by mass emigration from rural areas from the 1960s on, when overproduction also emerged as a problem. Finally, readjustment to EU legislation has characterised the change from the 1990s on.

Finnish farming has over the course of time changed from diversified production to a more concentrated type of production. This

meant that farms specialised in different types of production. For example, in the early 1960s, almost all Finnish farms produced dairy products (milk), while in the early 1980s only one third of Finnish farms still had cows. The proportion of dairy production in Finnish agriculture has further decreased during the 1990s and early 21st century: in 1995 one third of farms produced dairy products, while in 2016 the share was 15 per cent. At the same time, the proportion of crop farms increased from 42 to 55 per cent. Certain farm animals such as sheep almost disappeared a few decades ago from rural areas. In 2016, there were 1500 sheep farms and more than 150 goat farms in Finland.[8]

By the end of the 20th century, agriculture in Finland, as in the other industrialised countries, was facing a severe problem of overproduction. Even in the early 20th century, there were still a few famines, and in the late 1860s, Finland experienced the last known major peacetime famine in the western world, losing one tenth of its population through starvation. The worst known famine, however, occurred in the years 1695–1697, when around one third of the population died. The period 1870–1913 was characterized by a commercialization of agriculture and a shift from crop production to animal husbandry with exports of butter and imports of cereals especially from Russia. Because of this shift, the degree of self-sufficiency in cereals decreased to 44 per cent, while self-sufficiency in animal products was over 90 per cent. Therefore, during the First World War, there were huge problems in feeding the people. This was also partly due to the collapse of the logistics system in Russia. In 1917, the deficiency in foodstuffs lead to civil disorder, and this was one cause of the outbreak of civil war in Finland in January 1918. In the very early years of Finnish independence, the "ideal" of self-sufficiency in foodstuffs was adopted as one of the primary objectives of the government, and legislative changes and land reforms were carried out in order to achieve it. By the end of the 1930s, self-sufficiency in cereals was already around 70 per cent, and in animal products 83 percent − thus implying a declining trend in animal products compared to the situation two decades earlier (see Table 3.2).[9]

Overproduction became a subject of public discussion in the late 1950s (see Table 3.2). The overproduction of dairy products and eggs in particular caused problems. Overproduction, the above-mentioned ideal of self-sufficiency and the objective to provide food at reasonable prices all led to the subsidisation of agriculture. In Finland the subsidies to agriculture were controversial. The restrictive methods and subsidies formed a complex system, in which most of the export subsidies were paid by the farmers themselves. More drastic measures to cut the overproduction were introduced during the 1960s and 1970s. Among the most innovative institutional restrictions was the set-aside system, where compensation was paid for fields that were allowed to lie fallow. Around ten per cent of the total area of cultivated land was withdrawn from active cultivation. The set-aside system was widely criticised, on the one hand on emotional grounds: it was seen as the embodiment of the stagnation of rural areas, where land previously cleared for farming land with hard work was now abandoned or reforested. On the other hand, the set-aside system also proved to be an inadequate measure for dealing with the problems of overproduction. At the same time, the market situation became easier owing to sales to the Soviet Union, weak crops and the oil crises of the 1970s, which

8 Niemelä 1996, 354; Vihinen 1990, 42.

9 Komiteanmietintö 1940, 352.

all increased world market prices for agricultural products. Furthermore, the massive emigration from almost all the rural areas of the country decreased the number of active farms, especially small ones. There was an emigration not only of people but also of capital from rural to urban areas, and the patterns of forest ownership in particular changed drastically. The effects of migration were profound throughout Finnish society: in 1950 around one third of the population lived in urban municipalities, while by the end of the millennium the proportion was two thirds; by comparison, in Britain in 1850, about 50 per cent of the population already lived in towns, and in 1950 about 80 per cent. In 2017, 79 per cent of the population lived in urban municipalities in Finland.[10]

Table 3.2 Self-sufficiency in foodstuffs: production as a percentage of consumption

Product group	1970	1980	1990	2000
Cereals	114	70	175	103
Dairy products – liquids	..	129	122	112
Dairy products – fats	126	128	143	132
Beef	110	102	109	93
Pork	110	119	114	101
Eggs	136	151	137	114
Sugar	27	60	91	71

Sources: Official Statistics of Finland and Ministry of Agriculture and Forestry.

Overproduction became a debated issue in Finland from the late 1950s on. In the early third millennium, Finland produces certain products way over its needs; this is the case especially with dairy products and eggs. The situation was different at the turn of the 20th century: self-sufficiency in cereals was then only around 44 per cent owing to imports from Russia. In the mid-19th century, Finland was vulnerable in the imports of foodstuffs: thus, when crops failed in the late 1860s and ships loaded with grain were unable to sail to Finland owing to the early freezing over the Baltic, the country faced a severe famine. However, as the country was thinly-populated it was possible to use supplementary sources of food such as game and fish.

During the 1990s, Finnish agriculture again faced a period of change. The main cause was Finnish membership in the European Union. Finnish agriculture had to adjust itself to EU agricultural policies, diminishing farming subsidies, production quotas and other restrictions. Though Finland got a number of advantages for its agriculture in the Treaty of Accession to the EU, membership has caused the most profound structural changes in production since the resettlement of demobilised soldiers and evacuees from the territories lost to the Soviet Union after the Second World War. The number of active farms was decreasing rapidly, people were again moving from the countryside to urban centres, and the population in rural areas was growing old. The number of milk suppliers decreased to over half in the period 1990–2002, from about 43,500 to 20,000 farms. Furthermore, about 74,000 farms applied for the basic forms of agricultural support in 2002, while the number in 1994 was about 105,600 farms.[11] Thus almost one third of active farms had disappeared in less than ten years. More emphasis in political discussion was placed on the viability of the rural areas and on the need to keep the countryside inhabited. The cultural values of rural areas and the countryside were stressed in public discussion. And the structural changes in the

10 Tykkyläinen and Kavilo 1991, 15; Lees 2000, 70, Jussila 1987, 39, 48−49; Vihinen 1990, 32−33, 44; Sauli 1987, 157−159

11 See e.g. Sipiäinen, Ryhänen, Ylätalo, Haggrén and Seppälä 1998.

Finnish agriculture have continued in the 21th century: In 2016, the number of milk suppliers was declined to 7000 which is two thirds less than in 2002. In the same year, only 49000 farms applied for the basic forms of agricultural support, a third less than in 2002.[12]

Adaptation to conditions: the state, family farms, and cooperatives

The Finnish model of agricultural policy was created in the very early years of independence in order to boost the production of foodstuffs and improve the status of crofters. This was inspired by the fact that inadequate sources of foodstuffs and the crofters' unfavourable position were among the major reasons for the Civil War that broke out in 1918. Domestic production was therefore subsidised in the 1920s and 1930s, and the subsidisation was further increased in conjunction with the above-mentioned resettlement programme after the Second World War. The government has used its authority to control land ownership at several times in Finnish history, starting with the settlement regulated by the state from the 16th century on, the general parcelling out of land in the 18th and 19th centuries (the change from open-field villages to unified farms, somewhat similar to the British enclosures); and the land acquisition acts in the early 20th century and immediately after the Second World War. All these changes were only possible by infringing private ownership, and they all laid the basis for the further development not only of agricultural production but for the countryside in Finland as a whole.

The development of Finnish agriculture during the post-war period was highly dependent − at least at the political level − on a nexus-of-contracts and interplay between a numbers of actors. Overall, the principal aims of Finnish agricultural policy since the first years of independence have been efficiency, self-sufficiency in farm products, an adequate income level for the farming population, ensuring the availability of foodstuffs at reasonable prices, and the need to maintain habitation over the whole country. In the corporatist system, the role played by the farmers' interest group, The Central Union of Agricultural Producers and Forest Owners (MTK), was paramount, and through it the farmers succeeded in influencing national (agricultural) policy. The corporate decision-making process enabled MTK to obtain a more powerful position in negotiations even during the last decades of the 20th century than it should have had in proportion to the share of agriculture in GDP and the number of members in the interest group.

Private ownership of land is a key factor in understanding the development of Finnish agriculture. For example, in 2002 private persons owned 88 per cent of farms, heirs and family companies eleven, corporations, foundations and cooperatives 0.7, and the state, municipalities and parishes 0.1 per cent. In 2016, private persons owned 86 per cent of agricultural and horticultural enterprises' heirs and family companies eleven and others three per cent. The family ownership of farms was not questioned in public debate, and it seems evident that other modes of ownership were simply not regarded as possible in Finland because of the strong traditions of private ownership of farms.[13]

12 See e.g. Jussila 1987, 50−51, Vihinen 1990, 16. 35, 74, Anderson 1987, Sauli 1987

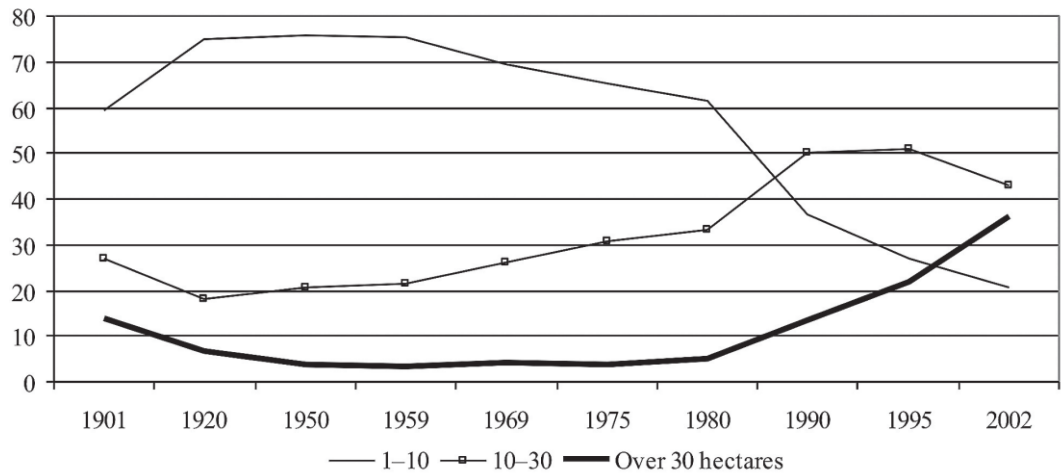
13 SVT III, Maatalous 1950 (Census of Agriculture), Vol 1, 53; http://www.mtk.fi/ (cited 28th January 2004); Mäkelä 2001; Kuhmonen 1996, 19 - 20. - On the history of land ownership in Finland, see e.g. Jutikkala 1958, Peltonen 1992, Peltonen 2004, Rasila, Jutikkala and Mäkelä-Alitalo 2003, Soininen

Small family farms rose in importance in Finland, as in many other European countries as well, from the late 19th century on, and large-scale farming based on wage work disappeared almost totally by the mid-20th century. Estate farming, on the other hand, was never widespread in Finland, and therefore throughout its history the farm sizes have were relatively small. The small size of the farms is partly related to the climate: it has been argued that it takes more time to take care of twenty cows in Finland than fifty cows in France or 150 cows in New Zealand. Thus, for example in 1995, the average number of cows per dairy farm in Finland was only 11, while in Germany it was 23, in Sweden 26, in Denmark 40, and in Great Britain 64. In 2016, the average number of milk cows per dairy farm was in Finland 39

From the mid-19th century on, the land area of farms increased through the parcelling out of the forests, which before had been state-owned with the peasants having only usufructure of them. However, that did not increase the area of arable land. Furthermore, from the mid-19th century on, the average size of farms decreased owing to settlement and the partition of farms. The rural settlement measures favouring small farms that were implemented in the early years of independence and after the Second World War resulted in the fact that during the 1950s the typical farm was small, around 5 to 10 hectares (Figure 3.1). In the early 20th century, owing to the Land Acquisitions Acts and the Leaseholders' Act, the number of small farms increased rapidly as the crofters now got to own the land they had previously rented. Similarly, these laws increased the number of active farms. During the 1920s, over six million hectares of land changed owners, and over 130,000 new farms were created. In 1950, around 13 per cent of all active farms had been created right after independence by the Leaseholders' Act and 19 per cent by

1975; Vihinen 1990, 59, Mäkelä 2001.

Figure 3.1 Finnish farms by size of arable land area (hectares) 1901–2000, in percentages



Sources: Peltonen 2004, 516; Niemelä 1996, 351, 420; Kuhmonen 1996, 16−18; Finnish Official Statistics; Information Centre of the Ministry of Agriculture and Forestry. Note: owing to the slight differences in statistics, the middlemost category includes farms of 10 to 25 hectares in the years 1901 - 1969 and 10 to 30 hectares in the years 1975 – 2002.

the land acquisition laws after the war. Thus the 'old' farms constituted below 70 per cent of all farms, although the area of arable land and the number of animals on the 'old' farms was higher than on the 'new' farms.[14]

A number structural changes, most of them related to legislative reforms, have affected the size of Finnish farms during the 20th century. In the early 20th century the proportion of small farms increased notably after the Leaseholders' Act. The share of the largest farms diminished respectively. Again, after the Second World War the share of the largest farms diminished notably as a result of the Land Acquisition Act. It was not until the 1990s that the proportion of farms in the largest size category (over 30 hectares) reached the same level as in 1901. During the 1990s and the early third millennium, there has been a rapid change as the share of the largest size category has increased.

Land acquisition by the state after the Second World War has been criticised for slowing down urbanisation, making agriculture unproductive, causing overproduction, and creating the need to subsidise farming in the postwar era. However, since the towns in Finland did not provide enough opportunities and the country did not have anything else to offer, resettlement in the countryside was an act of necessity in the post-war situation. Even in the 1930s it was realised that land acquisition was not necessarily rational in economic terms; however, it was necessary in order to keep peace in society after the Civil War. The land acquisition acts had long- term consequences. First, the average size of Finnish farms decreased owing to the fact that the new farms were small, practically all below 15 hectares. Second, the resettlement partly delayed the urbanisation process in Finland, which began only during the 1960s, when people from the rural areas started to move *en masse* to the urban areas. Third, again partly owing to the resettlement, agriculture remained one of the most important sources of livelihood for the majority of the people. Fourth, resettlement was one of the major reasons for the problems related to the overproduction of agricultural produce during the 1960s and 1970s.[15]

The problems related to the small size of farms were also recognized in government measures: from the early 1960s on, the focus of Finnish agricultural policy was to rationalise by increasing the size of farms. The total number of farms decreased rapidly − partly owing to the policies adopted, partly to "natural" development; from 1972 to 1992, approximately 5500 farms were closed down every year, and the number of dairy farms halved in each decade. The average size of a farm in the late 1960s was still under ten hectares, while in the late 1980s it was around 12.5 hectares, in 1990 about 17 hectares, and in 2002 it was already 30 hectares.[16]

The role played by the cooperatives is central in Finnish agriculture and its status within the Finnish economy during the 20th century. For example, the cooperatives contributed to the maintenance of small family farms. Especially in dairy farming, the introduction of the centrifugal cream separator made it possible for farmers to sell better quality butter and cream through these cooperatives. As far as cooperatives were concerned, Finland was not an exceptional case: a similar development can be found in

14 Pyykkönen 1998, 81, Haataja 1949, Jussila 1987, 46, Tykkyläinen and Kavilo 1991, 94, Jutikkala 1958, Soininen 1975, 127−138.

15 See especially Saarinen 1966, 16−49; Hämynen and Lahti 1983; Tykkyläinen and Kavilo 1991, 7−8, 16−12, 93−107; Laitinen 1995.

16 Niemelä 1996, 419 - 420; Information Centre of the Ministry of Agriculture and Forestry (http://tike.mmm.fi); Mäkelä 2001; Kuhmonen 1996, 3; Perko 2005, 33.

all the other Nordic countries and in a number of central European countries as well. All in all, the cooperatives played an important role in transforming, modernizing and reorganising Finnish agriculture throughout the 20th century.[17]

During the early 20th century, a number of local and national co-operatives were created to buy the farmers' products, to process them and market them to customers. Cooperatives were seen, at least at the time when they were established, as institutions that satisfied people's needs better than purely business-oriented organisations as they were jointly owned by the rural people themselves. Thus there was a pronounced ideological emphasis attached to the creation of the cooperatives. There were usually local cooperatives for different products, but they united to form powerful and influential national cooperatives. These national cooperatives, such as *Valio* and *Enigheten* in dairy products, *Atria, LSO,* and *Portti* (and their predecessors) in meat, and *Metsäliitto* in forestry, were farmer-controlled marketing organizations. They also had an important impact on industrialisation in the country, especially in the food industry. Other specialised cooperatives were established to sell machines and equipments to farmers (*Hankkija* and *Labor*), and there were even retail and credit cooperatives in rural areas (*SOK* in retail trade, and *Osuuspankki* in banking). In addition to the cooperatives, naturally there were also a number of privatively owned companies operating in the same lines of business.

Common to all these cooperatives was the fact that, although they were 'companies', they did not act according to the 'rules' of the market economy; the aim of the cooperatives was not to create value-added but to take care of the interests of the owners, namely the rural population generally. Thus, for example, the aim of *Metsäliitto* (a forest cooperative) was not only to sell forest products (pulp, paper, timber) profitably, but also to buy raw wood at a reasonable price from the forest owners. Rather than produce 'market value', *Valio*'s major aim was to keep producer prices of milk at a reasonable level, just as was it was the objective of *Atria* and other meat cooperatives to achieve the same with the price of meat. A major change occurred in cooperative structures during the 1980s and 1990s: in practice all national cooperatives were reformed to be more market-oriented. This had a huge impact on the commercialization of the whole 'agribusiness' in Finland. For example, *Valio* was no longer (necessarily) the most 'reliable' buyer of milk-products; neither was *Atria* of meat, nor *Metsäliitto* of raw wood. Furthermore, some cooperatives, like *Hankkija*, went bankrupt. In many parts of the country, however, (small) local cooperatives held their ground − and some of them even broke away from the national cooperatives.[18]

Throughout history, agriculture has been associated with a number of related activities, such as fishing, hunting and forestry, as agriculture itself has provided only a basic livelihood for the people. Farmers have therefore sought auxiliary incomes, for example, in industry and services, either as wage-earners or as private entrepreneurs. The employment of extra labour in agriculture, on the other hand, has been rare, except on the largest farms. Statistics show that in 1951 and 1952, 55.6 per cent of the average income of Finnish farmers came from agriculture, 28.3 per cent from forestry, and 15.3 per cent from secondary sources. The proportion of additional income was larger in small farms. In 2002, over a quarter of

17 See also Zanden 1991, Lauck 2000.

18 Häikiö 1997, Vapaakallio 1995, Lamberg 2001, Perko 2005, Zetterberg 1983.

Finnish farmers practised other forms of entrepreneurship besides traditional farming; almost 70 per cent of them were engaged in various services such as contracting and tourism. In many parts of the country, one can argue, forestry is actually a more important source of income for farmers than agriculture. In general, the arable land area is larger and correspondingly, the forest area is smaller in the south than in the north.[19]

Productivity in Finnish agriculture over the long term

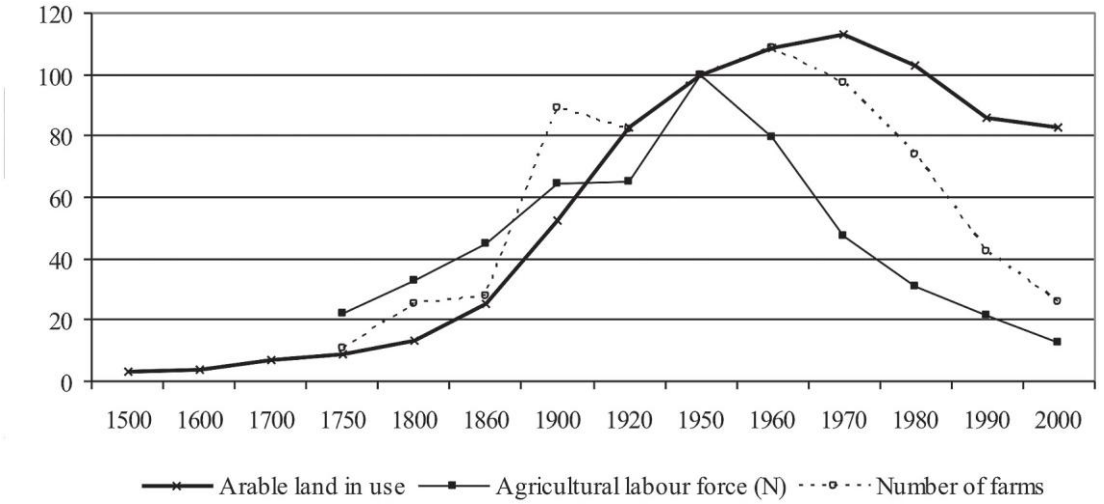
The development of Western economies can be characterised by a decline in the aggregate input in producing farm products. This includes both the use of arable land and the number of livestock, as well as a decrease in the input of labour. Land-saving and labour-saving technologies that benefited the growth of productivity must be dealt with separately. Land-saving technologies include all the means used to increase the output per hectare, whether it is new crop rotations, the introduction of clover and other plants to increase the nitrogen fertilisation of cereal crops, the more efficient use of manure, or the chemical fertilizers that became general in Finland during the latter part of the 20th century. Labour-saving technologies include all kinds of machinery introduced into agriculture especially from the late 19th century on, when first iron and steel tools, and then motive power revolutionised agricultural technology. A third catgory, livestock-saving technologies, made it possible for example to produce more dairy products with the same amount of cows, or to rise beef cattle with better animal feed (e.g. cattle cakes). Advisory organizations and developed agricultural training have played an important role in the use of land-, labour- and animal- saving technologies. The productivity of plant and cattle breeding has increased significantly. Thus agriculture has generally changed from being a "natural" activity to a scientific one, with a resulting increase in productivity. At the same time, there has been a shift to more capital-intensive production. [20]

In Finland, too, the growth in productivity was a result of technological development, and from the late 19th century on it enabled the feeding of the Finnish people with lower labour and land inputs into agricultural production. At the end of the 18th century, growth in agricultural production in Finland was primarily not based on a rise in labour productivity, but rather on an increased use of resources. Firstly, it was based on the growth of the arable land area as a result of clearing land for cultivation. Secondly, it was based on an increase in labour intensity, especially after new rotations gave way to more labour-intensive modes of agricultural production. Thirdly, it was based on an increase in the number of livestock. This resulted not in a growth in the average size of the farms but in the number of production units. According to Arvo M. Soininen (1975), there is no evidence that there was a significant shift in productivity in crop production in the period 1720–1870. From the point of view of standard of living, it is interesting to note that there was in the same period no significant shift in arable land per capita. There was, however, a slight increase in yield-to-seed ratios of rye and barley between the middle of the 16th century and the beginning of the 19th century. This was caused by new methods in agriculture (rotations) and the increased use of manure. A short-sighted policy to increase the food

19 STV 1953. http://www.finfood.fi/. Jussila 1987, 46; Jutikkala 1958, 253–301.

20 See especially Clark 1992, Ruttan 2002, Zanden 1991.

Figure 3.2 Input indices in Finnish agriculture, 1500 –2000 (1950=100[22]



Sources: Niemelä 1996, Viita 1965; STV, Suomen tilastollinen vuosikirja (Statistical yearbook of Finland); SVT, Suomen Virallinen Tilasto III, Maatalous; Maatalouslaskenta 1992, Maataloustilastollinen 2002; Siltanen and Ala-Mantila 1989, 6–7; Hjerppe 1988, Kilpi 1913, Koskinen, Martelin, Notkola, Notkola and Pitkänen 1994.

supply caused by high population growth rates resulted in uneconomical farming in the long run. Crop fields were expanded at the expense of pastures, which resulted in a lack of manure, and yields per acre began to decline.[21] In the southern part of the country, the relation of arable field to pasture in the end of the 18th century was 1:2.8 and in the 1870s 1:1.7.

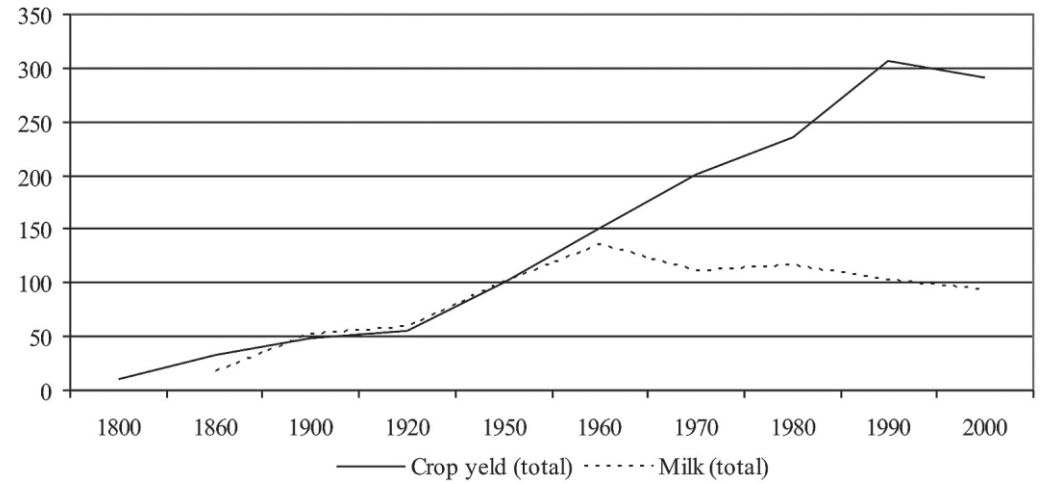
The area of arable land, the size of the agricultural labour force and the number of farms increased from the 16th century up to the 1970s (Figure 3.2). New farms were established, and new land was cleared for agricultural use especially from the mid-19th century up to the first decades of the 20th century. The arable land area decreased during the post-war era by about one fifth, the number of farms to a quarter and the agricultural labour force to one eighth. However, at the same time the production of the crop yield (the combined production of wheat, rye, barley and oats) increased almost threefold, and total milk production decreased by about one third. Thus productivity in the agricultural sector grew. (Figures 3.3 and 3.4)

Scarcity of land was a significant constraint on the expansion of agriculture in many European countries. That was not, however, the case in Finland. On the contrary, forests and marshland were still being cleared for cultivation even in the late 20th century. As can be seen from Figure 3.2 above, the area of arable land in use increased especially from the turn of the 19th century up to the 1970s, although the growth dimi-

21 On the comparison, see also Clark 1992, 69.

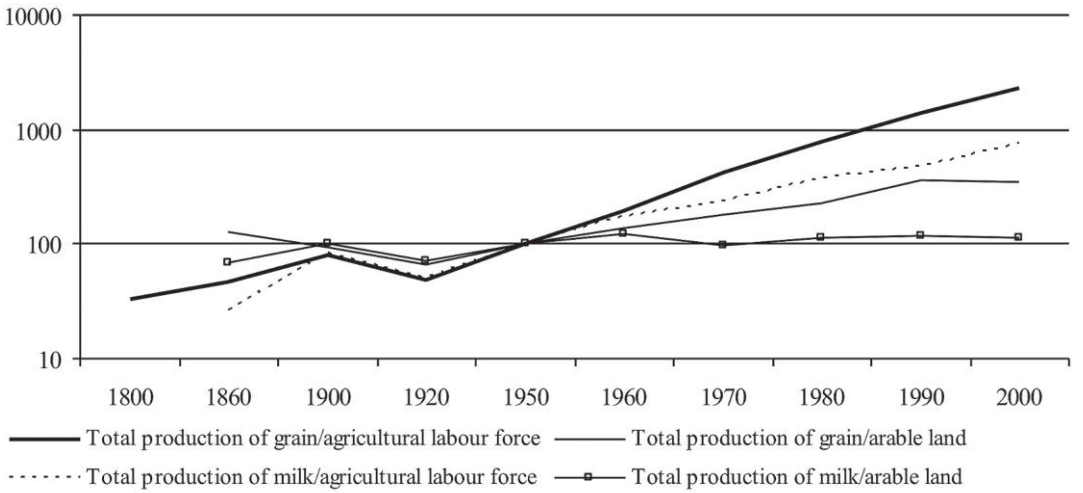
22 The figure is based on the area of arable land in hectares and the number of farms (including crofts). Since there are differences in the sources used, Figures 2 and 3 should be understood as only estimates. The arable land in use in 1500 is based on extrapolation; the other years are partly interpolated. Further details available from the authors by request.

Figure 3.3 Production indices of total crop yield and milk production in Finland, 1800 – 2000 (1950=100)[25]



Sources: See previous figure.

Figure 3.4 Estimated productivity indices in Finnish agriculture 1800−2000 (1950 = 100)



Sources: see Figure 2

25 The figure is based on the combined crop yield of wheat, rye, barley, and oats in kilograms, and the production of milk in litres. The milk production for the years 1860−1960 has been taken from Viita (1965), and from official statistics thereafter. The crop yield of slash-and-burn cultivation is not included as it does not show up in the statistics. Further details available from the authors by request.

nished between the World Wars. The size of the agricultural labour force has decreased from the mid- 20th century on owing to the reduction in the use of outside labour after the Second World War. The number of farms, however, decreased only from the 1960s on, when there was migration from rural to urban areas in Finland.

During the 20th century the mean size of farms began to grow (Figure 3.5). To put it simply, one can argue that productivity corresponds with the size of a farm; the average size of farms (arable land in use) increased threefold after the Second World War. On the other hand, it has been emphasized that small farms actually operate quite efficiently.[23] The growth in the number of average-size farms during the 1980s was approximately at the same level as in EC countries at the time. During the 1990s, the productivity of agriculture increased more rapidly, for instance, in Sweden and in Denmark than in Finland. In OECD countries, the productivity growth rate of agriculture was higher than the growth of productivity in manufacturing or services, or the growth of productivity per capita GDP during the post-war era. However, the agricultural labour force decreased more rapidly in Finland than in Western European countries on average. The productivity of Finnish agriculture had already increased significantly before the Second World War, but right after the war it diminished: productivity in 1947 and 1948 was a quarter lower than it had been before the war. From the early 1950s on, however, agricultural productivity increased again, but not as much as in Finnish industry (see also Hjerppe and Jalava in this volume).[24]

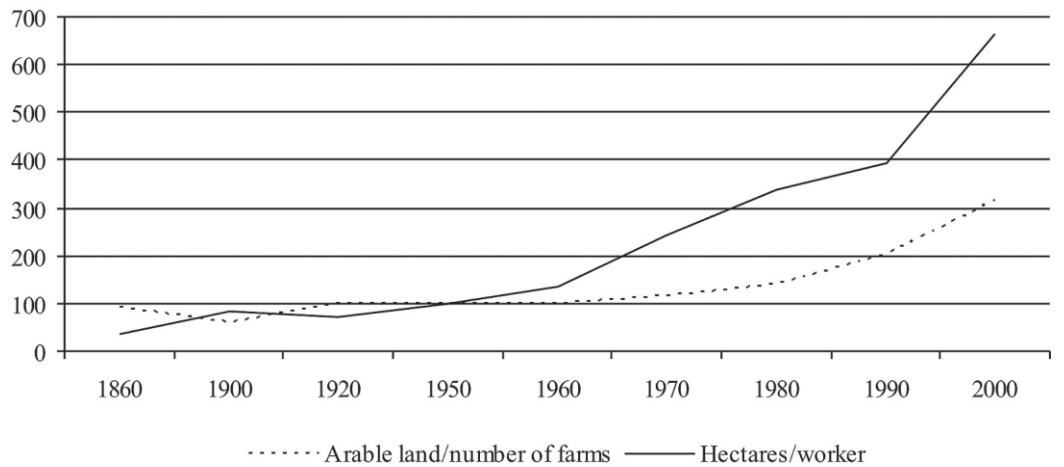
The production of milk and crop yield has increased significantly from the beginning of the 19th century. While total milk production already peaked in the 1960s, the crop yields continued to grow up to the early 1990s.

Up to the mid-20th century, the growth

23 See e.g. Kuhmonen 1996, 9.

24 Cornwall and Cornwall 1994, 240, Suomela 1958, Hjerppe 1989, Ihamuotila 1972, Kuhmonen 1996, 45−53, Myyrä and Pietola 1999, 10−12, 48.

Figure 3.5. Average size and hectarage of Finnish farms, 1860 - 2000 (1950 = 100)



Sources: See Figure 2

in production in agriculture mainly resulted from increases in inputs (especially the area of arable land and the labour force), while the impressive productivity increase after the Second World War was a result of the more intensive use of resources. Figure 3.4 indicates the growth in productivity in Finnish agriculture from the early 19th century on, in terms of both labour and land productivity. On the whole, as a result of the decreasing size of the labour force and increased yields, the growth in productivity, especially during the latter part of the 20th century, has been enormous.

Productivity corresponds to the size of a farm. The average size of Finnish farms (arable land in use) increased threefold after the Second World War. Hectarage (arable land in proportion to the agricultural labour force) increased even more significantly, thus reflecting the technological development in agricultural production.

The growth in productivity during the post-war period in the Finnish agricultural production was due to the modernisation and commercialisation of agriculture. Commercialisation and specialisation made it possible for farmers to increase their production and concentrate on farming, when previously it had been essential for them to obtain income from other sources. A number of factors contributed to the modernisation of agriculture; these included the biological and natural conditions for agricultural production; urbanisation and industrialisation, which lay behind the demand for agricultural products, and also supplied tools and machinery for agricultural production; and the professional activities of farmers, including training, education and the services provided by a number of advisory organisations. In the end, modernisation is highly dependent on the possibilities of the individual farm to adapt to innovations, whether in terms of the farmer's attitudinal readiness for change or his financial prospects.[25]

Technological innovations that made an impact on the productivity growth include not only the mechanisation of agricultural production, but also plant and cattle breeding, the education of farmers, farm advisory organisations, and so on. Human capital formation in terms of better education of farmers can be characterised on three levels. First, the required knowledge was acquired

25 Tauriainen 1970, 50–70, Jussila 1987, 32.

Table 3.3 The number of tractors and horses on Finnish farms

Year	Tractors	Horses	Tractors/1000 hectares	Horses/1000 hectares
1920	147	391,000	0.07	193.66
1938	5,916	350,000	2.35	139.17
1950	17,000	409,000	6.99	168.24
1960	87,000	225,000	33.03	85.42
1970	155,000	90,000	56.30	32.69
1980	220,000	21,000	87.82	8.38
1990	235,000	44,000	112.55	21.07
2000	332,584	58,000	165.79	28.91

Sources: Aarnio 1987, 99; Jussila 1987, 53; Tilastokatsaus 2003, 35; Maataloustilastollinen 2002; STV, Suomen tilastollinen vuosikirja (Statistical Yearbook of Finland); SVT, Suomen Virallinen Tilasto III, Maatalouslaskenta 1992, 262.

through "on-job-training", as father and mother introduced their youngsters to agriculture. This was supplemented with organised agricultural consultation from the 19th century on, and lastly, with formal training, which from the mid-20th century also included secondary, and even tertiary (university) level education. This was tied up with spreading of the new comprehensive school system and upper secondary schools to rural areas during the postwar period.

The number of horses has diminished from the 1950s on, while the number of tractors has grown during the same period of time. While there was hardly one tractor to every 10,000 hectares in 1920, by 2000 there was already a tractor for every 10 hectares under cultivation. At the same time, the average power of tractors has increased significantly, and other new tools have been employed. For an individual farm, the purchase of a tractor was a huge investment. In 2000, for example, tractors alone constituted, about 50 per cent of the value of sales of all farm machinery. Moreover, various kinds of accessories and equipment for tractors (ploughs, harrows, fertilizers, and trailers) together constituted over 25 per cent of all investments.[26]

During the early modern period, new rotations decreased the area of fallow land, although they increased the use of labour. Even hay was introduced into the rotation (the so-called *koppeli* cultivation system), which intensified land use even more. The "green revolution" in agriculture, which started in the 16th century, brought along better, industrially produced ploughs that allowed the cultivation even of clay soil. The use of artificial fertilizers and pesticides became general in Finland fairly late. Irrigation as such was not needed, as there is usually enough rain water during the summer time. The second mechanisation period occurred from the 1950s to the 1970s, when tractors replaced horses, and combine harvesters became general.[27]

The coming of tractors to farming is usually taken as an indicator of the mechanisation of agriculture. Tractors not only enabled the use of more productive methods in cultivating and harvesting arable land, but also increased the area of production as land was not needed anymore to feed the horses that were previously used on farms. The number of tractors surpassed the number of horses during the 1960s. In the 1930s, there was approximately one tractor to every 200 farms, while by the late 1970s practically every farm had at least one tractor (see Table 3.3). In cereal cultivation, the single most important technological innovation that was taken into common use was the self-propelled combine harvester.[28] In forest work, the chainsaw also made a huge impact since, especially for small farms, wood felling by traditional methods had provided important extra income. Consequently, technological development generally led to structural change and even to internal emigration from the countryside to the towns.

Cattle breeding, better feeding, improvements in dairy barns and milking machinery, as well as farming advice and the overall professionalisation of agriculture were all reflected in the growth of productivity, particularly in dairy production. During the early modern period, on average one cow produced around 300−400 kg milk in a year, by the mid-19th century around 500− 600 kg/ year, and at the beginning of the 20th century

26 http://www.finfood.fi/ (cited 28th January 2004).

27 See e.g. Myrdal and Söderberg 1991, Reinikainen, Nieminen and Näri 1987, Vihola 1991.

28 Aarnio 1987, 105; Jussila 1987, 52−53; Kiviniemi and Näri 1987, 217-222.

already 1,000 kg/year. Thereafter, the growth in productivity has been rapid, since in 1950 on average one cow produced approx. 3,300 kg milk in a year, while in the late 1960s the production was already around 4,000, and in 2002 the average yield was 7,100 kg of milk a year.[29] Mechanisation alone cannot explain the growth in productivity in milk production, although mechanical milking machines and highly equipped dairy barns made it possible to increase the number of cows on farms: thus, the number of cows per farm rose. The growth of milk production per cow was mainly related to the cattle control system, which included all kinds of counselling on matters ranging from animal feeding to best-practice working methods.

In work in the fields, mechanisation was by no means the most important factor in the productivity growth; mechanization in field crops resulted in greatly increased hectarage[30]. The use of fertilizers significantly increased the crop yield. Environmental considerations such as the pollutant impact of agriculture aroused increased debate in the latter part of the 20th century as the massive use of fertilizers began. However, their use decreased during the 1990s, owing to growing interest in organic production, on the one hand, and because of a decrease in production on the other. Moreover, fertilizers have been developed in a way that has made it possible to reduce the amounts used. During the 1980s, the use of fertilizers increased from approx. 1,000 million kilos to 1,200 million kilos, but during the 1990s it decreased to approx. 750 million kilos (in 2002). Comparing the amount of fertilizers used to the area in production shows that the decrease in their use was over 35 per cent in the period 1990–2002.[31] The organic production of dairy products started in the 1960s. With state-subsidized organic production, the number of organic farms grew to 671 in 1990 and to 5,000 in 2001. Finnish organic farms comprised 6.5 per cent of all Finnish farms in 2001 and occupied 5.5 per cent of the country's arable area; in other words, 150,000 hectares was under organic cultivation.[32]

Although the growth of productivity during the postwar period enabled more production with less human input, it required more capital input. Therefore, agricultural production changed from being labour-intensive to capital-intensive. The productivity of capital, and with it, the total factor productivity has not necessarily developed as favourably as labour and land productivity. This also resulted in the fact that despite the relative increase in productivity, agricultural production was not profitable during the 1990s. This caused financial difficulties for some individual farms that had invested in more efficient machines and better facilities.[33]

The general attitude in rural areas towards modernisation has been favourable. Efficient farm production, modern production machines and facilities, commercialisation, and progressiveness are regarded by the farmers as positive values. They were also supported by governmental agricultural policy; for example, the taxation system supported (even to excess) investments in modern production technology, such as tractors, from the late 1960s on. The positive attitude towards investments can be seen in the fact that in the period 1995–2002 around one fifth of the

29 Niemelä 1996, 353; Information Centre of the Ministry of Agriculture and Forestry (http://tike.mmm.fi). By comparison, in the Netherlands the annual milk production of cows in the early 20th century was already 2.5 tonnes a year on average. Zanden 1991, 218.

30 Fitzgerald 2003.

31 http://www.finfood.fi/

32 Ahonen 2002, Siltanen and Ala-Mantila 1989, 13.

33 See e.g. Vihinen 1990, 41, 51, 54, Myyrä and Pietola 1999, 29–30, 50.

production costs in Finnish agriculture came from machinery and equipment. Together with building costs (10 per cent), investments constituted almost one third of all production costs. The high relative share of investments can be partly explained by the fact that the proportion of hired labour in production costs was below 10 per cent as 'outside' labour was not common in Finnish agriculture.[34]

Conclusions

The history of Finnish agriculture has been a continuous readjustment to climatic and geographical constraints as well as to political, economic and technological changes (Table 3.4). The agricultural sector also contributed vitally to the creation and development of the welfare society as whole. The role of the state was important in manoeuvring, controlling, constraining, restricting, subsidising, and enabling agricultural production.

The history of Finnish agriculture has been a continuous readjustment to climatic and geographical constraints, as well as to political, economic and technological changes. Family farms have remained the dominant form of ownership throughout history. There were major periods of change: the first was during the 16th century, when settlement spread to new areas using the slash-and-burn technique; the second happened from the mid-18th century on, when the accelerating population growth was sustained by increased agricultural production; the third period began in the early years of independence, when agricultural policies emphasized small family farms; the fourth started in the early 1960s, when overproduction became a problem and urbanization of the country really began; the final period was from the mid-1990s on, when Finnish agriculture was forced to adapt to European Union legislation.

In the case of Finland, the increase in agricultural production was a result of an increase in the cultivated area and labour up to the turn of the 20th century. Self- sufficiency in dairy products was already achieved in the late 19th century, but it was not until the

34 See especially Jussila 1987, 12−13, 33, Köppä 1989, 195−202. http://www.finfood.fi/ (cited 28th January 2004).

Table 3.4 The development of Finnish Agriculture from the late middle ages to the third millennium

Time period	*Main features*
From the Middle Ages to mid-18th century	Natural economy, spread of settlement, famines (especially in the late 17th century), population growth from the 18th century on, slash-and-burn cultivation predominant in eastern parts of Finland
From the mid-18th century to the late 19th century	Accelerating population growth, general parcelling out of land, demise of slash-and-burn cultivation, early commercialisation (exports of dairy products, imports of grain), the last known peacetime famine in western Europe (late 1860s)
From the beginning to the middle of the 20th century	Land Acquisition and Leaseholder Acts, cooperatives, emphasis on small family farms
From the 1960s to the 1990s	Overproduction, depopulation of the countryside, urbanization, growth of productivity in agriculture
From the 1990s to the third millennium	Adaptation to European Union legislation, decrease of the number of farms, rapid productivity growth

mid-20th century that self-sufficiency in cereals was gained. Thereafter overproduction has shadowed the development of Finnish agriculture. For ages, agriculture was associated with other sources of livelihood that were available in the rural areas. Particularly forestry played an important role here.

The primary sector contributed substantially to the development of society. The reforms in land ownership carried out in the first years of independence can be seen as the first steps towards the welfare society. This was continued after the Second World War, when agricultural land was distributed to the demobilised men and evacuees from the eastern parts of Finland that were lost to Soviet Union. Throughout the 20th century, the agrarian parties together with the farmers' interest group played an active role in getting the reforms enacted.

The development of Finnish agriculture can easily be seen deterministically, as if it was a matter of necessity, as if the actors, whether politicians, technology developers or individual farmers, did not really have any other choice than to pursue the measures that they took. Change and modernisation are usually seen as matters of necessity, although at the same time the 'nature' of agricultural production as history-dependent and slow to change and of agriculture itself as a conservative and homogeneous activity is also underlined. Sometimes agriculture is regarded more as a way of life than as a source of livelihood. Not able to cope with the rapid structural changes and growth of the economy, agriculture opted for modernisation, which meant among other things the growth of the average size of farms in Western countries and the mechanisation of production.[35] In this modernisation process, the actors actively sought opportunities for more efficient production.

As an outcome of the technological development, farming took on the characteristics of factory-like production − 'an industrial logic or ideal in agriculture' emerged, as Deborah Fitzgerald has pointed out in the case of the United States - and the primary sector was commercialized towards the 'agribusiness'.[36] Although the commercialization or industrialization of agriculture in the Finnish case did not reach the level of the United States or some other major agricultural producers, the progress made in Finland has nevertheless been significant − especially taking into consideration its climatic, geographical, population and capital constraints.

35 Schultz 1941, 127, Vihinen 1990, 17−18, 60.

36 On agribusiness and agricultural industrialisation in retrospective, see especially Fitzgerald 2003, Lauck 2000.

BIBLIOGRAPHY

Aarnio, Kaisa. 1987. "Traktori" in: Olli Näri (Ed.) *Koneellistuva maataloutemme - Mechanization of Finnish Agriculture*. Vaasa: Vakola. 75-106.

Ahonen, Heli. 2002. Organic Milk Production in Finland. *www.mtk.fi (cited 28th January 2004).*

Allen, Robert. 2000. "Economic structure and agricultural productivity in Europe, 1300–1800". *European Review of Economic History* 4(1), 1-25.

Anderson, Åke.1987. *Vårt jordbrukspolitiska system*. Uppsala, Sveriges lantbrukuniversitet. 1987.

Clark, Gregory. 1987. "Productivity Growth without Technical Change in European Agriculture before 1850". *The Journal of Economic History* 47(2), 419-432.

Clark, Gregory. 1991. "Yields Per Acre in English Agriculture, 1250 - 1860: Evidence from Labour Inputs". *The Economic History Review* 44(3), 445-460.

Clark, Gregory. 1992. "The Economics of Exhaustion, the Postan Thesis, and the Agricultural Revolution". *The Journal of Economic History* 52(1), 61-84.

Cornwall, John and Wendy Cornwall. 1994. "Growth Theory and Economic Structure". *Economica, New Series* 61(242), 237-251.

Fitzgerald, Deborah. 2003. *Every Farm a Factory: The Industrial Ideal in American Agriculture*. Yale University Press, New Haven.

Haataja, Kyösti. 1949. *Maanjaot ja tulojärjestelmä*. Suomalainen lakimiesyhdistys, Helsinki.

Hjerppe, Riitta. 1989. *The Finnish Economy 1860-1985. Growth and Structural Change. Studies on Finland's Economic Growth XIII*. Bank of Finland Publications, Helsinki.

Häikiö, Martti. 1997. *Satoa ja katoa Hankkijan saralla: Hankkijan ja Noveran historia 1955–1992*. Kirjayhtymä, Helsinki.

Hämynen, Tapio and Leena K. Lahti. 1983. *Sodanjälkeinen asutustoiminta Suomessa*. Joensuun korkeakoulu, Joensuu.

Ihamuotila, Risto. 1972. *Productivity and aggregate production functions in the Finnish agricultural sector 1950-1969*. Maatalouden taloudellinen tutkimuslaitos, Helsinki.

Jussila, Heikki. 1987. *Spatial Diffusion of Modernization. A study of farm mechanization in Finland at regional and local levels*. University of Oulu, Research Institute of Northern Finland, Oulu.

Jutikkala, Eino. 1958. *Suomen talonpojan historia*, Turku.

Kiviniemi, Jaakko and Olli Näri. 1987. "Viljankorjuu". In: Olli Näri (Ed.), *Koneellistuva maataloutemme - Mechanization of Finnish Agriculture*. Vakola, Vaasa, 209-224.

Kola, Jukka. 1998. "EU:n maatalouspolitiikan muutospaineet, teknologinen kehitys ja Suomen maatalous". In: Aarne Pehkonen and Heikki Mäkinen (Eds.), *Teknologian mahdollisuudet maatalouden kehittämisessä*. Helsingin yliopisto, maa- ja kotitaloustekнologian laitos, Helsinki.

Komiteanmietintö. 1940. *Tutkimuksia kansanravitsemustilan parantamiseksi (Komiteanmietintö 1940:5)*. Valtioneuvosto, Helsinki.

Kuhmonen, Tuomas. 1996. *Maatalouden alueellinen rakennekehitys ja rakennepolitiikka*. Finnish Regional Research (FAR), Sonkajärvi.

Köppä, Tapani. 1989. "Maatalouspolitiikan arvot ja maaseudun muutos". In: Pertti Suhonen (Ed.), *Suomi, muutosten yhteiskunta*. WSOY, Juva, 191-204.

Laitinen, Erkki, Ed. 1995. *Rintamalta raivioille: sodanjälkeinen asutustoiminta 50 vuotta*. Jyväskylä: Atena.

Lamberg, Juha-Antti. 2001. "Isäntien metsäteollisuus - Metsäliitto-ryhmittymä 1934 – 1998". In: Juha Näsi, Juha-Antti Lamberg, Jari Ojala and Pasi Sajasalo (Eds.), *Metsäteollisuusyritysten strategiset kehityspolut. Kilpailu, keskittyminen ja kasvu pitkällä aikavälillä*. Helsinki: Metsäalan tutkimusohjelma Wood Wisdom.

Lauck, Jon. 2000. *American Agriculture and the Problem of Monopoly: The Political Economy of Grain Belt Farming, 1953-1980*. Lincoln: University of Nebraska Press.

Lees, Lynn Hollen. 2000. "Urban Networks". In: Martin Daunton (Ed.), *The Cambridge Urban History of Britain III (1840 - 1950)*. Cambridge: Cambridge University Press.

Maataloustilastollinen. 2002. *Maataloustilastollinen vuosikirja 2002*. Helsinki: Tilastokeskus.

Myrdal, Janken. 1985. *Medeltidens åkerbruk. Agrarteknik i Sverige ca 1000 till 1520* Stockholm: Nordiska museet.

Myrdal, Janken. 1999. *Det svenska jordbrukets historia (2). Jordbruket under feodalismen 1000–1700* Stockholm.

Myrdal, Janken and Johan Söderberg. 1991. *Kontinuitetens dynamik. Agrar ekonomi i 1500-talets Sverige*. Stockholm: Almqvist & Wiksell.

Myyrä, Sami and Kyösti Pietola. 1999. *Tuottavuuskehitys Suomen maataloudessa vuosina 1987– 97*. Helsinki: Agricultural Economics Research Institute Finland.

Mäkelä, Sisko. 2001. Northern dimension and family farming. *www.mtk.fi (cited 28th January 2004)*.

Niemelä, Jari. 1996. *Lääninlampureista maaseutukeskuksiin: maaseutukeskusten ja niiden edeltäjien maatalousneuvonta 1700-luvulta 1990-luvulle*. Helsinki: Suomen historiallinen seura.

Ojala, Jari and Ilkka Nummela, "Feeding Economic Growth: Agriculture". In: Jari Ojala, Jari Eloranta and Jukka Jalava (eds): *The Road to Prosperity: An Economic History of Finland.* Helsinki: SKS, 2006, 64—91.

Peltonen, Matti. 1992. *Talolliset ja torpparit: vuosisadan vaihteen maatalouskysymys*

Suomessa. Helsinki: Suomen historiallinen seura.

Peltonen, Matti, Ed. 2004. *Suomen maatalouden historia II. Kasvun ja kriisien aika 1870-luvulta 1950-luvulle*. Helsinki: Suomalaisen Kirjallisuuden Seura.

Perko, Touko. 2005. *Valio ja suuri murros.* Helsinki: Otava.

Pyykkönen, Markus. 1998. ”Kotieläintuotannon teknologia”. In: Aarne Pehkonen and Heikki Mäkinen (Eds.), *Teknologian mahdollisuudet maatalouden kehittämisessä*. Helsinki: Helsingin yliopisto, maa- ja kotitalousteknologian laitos.

Rasila, Viljo , Eino Jutikkala and Anneli Mäkelä-Alitalo, Eds. 2003. *Suomen maatalouden historia 1. Perinteisen maatalouden aika : esihistoriasta 1870-luvulle*. Helsinki: Suomalaisen kirjallisuuden seura.

Reinikainen, Alpo, Lasse Nieminen and Olli Näri. 1987. ”Maatalouskoneiden tarkastus- ja koetustoiminta Suomessa”. In: Olli Näri (Ed.), *Koneellistuva maataloutemme – Mechanization of Finnish Agriculture*. Vaasa: Vakola.

Ruttan, Vernon. 2002. “Productivity Growth in World Agriculture: Sources and Constraints”. *Journal of Economic Perspectives* 16(4), 161-184.

Saarinen, Oiva. 1966. “The implementation and result of the Land Acquisition Act”. *Suomen asutustoiminnan aikakauskirja* (2), 16-49.

Sauli, Liisa. 1987. *MTK ja Suomen maatalouspolitiikka - Maatalousyhteiskunnasta teollisuusvaltioksi 1950-1980*. Helsinki: Kirjayhtymä.

Schultz, T. W. 1941. “Economic Effects of Agricultural Programs”. *The American Economic Review* 30(5), 127-154.

Schultz, T. W. 1951. “The Declining Economic Importance of Agricultural Land”. *The Economic Journal* 61(244), 725-740.

Siltanen, Lulu and Ossi Ala-Mantila 1989. *Maatalouden kokonaislaskelmat 1980–1988*. Helsinki: Agricultural Economics Research Intitute, Finland.

Sipiäinen, Timo, Matti Ryhänen, Matti Ylätalo, Erik Haggrén and Elina Seppälä. 1998. *Maatalousyritysten talous vuosina 1993-2002: EU-jäsenyyden vaikutus tuloihin ja kannattavuuteen*. Helsinki: University of Helsinki, Department of Economics and Management.

Soininen, Arvo M. 1975. *Vanha maataloutemme: maatalous ja maatalousväestö Suomessa perinnäisen maatalouden loppukaudella 1720-luvulta 1870-luvulle*. Helsinki: Suomen maataloustieteellinen seura.

Solantie, Reijo. 1988. “Climatic conditions for the cultivation of rye with reference to the history of settlement in Finland”. *Fennoscandia archaeologica* 5, 3-20.

STV (1950 - 2003), *Suomen tilastollinen vuosikirja (Statistical yearbook of Finland)*. Helsinki: Tilastokeskus.

Suomela, Samuli. 1958. *Tuottavuuden kehityksestä Suomen maataloudessa*. Helsinki: Maatalouden taloudellinen tutkimuslaitos.

SVT (1950 - 2003), *Suomen Virallinen Tilasto III, Maatalous*. Helsinki: Tilastokeskus.

Tauriainen, Juhani (1970), *Kehitysalueiden muuttuva maatalous: Tutkimus Itä-, Sisä- ja Pohjois-Suomen maatalouden uudenaikaistumisesta*. Helsinki: Helsingin yliopisto.

Tykkyläinen, Markku and Seppo Kavilo. 1991. *Maaseudun asuttaminen ja talouden rakennemuutos Suomessa*. Joensuu: University of Joensuu, Faculty of Social Scieces.

Vapaakallio, Sakari. 1995. *Hankkijasta Noveraksi - mikä petti?* Helsinki: Pellervo-seura.

Vihinen, Hilkka. 1990. *Suomalaisen rakennemuutoksen maatalouspolitiikka 1958–1987*. Mikkeli - Helsinki : Helsingin yliopisto, maaseudun tutkimus- ja koulutuskeskus.

Vihola, Teppo. 1991. *Leipäviljasta lypsykarjaan: maatalouden tuotantosuunnan muutos Suomessa 1870-luvulta ensimmäisen maailmansodan vuosiin*. Helsinki: Suomen historiallinen seura.

Viita, Pentti. 1965. *Maataloustuotanto Suomessa 1860-1960* Helsinki: Suomen Pankki.

Zanden, Jaan L. van. 1991. “The first green revolution: the growth of production and productivity in European agriculture, 1870 – 1914”. *Economic History Review* 44(2), 215-239.

Zetterberg, Seppo. 1983. *Puusta pitemmälle: Metsäliitto 1934–1984*. Helsinki: Kirjayhtymä.

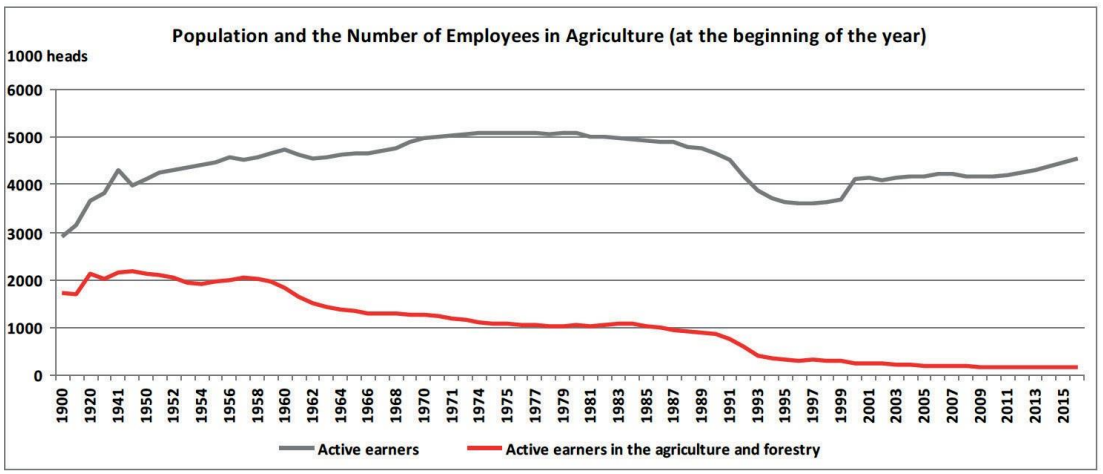
Zsuzsanna Varga

THE TWENTIETH CENTURY RURAL DEVELOPMENT IN HUNGARY IN STATISTICS AND BEYOND

Reassessing rural history of the 20th century Europe, a general tendency catches the eye. The role of agriculture shows a marked decline both in the contribution to the GDP and in employment rates. Due to a growing demand for food in towns, mechanization as a substitute for the agrarian population streaming into the industrial sector had proven to pay off. Later, fertilization, chemical weed-clearing, the spread of new species of plants and animals, etc. resulted in a further increase in productivity. Together with growing concentration of landed property, these processes led to the situation where a small group making up but a few percents of the population produced the food supply in its entirety.[1]

A closer look behind the macro data reveals, however, quite a different developmental path for the Eastern part of Europe, which had come under Soviet influence following the Second World War. Recurring political changes initiated from above and outside Hungary went hand in hand with a transformation of land ownership and/or the structure of agricultural production. This had been the case with the reforms of landed

1 Nowadays in Europe Albania, Moldova, Rumania, Poland and most of the post-Soviet states are the exceptions. Lains & Pinilla 2009, 3–19; Mahlerwein 2016, 184 –187.



property following both the First and the Second World War, as well as the collectivization after the takeover by the communists. Finally, the collapse of the socialist regimes led to the restructuring of agriculture through privatisation and de-collectivization. Even such a brief summary shows how different the experiences of farmers were in this region of Europe.

In the present study, I shall focus on one specific country in the region, Hungary. I discuss this case within the wider context of Central and Eastern Europe, breaking down the development of Hungarian agriculture chronologically in five consecutive periods from the end of the First World War to the present day. My approach is not limited to agrarian history; instead I shall apply the new interdisciplinary approach provided by rural history.[2] This means that I shall examine external factors affecting actors of agricultural production and their reactions to these as well as the interactions between the representatives of political power and the agrarian society, based primarily on archival and statistical sources.

Before I begin my historical review, it may be worth emphasizing that Hungarian agriculture has been in an exceptional position due to a plenty of natural assets. Hungary's natural features – climate, location, water supply and soil – afford above European average potential for agricultural cultivation. According to FAO statistics, of all European countries, only Denmark has a higher proportion of agricultural land than Hungary. In past centuries, agricultural production was the dominant sector of the economy and there were periods when the population was supplied with food at a level exceeding that in most European countries, and substantial surpluses were sold abroad.

2 Varga 2017, 127–137.

Capitalist agriculture with feudal features in the interwar period

In the beginning of the twentieth century, Hungary was part of the Austro-Hungarian Monarchy. Following the end of the First World War, this dualistic state disintegrated, partly due to revolutions. [3] In the Trianon Peace Treaty (1920), Hungary lost two-thirds of its territory and nearly 60% of its population, including 30% ethnic Hungarians.[4] Hungary was transformed from a medium-sized European state into one of the continent's small nations.

As a result of the territorial losses, Hungarian economy was deemed hardly viable by most contemporary observers.[5] From 1850 on, the Austro-Hungarian Monarchy had been a unified customs area with tariffs protecting Austrian and Czech industry as well as Hungarian agriculture. The dissolution of the Monarchy brought an end to the Customs Union. Hungary became fully dependent on foreign trade. In interwar period the development of industry failed to take off, and agriculture remained the principal export-earning sector for Hungary.[6] After 1918 adverse developments on international markets affected Hungary

3 Hungary remained kingdom ruled by a Regent, Admiral Miklós Horthy. The nature of the interwar political regime can be characterised as a limited parliamentary state with strong elements of authoritarianism and a hegemonic party structure. See Romsics 1999, 181–191.

4 Romsics 1999, 117–125.

5 The country retained none of its salt and precious metal mines, a mere 10% of its forests and iron resources, and only half of its once flourishing food processing industry, whose capacity, however, still by far exceeded what was now supplied by the contracted arable lands. Romsics 1999, 130–131.

6 Berend and Ránki 1995, 149–163.

which was an export-oriented agricultural economy without any safety buffer. The overwhelming dependency on primary exports, and especially on cereals, left Hungary very exposed to the risks of international agricultural markets.

The loss of the large Austro-Hungarian market is the prime cause for the lasting stagnation of Hungarian agriculture and economy during the interwar period. Hungary remained a moderately developed agrarian-industrial country.[7] This fact was reflected in the structure of employment; Hungary was still predominantly an agrarian society with 53% of its population engaged in agriculture in 1930. This proportion did decline somewhat to 50% in 1940 whilst the share of those engaged in industry rose from 32% in 1930 to 35% in 1940. The proportion of agriculture's contribution to the national income was naturally much smaller than the proportion of the agricultural population within the population as a whole. In 1930 this share was 32%, and by 1940 it fell to 30%.[8]

Hungary inherited from the nineteenth century a dual agricultural structure, characterised by large estates (*latifundia*) on the one hand, and a mass of small part-time holdings on the other.[9] The many measures the aristocracy used to conserve the large estate system that resulted from their strict control of the state – measures such as massive credit subsidies, expanding mortmain holdings, and above all a protective grain tariff policy after 1878 – were rather effective. Despite an overwhelming peasant demand for land (the so called 'land hunger') the effective market supply of land was severely restricted, and extremely uneven land distribution did not change significantly. What eased the tension considerably was that a significant proportion of excess agrarian population had emigrated to overseas.[10]

Following the First World War, efforts were made to change the unhealthy estate distribution with land reforms in Central and East European countries, the purpose of which was to put an end to the misery of the agrarian population and possible revolution.[11] In Hungary the bourgeois revolution of 1918 incorporated land reform in its program, but the law – declaring expropriation of estates over 285 hectares (500 *katasztrális hold*) – was never executed.[12] Instead of land reform, the Hungarian bolshevist government in 1919 issued a decree on the nationalization of all large and medium-sized estates, creating co-operatives on the estates. The conservative regime coming to power after the Hungarian Soviet Republic also implemented a land reform in 1920 within the framework of the Nagyatádi Land Reform Act, named after István Nagyatádi Szabó, Minister of Agriculture. It concerned a mere 8,5% of the arable land of the country – it barely changed the unhealthy estate structure.[13] This proportion was in

7 Kopsidis 2009, 286–294.

8 In most cases the source of the statistical data of this paper: Hungarian Agriculture 1851–2000. (CD–ROM) Hungarian Central Statistical Office: Budapest, 2000.

9 The ill-proportioned land distribution had several causes, principal amongst them being the Hungarian way of the emancipation of serfs, and the inheritance practices, which differed from the impartial inheritance system. Eddie 1989, 219–249.

10 Between 1899 and 1914 half of all emigrants came from the ranks of agricultural day-laborers and servants. Kövér 2004, 80– 83.

11 Brassley 2010, 145–164; Mathijs 1997, 33–54.

12 1 katasztrális hold (kh)= 0,57 hectare (ha)

13 Szuhay 1998, 178–179.

Post-World War One Reform Land Distribution around 1930 (per cent)										
Size	Czechoslovakia		Poland		Hungary		Romania		Bulgaria	
hectares	No	Area	No	Area	No	Area	No	Area	No	Area
<2-3	26.3	1.6	30.3	3.3	71.5	10.9	52.1	12.8	27.0	5.3
2-5	43.8	13.9	33.4	13.0	12.5	9.2	22.9	15.2	36.1	24.7
5-50	29.0	41.2	36.0	41.3	15.1	33.5	24.2	39.8	36.8	68.4
50-100	0.4	3.7	{0.3	{25.8	0.4	5.5	0.4	4.5	0.1	1.6
100-500	{0.5	{39.6	{	{	0.4	17.2	0.3	10.6	-	-
>500	{	{	{	{	0.1	23.7	0.1	17.1	-	-
Total	100	100	100	100	100	100	100	100	100	100
Berend (1974), p. 194-195										

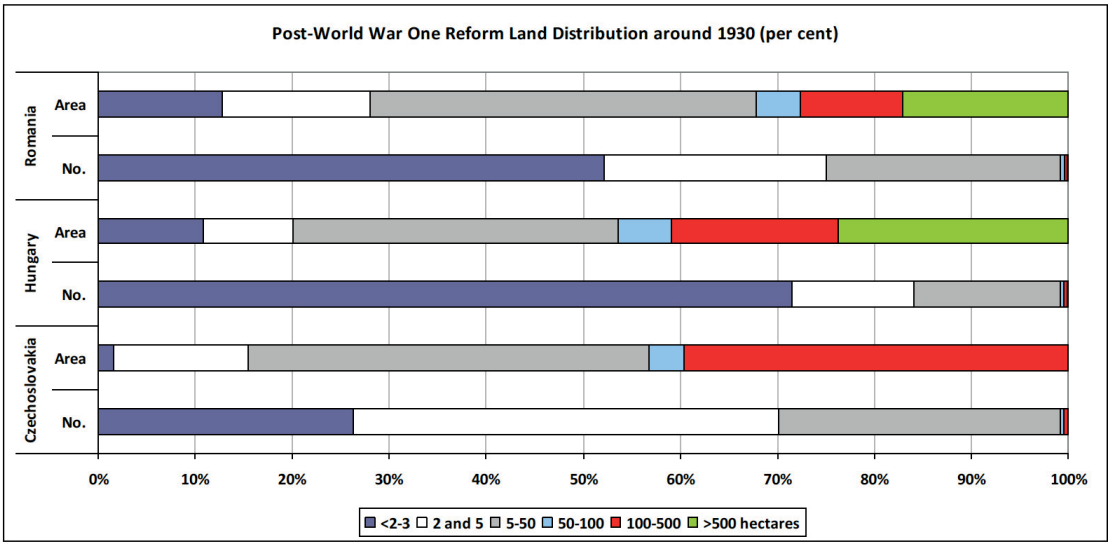
fact smaller than the ones in the neighbouring countries; 27% of the arable land in Rumania and 16% in Czechoslovakia, had been redistributed after the First World War.[14]

The Hungarian land reform had left the predominance of large estates untouched. The new Hungary became Europe's large estate country in the extreme sense of the word. Nearly half of the country's arable land was owned by a few dozen aristocratic families, yet the proportion of non-aristocratic large estates was high. The importance of extensive, pre-industrial grain farming on large farms was much greater than before 1914.[15]

As a contrast, only about 20% of the total arable land belonged to the small estates, smaller than 5,7 ha (10 kh), which made up some four fifths of all agricultural holdings. This highly disproportionate distribution of landed property explains why only about 30% of the agrarian population was able

14 The neighbouring states could afford to be more generous, relying on the estates of formerly owned by Austrian and Hungarian aristocrats. See more on this in Réka Marchut's paper.

15 Szuhay 1998, 178–179; Warriner 1964, 112–115, 144–145, 154–156.



to maintain a family from the crop of their own land.[16] In mid-1930s about 70% of the agrarian society consisted of people with very little or no landed property who, consequently, were compelled to wage labour.[17]

Consequently, it is very important to stress that two thirds of the Hungarian rural population had not been 'peasants' in the western European sense. Nevertheless, they considered themselves peasants and held on to their tiny pieces of land (1–2 hectares of size) even if managing them was did not pay. This is due to the fact that in rural society even smallholders had been held in higher respect than agrarian laborers with a higher annual income.

It is no wonder that the dwarfholders fell largely outside the scope of the very slow process of modernisation, which started to alter the life of the better-off people of the villages with electricity, improving access to medical facilities or changing habits of clothing.[18] Inadequate nutrition, based on cereal and potato with little or no meat and dairy products, was quite common in rural Hungary in the 1930s. Sociographies offer dramatic accounts of the malnutrition of children and the corresponding decline in their school performance.

The enormous surplus of agricultural labour force and the related extreme cheapness of labour in combination with unfavourable market conditions and the resulting wide gap between the prices of agricultural and industrial products, meant that the modernisation of agricultural production progressed at a very slow pace, and even that progress was wiped away by the Great Depression.[19]

The impact of 'Black Friday' first hit Hungary with drastically decreased prices. During the worldwide agricultural overproduction crisis, price transmission from international markets led to a 50% cut in Hungary's agricultural prices from 1928–1933, most dramatically for wheat. If we compare the prices of agricultural products with the prices of industrial products, we can see that in the first half of the 1930s there was an enormous 40% price gap between agricultural and industrial products compared to the level in 1913.[20]

The Great Depression changed the situation of Hungarian agricultural exports dramatically. Over three-quarters of Hungarian exports consisted of agrarian products throughout the interwar period, meaning that an average 54% price fall resulted losing 60 % of exports-generated national income, especially as even at lower prices it was difficult to retain the markets.[21] The protectionist policy of European countries, however, greatly narrowed down the possibilities of Hungarian agrarian export.[22]

16 Gyáni 2004, 399–420.

17 Ibid., 422–438.

18 Gunst 1998, 199–231.

19 In the interwar period the non-mechanized capstan threshers were replaced gradually by steam and heat-engine threshers. Between 1925 and 1929 the number of tractors increased from 1189 to 6800, however in the first half of the 1930s barely more than 100 vehicles being added to the tractor fleet. The spread of harvesting machines was hindered also by the availability of very cheap labour force. As a consequence of the Great Depression the consumption of artificial fertilisers was dropping from 26 kg to 3,5 kg/hectare. The persistence of prewar cultivation methods and a neglect of soil melioration measures explain the stagnation in crop production in the interwar period. Szuhay 1998, 179–180.

20 Ibid., 181–182.

21 Held 1980, 223–227.

22 Berend and Ránki 1974, 242–264; Ormos 2004, 289–370.

Courtyard of a typical homestead on the Great Plain in the 1930s

Agriculture became the sector deep and prolonged crisis of which seemed the most dramatic problem.[23] To solve the grave economic and social problems of the crisis, state intervention had to be strengthened. Until this day, relevant literature is still dominated by reports of governmental measures aimed at protecting Hungarian production and ensuring that surplus crop is engulfed by external markets.[24] In his present study, however, Tibor Tóth mentions governmental programs aiming at real modernisation, which could only be partially implemented due to the resistance of the aristocracy. As he points out, these programs could have, through land consolidation or the extension of agricultural training, given small peasant farms a significant boost.[25]

During the Great Depression, the grain producing large estate sector almost exclusively benefited from newly introduced governmental measures (public procurement, price interventions, export promotion). Moreover, the continuously expanding excess supply of rural labour made it possible for

23 The Great Depression brought about a new situation in Hungarian humanities. A new genre became popular, namely sociography, espoused by the so-called "peasant writers" who had strong connections to rural life. They had not only deep insight into the crisis of agriculture but they had suggestions for a „remedy" referring to the Dutch, Danish, Scandinavian and Finnish examples. See more on this in István Papp's paper.

24 As part of these policies, the prices of the main agricultural goods (cereals, animal products) were centrally subsidized and related tax abatements were introduced. The planting of some plants (sugar-beets, paprika) was officially regulated. There was also a development of a state-controlled system of buying through purchasing co-operatives. Szuhay 1998, 182–185.

25 See more on this in Tibor Tóth's paper.

Watermelon harvest in the early 1950s

large estate owners to respond to the world market-induced cost pressure, mainly by cutting wages. Real agricultural wages declined deeply and reached, in 1931–1934, only 40% of their already low pre-1929 level.[26]

Beside the above-mentioned measures, the Hungarian government had the intention to base long-term agrarian development on the involvement of new foreign markets. Parallel to this, the long-established concept of German-dominated *Mitteleuropa* was put on the agenda, which naturally had implications for Hungary and its neighbours. It meant an opening up of the German market to agricultural products and raw materials from the countries of East-Central and South-East Europe.[27] The eastward-looking policy shift of Germany became very important for another reason, namely because the most important ambition of the interwar Hungarian politics was revision of the Trianon Peace Treaty. The political leadership found supporters of it first in Italy and later in Germany. With supplementary treaties to the 1931 German-Hungarian trade agreement, Germany opened its markets to Hungarian products.[28] In addition to the high exports to Germany, which in late 1930s made up 50-60% and in 1944 close to 74% of exports, Italy's market was also significant (12–20%).[29] Until 1941, however, the ba-

26 Gyáni 2004, 422–438.

27 Teichova 1989, 887–983.

28 Magyar Nemzeti Levéltár Országos Levéltár [National Archives of Hungary, hereafter cited as MNL OL] K 69 Dossier 696 [hereafter Dos.] Ministry of Foreign Affairs, Department for Economic Policy, Materials of the First Supplementary Agreement to 1931 Hungarian-German Trade Treaty.

29 Berend and Ránki 2002, 313–359.

lance was really favourable.[30] However, as the war progressed, Germany made increasing demands on Hungary's agrarian products.[31]

Following the German occupation in March 1944, Hungary's economy rapidly collapsed. From autumn 1944 the country's territory gradually became a theatre of war. The retreating German troops appropriated the machinery and livestock of large estates, and emptied their granaries. The remaining scattered resources and the peasantry's food supply were requisitioned by the logistics branch of the Red Army. During the Second World War, 40% of the country's national assets were destroyed. Losses in agriculture made 17% of the total war-related losses of the Hungarian economy.[32] The proportions of the catastrophe are demonstrated by the following data. The 1945 cattle stocks were 43% lower than in 1938, while respective comparisons reveal a 60% loss in horses, a 79% loss in pigs, and an 80% loss in sheep. Livestock losses led to a shortage of draft animals, inadequate manure production and the reduction of soil fertility. While the number of draught animals fell to a third, and almost one-third of the meagre agricultural machine pool was destroyed. The lack of male labour force also delayed the renewal of agriculture.

30 MNL OL K 69 Dos. 696 Ministry of Foreign Affairs, Department for Economic Policy, Material of the Hungarian-German economic negotiations between 7–29 July 1941; Dos. 697 Ministry of Foreign Affairs, Department for Economic Policy, Material of the Hungarian-German economic negotiations in 1942.

31 German indebtedness at the end of 1941 had been just 140 million marks, 2 years later it was 1 billion marks and by the end of 1944 1.5 billion marks. See more on this: Berend and Ránki 2002, 313–359.

32 Bálint 2013, 133–184

Short-term dominance of the small-scale agriculture

At the turn of 1944–1945, Hungary's international situation and space of political manoeuvre was decisively restricted by the fact that the country had sided with the losers in the war, and that it fell under the Soviet sphere of interest as the result of the preliminary agreements between the Allied Powers.[33]

In countries like Hungary, Poland, and Eastern part of Germany where the so called "land question" remained unsolved in the interwar period, land reforms were a priority in public opinion.[34] That is the reason why most of the Second World War land reforms in the region were conceived within the framework of the Popular Front politics that characterised the Allies' vision of the postwar world. While in Poland the land reform showed a distinct nationalist component (German lands were a major source of land), in Hungary just like in the Soviet Occupation Zone of Germany, the expropriation of native landowners' land became the principal source of land reform.[35]

All political parties that had been reorganised in Hungary agreed on the necessity of the reform of landed property. Some of them even had their own elaborate conception of it. The occupying Soviet power, however, exerted a massive influence. In Hungary, where the leaders of the Communist Party[36] returned with the advance of the Red Ar-

33 Borhi 2016, 3–26; Romsics 1999, 220–224.

34 Crampton 1997, 39–56., 78–94.

35 Kersten 1991; Laufer 1996, 21–36; Mahlerwein 2016, 30–37, Swain and Varga 2013, 141–158.

36 The name of the Communist Party in Hungary between 1945–1948 was Hungarian Communist Party (HCP), between 1948–1956 Hungarian Workers' Party (HWP) and between 1956–1989 Hungarian Socialist Workers' Party (HSWP).

my, the military interest of the Soviet Union did play an important role. Voroshilov, the Chairman of the Allied Control Commission, had informed the Hungarian leaders that the land reform was to be executed without delay.[37] His reasoning was based on military interests, i.e. rapid distribution of land could bring about the dissolution of the Hungarian Army still fighting in Transdanubia (in Western Hungary), and reduce Red Army losses. Furthermore, the Soviets intended to increase the support to the Communist Party in the countryside by initiating the redistribution of land before the Smallholders' Party did.[38]

It is important to refer to the bottom-up signs of the so called 'land hunger'. In early 1945 peasant demonstrations were started in the regions lying behind the Red Army's front lines, urging the immediate enforcement of land reform. There were also land acquisition movements in the eastern parts of the country.[39] For the landless peasantry land distribution was an event of historical justice, which provided them with an opportunity to become owners and independent farmers.

As the Hungarian communist leaders did not want to 'open a front against rich peasants', they initiated a differentiated policy. In the case of the peasant estates the upper limit was 115 hectares (200 kh), and in the case of the noble/gentry estates it was 57.55 hectares (100 kh). The only exception was the case of those who had participated in the anti-fascist resistance, who were allowed to retain 172.65 hectares (300 kh). [40]

During the Hungarian land reform of 1945 more than one-third (35%) of the arable land changed hands. More than half of this land was arable and a quarter was forest. It was the most radical land reform following World War II.[41] Almost 60% of the 3,222,800 hectares of expropriated land was distributed among 642,342 claimants – predominantly agricultural labourers, farmhands and the owners of dwarf estates – while the remaining 40% (mainly forests and pastureland) became the property of the state, villages or co-operatives.[42] The first and most radical phase of the land distribution lasted until approximately May 1945.

The land reform resulted in far-reaching transformation in the production structure and ownership relations of agriculture, as well as in the structure of agrarian society. With the expropriation of medium-sized and large estates, the stratum of owners of medium-sized and large estates ceased to exist. On the other hand, the percentage of the landless agrarian proletariat fell from 46% in 1941 to 17%, while the proportion of smallholders grew from 47 to 80%. Consequently, the proportion of private farmers

37 Cseh 2000, 30–34.

38 Soviet pressure did not only mark the timing but also how the land reform was executed not as an act of parliament but as a government decree. The fundamental rules on the abolition of the large-estate system and the distribution of land to the agrarian population were issued by the Provisional National Government in Decree 600/1945 of 17 March 1945.

39 Donáth 1977, 33–51.

40 While some compensation was offered for the expropriation of secular estates, 440 257 hectares of the 496 081 hectares of landed estates belonging to the Catholic Church were distributed without compensation. The expropriation measures also applied to large leaseholds, estates of big companies, and lands of war criminals, leaders of the Arrow Cross and extreme right organisations.

41 Swain and Varga 2013, 143.

42 The land reform decree changed the ownership structure of Hungarian forests radically. As the consequence of the nationalisation of forests, a huge, state-owned forest stock, overseen by state forest managers throughout the country emerged. It covered 90% of all forestland.

within the entire population reached 43%.[43] However, in the course of the land distribution all claims could not be satisfied as about half of the agrarian poor, comprising agricultural laborers, farmhands and the owners of dwarf estates (over 300,000 people) did not receive the land to which they were entitled.

As a result of the land reform, a new agrarian society emerged, within which smallholders formed the majority. The new owners received an average of three hectares.[44] They had to organize their new farms under unusual conditions: among serious capital and equipment deficits. However, it is undeniable that despite the unfavourable material conditions, the ownership right changes released the peasants' desire to produce. By providing land for agricultural laborers and farmhands, and by encouraging their interests as private owners, the postwar governments were able to shift the burden of reviving agriculture to the new owners.

Copying the Soviet kolkhoz model

In the last third of the 1940s, parallel to the exacerbation of the Cold War conflict, the sovietization of Central and Eastern Europe accelerated, resulting in large-scale implementation of the Soviet social, political and economic model based on Stalin's ideas.[45] There were certain differences in the timing and the methods applied by the different countries, but the supremacy of this model remained indisputable until Stalin's death.[46]

Hungarian communist leaders adopted Stalinist economic policy, which based forced industrial growth on internal accumulation. In addition to restricting consumption of the population, it was hoped that the necessary material for growth could be created by draining income from agriculture. The system of compulsory deliveries and the distorted pricing system together played a significant role in sucking peasant income, but it should not be forgotten that classic income-extraction was also in operation in the form of taxation.[47] Following the Stalinist model, agriculture in general was considered a sort of "internal colony". It is implied by the fact that demands of agriculture were ignored by both investment policy and machine industry.[48]

The new agricultural structure stood on three pillars: machine and tractor stations, state farms (*sovkhoz*) and *artel*-type collective farms (commonly known as *kolkhoz*).[49] The latter became the predominant new operational structure in the course of collectivization of agriculture in Central and Eastern Europe.[50] On 3 March 1949, the Political Committee (PC) of the Hungarian Workers' Party passed a resolution declaring that the transition from small peasant farming to large–scale collectivized farming

43 Szakács 1998, 260–264.

44 The lower limit of potentially market-oriented farms was determined at around 10 kh (5,7 ha). If we take this into account, then compared to 1935, the area of farms primarily producing for market dropped from 75% to 51% in the new farm structure. Ibid., 271–277.

45 Kornai 1992, 62–90.

46 Berend 1996, 3–39; Borhi 2016, 82–136.

47 Merl 1990, 3–22.

48 For example, of the 22,000 planned new tractors, only around half had been delivered by the end of the five-year plan. Furthermore, the majority of the new tractors merely replaced those that had been scrapped. It is also telling that even in 1953 a quarter of state-owned tractors had been manufactured before 1945. Szakács 1998, 290.

49 Vülcan 1978.

50 Swain 2014, 499–508.

was to be accomplished in the course of the first five-year plan (1950–1954).[51] In 1949 most countries of the Soviet bloc began the full-scale collectivization campaigns.[52]

Nevertheless, in Hungary a huge conflict had emerged between the HWP, carrying out the collectivization, and ambitions and interests of peasant society. Only a small group of landless peasants and dwarf holders were attracted to collective farming in the early 1950s. It was in the Great Plain, predominantly in Békés, Csongrád, Hajdú and Szolnok counties, where the first collective farms were formed.[53] The great mass of the new and old smallholders had no intention whatsoever of giving up their land.[54] What they had seen as POWs in the Soviet Union or heard about the structure and the functioning of the *kolkhoz* assured them that they were made to exhange bad for worse. Those who joined the kolkhoz were obliged to surrender their tools of production and animals to the collective and to carry out all work tasks (apart from work on household plots) as members of brigades and work teams.[55]

For this reason a significant number of Hungarian peasants preferred to accept the role of overburdened individual farmer than join a collective farm. The party-state authorities became convinced that peasants would only join collective farms if they became entirely impoverished. While it was predominantly the work burden on "village exploiters", *kulaks*, which increased in 1951, the burden (compulsory delivery quotas, tax, etc.) imposed on all peasant farms grew dramatically from 1951–1952 on.[56]

The aggressive agricultural policy of HWP led to catastrophic consequences. The quantity of agricultural production during the five-year plan (1950–1954 – with the exception of the positive year 1951 – did not reach the level of the last pre-war year, 1938. The production of wheat, which was of crucial importance in public alimentation, showed similar tendencies. Hungary became, for the first time, a net grain importer and was not able to feed its population. Animal stocks exceeded pre-war levels by a few percentages for the first time in 1950. However, following the decline in 1951, the level of 1950 could only be reached and surpassed by the middle of the decade. There were lapses in public supply (even in peacetime the government introduced the rationing system more than one time). In early 1950s nearly 600,000 hectares were left uncultivated due to massive exodus from the land (the abandoning of land, the offering of land to the state on a massive

51 MNL OL M–KS 276. f. 53. cs. 22. ő.e. Jegyzőkönyv a Politikai Bizottság (PB) 1949. március 3-i üléséről. [Minutes of the PC of HWP] 3 March 1949. Agenda 2. Javaslat a mezőgazdaság ötéves tervére. [Proposition on the agricultural part of the first five-year plan]

52 Swain 2014, 497–534.

53 In Hungary the full name of the socialist co-operative was "*mezőgazdasági termelőszövetkezet"* ("agricultural producers co-operative"). In western academic literature there is another widely used term: collective farm. In my paper I prefer to use 'collective farm' telling the difference between a socialist co-operative and a Western-type co-operative which existed and still exist also in Finland.

54 MNL OL M–KS 276. f. 53. cs. 81. ő. e. Jegyzőkönyv a PB 1951. augusztus 23-i üléséről. [Minutes of the PC of HWP] 23 August 1951. Agenda 1. Gerő Ernő tájékoztatója a mezőgazdaság helyzetéről [Ernő Gerő's Memorandum on the Situation of Agriculture].

55 The model charters of collective farms strictly defined the operational scope of both the organisation and its membership. Wädekin 1977, 95–116.

56 See more on this in Judit Tóth's paper.

scale, etc.).[57]

We should add that the performance of the new and reserved state farms remained much behind the HWP's expectations. In the course of the collectivization, they were given the task of acting as models of exemplary large-scale farming for the emerging collective farms. Accordingly, they enjoyed a disproportionately high percentage of agricultural investments. However, their production levels remained very low for years. Among other things, this happened because of the massive surrendering of private lands between 1949 and 1953; their area increased tenfold, although this increase was not accompanied by a similar rise in machine and tool stocks.[58]

Criticism and attempts at correction first surfaced after Stalin's death in 1953. It was manifest in the "New Course" policy of the Imre Nagy government (1953–1955). The directives of Nagy's government significantly reduced the peasantry's tax burdens and compulsory deliveries. What was even more important was that the government allowed peasants to leave the collectives legally.[59] Following a further turn in Soviet politics in early 1955, Imre Nagy was dismissed and the hardliner communists restarted collectivization in the autumn of that year. However, it failed within just a few months. The forcibly established collective farms began to disintegrate during the summer 1956.[60] The problems of food supply contributed significantly to the outbreak of the 1956 Hungarian Revolution.

The Polish crisis in Poznan, and more importantly, the Hungarian Revolution of 1956 made a serious impact on the relations between the Eastern block and the Soviet Union. The revolution in 1956 was a lesson that had a permanent influence on Hungarian as well as Soviet decision-makers. After 1956, Hungary was treated as a country of high priority.[61] This 'special treatment' also meant a higher level of tolerance. The only thing the Soviet Union insisted on was internal stability. Otherwise, in tactical questions, it showed remarkable flexibility. This was one decisive factor of the special Hungarian agrarian development. Another factor concerns the growing significance of agriculture. While the Stalinist economic policy subordinated agriculture to industrial development, the Kádár-regime, rising to power with Soviet military aid, wanted to make up for a lacking political legitimation by increasing living standards. As János Kádár, the chief secretary of the HSWP, pointed out at the December 2, 1956 meeting of the Party's Provisional Central Committee: "Our policy in economic questions, and especially, in questions of redistribution is that the primacy should be the gradual rise in living standards."[62]

57 A common problem in state socialist countries stemmed from the questionable reliability of the surviving statistical sources. The adulteration and distortion of statistical data was most common in the 1950s. In addition, there were collections of data classified for internal party use only that better reflected the real situation. This existence of a dual set of statistical sources persisted even after 1956 in the Kádár-regime. Faced with such a situation, all the historian can do is to try to compare the published statistics with those found in the classified sources that were for official use only.

58 Szakács 1998, 287–291.

59 The failure of the first collectivization campaign was clearly reflected in the fact that 40% of all members left during the period of thaw following Stalin's death in order to resume individual farming on their reclaimed land. Varga 2004, 251–253.

60 Ibid., 254–255.

61 Rainer 2005, 4–26.

62 MNL OL M–KS 288. f. 4. cs. 6. ő.e. Jegyzőkönyv a Magyar Szocialista Munkáspárt Ideiglenes Központi Bizottságának üléséről [Minutes of the Provisional CC of HSWP] 2 December 1956.

Fulfilling the aims of the living-standard policy at that time (and for a long time to come) depended mainly on food supplies, on which people spent a decisive proportion of their income.[63] The primary goal of the correction launched after 1956 was, accordingly, to increase agrarian production. To settle things between the party-state and the agrarian population, the severe tensions generated in the first half of the 1950s had to be eased. The first step was the abolition of the compulsory delivery system, which had been considered one of the 'pillars' of the planned economy. Hungary was the first socialist country to take this step.[64] Market relations were readmitted in agriculture in the post-1956 Hungarian economy, and it became apparent that in this way public supply could be ensured at higher standards than before.[65]

In the first half of 1957 it seemed that the HSWP had a formulated long-term perspective on multi-sector agriculture.[66] By the end of 1958, however, the agrarian policy of the HSWP took a sudden turn in response to a change affecting the 'fraternal countries'. Acting on a motion coming from the Soviet Union, the socialist bloc countries – except for Poland and Yugoslavia – resolved to complete a process that would transform the entirety of small-scale farms into large-scale state and collective farms. In broad terms, in Rumania and Albania the traditional Stalinist techniques were continued. Czechoslovakia, the GDR and Bulgaria reformed the Stalinist techniques to create a practice, which might be termed 'neo-Stalinist'. Hungary adopted all these policies and considerably more, creating a uniquely Hungarian solution to the agrarian problem under state socialism.[67]

Another unique feature of Hungarian collectivization was that it did not involve the question of land ownership, since formally it did not even attempt to eliminate peasant property. At the same time, ownership rights were significantly restricted in practice. Owners' rights – along with the right of succession – were practically abolished: they could not sell, donate nor lease their lands. The principle of land-ownership rights was only acknowledged in the form of the payment of land rent.[68]

During the third collectivization campaign, the individual and family survival strategies developed in the 1950s showed a quick revival. Between 1959 and 1961 the number of agricultural wage earners fell by 350,000 and the composition of the collective farm membership in terms of age and gender became increasingly disadvantageous. At

63 Valuch 2004, 624–634.

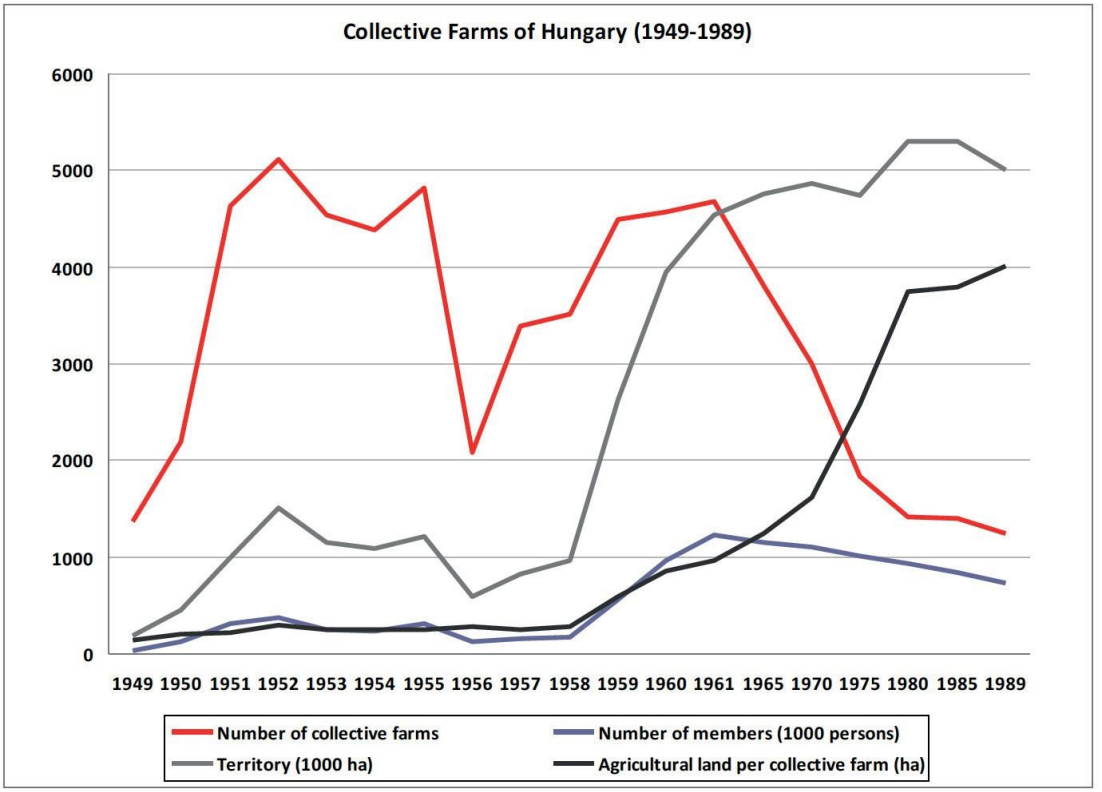
64 Wädekin 1982, 65.

65 MNL OL M-KS 288. f. 28/1957/13. ő. e. Az Élelmezésügyi Minisztérium előterjesztése az MSZMP Politikai Bizottságához az új felvásárlási rendszer eredményeiről és tapasztalatairól [Food Ministry submission to the PC of HSWP on the achievements and experiences of the new central purchasing system] 19 November 1957.

66 As the Kádár-government halted the organization of collective farms and initiated a new de-collectivization phase, at the turn of 1956–1957 two-thirds of collective farms were dissolved, and at the same time, 200,000 peasant farms restarted work individually. MNL OL 288.f. 28/1957/11.ő.e. A Földművelésügyi Minisztérium jelentése a termelőszövetkezeti mozgalom helyzetéről [Report of the Ministry of Agriculture on the situation of collective farms] 4 February 1957.

67 Swain 2014, 497–534

68 Law IV of 1967 declared that land used by the collective farm could be inherited only by collective farm members. All other heirs (non-members) had to relinquish their claims to the land in return for five years' land rent. Thus, the collective farm obtained ownership rights on payment of an extremely low sum of compensation. At the same time, the land-ownership rights of the members remained, which the collective farm acknowledged by the payment of land rent.



the end of 1961, three-quarters of the members were over 40 years old, and almost 40% were women.[69] Consequently, economic and social problems arising in the agrarian sector became so severe that the party leadership was compelled to initiate corrective measures. It started to tolerate local initiatives in work organisation and remuneration, which differed from the Soviet *kolkhoz* model but were suitable for stimulating the interests of the collective farm members.[70] Of importance in this development was the emergence of a new mediator between the party-state and the collective farmers: the agrarian lobby, in which Lajos Fehér, Ferenc Erdei, Imre Dimény were prominent.[71]

Departing from the Soviet model – toward a hybrid agriculture

69 Mezőgazdaságunk a szocialista átszervezés idején, 1958–1962 [Our Agriculture in the Time of Socialist Reorganization, 1958-1962] Budapest: KSH, 1963. 147.

70 Ibid.

71 Imre Dimény drew my attention to the prehistory of the agrarian lobby. This group of party and state officials had begun to form around the first government of Imre Nagy, who was recognized as an agricultural specialist, and who voiced radical criticism of Hungary's pre-1953 agricultural policy. At the same time, this group formulated an agricultural-development program in 1953–1954 that took Hungarian circumstances and traditions into account. This group also supported the bottom-up initiatives of collective farms to transform the rigid structure of the Soviet *kolkhoz* model in accordance with local needs.The author's interview with Imre Dimény, 31 January 2012.

In 1961 there were 271 state farms, approximately 4,200 collective farms and almost 165,000 individual farmers registered. The collective farms used almost 70% of the country's arable land and employed three-quarters of the total number of agricultural earners.[72] The success of the collectivization in statistical terms was not automatically accompanied by the rapid consolidation of collective farming. Three separate waves of collectivization and two waves of de-collectivization in the 1950s placed a huge burden on rural society. Each family was affected by the aggressive anti-peasant policy of the Communist Party. The entire system of farming and distribution of labour passed over from one generation to the next was turned upside down in this decade. Making a living and planning a future became uncertain which resulted in novel individual and family strategies for survival. The data below indicate the consequences of this vast change that was forced upon the rural society.

In the first half of the 1960s agricultural production hardly reached the average for 1958–1959. Furthermore, mechanization could not make up for the labour of half a million people who were leaving agriculture between 1959 and 1963.[73] It is important to point out that until as late as the middle of the 1960s agricultural co-operatives had led a traditional, handicraft-based production.

In such circumstances the importing of food was required in order to maintain the welfare commitments of the Kádár regime. Between 1959 and 1962, an annual average of 227 tons of bread grains had to be imported. But this could not be maintained in the long term. Soviet leaders several times blamed the Hungarian leadership of Hungary`s import requests, arguing that if the interwar period Hungary could export lots of grain, why was it not able to provide at least the supply of its own population?[74]

The political decision-makers found themselves in a tight spot. In order to promote a growth in agricultural produce they needed the diligence and ambition of the Hungarian farmers badly, not to mention the buildings and the instruments of production used temporarily in the household plots. In the first half of the 1960s, as a result of the agrarian lobby's negotiating, increasing number of local initiatives got transferred from the category 'banned' or 'tolerated' into the category 'favoured', and this measure had significantly widened the scope of collective farms.[75] The collective farm membership, for example, won the right to keep more animals on their household plots, to undertake share-cropping, to receive premiums in kind etc.[76]

The pragmatic policy of the HSWP toward household plots of collective farmers was also continued. Collective farm members, after performing a certain amount of work per year on the collective farm, were entitled to a household plot of up to 0.57 hectares (1 kh). For a long time there was a sharp distinction in the communist ideology between the collective farm and the household plot, as the latter was regarded as

72 Mezőgazdaságunk a szocialista átszervezés idején, 1958-1962 [Our Agriculture in the Time of Socialist Reorganization, 1958-1962] KSH, Budapest, 1963. 25–27.

73 Ibid., 68–79.

74 MNL OL M–KS 288. f. 5. Cs. 354. ő. e Jelentés az MSZMP Politikai Bizottsága részére a magyar-szovjet gazdasági kapcsolatokról [Report to the Political Committee of the HSWP on Hungarian-Soviet Economic Relations], 15 December 1964.

75 Varga 2013.

76 For a full discussion of 'family labour' and 'socialist wage labour' in Hungary's co-operative agriculture, see Swain 1985, 25–150.

an inferior form of ownership and as a relic of capitalism. It was treated more or less as a doctrinal compromise, and its persistence was expected to be provisional. With the expansion of collectivization, however, it soon became obvious that the role of the household plot was far more significant than had been supposed.[77]

As a result of the 'dialogue' between the HWSP leadership and collective farms mediated by the agrarian lobby, we can observe in Hungarian agriculture a cautious and gradual deviation from the Soviet model. In the implementation of the pragmatic agrarian policy of the Kádár-regime, the greatest problem was caused by the fact that the local measures concerning remuneration and work organization were largely inconsistent with the Model Charter. Since the Hungarian political leadership did not wish to confront the basic doctrines of the Soviet model, local reforms and measures had been authorised for many years only in practice. The initiatives coming from the grass roots were finally legalized by the new Co-operative Law (III/1967), just on the eve of the New Economic Mechanism (NEM), introduced in 1968.[78]

Latest research has shown that experience accumulated in the field of agriculture on market, financial and commodity conditions had a significant stimulating effect on the whole economic reform process which led to the NEM, which was the most radical and theoretically innovative reform of any country in the region, Yugoslavia excluded. Among the basic institutions of the Hungarian reform, we can find the abolition of planning directives, the market orientation of enterprises and management through economic regulators. Following this logic, collective farms, just like other production units, gained increased autonomy. In addition to having more control over their input plans, they also gained the right to make contracts independently with other collective and state farms, including contracts for the marketing of their output.[79] The new Co-operative Law enlarged the legal possibilities for the co-operatives to establish ancillary enterprises not only in food processing, fodder production, but also in ancillary industrial and service activities where there was a demand (cf. Holger Fischer's article in this volume).

By this time, what gained special significance was that the agrarian lobby managed to gain approval from the party leadership to import the achievements of the Green Revolution from the West. It is still a widely used assumption that the "Iron Curtain" was a drastic disconnection of the economic, scientific and cultural relations that had previously existed between the Western and the Eastern part of Europe. Hence, the emphasis has been put on discontinuity and fragmentation. Nevertheless, socio-economic reality was far more complex.[80]

The example of Hungary shows that the main way of its agricultural modernization under state socialism was transfer of western technology, namely of the so-called closed production systems. We can find the first attempts in the early 1960s, when Hungary imported the first industrial-style production system from the Federal Republic of Germany.[81] The intensification of the East-West technology and knowledge transfer was con-

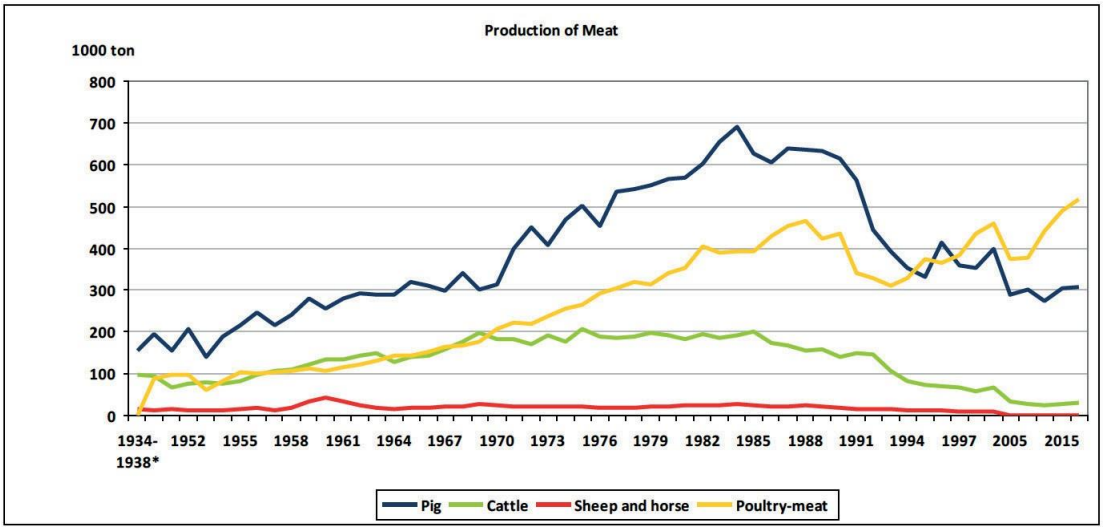
77 Kovách 1999, 141–145; Porkoláb 2014, 34–38.

78 Varga 2002, 201–218.

79 Ibid.

80 For some exceptions to this rule, see the recently published volumes which deal with economic, social and cultural transfers across the "Iron Curtain": Autio-Sarasmo and Miklossy 2011; Eloranta and Ojala 2005; Fischer 2012; Halmesvirta 2005; Mikkonen and Koivunen 2015.

81 Varga 2011, 104–116.



nected to the New Economic Mechanism.[82] This trans-systemic transfer resulted in the transplantation of the most modern capitalist production systems into socialist large-scale farms. It quickly generated a dramatic rise in production and ended food shortage in Hungary.

From the late 1960s on it was the USA that became the number one partner for Hungary.[83] Regarding average plant sizes, the Hungarian system of large farms showed more similarities to the American agriculture than the ones in Western Europe.[84] An influential state farm (Bábolna State Farm) was the first enterprise, which could buy a John Deer-production line for the cultivation of 6,000 hectares of maize in 1969. Moreover, in the same year Bábolna State Farm stroke a cooperation agreement with Corn Production Systems (Chicago, USA).[85] It was vital for Hungary because the production of fodder was largely problematic in this period.

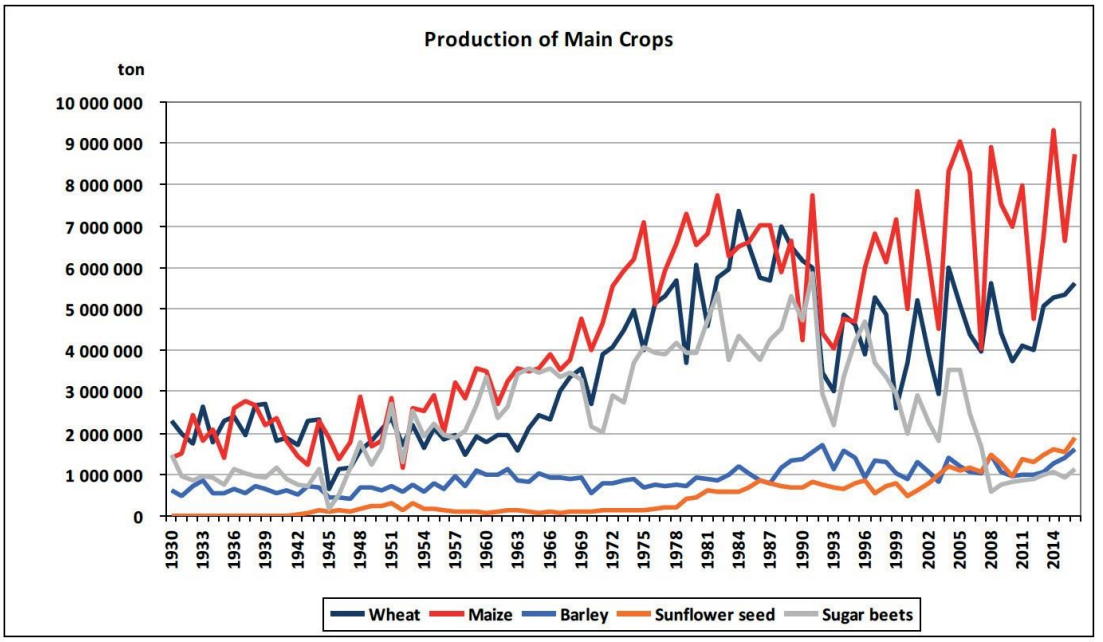
Later other state farms and agricultural co-operatives could buy modern machinery

82 It is important to refer to an unprecedented growth of over 18% in the proportion of agricultural investments between 1966 and 1970 (and of as much as 21 % in 1971). This investment trend far surpassed former investment levels, and in addition exceeded the average for Comecon countries. See Lazarcik 1988.

83 Hungary's entry into the UN Food and Agriculture Organization (FAO) in 1967 facilitated the efficient cooperation with agricultural experts of the capitalist countries since most Western European countries and the US had been members of the FAO.

84 As a result of the forced amalgamation process, the number of collective farms fell from 2,441 in 1970 to 1,338 in 1980, their average area double, to reach 4,000 hectares. The average area of the state farms in the same period increased from 5,000 ha to more than 7,000 ha.

85 MNL OL XIX-K-9-ab 34. d. Tájékoztató jelentés a Magyar Forradalmi Munkás-Paraszt Kormány részére a mezőgazdasági szakdelegáció tanulmányútjáról, 1969. [Guiding report on the study trip made by the agricultural delegation to the Hungarian Workers' and Peasants' Government, 1969.]



and knowhow from abroad.[86] This applied not only to growing plants on arable land but to animal farming and horticulture, too.[87] An essential precondition of successful adaptation to the Western model transfer was the establishment of an appropriate professional staff by the early 1970s.[88] The special concept of technical development in agriculture considered training and up-to-date knowledge as equally important to the application of new breeds, fertilizers, chemicals and mechanization.[89]

The one and a half decades between 1960 and 1975 brought a quick boom in agriculture and in food industry in Hungary.[90] Agricultural production increased faster than the average of the COMECON-countries.[91] Hungarian large-scale farming reached undoubted successes in the fields of crop ave-

86 Marer 1986.

87 By the end of the 1970s, a total of 72 production systems were functioning in Hungary: including 21 with plant production, 31 with horticulture, 17 with livestock and 3 with a mixed profile. By 1981, 96% of all state and co-operative farms were participating in some agricultural production system and 90% of the country's maize and 88% of its wheat crop were produced by system members.

88 Romány 1998, 332– 33.

89 By the mid-1970s there was 100% mechanisation of grain harvesting and threshing as well as of maize harvesting, while the mechanisation of sugar beet and potato harvesting reached 89% and 98% respectively. By the end of the decade, the two latter operations also approached 100% mechanisation. Besides the large-scale mechanisation, the use of herbicides and pesticides became widespread. Artificial fertiliser became the main means of soil replenishment. By 1975 the use of artificial fertilisers had risen three and a half times compared to 1967. In terms of active ingredients, 1.5 million tons (224 kilograms per hectare) were being used in agriculture by that time, and complex artificial fertilisers also appeared.

90 Several new food-processing plants were built, for instance in the meat industry and the refrigeration industry, and in the background branches. Several patents were purchased such as those for the production of camembert cheese, invert sugar and Marlboro cigarettes. Romány 1998, 340–344.

91 Kopsidis 2009, 305–307.

rages and yields.[92] The results achieved in grain and meat production made it possible for Hungarian agrarian exports to triple between 1965 and 1975. This is of particular significance because, until the mid-1960s, the country had relied on imports of bread grains and meat. However, by the 1970s a fundamental change took place as a result of modern technology and knowhow brought into Hungary from the West: internal food supplies became stable and Hungarian agricultural exports began to grow, both to Eastern and Western markets. It was a unique achievement within COMECON. At the same time, for example, Soviet Union was forced to use some of the country's gold reserves to finance food imports. It is no wonder that the 'Hungarian agricultural miracle' became a topic among Western analysts who talked about the 'Hungarian model'.

One key factor of the 'Hungarian model' was the unique division of labour between (small) household plots and (large) collective farms. While large farms achieved good results in the highly mechanised branches of plough land crop production, household plots excelled in labour-intensive vegetable, fruit and grape production as well as in poultry rearing, egg production, pig farming, calf rearing etc.[93]

There was another important motivational factor to the successful co-operation between collective farms and household plots. The collective farms provided only modest incomes for their membership, while for the diligent member and his family the household plot provided an opportunity for making money and social rise. Rural families were willing to make extreme efforts to obtain consumer durables, to build their own family houses, and not least to provide education for their children. The 1970s saw the greatest change in rural lifestyle in the history of twentieth-century Hungary.[94] The major changes in the quality of life and levels of consumption of rural families made this period the golden age of 'consumer socialism'.

By the early 1980s Hungary became a laboratory for liberalizing reforms in the socialist bloc. China sent several delegations to study how small-scale farming was integrated into collective farming. The Soviet Union also acknowledged that they had much to learn from Hungary's example.[95] However, by this time the performance of the Hungarian agrarian sector became controversial. The limited market reforms within the socialist system could only stabilise the economy in

92 The average wheat yields rose from 3.3 tons in the early 1970s to 4 tons by the end of the decade. In the same period, maize harvests rose from 4.1 tons to 4.8. In the mid-1980s, approximate average crop yields were 5 tons per hectare for wheat, and 6 tons per hectare for maize. The achievements of the Hungarian agriculture in terms of cereal farming and meat production were significant even by international standards. Measured in terms of per capita grain production, Hungary ranked fifth in the world in 1980. In 1980 in terms of meat production Hungary took third place after Denmark and Australia. This data was published by the Central Statistics Office of Hungary (KSH) but it is based on calculations made by the Food and Agriculture Organisation of the United Nations (FAO). See: A magyar mezőgazdaság nemzetközi összehasonlításban. [Hungarian agriculture in international comparison] KSH, Budapest, 1987. 25–28.

93 In the 1970s household plots produced 25% of the collective farms' total income from crop farming and animal husbandry. This level of commodity production was achieved in spite of them owning just 12% of the collective agricultural area, and in spite of their overwhelming majority being poorly equipped because the necessary tools were not available on the market or were too expensive. Kovách 1999, 125–150.

94 Valuch 2004, 624–658.

95 Varga, 2018. (forthcoming)

the short run, and the economic decline during the 1980s included agriculture. During the first half of the 1980s, agricultural co-operatives in the country slipped back into the role of 'internal colony', which they had played during the Stalinist period. With the modification of material incentives, the development of household plots and of supplementary activities, agricultural co-operatives were for a period able to counterbalance the increasing withdrawal of revenue and put to work their structures, which had been modernized with Western knowledge and technology transfer. In these transformed internal and external conditions, the hybrid agricultural system that had emerged in Hungary reached its limits of development [96]

Post-socialism: What kind of capitalism 'came back' after 1990?

The main economic objective of the regime change after 1989 in Central- and Eastern Europe was the radical transformation of the conditions of proprietorship and the establishment (or, better to say, the restoration) of private property as the dominant form in the whole economy.[97] In Hungary the land question became a symbolic issue of agrarian policy since all political parties had quite dissimilar views of it.[98] Since the overwhelming majority of land, as the heritage of the Socialist era, was in state and co-operative ownership, the main question was: according to which legal principles should the privatisation of co-operative land be executed, i.e. who should be the new landowners. The fundamental transformation of land-ownership relations (with the compensation of former owners and their heirs and the assignment and distribution of the lands to members/employees and owners of proportionate shares) led to the significant expansion of the circle of landowners, regardless of whether they had ties with agriculture or whether they intended to continue agricultural production on the newly acquired land.

According to data from 1990, 35% of all arable land belonged to private ownership, 34% to state ownership and 31% to co-operative ownership. However, the land use showed a very different picture: collective farms as the major production units used all together 60% of the arable land.[99]

Due to the compensation acts, land auctions and the transformation of collective farms, the proportion of private property during the 1990s grew to 70-80%. By the time of Hungary's accession to the EU in 2004, some 86% of all arable land in Hungary had become private property. Eight 8 % remained in state ownership, 4% belonged to business organisations and about 2% was land belonging to the reorganised agricultural collective farms.[100] Formally, it seems that the original aim had been achieved, i.e. the switch over from the socialist system of large farms to a capitalist agricultural system based on small estates. However, if we look behind the above-mentioned data, the picture becomes far more controversial.

On one hand, an extremely fragmented structure of land ownership emerged. Of the 1.4 million individual farms registered in the early 1990s, some 90% held less than one hectare of land. Furthermore, farms of less than half a hectare formed the majority within this category. During the 1990s, the

96 Harcsa, Kovách and Szelényi 1998, 21–42; Schlett 2012, 96–108.

97 Burgerné 2001, 11–18.

98 Swain 2013, 24–27, 39–41.

99 Szűcs and Tanka 1998, 152–162.

100 Kovács 2002, 247–272.

significant concentration of the land of individual farms began. Although the average area grew fivefold, it still remained below 3 hectares. According to data from 2004, the overwhelming majority (89,5%) of the individual farms were below 5 hectares. However, this estate size does not provide a secure livelihood for a family, unless it is supplemented by other sources of income. By 2015 the average farm size reached 10 ha.[101]

On the other hand, it is quite apparent that land proprietorship and leasehold had become largely separated. This was a logical consequence of the fact that the new group of landowners who received land due to the compensation act had no intention at all to engage in farming. Most of them leased out their land to business organisations (co-operatives, shared and limited liability companies, etc.) and private farms. At the same time, many business organisations (most of them being legal successors of former state or collective farms) needed to lease land from the beginning since they were not entitled to land ownership. As an indication of the significance of this sector, up to the year 1996, their share in land use was greater than that of individual farm plots. Since 1996, this ratio has fallen somewhere below 50% nationwide, however, with a significant variance between the different regions.[102] Concerning present land use, we can observe a significant concentration. Nearly 75% of arable land is being cultivated by less than 3% of all farms.[103] This ratio shows a striking similarity with the interwar situation. The rate of landed properties larger than 500 hectares is about the same as the one of big farms was before the Second World War. It is important to add that the Hungarian rate is exceptional in European comparison, too.

The dismantling of the Socialist farming structure and the creation of a market economy based on private ownership took place amidst extremely difficult external economic conditions. While the traditional COMECON market collapsed, access to Western markets proved very difficult. In the period under study, the domestic market for this branch narrowed because massive unemployment and drastic decline in personal incomes led to a fall in food consumption. The elimination of tariffs and subsidies immediately after 1989–1990 also considerably contributed the lack of competiveness. Subsequently tariffs and subsidies were reintroduced, but the level of subsidies remained far below of the European Union's average.

As a cumulative consequence of the problems inherited from the Socialist era, the changes in the foreign economic environment and the hardships of the transition to a market economy, the agrarian branch faced the deepest crisis in all the main branches of the economy.[104] In the early 2000s, Hungary's agricultural production reached only 60% of the 1989 level. The decreased role of agriculture in the production of GDP was an important element of post-1989 transformation. In 2004 agriculture accounted for 3,3% of GDP in Hungary. This ratio in 2015 was only 3%.[105]

Comparing to the other branches of the economy the level of agricultural income is much lower. The profitability of agriculture has declined enormously since 1991. The financial crisis in the branch and the lack of appropriate credit opportunities had a negative impact on the investments in production. The supply of sowing seed declined, and the use of artificial fertilisers greatly decreased.

101 Kovách 2016, 57–71.

102 Ibid. 89–112.

103 Ibid., 39.

104 Berend 2009, 144–145.

105 Ibid.

In total, the use of pesticides also fell.[106] Not only had there been any modernization but the government did not even manage to maintain the original level of production. Modern, efficient farming, including the use of existing machine inventory, became impossible. Private farming lacked sufficient mechanization and services. That is why the steep decline in agricultural employment did not lead to a steep increase in productivity and output. Low level of competitiveness was the weakness of Hungarian agriculture throughout the three decades after the system change.

The structure of rural society underwent a radical and spectacular transformation. The proportion of agricultural active earners between 1990 and 2015 fell from 18% to 4,8%.[107] The main reason for the huge fall was that with the transformation of socialist large farms two-thirds of large-farm workplaces were abolished, and the number of agricultural employees fell by almost 650,000. In the 1990s the highest number of people laid off in the Hungarian national economy belonged to the agrarian branch, and 90% of the labour-force dismissals took place in a very short period, between 1990 and 1994.[108]

The size of the full-time agricultural labour force is exceeded by several times by those who are involved part-time in agrarian production. The number of people with more or less strong ties to agriculture in order to make a livelihood or to provide a supplementary living is almost two million, and their proportion within the population is 20%. This proportion is slightly higher if compared to the number of people of working age within the population.[109]

By the time of European Union membership, nevertheless, the agricultural sector had become more or less stabilized. It has been observed that the most difficult period had passed. The implementation of EU standards promises accelerated adjustment. Real modernization with significant technological input, the integration of crop production and animal husbandry with processing branches, and the establishment of a modern agricultural service sector are, nevertheless, still on the agenda.[110]

Conclusion

We can conclude that although the structure of employment and the role of agriculture in the production of GDP emulated the Western pattern, the driving force behind it was different. As a special feature of Hungarian history in the 20th century, the new political regimes had not only initiated political changes but went on to reorganise the entire structure of land ownership and land use over and over again.

Following the First World War, efforts were made to change the unhealthy estate distribution with land reforms in many parts of Europe. The Hungarian land reform in 1920 had the least impact. It meant that big and medium-sized farms of a feudal origin were abolished only 25 years later through a radical distribution of land in 1945. Hungary was among the last countries in Europe to undertake this measure. The small-scale farming was brought to an end by the forced collectivization concluding in 1961. The fourth large structural reorganisation was started by the Compensation Law in 1991.

106 Udovecz 2000, 7–9.

107 Agriculture in Hungary, 2015. KSH, Budapest, 2016. 3.

108 Kovách 2016, 20– 27.

109 Kovách 2016, 126–132.

110 Bíró 2017.

Another remarkable feature is that political interventions were aimed at basing the future of Hungarian agriculture either on big farms exclusively or small farms exclusively. This exclusiveness also meant that changes coming from above always involved vast losses in value both financially and intellectually since the decision-makers did not intend to include any useful element of the sort of farming they abolished in the new structure favouring a different type. Nevertheless, it is quite interesting for a researcher to discover that in the long run and through the interaction between politics and actors of agricultural production, economic and social practice was able to rectify these politically or ideologically motivated interventions. An indication of this was the establishment of mixed farming structure including both big and small farms.

Presently, however, the opposition of big farms versus small family farms has lost its relevance due to a process of significant concentration of landed property that has been going on in the last three decades. The social price to pay for this is huge considering that some one million people have been cut out from agricultural production. Their permanent loss of property and financial resources has created an enduring tension in the countryside that neither the measures of the subsequent Hungarian governments, nor the tools of rural development policy of the EU have been able to tackle. The EU considers countryside the basis of social stability. The case of Hungary, however, shows us clearly that the turbulence of the 20th century has left behind economic and social problems in the countryside of Eastern Europe, which need to be resolved in the new century.

BIBLIOGRAPHY

Autio–Sarasmo, Sari and Miklossy, Katalin (Eds.) 2011. *Reassessing Cold War.* London–New York: Routledge.

Bálint, József 2013. *Magyarország nemzeti vagyonvesztése, 1941–1947.* [Hungary's war-related losses, 1941–1947] Budapest: Agroinform Kiadó.

Berend, Iván T. 1996. *Central and Eastern Europe 1944–1993: Detour from the Periphery to the Periphery.* Cambridge: Cambridge University Press.

Berend, Iván T. 2009. *From the Soviet bloc to the European Union: the economic and social transformation of Central and Eastern Europe since 1973.* Cambridge: Cambridge University Press.

Berend, Iván T. – Ránki, György 1974. *Economic development in East-Central Europe in the 19th and 20th centuries.* New York: Columbia University Press.

Berend, Iván T. – Ránki, György 1995. „The economic problems of the Danube region after the breakup of the Austro-Hungarian Monarchy". In: Király, B. K. and Veszprémy, L. (eds), *Trianon and East Central Europe. Antecedents and Repercussions.* New York: Columbia University Press, 149–163.

Berend, Iván T. – Ránki, György 2002. „Die deutsche wirtschaftliche Expansion und das ungarische Wirtschaftsleben zur Zeit des zweiten Weltkrieges". In: Berend, I. T. – Ránki, Gy.: *Studies on Central and Eastern Europe in the Twentieth century. Regional crises and the Case of Hungary.* Burlington: Ashgate. 313–359.

Bíró, Szabolcs (ed.) 2017. *Structural changes in agriculture since EU accession in Slovakia, the Czech Republic and Hungary.* Budapest: Research Institute of Agricultural Economics,

Borhi, László 2016. *Dealing with Dictators. The United States, Hungary, and East Central Europe, 1942–1989.* Bloomington: Indiana University Press.

Brassley, Paul 2010. „Land reform and reallocation in interwar Europe". In: Congost, Rosa and Santos, Rui (eds.): *Contexts of Property in Europe. The Social Embeddedness of Property Rights in Land in Historical Perspective.* Turnhut: Brepols, 145–164.

Burgerné, Gimes Anna 2001. *A közép-európai átalakuló országok gazdaságának és mezőgazdaságának összehasonlító elemzése*. [Comparative analysis of the transition economies of Central-Europe]Budapest: Századvég

Crampton, Richard J. 1997. *Eastern Europe in the Twentieth Century and After.* London: Routledge,

Cseh, Gergő Bendegúz (ed.) 2000. *Documents of the meetings of the Allied Control Commission for Hungary 1945–1947.* Budapest: MTA Jelenkorkutató Bizottság,

Donáth, Ferenc 1977. Reform és forradalom. A magyar mezőgazdaság strukturális átalakulása, 1945–1975. [Reform and revolution. The structural transformation of the Hungarian agriculture, 1945–47] Budapest: Akadémiai Kiadó,

Eddie, S. M. 1989. „The Social Distribution of Landed Wealth in Hungary c. 1910". *Research in Economic History*, Suppl. 5: 219–249.

Eloranta, Jari and Ojala, Jari 2005. „Introduction: East–West Trade and the Cold War as a Research Topic „. In: Eloranta, Jari and Ojala, Jari (Eds.) *East–West Trade and the Cold War*. Jyväskylä: University of Jyväskylä, 11–20.

Fischer, Holger 2012. „Németország és Magyarország közötti tudományos kapcsolatok és következményeik" [German–Hungarian scientific relations and their consequences] *Aetas* 27: 3. 119–128.

Gunst, Péter 1998. „Hungarian Agrarian Society during the Inter-War Period (1919–1945)". In: Gunst, Péter (ed.), *Hungarian Agrarian Society from the Emancipation of Serfs (1848) to the Re-Privatisation of Land.* New York: Columbia University Press, 199–253.

Gyáni, Gábor 2004. „Social History of Hungary in the Horthy Era „ in: Gyáni, Gábor – Kövér, György – Valuch, Tibor (eds.): *Social history of Hungary from the reform era to the end of the twentieth century.* New York: Columbia University Press, 271–507.

Halmesvirta, Anssi 2005. *Co-operation across the Iron Curtain: Hungarian-Finnish Scientific Relations of the Academies from the 1960s to the 1990s.* Jyväskylä: University of Jyväskylä,

Held, Joseph 1980. „The Interwar Years and Agrarian Change „. In: Held, J. (ed.) *The Modernization of Agriculture: Rural Transformation in Hungary, 1848–1975*. New York: Columbia University Press, 197–317.

Kersten, Krystyna 1991. *The Establishment of Communist Rule in Poland, 1943–1948.* Berkeley: University of California Press,

Kopsidis, Michael 2009. „Agricultultural development and impeded growth: The case of Hungary, 1870–1973." In: Lains, Pedro–Pinilla, Vicente (eds.) *Agriculture and economic development in Europe since 1870*. Routledge, London – New York, 286–310.

Kornai, János 1992.*The Socialist system. The political economy of Communism.* Oxford: Clarendon Press,

Kovách, Imre 1999. „ Hungary: Co-operative farms and Household Plots „. In: Meurs, Mike (ed.) *Many Shades of Red. State Policy and Collective Agriculture.* New York–Oxford: Rowman and Littlefield Publ., 125–150.

Kovách, Imre 2016. *Földek és emberek. Földhasználók és földhasználati módok Magyarországon*. [Land and people. Users of agricultural land and the ways of land use in Hungary] Budapest: MTA Társadalomtudományi Kutatóközpont, Debreceni Egyetemi Kiadó,

Kovács, Katalin 2002. „Agricultural Restructuring in Hungary and Its Social Impacts". In: Osamu, Ieda (ed.), *Transformation and Diversification of Rural Societies in Eastern Europe and Russia.* Sapporo: Hokkaido University, Slavic Research Center, 247–272.

Kövér, György 2004. „Inactive Transformation: Social History of Hungary from the Refom Era to World War I". In: Gyáni, Gábor – Kövér, György – Valuch, Tibor (eds.): *Social history of Hungary from the reform era to the end of the twentieth century.* New York: Columbia University Press, 3–267.

Lains, Pedro – Pinilla, Vicente 2009. „ Introduction „. In: Lains, Pedro – Pinilla, Vicente (eds.) *Agriculture and economic development in Europe since 1870*. Routledge, London – New York, 3–19.

Laufer, Jochen 1996. „Die UdSSR und die Einleitung der Bodenreform in der Sowjetischen Besatzungszone". In: Bauerkamper, Arnd (Hrsg.): „Junkerland in Bauernhand"? Durchführung, Auswirkungen und Stellenwert der Bodenreform in der Sowjetischen Besatzungszone. Stuttgart: Franz Steiner Verlag, 21–36.

Lazarcik, Gregor 1988. „Comparative Performance of Agricultural Output, Inputs and productivity in Eastern Europe, 1965–83.”. In: W dekin, Karl-Eugen and Brada, Josef C. (eds.) *Socialist Agriculture in Transition. Organizational Response to Failing Performance*. Boulder, London: Westview Press, 313–332.

Mahlerwein, Günther 2016. *Grundzüge der Agrargeschichte. Band 3. Die Moderne (1880–2010)* Köln: Böhlau,

Mathijs, Erik 1997. „An historical overview of Central and Eastern European land reform”. In: Swinnen, Johan F. M. (ed.): *Political Economy of Agrarian Reform in Central and Eastern Europe.* Aldershot: Ashgate Publ. Comp., 33–54.

Marer, Paul 1986. *East–West Technology Transfer. Study on Hungary 1968–1984.* Paris: Organisation for Economic Cooperation and Development,

Merl, Stephan 1990. „The role of agriculture in Soviet industrialization”. In: Wädekin, Karl-Eugen (ed.) *Communist agriculture. Farming in the Soviet union and Eastern Europe*. London – New York: Routledge, 3–22.

Mikkonen, Simo and Koivunen, Pia (eds.) 2015. *Beyond the divide: entangled histories of Cold War Europe.* New York: Berghahn Books,

Ojala, Jari and Nummela Ilkka 2006. „Feeding Economic Growth: Agriculture”. In: Ojala, Jari and Eloranta, Jari and Jalava, Jukka (eds.) *The Road to Prosperity. An Economic History of Finland.* Helsinki: SKS, 65–92.

Ormos, Mária 2004. *A gazdasági válság magyar visszhangja (1929–1936)* [The Hungarian Response to the Great Depression (1929-1936)] Budapest: PolgArt,

Porkoláb, Péter 2014. A vidéki, falusi élet változása a XX. század második felében Magyarországon és Finnországban. Két falu – Tiszadob és Kuusvedenranta – példáján keresztül. Összehasonlító vizsgálat. [Changes of the rural life in the second half of the 20th century in Hungary and Finland. The comparison of a Hungarian (Tiszadob) and a Finnish village (Kuusvedenranta)] PhD Thesis, University of Jyväskylä,

Rainer, János M. 2005. „The Sixties in Hungary — some historical and political approaches.” In: Péteri, György (ed.) *Muddling Through in the Long 1960s. Ideas and Everyday Life in High Politics and Lower Classes of Communist Hungary.* Trondheim: Norwegian University of Science and Technology, 4–26.

Romány, Pál 1998. „The completion and partial dismantling of collective agriculture”. In: Gunst, Peter (ed.) *Hungarian Agrarian Society from the Emancipation of Serfs (1848) to the Re-privatization of Land (1998)* New York: Columbia University Press, 299–372.

Romsics, Ignác 1999. *Hungary in the Twentieth Century*. Budapest: Corvina – Osiris,

Schlett, András 2012. „Success and failure of the Hungarian Agrarian Model 1960–1990”. ARHIVELE TOTALITARISMULUI 74–75:1–2. 96–108.

Swain, Nigel 1985. *Collective farms which work?* Cambridge: Cambridge University Press.

Swain, Nigel 2013. *Green Barons, Force-of-Circumstance Entrepreneurs, Impotent Mayors. Rural Change in the early Years of Post-Socialist Capitalist Democracy*. Budapest–New York: CEU Press.

Swain, Nigel 2014. „Eastern European Collectivization Campaigns Compared, 1945–1962”. In: Iordachi, Constantin– Bauerkämper, Arnd (eds.): *The Collectivization of Agriculture in Communist Eastern Europe. Comparison and Entanglements.* Budapest–New York: CEU Press, 497–534.

Swain, Nigel – Varga, Zsuzsanna 2013. “Postwar land reforms in comparative perspective”. *Öt Kontinens. Az Új- és Jelenkori Egyetemes Történeti Tanszék Tudományos Közleményei* 11: 1. 141–158.

Szakács, Sándor 1998. „From Land Reform to Collectivization (1945–1956)”. In: Gunst, Péter (ed.), *Hungarian Agrarian Society from the Emancipation of Serfs (1848) to the Re-privatization of Land (1998)* New York: Columbia University Press, 257–298.

Szuhay, Miklós 1998. „Evolution of Hungarian Agriculture during the Inter-War Years (1918–1945)”. In: Gunst Péter (ed.) *Hungarian Agrarian Society from the Emancipation of Serfs (1848) to the Re-privatization of Land (1998).* New York: Columbia University Press. 177–190.

Szűcs, István and Tanka, Endre 1998. *A földtulajdon és a földhasználat változása a magyar rendszerváltás után.* [Changes in land property and land use relations in Hungary after the change of system] Budapest: AKI.

Teichova, Alice 1989. „East-Central and South-East Europe 1919-1939". In: Mathias P. and Pollard S. (eds), *The Cambridge Economic History of Europe, Vol. VIII*, Cambridge: Cambridge University Press, 887–983.

Udovecz, Gábor 2000. *Jövedelemhiány és versenyképesség a magyar mezőgazdaságban*. [Shortage of income and pressure of competition in the Hungarian Agriculture.] Budapest: AKII.

Valuch, Tibor 2004. „Changes in the Structure and Lifestyle of the Hungarian Society in the Second Half of the XXth Century". In: Gyáni, Gábor – Kövér, György – Valuch, Tibor (eds.): *Social history of Hungary from the reform era to the end of the twentieth century*. New York: Columbia University Press, 621–671.

Varga, Zsuzsanna 2002. „Agriculture and the New Economic Mechanism". In: Halmesvirta, Anssi (ed.) *Hungarologische Beiträge 14. Kádár's Hungary – Kekkonen's Finland*. Jyväskylä: Kopi–Jyvä, 201–217.

Varga, Zsuzsanna 2004. „Agrarian development from 1945 to the present day". In: Estók, János (ed.) *History of Hungarian Agriculture and Rural Life, 1848–2004*. Budapest:Argumentum Publishing House─Museum of Hungarian Agriculture, 221–294.

Varga, Zsuzsanna 2011. „Between East and West: A Cultic Place of the Hungarian Agriculture – Bábolna Farm". In: Halmesvirta Anssi (ed.) *Cultic Revelations. Cult Personalities and Phenomena*. Jyväskylä: Historietti Oy, 104–116.

Varga, Zsuzsanna 2013. „Conflicts and compromises between the Hungarian socialist state and the peasantry: contextualising the "Hungarian agricultural miracle"". In: Moser, Peter and Varley, Tony (eds.): *Integration through Subordination. The Politics of Agricultural Modernisation in Industrial Europe*. Turnhout: Brepols, 203–222.

Varga, Zsuzsanna 2017. „Egy diszciplína megújulásának tapasztalatai: agrártörténetből rural history" [A renewal of a discipline: from agrarian history to rural history] in: Éva Szirácsik (ed.) Magyar Mezőgazdasági Múzeum Közleményei 2016-2017. Budapest, 2017, 127–137.

Vülcan, Mihail A. 1978. *Zaverscsajuscsij etap kolhoznovo sztroja (1935–1937 gg.)* Moszkva: Nauka.

Warriner, Doreen 1964. *Economics of Peasant Farming* (Second edition) Oxford: Frank Cass.

Wädekin, Karl-Eugen 1977. „The Soviet Kolkhoz: Vehicle of Co-operative Farming or of Control and Transfer of Resources". In: Dorner, Peter *(*ed.) Co-operative and Commune. Madison: The University of Wisconsin Press, 95–116.

Wädekin, Karl-Eugen 1982. *Agrarian Policies in Communist Europe: A Critical Introduction*. The Hague, London: Allanheld, Osmun Publ.–Martinus Nijhoff Publ.

István Papp

"HUNGARIAN PEASANTRY" = "HUNGARIAN PEOPLE". THE POPULIST THINKERS' CONCEPT OF HUNGARIAN NATION

This article explores the changes in political thinking about the peasantry in Hungary between the two World Wars. The importance of this topic lies in the fact that it was the first time that the question of peasantry appeared as an individual topic in the agenda of Hungarian domestic policy. The most important questions regarding this social group, which amounted to half of the population of the country, focused on identifying the place of the peasantry within the framework of the nation. Is it a declining or an emerging social group? How to handle the land reform and the problem of social mobility? These questions were mainly addressed by writers and political thinkers belonging to the so called populist movement (to be explained later). The various viewpoints followed three general approaches, and eventually everyone tried to find an answer to the questions: "Who is a Hungarian?" and "What are Hungarians like?"

A strange excuse of a former Prime Minister

In his memoirs written two years after the war, Miklós Kállay, Prime Minister of Hungary from 1942 to 1944, responded to the criticism of his cabinet claiming that "the propaganda directed against us throughout the world always represented Hungarian ministries as feudal, anachronistic phenomena." The politician, who was born into an old Hungarian noble family and held several positions including the head *(*in Hungarian: *főispán)* of Szabolcs county, assessed this opinion as unfair, and listed his ministers' background as evidence. In connection with Minister of War Károly Bartha he mentioned that "his grandfather is a Szekely peasant", and called Sándor Győrffy-Bengyel a man "of peasant origin" and Lajos Szász "a son of a village grocer", both Ministers of Public Supply. About István Antal, who was in charge of propaganda affairs, he said that "his father was a village carter". Finally he added that "this cabinet was truly not feudal", because the persons mentioned earlier "had raised themselves, by their own abilities, into the leading economic and social class of the Hungarian nation."[1]

Kállay's opinion is remarkable from two perspectives. On the one hand, the abovementioned is not a precise description (István Antal's father was a village innkeeper) illustrating the acceleration of social mobility and, in general, the changes in the composition of the Hungarian elite after World War I. On the other hand, it might be an even more important fact that the former Prime Minister was impressed by the ideas of refreshing the "middle class" and supporting talents of peasant origin – ideas

1 Kállay 1954, 20–21.

that became accepted in Hungarian political thinking mainly as a result of activities by Dezső Szabó (see p. 4 onwards) and the populist writers. It does not mean that Kállay became an enthusiastic supporter of raising young talented peasants, but he could not evade responding to the problem.

The characteristics of the peasant society

Kállay's opinion concerning the changes in composition of the Hungarian elite appearing in his memoirs were spectacular, especially compared to the attitudes of the Hungarian Conservative-Liberal political elite before 1918. Nevertheless, in the wake of World War I such significant social, economic and cultural changes occurred across Europe that affected also Hungary with its large peasant population. The rural population became an important factor in forming politics, and this development can be explained with various factors.

The emancipation of serfs in 1848 was not (or was only partially) followed by the development modern and mechanised agriculture. Given the shortage of capital and entrepreneurship, the country was dominated by huge landed estates, employing a large number of agricultural proletarians and servants. In addition, the lands owned by the peasantry were disintegrated and the number of agrarian proletarians and smallholder peasants increased. Their land holdings were not sufficient for them to provide livelihood, and therefore they often worked as seasonal workers in large agricultural estates or the industry. The proportion of the peasantry in the total population was over 50% in 1920, and fell below half of the total only in 1941. It is even more revealing that according to the census of 1930, nearly 70% of the agricultural population belonged to the so-called agrarian proletariat, which meant that only 30% could provide a livelihood from the land they possessed.[2] As a consequence of these differences in wealth, the peasantry had to face a number of health, educational and social problems.

In the Treaty of Trianon, Hungary did not only lose a large number of peasants, mainly belonging to national minorities, but also important resources of raw material (coal and precious metal mines) and industrial centres as well as all of its major cities except for Budapest (including Pozsony/Bratislava, Kassa/Košice, Kolozsvár/Cluj-Napoca and Nagyvárad/Oradea, which were ahead in the process of urbanisation). A number of universities, high-standard secondary schools, associations and ecclesiastical centres were now located in the successor states, and this intellectual loss further exacerbated the feeling of being confined to the disintegrated country.[3]

The impact of World War I on the Hungarian society

There were three important factors that increased the importance of the large peasant population. In the First World War many young peasants fought in the armed forces of the Austro-Hungarian Monarchy, especially in the Hungarian *honvéd* (defence forces) regiments, and in addition to sacrificing their life and blood, they also became acquainted with foreign countries, languages and customs. The cultural capital (the knowledge of foreign languages and cultures) acquired spontaneously during the years of service on the front and as prisoners of war enhanced social mobility. The generation that had participated in the war became more interested in the outer world: they read newspapers

2 Gunst 1998, 199–253.

3 Romsics 1999, 139–147.

and books, listened to the radio, travelled, and became interested in new agricultural technologies. After the war land reforms were carried out in several countries in Central and Eastern Europe from Poland to Romania and Bulgaria. These partly targeted the former elites, and so the estates were often confiscated from the German and Hungarian landowners, but rewarding the peasants who had returned from military service.[4] The third important factor was the extension of suffrage, which meant that a huge number of peasants could have a vote, and the peasant parties that represented their interests, or at least declared to do so, became decisive political forces in the era.[5]

These very important changes affected also Hungarian political life. However, this result was not the same as in other nations in Central and Eastern Europe. Hungary suffered severe territorial losses, and thus the consolidation process that developed after 1920 and was associated with István Bethlen (Prime Minister from 1921), had a conservative character. The radical social reforms which were introduced elsewhere were more often hindered than implemented in Hungary. The reason was not only the shock caused by Trianon but also the bourgeois democratic revolution of 1918 and the Bolshevik takeover based on the Soviet model in 1919. Although the elites of both revolutions promised radical reforms, they could not accomplish them partly due to the extremely adverse international and military situation. The entente powers wanted stable government, and therefore the strong man of the new regime after the fall of the Republic of Councils was Admiral Miklós (Nicholas) Horthy, who could rely on his own military force. He was elected Regent in March 1920, and positioned himself against the two revolutions, and therefore both the extension of democratic political rights and the land reform remained incomplete.

Although the election law of 1920 did not only give the right to vote to men but, for the first time in Hungarian history, women too, it was restricted two years later. And in practice, the large number of illegal actions and especially the open ballot used in the country towns and villages posed grave problems. In 1920, a limited land reform bill was introduced to the National Assembly by Minister of Agriculture, István Nagyatádi Szabó. The law that was eventually enacted did not alleviate the social problems of the agrarian population, and its implementation did not proceed very well.[6] Although Nagyatádi Szabó was the leader of the strongest peasant party named the Smallholders' Party, it soon lost its independence and merged into the Christian-Conservative government party. As a result, in contrast with Yugoslavia and Poland in the same era, the Hungarian political scene lacked a radical peasant party. Prime Minister István Bethlen, who carried out the consolidation and governed Hungary firmly until the impact of the Great Depression reached Hungary, summarised his views of the peasantry in a speech before the National Assembly in April 1921:

> "On the one hand, we must strive to restore the harmony in the peasant society, and, on the other hand, strengthen our smallholder society, because the smallholder class is the backbone of the nation, which by proceeding culturally and financially, will eventually take over the power, and together with the intellectuals, will lay the foundations of the healthy democratic development that this country needs."7

4 Marchut 2015.

5 Bartha 2017, 29–38.

6 Sipos 2010.

7 Bethlen 1921/2000, 120.

Dezső Szabó's appearance

The unsolved social conflicts cried for new solutions very soon. Dezső Szabó's novel *The Eroded Village* was published in May 1919. The author was a secondary school teacher of Hungarian and French, who originally wanted to study Finno-Ugric linguistics and was interested in the Samoyed language. He was soon captivated by politics though, and when he was forty, he published a book that made him one of the most important Hungarian ideologists in the interwar period. His role, activities and impact can be compared to the work of the Finnish political scientist and ideologist Yrjö Ruutu.[8] The main similarity between them was that they did not solely regard the situation of the peasantry as a social and economic problem, but they also saw this social group as the agent of national revival. Moreover, they were both sensitive to the regional problems of their countries, and were aware of the threats of the neighbouring great powers. Just like Dezső Szabó, Ruutu also interpreted nationalism in a new way and tried to overcome the traditional division between left and right. The comparison of their views offers an important field of research.

Dezső Szabó's novel provided an outline of the development of Hungarian society before 1914, and especially during the Great War. Aesthetically, his style of writing was quite simple, and sometimes even confusing but it was very efficient politically. Through his characters he presented the bourgeoisie of German and Jewish origin and the traditional Hungarian nobility, bluntly assessing their roles as a failure. He thought that the conservative/liberal elite which had governed the country before 1918 had failed and so had the radical bourgeoisie which followed it. As the novel was published in the era of the Republic of Councils, Szabó expressed his negative view of the communists only later. He concluded that there was only one social group that had survived the war more or less intact and could be the base of the future: the Hungarian peasantry. He expressed his vision of the future through the marriage of the two protagonists, Böjthe János, a young man of lesser noble origin and Mária Barabás, a peasant girl.

> "I'll get married now, Miklós. I'll marry Mária. You should see how beautiful our bastard is! And then we shall cooperate for the whole life and begin to build the new Hungary in our little nest. The Hungary of strong, clever, practical and victorious Hungarians!"9

Dezső Szabó propagated this idea in several other novels and short stories and a number of newspaper articles, the essence of which was the identification of the peasantry with the Hungarian nation. In his article titled "The Hungarian Peasant" (1923) he wrote the following:

> "And thus our premise is: Hungarian peasant = Hungarian nation, the Hungarian race. This equation is mathematically punctual, neither side is higher than the other one. Perfect equality. We could see that the other social classes are alien or permeated with alien blood or they are disintegrated and unhealthy formulas."[10]

In his other writings Szabó pointed to several problems that certainly thwarted the process of embourgeoisement for the peasantry: the dominance of large estates, the lack of social mobility, indebtedness and shortage of capital in agriculture, poor road network, inefficient education system, illiteracy and the lack of modern knowledge, undernourishment and malnutrition. In sum-

8 Poropudas 1995.

9 Szabó 1919/2011, 451–452.

10 Szabó 1923/1991, 182.

mary, Dezső Szabó was a destructive and constructive ideologist at the same time: he inspired numerous young intellectuals, and his followers scattered around and eventually appeared in the extreme right, in the democratic centre as well as in the extreme left.[11]

The general characteristics of the Hungarian populist movement

Dezső Szabó's ideas about the special role of the peasantry and the significance of establishing a new concept of nation were adopted by the members of the populist movement that emerged in the early 1930s. Their most important representatives (Gyula Illyés, László Németh, János Kodolányi, Imre Kovács, Péter Veres, Zoltán Szabó, Ferenc Erdei, István Sinka and József Erdélyi), in contrast with what was thought about them later, agreed in surprisingly few questions only. The only principle that could be regarded as common was that they all considered the peasant population to be an especially important element of the political community, i.e. the Hungarian nation, but they had diverse views about the future, general characteristics, mission and fate of the peasantry. This article attempts to highlight the differences between these ideas, showing that it can hardly be possible to speak about a uniform populist concept of nation. Consequently, they had different approaches to the issue of national character and different answers to the popular questions "What is the Hungarian?" and "What are Hungarians like?"

These diverse views can be basically broken down into three categories. The first category regarded the peasantry as an important, but disintegrating and due to the economic and cultural changes, declining social class, and therefore they were not attributed important roles in the establishment of a new national community. Those belonging to the second group often forecast a great future for this social group either because of the peasants' allegedly timeless characteristics or the political energies with social content that they possessed. And finally there were populist intellectuals, or sympathisers with this group, who were capable of creating a kind of synthesis by integrating the Western type of civic culture with Hungarian folk culture at a higher level.

Opinions about the decline of peasantry

In László Németh's case it is not obvious whether he can be regarded as a member of the populist movement or was he rather an autonomous, third-way (between capitalism and socialism) writer and political thinker. He noticed the decline of traditional peasant society as early as the late 1920s. In his article "People and writer" he discussed the question in the following way:

> "Where is this old village? It is disintegrating irremediably. Sometimes faster, sometimes slower. Here the old life still holds on, and there the past is entirely dissolved in the new world. (…) Citizen: this is what the wealthy farmer calls himself, and he is right. He is a citizen, his demands are those of the citoyen, and the price for prosperity – that of the citizen – is one more domestic servant. He buys a tractor, runs a savings bank, his son goes to school, his daughter wears fur, he himself continues a class struggle with those living at the edge of the vil-

11 About Dezső Szabó's nationalism, see more Kovács 2014, 85–145.

lage and his title is 'Sir'."[12]

Németh presented the peasantry living in the Transdanubia, especially in Fejér county and in the southeast, in Hódmezővásárhely as examples, and in this question his personal experience proved to be more significant than his readings. He dealt with the question of social mobility in a number of articles, novels and even plays. What came to peasantry, his views remained consistent. In his presentation at the conference in Szárszó in 1943, he defined the ideal society as one without social classes but placed scholarly knowledge in the first place:

> "The gravest mistake of the concepts of the Hungarian nation of the past twenty-five years has been to build everything upon the peasantry. The peasantry is the rock on which everything should be based on. But in the meantime the rock began to melt and wanted to be everything else but a rock. The truth is that the huge pool from which the nation came from is definitely the peasantry. But the estuary where the nation is heading: that is the intellectuals."[13]

At the most important event of the populist movement, the Szárszó conference in 1943, László Németh's chief opponent was a young sociologist, Ferenc Erdei. Although the emphasis is usually placed on the differences between their views on Hungarian foreign policy, their ideas about the current and future fate of the peasantry were very close to each other. The homeland was especially important for Erdei, who was born in Makó in Southern Hungary, and he showed his talent as a social researcher and political thinker in several books (*Futóhomok/Drifting Sand*, *Parasztok/Peasants*, *Magyar falu/Hungarian Village*, *Magyar város/Hungarian City*) in the late 1930s and early 1940s. Instead of these well-known works, let us-

12 Németh 1929/1989, 16–17.

13 Németh 1943/1993, 51.

read a quotation from the draft of a lecture that survived as a manuscript in which he summarised his ideas:

> "Situation of Hungarian peasantry. Trends in recent decades: embourgeoisement: precisely: the dissolution of peasant society in civil society. (…) Peasantry itself is not an active participant in the social transition. As peasantry it can't be a political factor."[14]

Given this assessment of the current situation, it was not surprising that Erdei began to search for new ways and was finally attracted by Marxist doctrines. At the end of the war when he was contemplating the chances for the coming new age, he predicted a subordinated role for the peasantry:

> "Regardless of the external forces that may influence the changes in Hungary, it is mainly the working class, and secondly the peasantry that undeniably represent the social force that will determine further developments. In this development the working class definitely possesses the stronger power. This social group has the organisation, programme and political education which can succeed in a profound transformation of our society."[15]

Imre Kovács was Ferenc Erdei's contemporary and friend but finally his firm political antagonist after 1945.[16] In his writings he focused on the crisis phenomena in the peasant society: the one-child families, emigration and religious sects. His name was made well-known by his sociography *A néma forradalom (The silent revolution)* published in 1937. The book provides a historical overview and a report-like description of the life of Hungarian peasantry. Although the book was banned and the author was taken to

14 Erdei 1938/1984, 81–82.

15 Erdei 1943/1993, 33–34.

16 About Imre Kovács's way of life see Valuch 2014.

court under the charge of incitement against the large landowners, from our perspective it is more important to note that the idealisation of peasantry was very far from Imre Kovács. He had such strong reservations about the chances of any political activities that he closed his book with the following sentence, which became famous eventually: "Although sects are the forerunners of revolutions, you need not to be afraid, good lords: there will be no peasant revolutions in Hungary again."[17]

Some years later, in 1943, he wrote a shorter sociography titled *Lakodalom (Wedding)* in which he examined the peasants living in Gyoma, a village in south-eastern Hungary, where his father had been born. The location is important because it was the region where the embourgeoisement of the peasantry was believed to be strong. Imre Kovács, however, writes about the end of the history of peasantry:

> "And we do not know the peasant woman's or girl's name who first replaced her ancestors' attire with the garment of the townsfolk, though it was in her soul and mind where the process began, which cannot be stopped and which will lead to complete liberty. Considering the superficial phenomena, mainly clothing, it can be stated that peasantry does not exist anymore."[18]

A conservative response to the populist movement: Gyula Szekfű's role

The impact of the populist movement was evident in the Hungarian intellectual and political scenes as well. To justify this, it is worth quoting Gyula Szekfű, the most influential historian of the interwar period.[19] Not only because he played an important role in shaping the public opinion as István Bethlen's friend and as an editor of the highest-quality periodical of conservative ideology, *Magyar Szemle (Hungarian Review)*; his person was also important because he was a powerful critic of the liberalism of pre-1918 Hungary just like his contemporary Dezső Szabó, albeit from a different perspective. In his book *Három nemzedék (Three Generations)* published in 1920, he raised his voice against liberalism dominating the economic and intellectual life and blamed it for the demise of the historical Hungarian state. Szekfű maintained his antiliberal views until the end of his life, which made it possible for him to be open to different ideologies. For example, in the enlarged edition of *Three Generations* of 1934 he examined the social tensions that characterised Hungary in the era. He listed five pairs of opposing social groups, mentioning the antinomy of large landowner versus agricultural workers in the first place. He even argued that

> "(…) we must acknowledge that saving the agricultural working class and ensuring human dignity to them again is not only one of our great tasks but perhaps the only great national mission. All other tasks can safely be put aside because if we succeed in this one, then we will have reached everything and we can become an able, healthy, brave and independent nation again, and our material and spiritual armoury and culture will appear automatically if this wide and fundamental social group becomes a base of our national existence."[20]

In contrast with the populists, however, Szekfű did not consider radical transformation, and mainly the land reform, a possib-

17 Kovács 1937/1989, 142.

18 Kovács 1943/2011, 86–87.

19 An excellent work about Gyula Szekfű's political ideas: Dénes 2015.

20 Szekfű 1920/1989, 421.

le remedy. Instead, he suggested reforms, which were related to Christian Socialism. He proposed strong industrialisation, widespread social policy and state settlement programme, but all this with the necessary, conservative cautiousness. In fact, Szekfű developed further István Bethlen's ideas quoted above. After the Great Depression, supporting only the wealthier smallholders seemed to be insufficient, and that is why the eminent historian tried to consider the propositions made by populist writers, who raised their voices on behalf of the poor peasantry, and give replies to them.

Those who believed in the peasantry's mission

There were thinkers in the populist movement, who did not only consider Dezső Szabó to be their spiritual master, but they also identified with his ideas about the historical role of the peasantry. It was not necessarily connected to their family backgrounds as part of the Christian middle class also seemed to be open to getting acquainted with peasant culture and patronising talented peasants. One of them, for example Géza Féja,[21] who enjoyed Dezső Szabó's support in his early years, came from a middle-class family and published a highly popular sociography titled *Viharsarok (Stormy County)* in 1937, in which he reported on three counties in South-Eastern Hungary. Although he was taken to court for the strong statements against the large landowners and lost his job as a secondary school teacher, his career took a surprising turn later. From 1939 he worked as a columnist with the leading pro-government daily *Magyarország (Hungary),* and in 1942 he played an important role in establishing the István Györffy College, the first People's College that made it possible for young peasants to continue their studies at university. Féja was the contact person between the young students living in the hall of residence of the college and the Christian-conservative political circle led by Minister Ferenc Zsindely, a supporter of reforms, and his wife Klára Tüdős.

Although all this might seem surprising in the light of the law suit against him, the situation was more complicated as the middle class and even the elite of the interwar era had members who listened to Szekfű's, and Dezső Szabó's or the populist writers' ideas. Géza Féja was perfectly suitable for the role of the intermediary since he had written clear messages in *Stormy Corner* that were addressed to the middle class rather than to the peasantry:

> "Reforming today's Hungary can only be possible in one way: by giving a free way to initiatives and intentions coming from below. (…) The only task of the independent and responsible Hungarian spirit can be the support of this historic change as well as the preparation of serious plans for the economic, social and cultural implementation of it."[22]

However, there was a person in the populist movement who preserved his convictions, faith and illusions about the importance and the leading role of peasantry throughout his lifetime. It was Péter Veres, who was from Hortobágy, one of the most poverty-stricken regions of Hungary. He was born into a poor peasant family and worked as a servant, a navvy labourer and a railway worker. With his persistence he trained himself to obtain the knowledge which enabled him to carry out that fertile publishing activity from the mid-1920s until his death in 1970. The reference point for Veres was mainly

21 About Géza Féja's political carrier and ideas see Péterfi 2011, 141–234.

22 Féja 1937/1980, 247.

his own community, the poor peasantry of Eastern Hungary, and he did not trust in the assimilated groups of non-Hungarian origin, mainly Germans and Jews and neither in the peasantry of the Transdanubia that was already on the road to enbourgeoisement.

In 1936 Veres wrote an important sociography titled *Az Alföld parasztsága (The Peasantry of the Great Plain),* and a year later he published his autobiography *Számadás (Reckoning),* which is probably his best work. After this he published a book almost every year; his work titled *Paraszt sors, magyar sors (Peasant Fate, Hungarian Fate)* is more closely related to the topic of this article. Veres did not remain within the limited conceptual framework of Hungary but discussed the crisis of capitalist society in general, illustrating it with various examples. It was mainly the individualisation resulting from industrial production, the development of financial systems and urbanisation that destroyed the traditional local, religious and, in his opinion, even family communities. This frightened Veres, and that is why he considered himself to be a collectivist thinker. He strongly rejected every type of liberalism, but at the same time, he was interested in and open to all kinds of theories which were based on the ideas of community, no matter how extremist they were. His attention was not only caught by the New Deal, Kemalism and fascism but he also examined Hitler's and Stalin's political systems with interest. His writings could be important sources of inspiration for today's popular green and social movements which strongly criticise globalisation. It is important to note that Veres argued that his collectivist view of the world was compatible with Hungarian traditions in many points, and he often rejected extreme rightist activities on these grounds.

His book *Peasant, Hungarian Fate* of 1941 can be regarded as the sequel to his other work *Mit ér az ember, ha magyar? (What is Hungarian Worth?)* published a year earlier. Its original title was meant to be *What is a Peasant Worth?*, which clearly shows that Péter Veres used the two Hungarian words with similar meanings. In the 1941 book he dedicated a chapter – "The Hungarian national mission of peasantry" – to the question of the tasks of this social group. According to Veres

> "[…] both in the past and future the peasantry had and will have the task to maintain the Hungarian character. The mechanised and almost mindlessly rushing civilisation is leading nations to fatigue and decline. As I have mentioned it several times, the great cultural nations of the past have all perished in spite of all their power and wealth or perhaps because of them. What has remained of them, almost as seeds, are the peasants who are connected to the land."[23]

In addition to the general, human, or even global mission of peasantry, the author described tasks especially for Hungary:

> "Hungarian life must become 'dynamic' and mobile, it needs a refreshing internal current. This refreshing internal current can only be realised by the peasantry, and not because it is better than others but because it still has dormant powers both in intellectual, moral, political and economic fields."[24]

Representatives of the integrative concept of nation

During the interwar period, mainly because of the cleavages that determined intellectual life, for example the so-called populist versus urban debate, there were only few political thinkers who tried to use the populist

23 Veres 1941/2000, 330.

24 Ibid., 331.

writers' ideology in an integrative way. There were two poets in the 1930s who argued that the justified social criticism made by the populist movement must be included in the renewed concept of nation. Attila József, an outstanding figure of Hungarian lyrical poetry, was influenced by various intellectual trends during his short career. In the late 1920s he wrote a pamphlet titled *Ki a faluba! (Out to the villages!)* together with Dániel Fábián, a physician. The text – resembling Dezső Szabó's ideas – set the major task for young intellectuals to get acquainted with the peasant society, respect the values of peasant culture and remedy the problems of the peasant population. Later Attila József left the populist movement and found his way to the communists, and then in 1936-1937 he was an editor of the periodical *Szép Szó* (*Beautiful Word*) which sympathised with the ideologies of bourgeois radicalism and social democracy.

The intellectual circle that developed around the *Szép Szó* published a book titled *Mi a magyar most? (What is Hungarian now?)* in 1937 in which a number of topics were discussed including the churches, the agrarian question and social policy. The editors inserted Attila József's poem *Hazám* (*My Fatherland*) on the first page, which refers to several important questions of the populist movement. The poem mentions the problems of one-child families, various mental and physical illnesses, the violence of the gendarmerie, election frauds, emigration, and the necessity to support young talented peasants.

The poet was undoubtedly influenced by Géza Féja's *Viharsarok*, which showed the merciless attitude of the large landowners towards peasants. The poem gave details about the difficulties of factory workers and warned against the foreign threat, the strengthening Nazi Germany. Attila József wrote this all by nicely combining the different trends:

> "You gave a farmer to the sea, / give humanity to people, / Give Hungarianness to the Hungarian, / let us not become a German colony."[25]

Gyula Illyés had become a significant poet and writer of the populist movement by the end of the 1930s. During his career, he always emphasised the importance of the unity of Hungarian literature and had good relations with writers of different ideologies. From 1941 to 1944 he was an editor of the periodical *Magyar Csillag (Hungarian Star)*, and He often published writings of authors who were stigmatised or ignored for political reasons or because of the anti-Jewish laws. In 1939 he published his book *Ki a magyar? (Who is the Hungarian?)*, which he originally wrote for French readers.

The book tried to show the characteristics of the Hungarian nation, going back to prehistory. Illyés was an advocate of the Finno-Ugric relation of the Hungarian language although he was aware that during the migration before the conquest of Hungary in the early middle-ages ethnic groups of Turkish origin also joined the Hungarians. Thus he separated the questions of language and ethnicity, which is in line with current views of historical research. His only wrong assumption was the maintenance of the theory of Hun-Magyar relationship; it was probably his attraction to folk tradition that influenced him in this question.

Illyés's works about his own times were more important than the ones about the past. He rejected racial theory and deliberately used the word "*fajta*" for the race instead of "*faj*" (meaning 'species' in Hungarian). He argued that that "as a result of mixing with each other for millennia, all peoples and nations, without an exception, consist of many different pieces of races", and "there are

25 József 1937/1990, 11.

several races in the Hungarian people, it is a mixed people too". Instead of biological and ethnic characteristics he considered history, the language and common cultural heritage to be decisive factors: "It is not the appearance but the common past, the same difficulties and the air of the homeland that unite a nation and separate them from peoples with different pasts and different presents."[26] This approach strongly resembles Ernest Renan's often-quoted slogan, which was especially valid for Hungary: "The nation is a common memory from the past and a common plan for the future."[27] It could not be a coincidence that the poet who had a wide knowledge of French culture tried to respond to this idea, of course, using a characteristically lyrical language. But Illyés did not stop at this point, and in the last paragraphs of his short essay he made statements which were identical with Attila József's views:

> "A Hungarian is one who bravely faces the trials and tribulations of the people: the obstacles to the development of the nation. He is the one who wants to implement freedom in every field even today. He wants to give culture, health and welfare to the people. He wants land for the farmer, fair income for the worker, and human treatment for everyone, even if it is against his personal interests. He, when seeing one who is miserable, starving or deprived of his rights, feels as if he himself has been offended in his human and Hungarian self."[28]

26 Illyés 1939/2002, 39.

27 Ibid., 41.

28 Illyés 1939/2002, 49.

Conclusion

The aim of this article was to show how diverse views appeared in Hungary about the place, role and future of peasantry in the interwar period. These views were evidently in connection with the demand for creating a new concept of the Hungarian nation, which was the main purpose of the representatives of the emerging populist movement. This affected the Christian-conservative middle-class as well, but at the same time, the also populists themselves were divided in the question: some wrote about the disintegration and even demise of the peasantry whereas others saw them as the major source of the revival of the nation; and some of them tried to integrate the aims of the populist movement organically into the concept of the nation instead of separating them from each other. Surprisingly, even though the traditional peasantry has ceased to exist, and thus the first approach seems to have been justified, the effects of the other two approaches are still alive today. While those who advocated the mission of the peasantry were often led to the concept of national isolation, the influence of the representatives of the integrative concept of nation is much more limited today.

BIBLIOGRAPHY

Bartha, Ákos, 2017. "Tojástánc a populizmusok körül. A magyar népi mozgalom fogalmi keretei és regionális összefüggései". In: Bartha, Ákos: *Populizmus, népiség, modernizáció.* Budapest: MTA Bölcsészettudományi Kutatóközpont Történettudományi Intézet, 13–45.

Bethlen, István, 1921/2000. *Válogatott politikai írások és beszédek.* Romsics, Ignác (ed.), Budapest: Osiris.

Dénes, Iván, Zoltán 2015. *A történelmi Magyarország eszménye. Szekfű Gyula a történetíró és ideológus.* Budapest: Kalligram.

Erdei, Ferenc, 1938/1984. "A magyar parasztság helyzete és szerepe a világesemények sodrában". In: Erdei, Ferenc *Összegyűjtött művei. Történelem és társadalomkutatás*. Budapest: Akadémiai Kiadó, 81–83.

Erdei, Ferenc, 1943/1993. "A magyar társadalom". In: *Szárszó.* Az 1943. évi balatonszárszói Magyar Élet-tábor előadás- és megbeszéléssorozata. Budapest: Püski, 11–34.

Féja, Géza, 1937/1980. *Viharsarok.* Budapest: Szépirodalmi.

Gunst, Péter, 1998. "Hungarian Agrarian Society during the Inter-War Period (1919–1945)". In: Gunst, Péter (ed.) *Hungarian Agrarian Society from the Emancipation of Serfs (1848) to the Re-privatization of Land (1998)*. New York: Columbia University Press, 199–253.

Illyés, Gyula, 1939/2002. "Ki a magyar". In: Illyés Gyula: *Az író hűsége*. Budapest: Természet- és Társadalombarát Fejlődésért Közalapítvány-Kortárs, 25–50.

József, Attila, 1937/1990. "Hazám". In: *Mi a magyar most?* Budapest: Cserépfalvi – Gondolat – Tevan, 7–11.

Kállay, Miklós, 1954. *Hungarian Premier: a Personal Account of a Nation's Struggle in the Second World War*. New York: Columbia University Press.

Kovács, Imre, 1937/1989. *A néma forradalom.* Budapest: Cserépfalvi – Gondolat – Tevan.

Kovács, Imre, 1943/2011. "Lakodalom". In: Szabó A., Ferenc (ed.), *Válogatott írások.* Budapest: Magyar Napló, 61–109.

Kovács, Dávid, 2014. *Szabó Dezső nemzetszemlélete*. Máriabesnyő: Attraktor.

Marchut, Réka, 2015. "Az 1921. évi erdélyi agrárreform és annak magyar fogadtatása 1919–1922". In: Varga, Zsuzsanna – Pallai, László (ed.) *Föld-parasztság-agrárium. Tanulmányok a 20. századi földkérdésről a Kárpát-medencében*. Hajdúnánás: Kiadó nélkül, 113–133.

Németh, László, 1929/1989. "Nép és író". In: Németh László: *Sorskérdések.* Budapest: Szépirodalmi és Magvető, 16–20.

Németh, László, 1943/1993. "Előadás". In: *Szárszó.* Az 1943. évi balatonszárszói Magyar Élet-tábor előadás- és megbeszéléssorozata. Budapest: Püski, 39–52.

Péterfi, Gábor, 2011. *Szabó Dezső és Féja Géza Trianon-reflexiója és külpolitikai nézetei.* Budapest: L'Harmattan. 141–234.

Poropudas, Olli, 1995. "Yrjö Ruutu, Agriculture and Economic Growth". In: Leo Granberg and Jouko Nikula (ed.), *The Peasant State. The State and Rural Questions in 20th Century Finland.* Rovaniemi: University of Lappland, 54–67.

Romsics, Ignác, 1999. *Magyarország története a XX. században.* Budapest: Osiris.

Sipos, József, 2010. „Nagyatádi Szabó István, az elsö parasztminiszter". In: Sipos, Levente (ed.), *Magyar agrárpolitikusok a XIX. és a XX. században*. Budapest: Napvilág, 103–138.

Szabó, Dezső, 1919/2011. *Az elsodort falu*. Szeged: Lazi Könyvkiadó.

Szabó, Dezső, 1923/1991. "A magyar paraszt", *In: Szabó Dezső: Az egész látóhatár. Első kötet. Budapest: Püski.*

Szekfű, Gyula, 1920/1989. *Három nemzedék és ami utána következik*. Budapest: Maecenas.

Valuch, Tibor, 2014. „Egy demokrata közíró a XX. században. Vonások Kovács Imre portréjához.". In: Sipos, Levente (ed.), *Kovács Imre centenáriuma.* Budapest: Napvilág, 269–282.

Veres, Péter, 1941/2000. *Parasztsors – magyar sors.* Budapest: Püski.

Tibor Tóth

A FORGOTTEN AGRICULTURAL MODERNIZATION PROGRAM FROM THE 1930s

„Seriously ill, agriculture". It was the title given by Mária Ormos to the chapter on agriculture in her book called „*A gazdasági világválság magyar visszhangja* (Hungarian reflections on the Great Depression)".[1] And with good reason. The agrarian crisis was dramatic not just because more than half of the active earners were involved but also because the decline of foreign markets and the plummeting agrarian export caused an imbalance of the state budget. Based upon an extensive survey, the aforementioned monograph quite convincingly comes to the conclusion that the agrarian issue received a media coverage greater than the credit crisis or the situation of the new industries that developed after 1920. The reasons were summarized by Mária Ormos:

> "While the complicated financial and other serious economic issues were only discussed in the specialised journals, the agrarian issue got a big media coverage, … It was partly due to the fact that financial issues or interest rate policies could not be discussed without a sound knowledge of the area and if someone tried to do so, those concerned quickly reproached them. However, the agrarian issue was considered in a completely different way, as it was a widespread belief that all Hungarian people know how to 'farm the land' as well as how to ride. Besides, a deep reverence inherited from the past was shown towards the land and nature that had kept people alive and had provided for them for millions of years. Although some talked about 'a romantic desire or a myth of the land', most people felt this 'myth', responding to the agricultural problems in a way different from the responses given to the problems of the industrial, financial or commercial segments."[2]

It was really the agricultural sector that fell seriously ill and when contemporaries wanted to detect its reasons, they usually went back as far as Trianon Peace Treaty.[3] It is true that in the post–Trianon area of the country the distribution of lands and the production structure was less favourable than earlier, but these problems of the sector were inherited from the 19th century. The overwhelming majority of large and middle-size estate owners is shown by the fact that nearly 40% of the arable land was owned by those with more than 100 *katasztrális hold* (Hungarian unit of land measurement: 1 katasztrális hold (kh) = 0,57 hectare (ha) of land.[4] Despite the land reform introduced in 1920, this ratio did not change to any considerable extent in the period between the

1 See Chapter 8 in: Ormos 2004, 289–331.

2 Ibid., 290.

3 After the World War I, as a consequence of the Trianon Peace Treaty, signed in 1920, Hungary lost two-thirds of its former territory and nearly 60% of its population, including 30% of ethnic Hungarians.

4 Szuhay 1998, 99–124.

two World Wars.[5] It was also a heavy burden that large and middle-size estate owners did not carry out considerable changes in their production structures and carried on growing mainly crops (first of all wheat), which was sold abroad. This way growing crops did not only remain a characteristic feature of Hungarian agriculture, but it became even more prominent.

In mild upturn in the second half of the 1920s shrouded these unsolved problems, so the structural weaknesses of this sector became visible only after 1929. The historical literature discussing this topic has already revealed a lot of things on the attempts made to handle the crisis,[6] but it has been rather neglected what proposals were made to boost the low productivity of Hungarian agriculture as such, beyond taking the most urgent measures. Were modernization program set up? If so, what kind of projects were they? This paper is aimed to detect the elements intended to introduce modernization in the governmental proposals made in the mid-1930s to cope with the agricultural crisis and to analyse how these elements tried to mitigate the social problems in the countryside.[7]

***

The first signs of overproduction could already be observed in Europe in the second half of the 1920s. This phenomenon could be explained by the fact that Europe was flooded with the cheap overseas agrarian products and it became more and more difficult to find markets for Hungarian agricultural export. Even if such markets were found, its products could be sold at lower prices than earlier. Therefore the agrarian crisis affected both sales and prices. It is important to note that the decline of agrarian export became a serious problem of external trade and therefore an issue of the state budget in Hungary, affecting the whole economy.[8]

In the beginning, the Bethlen government[9] tried to make up for the losses resulting from the price reduction by introducing the boletta system in 1930. After the sold quantities of wheat and rye, a price compensation was paid by the state and obviously mainly big landowners benefitted from it.[10] It is not surprising as this group had the greatest lobby who could enforce their interests among agrarian producers.[11]

These early measures brought about a serious political crisis in the governing party. Those groups who felt that the government neglected the interests of peasant farms compared to the interests of the great landowners

5 The land reform in 1920 concerned only 8.5% of the lands, increasing the number of dwarf holdings. According to the data of 1935, 43% of lands were owned by large and middle-size land-owners. See: Varga 2014, 7–28.

6 A recently published historiographic survey of his concerns the present day historical interpretations of the Great Depression as well as the contemporary explanations. See: Pogány 2013, 153–174.

7 The present study contains the first findings of a more comprehensive research. The topic of the monograph that is in the making: Social problems and social politics in Hungary in the 1930s (Foreign examples – Hungarian solutions).

8 The case of Hungary within a Central-Eastern European context is discussed in: Berend 2001, 297–333, Kaser – Nötel 1988, 215–247; Kopsidis 2009, 286–310.

9 In mid-April regent Miklós Horthy invited count István Bethlen to form government. Bethlen stayed in power until August 1931.

10 Article XXII of 1930 (the so called boletta act) provided for the measures needed to be taken to sell crops. According to the act, wheat and rye could only be sold with crops tickets (bolettas). It was worth 3 *pengő* (Hungarian currency at that time) per 100 kg, and the sum had to be paid for the producer. A separate fund was created to carry out the payments which were financed by the state.

11 Püski 1999, 115–122.

seceded. This way the Independent Smallholders Party (or in Hungarian: Független Kisgazdapárt or FKGP) was established,[12] which became the strongest opposition party at the 1935 elections. However, as an opposition party, they did not have much influence on taking measures for the benefit of the peasants.

István Bethlen, who had already led the government for 10 years resigned in 1931 due to the depression. According to his biographer, Ignác Romsics, Bethlen intended to resign only temporarily, while an interim government would have taken the strictest constringency measures, and then he intended to come back to power.[13] An interim government led by Gyula Károlyi was formed in 1931. In the next year the new government was formed by those not representing the former conservative political elite. In connection with the right shift in international political life and the Hungarian revisionist designs, Gyula Gömbös was appointed prime minister by the regent Horthy.

The economic depression and the attempts to find a way out of it brought new politicians into leading positions whose political views tended to the right. Gömbös and the group behind him which included gentries, military officers and state officials had already announced back in the 1920s that the borderlines drawn up in the Trianon Peace Treaty could only be modified by arms. It required an army, and the army could be based on peasantry, but peasants should be made strong and independent in terms of their morals and finances so that they could live up to the expectations they were to face.[14] As a first step, the effects of the crisis on smallholders had to be mitigated.

It was clearly reflected in 95 points of the Gömbös government programme, called National Work Programme.[15] The mainstream of economic policy was aligned by Gömbös and his followers with the agrarian features characteristic of the nation similarly to their views back in the 1920s. Apart from the fact that a whole chapter, namely Chapter VI (points 46-54), was dedicated to the issues of agriculture and land policy, numerous other points in the government's programme contained references to the high importance of this segment. Point 38 in the National Work Programme made it clear that the government held it one of its priorities to develop the production segments that a large number of people made a living from.[16] Chapter VII, dedicated to industrial policy, began in the following way: „However, our support of industry cannot hinder any other segment of production."[17] Knowing the economic situation in Hungary at that time and the economic-political views of Gömbös and his followers, this 'other segment of production' could be nothing else but

12 On 12 October 1930, in the town of Békés, the representatives of eleven counties founded the Independent Smallholders Party and with Bálint Szijj as its leader. Two months later this party merged with Gaszton Gaál's Agrarian Party (Agrárpárt) and was named Független Kisgazda-, Földmunkás és Polgári Párt Independent Smallholders, Agrarian Workers and Civic Party (commonly known as the Independent Smallholders Party - Független Kisgazdapárt).

13 Romsics 1999, 338–341.

14 Their economic-political views focussed on the idea of 'Christian agrarian thought', which meant, according to them, that the economy of Hungary should be reorganised in an agrarian way as the Hungarians who keep the nation alive are the peasants. Through a suitable settlement policy, small holdings with good equity ratio should be created so that smallholders could form a new historical class which the policy of white supremacy could be built on. Vonyó 2014, 123–140.

15 Gergely – Glatz – Pölöskei (eds.) 2003, 288–302.

16 Point 38. Ibid., 294.

17 Point 55. Ibid., 296.

agriculture. It is underlined by the fact that their industrial development policy intended to support those industries that „processed inland raw materials and agricultural produces".[18] A separate point was dedicated to the development of cottage industry, which „satisfied the needs of village people and used their workforce".[19] By providing „fair prices" for industrial products, they aimed to eliminate or at least to reduce the price scissor of industrial-agricultural products, which was a bane of the agrarian sector.[20] Similar intentions are reflected in Chapters VIII and IX on commercial and credit policies.[21]

If after the setting of the goals, we go on to discuss how they were carried out, it will be conspicuous how limited the actual government measures were. The still significant influence of the aristocracy restricted the attempts made to find a way out. As József Vonyó put it appropriately: „As the head of the government, the prisoner of the governing party" – this was the title he gave to the chapter analysing the early period of the Gömbös government.[22] It was a heavy burden on Gömbös at the start that „he had to start governing with a power and party elite who restricted the achievement of their political aims rather than supporting them."[23]

Moreover, among the circumstances of the Great Depression, the big dilemma has to be noted: how and from where the funds could be found that were necessary for the change in the product structure of agriculture and its technological development. One of the main aims of the Gömbös government's crisis treatment measures was to protect small farms. A serious phenomenon of the chronic agrarian crisis was the fact that even in 1933 tens of thousands of peasant farms were auctioned off.[24] During the time of the Gömbös government, in 1933 and 1935, laws were passed to finance the repayment of farmers' debts. According to these acts, those plots where the debts reached a critical limit were declared to be protected upon the request of the debtor, and they were registered. These plots were not to be auctioned if the owner paid the interests of the credit. The state allocated considerable sums to pay 'smallholders' debts'.[25]

The other main area of state intervention in agriculture was the support of selling crops abroad. The Gömbös government made great efforts to find new markets for the excess agricultural produces of Hungary. They hoped to reduce the negative result of the balance of external trade and to improve the balance of the state budget. The first complementary treaty of the German-Hungarian commercial treaty in 1933 and then a year later its second complementary treaty and the economic agreements with Austria

18 Point 56. Ibid., 296.

19 Point 58. Ibid., 296.

20 Point 59. Ibid., 296–297.

21 It has to be mentioned that Chapter IV on the current tasks of law seemed to be in harmony with all these. For instance, the acts of „economic credit law and criminal law" were to be reformed in a way that took into consideration „the moral and economic characteristics of the Hungarian nation to a full extent." It was supported by the promise of an effective protection of rights for the productive work adapted to the interests of the nation." Ibid. 292–293.

22 Vonyó 2014, 166–171.

23 Ibid., 169.

24 Szuhay 1998, 177–190.

25 So in the budget years of 1933/34. and 1934/35 32.5 million *pengő* (Hungarian currency at the time), in the years 1935/36–1936/37 75.6 million *pengő* were allocated to such purposes. It is important to note that most subventions accompanying the protection were given to middle size and large land owners as 61% of the 1.9 million kh (some 1 million ha) declared protected fell in the category of plots bigger than 100 kh (57,5 ha).

and Italy signed in March 1934 as part of the Rome Protocols reduced the problems of the export of Hungarian agricultural produces and in the long term they even eliminated these problems.[26] As a result, the balance of external trade turned positive again from 1933 on, and since the economic year 1934/35 signs of recovery began to show.

It is with good reason that according to the literature, in 1934 a new stage began in the Gömbös government's activities.[27] Numerous initiatives included in the National Work Programme were put on the agenda at that time. Such an initiative was the reduction of the inequalities of the land property structure through settling people. In connection with this, the relevant points of the government's 1932 programme contained the following items:

> "51. *Telepítési politikánk* [*Our land settlement policy*]
>
> We are going to try to start and carry out a healthy settlement policy to promote and create a healthy distribution of lands. In this attempt of ours, we intend to keep the continuity and the effectiveness of production unharmed while keeping in mind the higher interests of the nation.
>
> 52. *Telepítési alap létesítése* [*Creation of a settlement fund*]
>
> We intend to create a proper settlement fund connected to the state's preemptory right for purposes of land policy and settlement.
>
> 53. *A hitbizományi rendszer reformja és kiterjesztése* [*The reform and expansion of the entailment system*]
>
> We intend to carry out certain corrections of the entailment system. We want to extend this system to small and middle sized plots."[28]

The Gömbös government put these goals on the agenda again after 1934, making it clear that some parts of the large estates should be divided among the crowds of smallholders and agricultural workers to reduce the inequalities in the structure of land ownership. At first, due to the expected resistance of the aristocracy, a project was set up to help land distribution. Peasant farming was hindered by the fact that due to the system of inheritance, the lands that belonged to a farm were scattered. The importance of the problem is indicated that in the mid-1930s, there were 14, 800, 000 parcels and 2,100,000 owners on 8,600,000 kh (nearly 5 million ha) of land, so on average, a smallholder's 4 kh (2.4 ha) of land were scattered in 7 places.[29] It is easy to imagine the extra time and expenses it required to approach and cultivate the scattered parcels that were situated far from one another. According to a 1934 survey, 965 Hungarian villages (27.8%) should be partially, and 1861 (53.5%) should be completely subject to a land consolidation. It meant that in those days in Hungary, 1.6 million kh (928,000 ha) were to be divided partially, and 2 million kh (1,2 million) completely. It made up 61% of the smallholders' lands.

This situation of scattered plots would have been helped by the land consolidation, by which a land property regulating process is meant, in which the scattered parcels of particular farmers in the territory of a town or village were contracted into one or more parcels, but considerably fewer than earlier, by way of a legal forum with the consent of the proprietors concerned. By early 1935, Decree 34700/1935. I.M., issued by the Minister of Justice, in agreement with the Mi-

26 Pritz 1982, 64–134

27 Gergely 2001, 266–271; Vonyó 2014, 200–217; Zeidler 1998, 70–97.

28 Gergely – Glatz – Pölöskei (eds.) 2003, 296.

29 Nagy 2003, 39–55; Sipos 2014, 109–120.

nister of Agriculture and Interior Affairs and the Minister of Finance, was prepared and it took effect on 1 November, after debates among professionals.[30] The main aim of the new decree was to make the regulated land consolidation more simple, faster, more professional and cheaper. In 1936, the process gained momentum again. On the one hand, the finishing of the land consolidation started in the previous years was facilitated and owing to the greater role played by the state, the process was started elsewhere too.[31] The positive effects began to appear in the villages concerned soon. There are two contemporary data collections concerning this. On the regulated plots, it was possible to sow and to thrash by machines. A huge increase in farmhouse building could be observed. On average, the quantity of crops grew by 20% in the villages where regulated land consolidation took place, the price of land went up and the standard of land cultivation became higher.

The government's aims in terms of its land policy were set in Acts XI and XXVII passed in 1936. Act XI of 1936 provided for family entailment and entailed smallholdings. The latter one was a real novelty, as the Prime Minister wanted to help create such peasant farms that were not threatened by being divided:

> "78. § Entailed small holdings are real estates serving the purpose of field farming which are protected by the law against being divided by prohibiting its selling or taking mortgage on it and by excluding legal inheritance and by maintaining a pre-defined, exclusive order of inheritance within the family."[32]

When it was defined who could own such small holdings, they took the German model, namely Darré's law on succession (Reichserbhofgesetz, 1933) as the base:[33]

> "80.§ The economic sub-committee of the administrative committee may issue permit to establish entailed small holdings to Hungarian citizens who are unreproachable characters, enjoy public respect on their own rights and who are engaged in farming as their profession, who can dispose their wealth freely and who can be expected to set an example for the people of the village in the field of farming."[34]

The act on settlements was passed on 16 June 1936 (1936: Act XXVII), which aimed to redistribute 400,000 kh (some 240,000 ha) of land in the following 25 years. The government learnt from the mistakes made in the land reform of 1920 and now they wanted to create self-sufficient plots and they wanted to provide them with livestock and tools too. In their opinion, the most suitable solution was to settle newcomers in the existing villages or to establish new model settlement villages by creating new settlements. The new settlements were designed by architects, where the roads, utilities, the town halls, the schools and other public buildings were built by the state. The state also lent the sum necessary for the settlers. Besides the household plot, applicants were often given 20-25 kh (12-15 ha) of land. According to typical designs,

30 34.700/1935. In: Rendeletek Tára [Collection of Ordinances and Decrees), 1935, 764–786.

31 According to the data given by Department of Land Consolidation of the Ministry of Agriculture, in 1936 land consolidation was started in 24 villages, in 1937 in 18, in 1938 in 15, and in 1939 in 20 villages – altogether in 77 villages. All in all, between 1935–1941, the procedure of land consolidation was completed in 98 villages in 310.507 kh. Magyar Nemzeti Levéltár Országos Levéltár [National Archives of Hungary, hereafter cited as MNL OL] FM K-184. 1941. 5699.

32 1936. XI. tc. In: Corpus Iuris, 1936. 142.

33 Corni, – Gies 1994, 103–128; Gerhard 2014, 139–158.

34 1936. XI. tc. In: Corpus Iuris, 1936. 143.

upon requests, houses with one or two bedrooms were built for everyone, together with the pigsties and stables that belonged to the farms. The beneficiaries were to be charged for all these expenses, but they were paid by the state. According to the law, the beneficiaries and those who took part in the settlement had to pay 30% of the price of the land in advance.[35] This settlement action was much better prepared than the 1920 land reform in terms of its finances and its organisation. A separate department was set up in the Ministry of Agriculture to coordinate its execution, and the minister himself was responsible for the execution. Apart from this, the law enabled another type of allotment. Between 1936 and 1939; 88, 344 kh (some 51,200 ha) were required and distributed. 54,000 kh (31,300 ha) were given as private property, 34,000 kh (nearly 20,000 ha) as small leaseholds. During the reform, 21,300 families were granted land, 9100 as owners and 12,200 as leaseholders. Most of those who were given land completed their already existing properties.

The scarcity of the funds that could be relied on both at the land settlement policy and at the land consolidation limited the scope of action. Therefore a widespread propagation of know-how became more and more important. The twofold production structure of the Hungarian agriculture became conspicuous. The aristocracy owning great lands had already had professionally trained agricultural staff run their estates. At the same time, most smallholders had never received regular professional education.[36]

At the time of the Gömbös government, the Ministry of Agriculture was assigned to work out an action plan to enhance the expertise of smallholders. One of the main arguments of the government was that „These farmers are the clearest representatives of our race." On the other hand, they also emphasized:

> „From a public point of view, to make agricultural production profitable, it is not the single outstanding performances that are important but the low average quantity of crops yielded by the great agrarian masses should be increased." The case study report of the Ministry states that agrarian workers finished maximum six elementary classes, but later in life they almost forgot to write and read as those "who do not join in the great intellectual community of mankind by reading, will not even wish to do so."[37]

In the territory of Hungary after the Trianon Peace Treaty, there were 22 lower level agricultural schools. 13 of them were winter agricultural schools, where education was limited to the winter months between November and February, and there were 9 agricultural vocational schools.[38] From the two types, it was the winter agricultural schools that were more successful as they took into account the fact that peasants were reluctant to miss their sons in the summer working time. In the other type, education continued for two years both in winter and in summer.

The first step of action was defined: farmers' awareness should be raised, they should be convinced about the benefits of education. The first initiative of the ministry was to organise a three-month long agrarian course in the winter. In the first year young farmers had to be talked into participating in the course, but by the second year it became widely known and the course could be held in more venues and with more participants. The ministry calculated how many lower

35 In the case of poor people with many children, especially in the Transdanubian region, even this was not required. Between 1936 and 1943 complementary or new settlements were founded only in 20 places.

36 Szávai 1996, 77–98.

37 MNL OL FM K 184. 1934–1936. 33. 251.

38 Szávai 1996, 92–97.

level economic schools would be needed if the target audience had been farmers with plots of 10-100 kh (5,7 ha – 57ha). With two-year-long winter agricultural schools, with 30-40 students in each grade and each school, it was calculated that it would take 246 economic schools. Until the number of schools could be increased to the necessary level, the ministry suggested that the number of three-month long winter agricultural courses should be increased, and they should be held by the so called economic supervisors working in the agricultural administration. However, the officials in the ministry warned everyone not hope for a quick improvement of the crops yielded from the development of the school network. They drew attention to the fact that those young farmers who finished their studies did not have much say in their fathers' farming at home. In most cases they had to wait 10–15 years to take over the familiar farm. Therefore, they emphasized that "Hungarian agriculture is interested in involving not just young farmers but also the elderly ones, those who actually cultivated the land, in education."[39]

They thought that setting up an economic advisory network would be a solution. In this respect, they appreciated German experiences. In Germany the economic consultant was in most cases the same person as the teacher of the winter economic school. He was helped by the supervisors of animal raising and crops growing, and the officials of economic clubs and cooperatives.[40] In Hungary, the job of an economic supervisor was the closest to that of an advisor as the leaders of the Ministry of Agriculture saw it.

The last important element of the action plan was intended to facilitate the creation of model farms mentioned in the government programme too.[41] It was considered to be their main value that farmers were able to see for themselves what result could be achieved with some novelties. For this, certainly it was recommended to establish 1–2 such farms in each village.

The careful reader may find another element of modernization at the end of Chapter VI on agriculture of the government programme. Point 54 is called „Promoting the self-aid of cooperatives. The village:"

> "We wish to help all real and valid forms of the self-aid of cooperatives. We especially emphasize the development of a cooperative movement, which helps village people in credit, farming, consumption, production and selling. We intend to limit the activities of the National Central Credit Cooperative and all the credit offices held by it to financing the credits required by agricultural smallholders. Through an appropriate organisation, we wish to guarantee that cooperatives will be operated and controlled in a true cooperative spirit and in the spirit of altruism."[42]

It would take a whole paper to study what was really achieved by these goals. Here we only wanted to indicate the forgotten fact that the image-building of cooperatives was part of the modernization attempts of the government.[43]

39 MNL OL FM K 184. 1934–1936. 42.500.

40 Soproni /Schmidt/ 1935.

41 Point 49. Magán minta-gazdaságok létesítése [Founding private model farms] See: Gergely–Glatz– Pölöskei (eds.) 2003, 295.

42 In the interwar period in Hungary – though there were some attempts to set up new cooperatives too – the cooperative movement called *Hangya* [Ant] played an important role. *Hangya* functioned mainly as the purchasing and sales network of wealthy farmers. Fehér 2004, 120–121.

43 The idea of cooperatives – with reference to Western-European, mainly Dutch, Danish, Finnish and Scandinavian examples – was a recurring element in the works of the so called *népi írók* [rural sociographers] in the 1930s. See István Papp's paper in this volume. For more details, see: Borbándi 1989; Némedi 198.; Pölöskei 2002.

Conclusion

The inequalities of the structure of land ownership have been paid so much attention in the literature discussing the interwar history of agriculture in Hungary that the issue of modernization was either secondary or completely neglected. It also played a role in it that the ideological principles of the socialist era influenced the evaluation both of the large estates and small peasant farms of the capitalist period. It also made the task of the researchers of this period more difficult that it was off-colour to talk about the achievements made by the governments of the 1930s, who shifted more and more to the right and entered into an alliance with Hitler's Germany, in the field of modernization. Western literature was also encumbered with a similar burden for a long time for other reasons, but then researchers of Fascism published more and more works that revised the modernization achievements of the Fascist regimes in terms of their economic and social policies, based upon a systematic research of sources.[44]

The case of Hungary draws attention to the fact that although it was the inequalities of the distribution of lands that stuck in public memory, due to the sluggish agriculture, a lot of contemporaries knew that it did not only have to do with this, but a lot more: the low productivity of Hungarian agriculture as a whole. Unfortunately, the way out of the depression was connected to the preparations for the new war, which also meant that the modernization plans that recommended remedy for the inherited structural problems were put into the drawer.[45]

44 A brief list of the latest significant publications: Prieto – Pan-Montojo – Cabo 2014; Corni 1990; Eisenstadt 2000, 1–29; Herf 1984.

45 See more on the long-term consequences in Zsuzsanna Varga's paper in this volume.

BIBLIOGRAPHY

Berend, T. Iván, 2001. *Decades of crisis. Central and Eastern Europe before World War II*. Berkeley, Los Angeles, London: University of California Press.

Borbándi, Gyula, 1989. *A magyar népi mozgalom: A harmadik reformnemzedék* [The Hungarian folk movement: The third reformist generation]. Budapest: Püski.

Corni, Gustavo, 1990. *Hitler and the Peasants: Agrarian Policy of the Third Reich*. Oxford: Berghan.

Corni, Gustavo – Gies, Horst, 1994. *"Blut und Boden": Rassenideologie und Agrarpolitik im Staat Hitlers.* Idstein: Schulz-Kirchner Verlag.

Eisenstadt, Shmuel Noah, 2000. "Multiple Modernities". *Daedalus*, Winter, 1-29.

Fehér, György, 2004. "The changing conditions of production". In: János Estók (ed.), *History of Hungarian Agriculture and Rural Life, 1848–2004.* Budapest: Magyar Mezőgazdasági Múzeum. 120–121.

Gergely, Jenő, 2001. *Gömbös Gyula. Politikai pályakép* [Gyula Gömbös. A political career] Budapest: Vince.

Gergely, Jenő – Glatz, Ferenc– Pölöskei, Ferenc (eds.), 2003, *Magyarországi pártprogramok, 1919–1944*. [Party programmes in Hungary, 1919–1944], Budapest: Eötvös.

Gerhard, Gesine, 2014. "The modernization dilemma: agrarian policies in Nazi Germany". In: Fernández-Prieto, Lourenzo – Pan-Montojo, Juan – Cabo, Miguel (eds.), *Agriculture in the Age of Fascism. Authoritarian Technocracy and rural modernization, 1922–1945*. Turnhout: Brepols. 139–158.

Herf, Joseph, 1984. *Reactionary Modernism: Technology, Culture and Politics in Weimar and the Third Reich*. Cambridge: Cambridge University Press.

Kaser, Michael – Nötel, Rudolf, 1988. "Eastern European Economies in two world crises". In: Berend, T. Iván (ed.), *The impact of the Depression of the 1930s and its relevance for the contemporary world*. Berne, Magyar Tudományos Akadémia, 215–247.

Kopsidis, Michael, 2009. "Hungary". In: Lains, Pedro – Pinilla, Vicente (eds.), *Agriculture and Economic Development in Europe since 1870*. London and New York, Routledge, 286–310.

Nagy, József, 2003. *Földbirtok-politika Magyarországon a két világháború között* [Land policy in Hungary between the two World Wars]. Eger: EKF Líceum.

Némedi, Dénes, 1985. *A népi szociográfia: 1930-1938* [Rural sociography, 1930–1938*]* Budapest: Gondolat.

Ormos, Mária, 2004. *A gazdasági válság magyar visszhangja, 1929–1936* [Hungarian reflections on the Great Depression, 1929–1936]. Budapest: PolgArt.

Pogány, Ágnes, 2013. "A nagy válság nagy magyarázatai. Az 1930-as évek gazdasági válsága az újabb szakirodalom tükrében" [The great interpretations of the Great Depression. The Great Depression of the 1930s in the recent literature] *Korall,* 14: 54, 153–174.

Pölöskei, Ferenc (ed.), 2002, *A falukutatás fénykora* [The glorious period of village research, 1930–1937] Budapest: Országos Pedagógiai Könyvtár és Múzeum.

Pritz, Pál, 1982. *Magyarország külpolitikája Gömbös Gyula miniszterelnöksége idején, 1932–1936. [Hungary's foreign policy under Gyula Gömbös, 1932–1936]* Budapest: MTA Történettudományi Intézet.

Püski, Levente, 1999. "Az agrárkérdés a harmincas évek Magyarországán nagybirtokos nézőpontból [The agrarian issue in Hungary in the 1930s from the great landowners' point of view]". In: Püski, Levente – Timár, Lajos –Valuch, Tibor (eds.) *Politika, gazdaság és társadalom a XX. századi magyar történelemben*. [Politics, economy and society in the 20th century history of Hungary] I. Debrecen: KLTE Történeti Intézet Új- és Legújabbkori Magyar Történeti Tanszéke, 115–122.

Romsics, Ignác, 1999. *Bethlen István. Politikai életrajz.* [István Bethlen. A political biography] (2nd ed.) Budapest: Osiris.

Sipos, József, 2014 "A földkérdés [The land question]". In: Romsics, Ignác (ed.), *Gróf Bethlen István és kora [Count István Bethlen and his epoch],* Budapest: Osiris, 109–120.

Soproni /Schmidt/, Elek dr, 1935. *A mezőgazdaság irányítása a* Németbirodalomban [The control of agriculture in the German Empire] Budapest: M. kir. Egyetemi Nyomda, 1935.

Szávai, Ferenc, 1996. *Gazdaképzési rendszerek* [Systems of farmer education] Pécs: Pro Pannonia Kiadói Alapítvány.

Szuhay, Miklós, 1998. "The Capitalization of Agriculture". In: Gunst, Péter (ed.) *Hungarian Agrarian Society from the Emancipation of Serfs (1848) to the Re-privatization of Land (1998)*. New York: Columbia University Press, 99–124.

Szuhay, Miklós, 1998. "Evolution of Hungarian Agriculture during the Inter-War Years (1918–1945)". In: Gunst, Péter (ed.) *Hungarian Agrarian Society from the Emancipation of Serfs (1848) to the Re-privatization of Land (1998)*. New York, Columbia University Press, 1998. 177–190.

Varga, Zsuzsanna, 2014. "Kihívások és válaszok: két földreform Magyarországon a XX. század első felében [Challenges and responses: two land reforms in the first half of the 20th century]". In: Bősze, Sándor (ed.), *A két somogyi földosztó miniszter* [Two ministers from Somogy County – promoting land reforms] Nagyatád: Nagyatád Város Önkormányzata, 7–28.

Vonyó, József, 2014. *Gömbös Gyula. [Gyula Gömbös]* Budapest: Napvilág.

Zeidler, Miklós, 1998. "Gömbös Gyula [Gyula Gömbös]". In: Romsics, Ignác (ed.): *Trianon és a magyar politikai gondolkodás, 1920–1953. [Trianon and Hungarian political thinking, 1920–1953.]* Budapest: Osiris.

Jorma Wilmi

FROM SLASH-AND-BURN HARVEST TO COMMON RAW WATER SOURCE: COOPERATIVES AS A RESOURCE IN FINNISH COUNTRYSIDE FROM THE BEGINNING OF THE TWENTIETH CENTURY TO THE PRESENT TIME

Introduction

It is well-known that the cooperative model is a worldwide movement with a long history. Its ideology dates back to the Enlightenment and French Revolution and was further developed by British social anthropologists and reformists. The first practical organizers were the weavers of Rochdale in England where they established the first known consumers' cooperative in the 1840s. The model of working cooperatives was envisaged in France whereas both cooperative banking and producers' cooperative activity were developed in Germany.[1]

The cooperative economy spread all over the world in the twentieth century. Nowadays it is run-in over 90 countries and on every continent. It has been estimated that there are some 1,4 million cooperatives with over one billion members in the world. There are over a quarter of a million cooperatives with over 5,4 million employees in Europe alone. The ICA (International Cooperative Alliance), founded in 1895, is the worldwide cooperative organization with some 270 member organizations from almost one hundred countries.[2]

The first wave of organizing the European cooperative movement took place between the 1840s and–1860s. It reached the western part of the continent (for example, France in 1848, Italy in 1849, Sweden in 1850, Denmark in 1851 and the Netherlands in 1860) and the eastern part at the same time (for example, the Czech part of Austro-Hungary in the Habsburg Empire in 1847, Russia in 1860, Poland in 1861 and Latvia in 1865). The second wave lasted from the end of the nineteenth century and into the beginning of the twentieth century and it was then that it reached Finland.[3] Nevertheless, in Finland there were early scattered organizations, like village dairies, which had been founded according to cooperative-like principles since the 1870s. They were established to alleviate the consequences of the famine of the 1860s. The organizations operated partly as unions and partly as joint-stock companies. The crucial boost to the cooperatives

1 http://ica.coop/en/whats-co-op/history-cooperative-movement. The background and the nature of the European cooperative movement: e.g. Birchall 1997; also e.g. Laurinkari, 1993.

2 http://ica.coop/sites/default/files/media_items/Annual%20Report%202013.pdf; Seppelin 2000, 12–14, 109; Troberg 2014, 19.

3 Inkinen and Karjalainen 2012, 207.

was given by the nationwide organization (*Pellervo* Society), established in 1899. The name originated from the Finnish national epic, *Kalevala*, in which *Pellervo* was known as one of the pre-Christian gods, the Son of the Field. The nationwide organization was set up by the representatives of the educated class; farmers joined its administration later. The idea of the cooperative was a part of the formation of Finnish national identity in the situation where the Russian authorities unilaterally began to infringe upon Finland's autonomous position. At the same time, the law on operating the cooperatives was drafted but met resistance from the authorities. Nevertheless, the law was enacted in 1901.[4] The *Pellervo* Society immediately began to distribute agricultural products and supplies via the central organization, *Hankkija* which was founded four years later.

The Finnish educated class leading the nationwide cooperative movement was motivated by ideas of social reform and nationalism in the same way as in Hungary and Russia. On the other hand, the cooperative movement spread in Eastern Europe from the grass roots level, from the peasantry, for example in Estonia, Poland, Bohemia and Greece. One difference when comparing the spread of the cooperative idea in Western and Eastern Europe was that in the East cooperatives emphasized the economic aspect in the rural areas.[5] As in Finland, also there one could find grass roots level, cooperative-like activities before the birth of a nationwide central organization.

The example for the *Pellervo* Society came from Ireland where, as early as in 1859, a nationwide central organization was founded, and it had begun organizing intensive agitation. The Finnish organization started widespread educational work and as a result, local farming societies were enthusiastically founded. In the end of the year 1899 when *Pellervo* was established, the number of local societies was over one hundred. Formally, they were not cooperatives. Furthermore, the farmers' societies began to organize into cooperatives and some of them were independent (for example, machine cooperatives, bull cooperatives).[6] In Finland, both producers' and consumers' cooperatives were built under the aegis of a common central organization but, for example in Denmark, the word *andels* referred to the rural cooperatives and the word *cooperation* referred to workers' consumer cooperatives in towns.[7]

The pioneering ideologue and organizer of the Finnish cooperative movement was Hannes Gebhard (1864–1933). He was familiar with the European cooperative movement and was influenced especially by a German, Friedrich Raiffeisen (1818–1888), who is considered to be the father of the producers' cooperatives. Raiffeisen instituted cooperatives as a means to improve rural living conditions and he advanced the idea of farmers' credit unions. Gebhard was well-qualified to become the first executive manager of the *Pellervo* Society. He was a researcher in agricultural political economy at the end of the nineteenth century and Professor of the same discipline (in 1909, University of Helsinki). His wife Hedvig Gebhard (1867–1961) was also involved in organizing the nationwide cooperative movement in Finland. She was also one of the pioneers of the women's rights move-

4 E.g. Kuisma, Henttinen, Karhu and Pohls, 1999a, 12–15. As a shorter version in English under the title *The Pellervo Story* 1999b.

5 Hilson, Markkola and Östman, 2012, 2–5.

6 Vihola 2004b, 190–191.

7 Christiansen 2012, 26–27.

ment and developer of household education in Finland.[8]

Even if Hannes Gebhard is known as the pioneer of the Finnish cooperative, the highest position in the international cooperative movement, the Presidency of the ICA, was held by only one Finn, Väinö Tanner (1881–1966). He was the main figure in the consumers' cooperative branch in Finland during the first part of the twentieth century, and since 1916 when the cooperative field was divided, politically he represented the leftist idea of the cooperative movement, especially in consumers' cooperatives. It has aptly been said that Tanner tried three times in vain to be elected President of Finland, but that he was named President of "the greatest republic on the world" (1927–1946).[9]

In Finland at the beginning of the twentieth century 'cooperative' mainly meant the cooperative idea. Instead, nowadays, in the international context in particular, it is mostly understood as the cooperative model.[10] In Finland, at the time the cooperative movement was born, we can find the following values: nationalism, social reform, good economy, improving farmers' and consumers' welfare, raising people's level of education and the equality of sexes.[11] The list was long and can be seen as a social-economic

8 Seppelin 2000, 21–22; Inkinen and Karjalainen 2012, 28–29.

9 Inkinen and Karjalainen 2012, 78, 129.

10 Ibid., 125.

11 Ibid., 128.

Figure 1. Trends and turn points in the Finnish countryside 1900–2015

	1900	1910	1920	1930	1940	1950	1960	1970	1980	1990	2000	2015
	PEASANTLY WAY OF LIFE						FROM A PEASANT TO A FARMER			FROM A FARMER TO AN INTERNATIONAL PRODUCER		
Society	Two classes: the landowners and the landless		Aiming at national concord			Post-war rebuilding		Migration of the aged baby boomers	Escalated urbanization		Aging of people	
Crisis		Civil War		The Great Depression		Word War II and regulated economy				Depression and unemployment		Regression
Agriculture as an employer	Livelihood of cultivating, stock raising and forestry					A third part of the population in the primary production				10 % of the labor force	5 % of the labor force	
Agriculture/GDP		50 %			40 %		20 %		10 %		3 %	
Agriculture politics		Efforts in national foodstuff self-sufficiency				Political agriculture contributions come into force		Export contributions in overproduction			EU's contributions	
Agrarian community	Pioneering societies and co-operatives		Smallholders' occupational societies			Political fragmentation of the organization field		Organization system: reuniting			Closing and reordering organizations	
Land use		"A red cottage and potato field"		Widening of open field		New homesteads	Maximal open field area	Cultivated area decreases			Rented field increases	
Production divisioning		Polymorphous subsistence economy					Primary look at dairy cattle	Subsidiary livings			Differentiation and investment	
Productivity (milk/a cow/year (kilos))	1 000					3 000		4 000			7 000	
Farm count (over one hectare)	212 000		225 000		246 000		331 000	297 000	225 000	199 000	153 000	
										active farms: 80 000		53 000
Arable land/a farm (hectares)	5		6		7		7	9	12	17	20	43
Typical farm	A small farmstead producing food to the farming family					A smallish farm producing milk in the dairy and getting extra earnings in cutting and selling timber				Two types: a) either a large specialized farm or b) a smallish farm getting earnings of diverse sources		

Source: Statistical Yearbook of Finland; Agricultural statistics; Kuisma, Henttinen, Karhu and Pohls, Kansan talous; M. Peltonen (ed.), Suomen maatalouden historia 2 (Helsinki, 2004); P. Markkola and V. Rasila, Suomen maatalouden historia 3 (Helsinki 2004).

The table links with the main trends of the cooperative development in the context of the changes in the rural areas. There are a dozen points of view (the left column) that indirectly have affected on the cooperative movement in a long run.

manifesto for an agrarian nation striving to gain independence.

In this article, I shall construct a long-term overall picture of the cooperative and its trajectory in the Finnish countryside. The context will be the changes in agriculture and rural areas over time. The figure 1 illustrates and classifies these changes taking place during the twentieth century.

The article concludes the following questions which demand answers concerning the cooperatives: 1) Were they about economic activity or a people's social movement 2) Which of the two was more important, the idea/ideology or economic productivity? 3) What role has the cooperative movement played during social-economic crises?, and 4) Can we consider the cooperative form of activity an underused resource in the Finnish countryside today?

DEVELOPMENT OF THE COOPERATIVE IN RURAL AREAS OF FINLAND

Early forms of collaboration

Traditionally, cooperative-like forms and features were linked with both voluntary collaboration called *talkoot* and peasant work unions, which have left their mark on early written historical sources. Voluntary work *talkoot* was traditionally common, for example, in seasonal work which had to be done as quickly as possible in good weather, e.g. haymaking and harvesting, but also in several other agricultural tasks during the course of the year. Helping the neighbours has been common in building, in particular. In the time of log buildings the day the ridgepole was lifted into place was a cause for celebration and feasting, the so-called *harjannostajaiset* ('roofing party'). Intense collaboration was practised especially during the Second World War and postwar years of great rural settlement. At the same time, lots of people's houses were built by voluntary work (*talkoot*) and the same happened with the playing fields of new village schools.

Traditionally, collaboration of folk was partly casual, partly recurrent. Especially in eastern Finland, the folksy corporations were based on kinships. They were common in the slash-and-burn cultivation; the number of axes was the principle of dividing the yield. Collaboration was needed also in tar making, lowering the level of lakes and fishing. Seine fishing unions (*nuottakunnat*) were a vital part of sea fishing. Folk collaborations sprang up also for hunting big game and eliminating wild animals in order to safeguard cattle grazing in forests.[12]

Overall picture of the cooperative

It must be noted that in the Register of Companies the number of registered cooperatives corresponds relatively well with the number of active cooperatives in the first two decades of the twentieth century. Thereafter the number of registered co-ops began to rise compared with the number of co-ops giving information about their activities. At the end of the 1940s, the Register of Companies includes some 7,800 cooperatives, but 5,300 or so, i.e. slightly over two-thirds, were active. Because defining the level of activity is ambiguous, the numbers given should be regarded only as estimates, not as precise figures.

From a modest start the number of cooperatives had already increased to a thousand cooperatives six years after the cooperative law was enacted. After initial enthusiasm, the number of co-ops increased relatively slowly, but nevertheless the milestone of 2,000 co-ops was achieved already at the outbreak of

12 E.g. Vilkuna and Mäkinen 1943; Anttila 1967.

Figure 2. Count of the Finnish cooperatives 1902 – 2012

Source: Statistical Yearbook of Finland; Register of cooperatives.The total count of the cooperatives in 1987 – 2012 summed by acounting co-ops founded yearly in the Register of cooperatives. They include cooperatives that have shut down. In 2012 the count of cooperatives in the Trade Register was 4 611 (92 % of the total count). So, we can estimate that about every tenth of the new cooperatives shut down sometime.

World War I in 1914. The 3,000 mark was passed during the turn of the 1910s. The year 1917 was particularly active when Finland became independent. The interwar years, especially until the mid-1930s, were the 'golden age' of strengthening the Finnish cooperative movement. Though the depression of the early 1930s caused several cooperatives economic problems and even led to disbanding, the number of new co-ops founded far exceeded the number of weak ones closed.

During the Second World War the cooperatives met with difficulties for practical reasons. Many cooperatives' businesses had to be closed. With the return of peace, the cooperatives were revitalized by reconstruction and the establishment of homesteads. Especially the Karelian immigrants must be mentioned (cf. Erkki Laitinen's article) as the group of Finns who already in their homes in Karelia were used to actively taking part in social life. So, the 1950s was a busy time for the cooperatives but soon the countryside and its villages encountered a turning point: the small farms no longer had any hope for the future. Also the so-called 'baby boom postwar generation' had to face the decline of their co-ops. During a single decade, in the 1960s, the number of active co-ops halved. There were only some 2,000 co-ops in Finland at the beginning of the 1970s and even that number halved again before the mid-1980s. At the time, the cooperatives were numerically at their lowest level when the traditional cooperative field faced a crisis and the mainstreams of economics considered the cooperative form an unsound form of business.

In spite of distrust and underrating – and perhaps just as a counterforce against them – the so-called 'new/neo- cooperative' movement began to emerge in Finland. It was seen as a way to gain employment after the depression and large-scale unemployment

in the beginning of the 1990s. The wave of establishing new co-ops was not as high as with the early co-ops a century earlier, and even if it was manifested as activity of small units, it brought new opportunities for work in the countryside. In the anniversary year of international cooperatives (2012) there were about 5,000 co-ops enrolled. The amount was the same as a half century earlier, at the end of the 1950s. About 80 % of them were active.

Membership of the cooperatives

The membership size of the co-ops is more difficult to calculate than the co-ops themselves. We can get the first, relatively reliable membership numbers of all cooperatives at the beginning of the 1930s when the number was approximately 770,000 persons. At the end of that decade, before the Second World War, almost a million Finns, that is a quarter of Finland's population, were members of cooperatives. After that we face difficulties in estimating the number because a part of the members belonged to several co-ops, especially farmers. Bearing this discrepancy in mind, the milestone of two million members was achieved in the mid-1960s when Finland's population was about 4.5 million. One third of the members were members of producers' co-ops, rural farmers and their families. Because farmers had memberships in the credit unions and cooperative shops, clearly the majority of their activity covered the whole cooperative movement. If we eliminate the memberships in several co-ops, the landmark of two million co-op members was reached at the end of the 1970s.

With the crisis facing the cooperatives in the early 1980s, the number of co-op members was about 2.5 million. After the depression in the first half of the 1990s the number began to rise again, due mainly to the rise of consumers' co-ops, and concerned both membership numbers and the market share of groceries. This growth mainly affected population centers and urban areas, no longer rural areas. The result was that in 1997 membership of the consumers' co-ops accounted for a half of the members of the entire cooperatives, some 2.6 million. Finland's population was about 5.2 million at the time.

The most important types of cooperatives

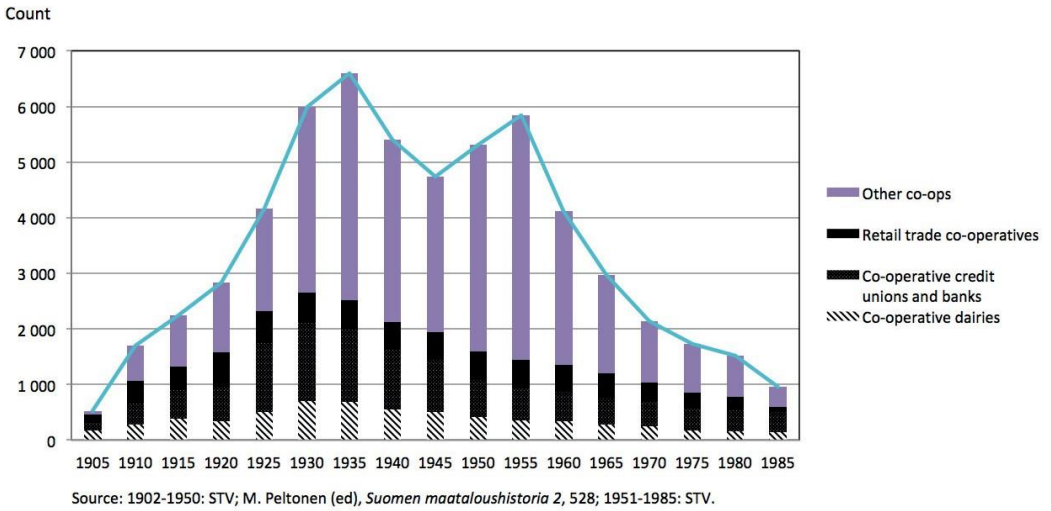
In the long term, four main sectors have been identified in the Finnish cooperative field that were closely connected to the countryside. These were the dairy industry, financing, retail trade and slaughterhouses.

Small dairies were established in Finland after the 1880s. The first of them built on the cooperative basis came into existence in the 1890s, before the cooperative legislation. The example for the cooperative dairies came from other Scandinavian countries and Switzerland. As early as in 1912 there were some 300 dairies operating and receiving raw milk from a fifth of the cows in the country, but the proportion of cow owners was only 13 %. Yet the start was not easy because the dairies could not get enough raw milk all the year around and it had to be transported from faraway and under difficult circumstances.[13] In 1905, in order to export butter, the cooperative dairies had founded a central cooperative organization (Butter Export Cooperative *Valio*).

The number of cooperative dairies doubled from the beginning of the 1910s to the end of 1930s, making a total of 600 dairies. There were even more at the beginning

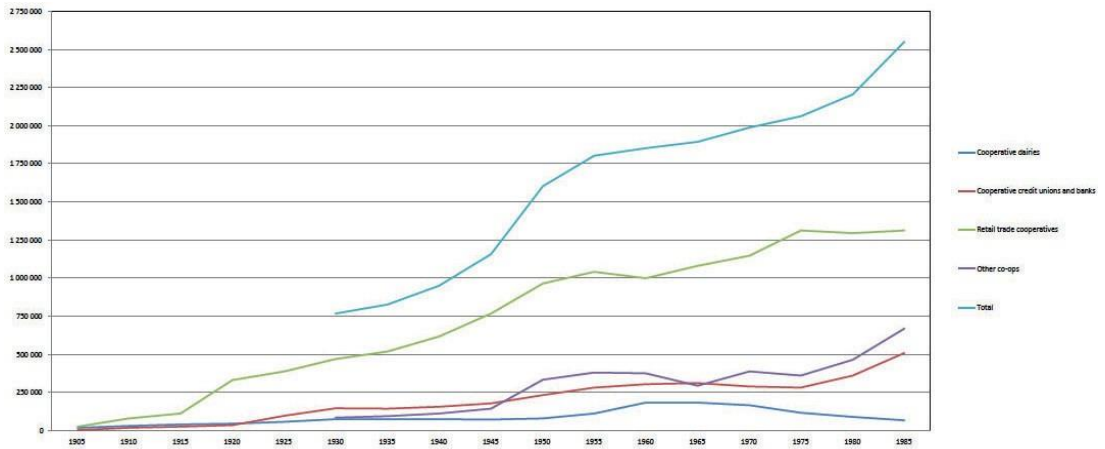
13 Vihola 2004a, 390–391

Figure 3. The structure of the cooperatives in 1905 – 1985



Source: 1902-1950: STV; M. Peltonen (ed), *Suomen maataloushistoria 2*, 528; 1951-1985: STV.

Figure 4. Count of the cooperative members 1905 – 1985



Source: Statistical Yearbook of Finland.

of the 1930s, but the economic depression caused small units to merge. This did not decrease the quantity of milk as transport facilities began to improve at the same time. Butter production tripled from the beginning of the 1920s to the end of 1930s. After the war, the number did not reach the same level until 1950.[14]

In the 1950s, overall milk production increased as the trend was to aim at bigger milk processing farms (plants). So, in the beginning of the 1960s, when the number of milk producers was at its peak, there was the same number of dairies as five decades earlier. As the number of milk suppliers began to decrease in number, the dairy industry continued to concentrate. The raw milk

14 Vihola 2004b, 196–198.

was collected from increasingly large areas from the dairies that still existed. Despite the radical reduction in milk suppliers, the total quantity of milk produced did not decrease because the number of cows per farm producing milk multiplied in comparison with the 1970s. With robotic milking machines, automatization in new cow houses was almost industrial. In the mid- 2010s there were less than 20 dairies in Finland. They received over 2.3 million liters of raw milk, which was 97 % of the raw milk produced in the country. The number of milk suppliers was about 7,900 and the amount produced per farm averaged 280,000 liters, i.e. ten times more than a tiny farm produced in the 1970s. *Valio* was still the undisputed market leader.[15]

The second identifiable form of rural cooperative activity were the credit unions, which became important financial institutions to the farmers and other rural people. At the beginning of the twentieth century the farmers had a problem and it continued later: they could not get long-term loans from the banks. The cooperative credit unions acted differently: they provided bank loans licensed by the state for founding homesteads. This happened both during the interwar period and after the Second World War in the years of reconstruction.

As Figure 3 shows, the number of credit unions increased intensely in the beginning of the twentieth century. Many of them were tiny village credit unions, which encountered a crisis during the depression in the early 1930s. As the timber did not sell, many indebted farmers became hard-pressed. Even large farms were subject to compulsory auction if they had obtained guarantees for their neighbors' loans.

After the last war the credit unions were managed calmly and their balance sheets were solid because more and more milk suppliers decided to channel their milk income through them. In other ways, too, the connections between the credit unions and the farmers became closer, as did the connections between the credit unions and cooperative forestry. In 1970, the credit unions became cooperative banks, but the change was merely formal.

The cooperative banks survived the finance crisis at the beginning of the 1990s when the logos of their rivals disappeared from village centers. The banks increased the number of their clients and market share. Whereas in the mid-1980s there were just less than 400,000 customers in the cooperative banks, ten years later almost 700,000 Finns were carrying a certificate of deposit in their pocket.[16] In the administration of the Finnish rural municipalities there had traditionally been representatives of the two major banking institutions, the cooperative bank and the savings bank, which was why we talked about the two "bank parties". The disappearance of the "savings bank party" increased its rival's triumph.

Cooperative shops became the third important form of the cooperatives. And yet they did not play as big a role in agriculture and in rural areas as the two aforementioned. Hannes Gebhard himself was suspicious about founding cooperative shops in the countryside, favoring towns. In practice things turned out differently and after the 1910s the majority of cooperative shop members were rural dwellers.

The political bipartition of the Finnish cooperative movement was very visible in the retail trade. The wholesale trade originating in *Pellervo* remained in the nationwide cooperative organization *SOK* and the

15 Milk production: http://www.maataloustilastot.fi/en/tilasto/152.

16 Kuisma, Henttinen, Karhu and Pohls 1999, 368.

reformists founded another organization, called *OTK*. *SOK*-oriented cooperative shops held the bigger market share, but it shrank to a minuscule size in the mid-1950s as the *OTK*-based shops increased their positions after World War II. From the 1960s the latter began to lose its market share.

There were two private retail trade groups beside the two cooperatives, and the competition between them was regulated by the state. The cooperative retail shops reacted more slowly than the private ones to the changes of operational environment. Both cooperative retail groups sank into a deep crisis and needed fundamental organizational reform at the end of the 1970s. *SOK* barely survived, *OTK* did not. The former combined with the unprofitable small retail trade cooperatives into bigger provincial co-operatives. In 1985 they still numbered over 80 (Fig. 3) and their merging process was still unfinished. At the turn of the millennium, the number of retail trade co-ops was 23, in 2015 twenty. The groceries market share of the cooperative retail trade surpassed that of private competitors at the beginning of the twenty-first century. In 2015 over 2.2 million Finns, 40 % of the population, have the green card signifying cooperative membership. The cooperative wholesale trade made its choice at the beginning of the 1990s focusing on consumers instead of producers, which meant abandoning agricultural retail trade.

Cooperative slaughterhouses can be seen as the fourth essential form of rural cooperative business (Figs. 3 and 4). The tradition was that private stock buyers themselves slaughtered and forwarded meat to be sold. Cooperative slaughterhouses and cattle selling cooperatives were founded from the 1910s onwards. The nationwide organization of cooperative slaughterhouses (*Suomen Karjakeskuskunta*) was founded in 1918. A rival (*Tuottajien Lihakeskus*), which was owned by private meat producers, was founded in 1938. There was a long-lasting dispute between the two and it was not until the 1980s that the conflict ended and overlapping organizations were abolished.

Compared with the dairies, the cooperative slaughterhouses remained less visible. In the late 1930s, their membership remained under 10,000, but in the mid-1950s, however, the number was over 100,000. The total market share of the above-mentioned nationwide organizations was a half.[17] The number of cooperative slaughterhouses reached its peak at the end of the 1950s (14 slaughterhouses; over 100,000 members). In the 1980s and 1990s the number of slaughterhouses stabilized at eight.

In the 1920s and 1930s the cooperative movement became, in its entirety, an activity that united and strengthened the Finnish countryside and the whole national economy. It was firmly based on agriculture and settlement. Networking and centralized management brought a competitive advantage compared with private actors. This could be seen, for example, in the retail trade where it was not until 1941 that the first private nationwide wholesale trade organization was born. Besides, the wholesale trade cooperatives had built up their own industries producing goods for retail trade shops.

After the Second World War, when reconstruction also started in the countryside, the cooperatives played a very important role. It made sense for the small farms to buy common machines, and cooperatives needed telephones and electricity.[18] On the other hand, we can criticize the cooperatives for their inefficiency and heavy bureaucracy with incapable of keeping up with the times. Overlapping organizations were a burden.

17 Vihola 2004a, 392–394.

18 E.g. Troberg 2014, 20.

For a cooperative seeking growth, it was not enough to react to changes, but also to foresee them. This ability was lacking.

The value chain of the cooperative reached from periphery to cities, from producers to consumers, from timber owners to the lumber industry. In this way the cooperatives connected the partners in the domestic market. From the mid-1990s onwards, when the connections had to be extended to the international market, problems lay ahead.[19]

The crisis of the cooperatives

The crisis of the traditional Finnish cooperative model was a clash between the old and large cooperative structures. They were not able to adjust to environmental changes. In 1995 Finland joined the European Union, which ended the period of closed national markets and opened them to international competition. The first effect was a 10 % fall in food prices. This took place in the economic depression of the 1990s. The depression had bankrupted cooperatives with, for example, *Hankkija*'s successor corporation (*Novera*), the *OTK*-based building firm (*HAKA*) and some slaughterhouses going under. The whole cooperative originating from *Pellervo* was in an ideological crisis: it had lost its identity. It was no longer a people's movement. It was apparent that a big movement resembled an ocean-going ship that had grave problems in changing its course. This was addressed in 1992 when the most powerful cooperative actor nationally, *SOK*, separated from the *Pellervo* Society organization.[20]

19 Kuisma, Henttinen, Karhu and Pohls 1999, 14; Inkinen and Karjalainen 2012, 126–127.

20 Inkinen and Karjalainen 2012, 79–80.

In 1997 the *Pellervo*-based cooperatives had the following structure:[21]

Field of operation	Co-ops	Members
Financing	249	647 000
Independent local banks	44	59 000
Insurance	107	350 000
Forestry	1	119 800
Slaughterhouses	5	48 500
Dairies	44	24 500
Breeding	8	40 600
Egg packing plants	2	1 300
Total	460	1 291 000

The crisis of the 1990s was the peak of a long-lasting development. Its origins dated back to the 1960s when agriculture and the whole countryside reached a turning point. Agriculture lost a considerable part of its importance as a source of livelihood. The change affected people rather than production because production increased, for example, by virtue of mechanization, fertilization and enlarging the rented field area. Besides the cooperative branches, the change concerned the organizational field, such as local agricultural societies. Some of them died or joined together after the end of the 1960s, others became open village societies without a need to be a producer in the 1990s. The counseling activities that had been connected to the cooperatives also reached a turning point. As a result, a single nationwide advisory board was created, which in the twenty-first century included all the notable Finnish cooperative actors and developers across the old ideological boundaries.

It was no later than in the early1960s that one could see the increasing contradiction:

21 Kuisma, Henttinen, Karhu and Pohls 1999, 17.

the focus of the *Pellervo*-originated cooperative was still in the countryside, whereas, for example, already a considerable amount of the members of the cooperative shops were in towns and other urban areas. The consumption habits of people began to change and there was a failure to respond to the demands for increasing retail cooperatives. There were several unprofitable shops both in the countryside and in urban areas. The management of the retail cooperatives did not realize the seriousness of the situation. At the end of the 1960s the retail co-ops were in crisis. The *SOK*-related cooperatives barely survived; weak and tiny cooperatives were forced to combine into stronger, provincial co-ops; the outdated industry was abandoned. The choice was to focus on ordinary consumers instead of farmers, which meant removing farming products from the product range at the beginning of the 1990s. The *OTK*-related cooperatives did not survive the crisis and the wholesale cooperatives concentrated on the hotel and catering business. Since the late 1960s *Hankkija* (the nationwide wholesale agricultural supplies cooperative) expanded into retail cooperative sectors. The dispute led to a breaking point, which increased the exodus from the cooperative movement. The farmers were the group of people that the dispersion affected most painfully. The dispute began in the late 1930s and lasted until the mid-1980s.[22]

Among the farming community there was also an overlap into professional agrarian counselling/guidance which was carried out for the cooperative actors mostly by *SOK*, *Valio* and *Hankkija*. Moreover, there was organizational consulting by the nationwide organizations of the farmers' local societies. Until 1970 the number of those nationwide organizations was four; later the number was reduced to one single central organization.

22 Seppelin 2000, 312–315.

After 1995 international commercial competition forced farmers to increase productivity. That meant bigger producers' cooperatives concentrated on a single product because of the opening of the EU-market. Some of them closed down. On the other hand, the Finnish food industry itself could now target the international markets, mostly the Baltic region, Russia and Poland. There had already been bilateral commercial trade with the Soviet Union which especially in the 1970s and 1980s had benefited agriculture because the trade in farm products, especially milk products, ran into difficulties in the Western European market. The trend to increase the size of producing units, collaboration between the actors in the same branch and even incorporation was to be seen in the slaughterhouses and dairies (for example, *Valio* is nowadays a joint-stock company owned by the producers' cooperatives). The change also influenced the timber trade and the cooperative linked part of the forestry industry. In 1934 the nationwide cooperative central organization (*Osuuskunta Metsäliitto*) was founded by the Finnish forest owners, and the cooperative has steadily expanded since the 1960s. Later the time came to build a corporation that operated in tens of countries with more than 25,000 employees. In 2012 the corporation was formed under the name of *Metsä* Group.

The new co-ops

After the 1990s, the traditional division in the producers' and consumers' cooperatives began to lose significance as new service sector cooperatives arose among the traditional two. The cooperative banks and insurance business are the ones we can include in the service sector cooperatives. The *SOK*-originated provincial retail cooperatives and the

OTK-linked corporation, *Tradeka,* operating in the hotel and catering business, are the biggest consumers' cooperatives in Finland. Electricity, telephone and water supply co-operatives are consumers' cooperatives, also. The most extensive cooperative bond is in the producers' cooperatives with thousands or even tens of thousands of financial stakes. Today, the fourth type of cooperatives is the minor cooperatives (until 1987 so-called new co-ops). Most of them are service sector cooperatives, but there are also producers' and consumers' cooperatives.[23]

The aforementioned new cooperatives were mainly tiny work-based co-ops run by a few persons. By 2012 the total number of them established was over 4,000 (4,059 in the register), i.e. the average number founded annually was over 150. First, the yearly average was only in the tens, but after the depression of the beginning of the 1990s the annual count rose at least to over one hundred, often to over two hundred.[24] Illustrative of the founding wave was the fact that in 25 years the number of new cooperatives was more or less as big as the entire group of co-operatives in the 2010s. Of course, the group included old, surviving cooperatives, quite many of which were forced to shut down operations because they were unprofitable or their human resources ran dry.

The solutions seen in the activities of Finnish new cooperatives have been seen as a return to the cooperative roots. Its background lies in the international phenomenon of a drive to employ oneself and divide the profit of the work in a way that differs from competitive market capitalism. The ideological origin is the traditional self-help applied in new, expanding branches, like welfare services. In the 1990s most of the new cooperatives sprang up in urban areas. The example was followed in the countryside as collaboration amongst delivery and marketing enterprises. Among others, organic farmers, homestead tourism traders and artisans founded new cooperatives. The same collaboration occurred, for example, in machine contract work and energy production.[25]

When comparing the cooperative business in the twenty-first century with the number of nationwide enterprises, we can talk about marginal entrepreneurship. In the Register of Companies there were some 600,000 enterprises at the end of 2014. Only 4,718 of them were cooperatives; moreover 215 cooperative banks were statistically combined. The total number of cooperative firms was 4,933. They made only less than one per cent of the sum made by Finnish firms, the proportion of employees was about three per cent of the total; however, their turnover exceeded five per cent of total sales.[26]

We can also picture the position of the cooperative activities in another way which reveals its rather great significance. In today's Finland, there are over seven million members in the cooperatives and in their mutual companies. In almost every Finnish home in the countryside there is a member of a cooperative. Finland is the most cooperative country in the world in proportion to its population and this is the case both in rural as well as in urban areas. The strongest co-operative activity is to be found in the food industry, financing and insurance business, retail trade with the hotel and catering business, fuel trade and lumber industry.[27]

23 Inkinen and Karjalainen 2012, 26–27.

24 Pellervo Society, Register of cooperatives.

25 Köppä 1998, 29–50; Seppelin 2000, 90–99.

26 Finnish Patent and Registration Office (PRH), Trade Register.

27 Troberg 2014, 20.

Themes for discussion: Economic activity or people's social movement?

In the long term, Finnish cooperatives had faced two turning points. The first was already in the beginning of the twentieth century when the pioneer cooperatives grew to reduce poverty and social injustice and to increase public education and unite the divided nation. In rural areas the ideology was combined to improve people's economic and social status and equality. Somewhat later, in the 1920s and 1930s, it was combined with citizenship, in the ideal sense of loyalty. Even if the cooperative movement was not directly dependent on the state, it was indirectly linked to it, for example, by the social-economic networks of the administrative boards of the nationwide cooperative central organizations. Between the world wars, the state even urged the agricultural cooperatives forward. The same happened, for example, in Hungary, Poland and Bulgaria.[28] Finland was also regarded as a model for the agrarian cooperatives, which drew attention in Hungary, among others.[29]

The cooperatives of the second epoch arose in the 1990s during the economic depression, mass unemployment and slump in the labour market. At the time, as well as in the first phase in the early twentieth century, the cooperative movement played a socially remedial role. In the beginning of the twentieth century, the cooperative movement became a popular movement with outstanding significance for agricultural and rural development.

Still, there were differences. The first generation producers' and consumers' cooperatives attracted a lot of members. In the long run, being a member of the cooperatives worked mostly for economic benefit. The second wave cooperatives had been small work cooperatives operating mainly in the service sector. In the countryside cooperatives dealing with procurement, marketing and village development have recently received publicity. However, the number of members in the new cooperatives has remained small. Moreover, the membership of work cooperatives is limited to persons with an employment relationship to a cooperative. So nowadays, the role of small cooperatives is basically to stimulate both individual and local business.[30] Or does the family's breadwinner, pushing a shopping trolley in a hypermarket decorated with cooperative colors and logos, think that she or he is socially protesting? The most important things are day-to-day functionality, cheap prices and ease of shopping.

What matters, ideology or productivity?

The crisis of the traditional cooperatives in the 1970s was basically due to the fact that underscoring the ideology no longer sufficed enough anymore. Ideology first was the practice cooperative boards favored. Consumers and producers went elsewhere to buy products they wanted because their own retail trade cooperative did not sell them or they were more expensive than in private shops.

The nature of the Finnish economic system has been based on strong collective ownership. Numerically, private enterprises have formed the apparent majority, but cooperatives and state-owned clusters and municipal companies are a large part of business and the national economy. Finns have trusted these big actors regardless of how productive they have been.

In Finland, in the last two decades, there

28 Hilson, Markkola and Östman 2012, 11–13.

29 Miklóssy 2012, 136–152.

30 Seppelin 2004, 330.

have also been many ways to promote family businesses and other small businesses in the countryside. It has been noticed that there still are obstructions to entrepreneurship. A neoliberalistic question has been raised: can a state or a municipal corporation and the cooperative movement really act like ordinary entrepreneurs? The question asked is: have the state-owned and cooperative enterprises choked Finnish entrepreneurship? The fact is that in the long term historical perspective Finnish society has favored labor more than entrepreneurship. But can we still argue that the state-owned enterprises and cooperatives are guilty of Finns' rather low interest in founding enterprises and guilty of slow renewal of economic life to increase productivity?[31]

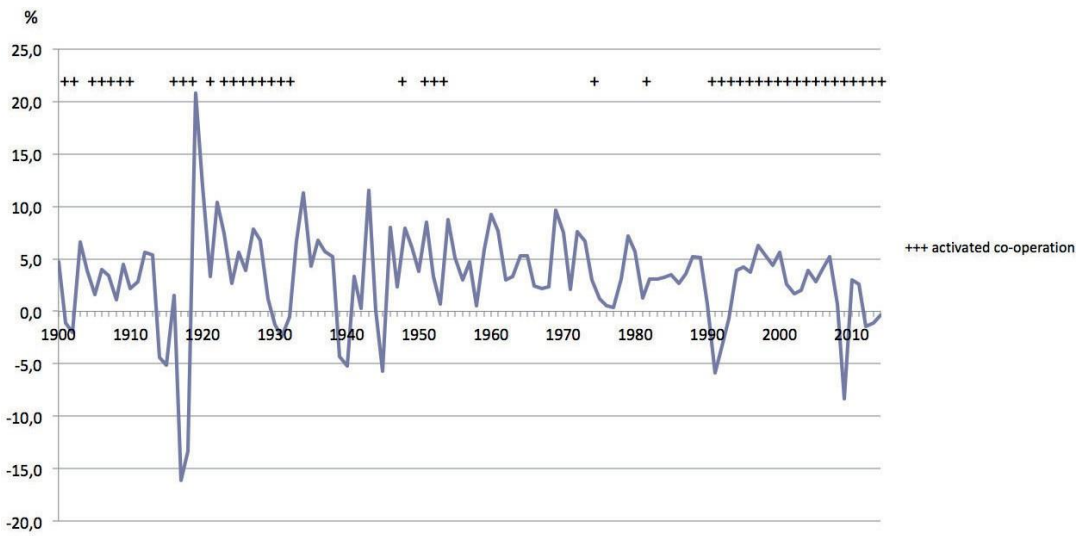
31 The polemic statements in the report (2005) by The Finnish Business and Policy Forum EVA: http://www.eva.fi/wp-content/uploads/files/1355 yrittajyyden paradoksi.pdf.

A baffle in crisis?

Next, we will examine how cooperative activity in the long term reacts to the changes brought about by socioeconomic depressions. The background material will be the annual changes in GDP. The same kind of indicator could be, for instance, unemployment or bankruptcies.

In 1902–2014 GPD was negative for 20 years, almost every sixth year. As in the long term annual growth of less than one per cent seemed to be a depression, it also applied for 28 years, that is almost every fourth year in the whole period. The development of GDP changed annually, but long-term deep depressions were as follows: 1) World War I, 2) the depression in the early 1930s, 3) World War II, 4) the depression in the early 1990s and 5) the stagnation since 2008. Besides these, a short-term negative economic gro-

Figure 5. The GDP and cooperative activity 1902 – 2014



Source: Statistical Yearbook of Finland, National economy.

wth occurred in the beginning of the twentieth century, just after the cooperative law was enacted.

By cooperative 'activity' we here mean the founding of new cooperative units. Annual growth at a level of at least four to five per cent fulfills the assumption that 'activity' increases as well. So, from five to six depressions can be distinguished, as mentioned above.

Figure 5 supports the argument stated, for instance, from the point of view of the democratic administration of a cooperative[32], but, so far, it is not examined more deeply from the angle of cycles of the national economy. In agrarian Finland, the role of the cooperative movement was to stabilize rural life and thus soften the negative effects of turning points. Founding new cooperatives after the depression of the early 1990s has not collectively fulfilled the same role. It has basically been, as mentioned earlier, an individualized solution to employ oneself. Despite the passing of time, the cooperatives have still shown forms of sustainable economic development and forms of social capital, demonstrating that it will work even in challenging times.[33]

Figure 5 also shows that with a short delay after a depression cooperative vitality could increase without being visible in the course of the recession. The best example is World War II and the subsequent return to peace. The cooperative movement became dropped off during the war when men were at the battlefront and the home front lived in a war economy, but people had confidence in cooperatives after the hard times. Thus, organized collaboration was a way to cope with the reconstruction boom.

32 E.g. Skurnik 2002; Aura 2012.

33 Cf. Troberg 2014, 9.

An underused resource?

One of the adverse factors in the spreading of cooperatives has been the authorities' treatment of cooperative members: is he/she to be defined as an employee or an entrepreneur? The 2004 cooperative law and its reform in 2014 have brought cooperatives closer to joint-stock companies, for example, in the sense of administration. Now, when a single rural person can found a cooperative, we can ask whether one of the pillars of a cooperative, i.e. community, is about to crumble.

When we compare the number of new cooperatives founded since the 1990s with a commune's population, 'activity' is liveliest in northern Finland and elsewhere in outlying rural districts.[34] During the same period it has been very popular to be a member of a cooperative in the countryside. For example, at the turn of the millennium, in the rural commune of *Loppi* in Tavastia, 99 % of the farmers were members of at least one cooperative. Two-thirds thought they knew cooperative practices well, one third only poorly. Every fifth person of the commune's population was very familiar with the cooperative principles.[35]

In 2004 the European Union Commission for its part underlined the potential of the cooperative. It thought that cooperative activities should be extended especially in rural areas based on small farms. The statement included a procedure in which promoting entrepreneurship, increasing social cohesion and creating new jobs are highlighted.[36] It is also worth mentioning that 2012 was the year of international cooperatives to raise wider public awareness of the cooperative idea.

34 Seppelin 2000, 96.

35 Tenaw 2000, 34.

36 Seppelin 2004, 323–324.

What will be the future of the cooperatives in the countryside? They are hardly going to become grand actors in rural businesses but they can strengthen a sense of locality. There might open up new possibilities for business activities for the cooperatives. Now, in Finland, as the market for the traditional provision of social and health services has been opened up to competition, large multinational companies have gained considerable shares of the market. We cannot expect too much of the cooperatives in this operational environment, although some medical experts have pointed out the possibility of applying the cooperative model in fulfilling the need for reform of the Finnish social and healthcare provision system in areas of dispersed settlement. We can see a similarity in the value basis of the cooperatives and that of social and healthcare. Since 2014 one of the Finnish provincial retail trade cooperatives in North Karelia has piloted offering health care services to both its own co-op members of and other customers.[37]

Conclusion

In this article, Finnish cooperatives were put in the international context and the models of the rural cooperatives illustrated. We discovered even older roots of collaboration in the form of simple, popular labor unions. At the turn of the nineteenth and twentieth centuries the Finnish cooperative movement was organized by civilized individuals who were interested in social questions, but the operational steps of the movement very easily took root in an agrarian country. Although one of the results was overlapping organizations, the three main types of the cooperatives were nevertheless continuous all the time: dairies, credit unions and retailers.

In the first phase, the cooperative movement in rural areas had the character of a strong social-economic reform. Consequently, it was a revolutionary people's movement. It built collective security and confidence in the future both in crises and immediately after them. Until the 1950s the cooperatives were well able to respond to the changes in the countryside. Thereafter they lost their ability to observe and take note of the changes around. The most obvious features were the diminishing impact of agriculture as a livelihood and the increasing demands of consumers. The traditional, large cooperatives had neither the capital for regeneration nor an administration encouraging the steps needed for change.

In the 1990s, the cooperative movement reached crisis point as the open market became international. The most viable parts survived and, alongside them, there arose new, tiny cooperatives that performed overlooked tasks in society, such as employing individuals.

Despite the turning points of the cooperatives, when looking at both the broader social picture and everyday lives and community, in the long run they had a very important role in the Finnish rural areas. The historical course of the cooperatives very aptly describes that of the entire Finnish nation.

Finally, we identified, from a polemic point of view, some problematic questions. As far as they are concerned, the cooperative activities in the countryside have been keenly studied from the viewpoint of social and ideological aspects, but the business economics perspective – partly due to the difficulties of dealing with the source material – has largely remained untouched. It might be interesting to examine the position of the

37 Troberg 2014, 95–96; http://pellervo.fi/osuustoimintauutiset/2014/06/27/pohjoiskarjalan-osuuskaupan-terveyspalvelut-otettu-hyvin-vastaan/.

cooperatives in the context of the economic crises. This study perhaps provides the tools even for estimating what kind of unused human and economic resources might be mobilised from inside them in the near future. In the same breath, we should remember that, as a concept, the countryside is no longer as univocal as earlier.

BIBLIOGRAPHY

Anttila, Veikko, 1967. *Järvenlaskuyhtiöt Suomessa*. Helsinki: Suomen muinaismuistoyhdistys.

Aura, Siru, 2012. ”Suomi on maailman osuustoiminnallisin maa”. *Solidaarisuus*, 2, 17.

Christiansen, Niels Finn, 2012. “Denmarks’s Road to Modernity and Welfare: The Cooperative Way”. In: Hilson, Mary, Markkola, Pirjo and Östman, Ann-Catrin (eds.), *Cooperatives and the Social Question. The cooperative movement in northern and eastern Europe 1880–1950*. Cardiff: Ashley Drake Publishing, 25–40.

Hilson, Mary, Markkola, Pirjo and Östman, Ann-Catrin, 2012. “Introduction: Cooperatives and the social question”. In: Hilson, Mary, Markkola, Pirjo and Östman, Ann-Catrin (eds.), *Cooperatives and the Social Question. The cooperative movement in northern and eastern Europe 1880–1950.* Cardiff: Ashley Drake Publishing, 1–24.

Inkinen, Kai and Karjalainen, Mauno-Markus, 2012. *Osuustoiminnan juurilla*. Helsinki: Pellervo-Seura.

Johnston, Birchall, 1997. *The International Cooperative Movement*. Manchester: Manchester University.

Kuisma, Markku, Henttinen, Annastiina, Karhu, Sami and Pohls, Maritta, 1999a. *Kansan talous. Pellervo ja sen yrittämisen idea 1899–1999*. Helsinki: Pellervo-Seura.

Kuisma, Markku, Henttinen, Annastiina, Karhu, Sami and Pohls, Maritta, 1999b. *The Pellervo Story*. Helsinki: Pellervo-Seura.

Köppä, Tapani, 1998. ”Yhteisöllisyys, yrittäjyys ja arvot”, in: Koskiniemi, Erkki (ed.), *Osuustoiminnallinen yhteisyrittäminen*. Helsinki: KSL-kirjat, 29–50.

Laurinkari, Juhani, 1993. *A Historical Approach on the Development of Cooperatives*. Berlin: Inst. für Genossenschaftswesen.

Miklóssy, Katalin, 2012. “The Nordic ideal of a Central European third way: The Finnish model of Hungarian modernisation in the 1930s”. In: Hilson, Mary, Markkola, Pirjo and Östman, Ann-Catrin (eds.), *Cooperatives and the Social Question. The cooperative movement in northern and eastern Europe 1880–1950*. Cardiff: Ashley Drake Publishing, 136–152.

Seppelin, Markus, 2000. *Osuustoiminnan jalanjäljillä. Katsaus suomalaisen osuustoimintaliikkeen historiaan (The Traces of Cooperation. A Glance at the History of the Finnish Cooperative Movement)*. Helsinki: Osuustoimintainstituutti.

Seppelin, Markus, 2004. ”Osuustoiminta murroksessa”. In: Markkola, Pirjo and Rasila, Viljo Rasila (eds.), *Suomen maatalouden historia 3*. Helsinki: Suomalaisen Kirjallisuuden Seura: Helsinki, 312–329.

Skurnik, Samuli, 2002. “The Role of Cooperative Entrepreneurship and Firms in Organising Economic Activities – Past, Present and Future.” *Liiketaloudellinen aikakauskirja*, 1, 103–124.

Tenaw, Shimelles, 2000. *Euroopan unionin yhteisen maatalouspolitiikan (CAP) vaikutukset osuustoiminnan ja neuvonnan kehittämistarpeisiin. Tapaustutkimus maatalouden harjoittajista Lopen kunnassa*. Helsinki: Osuustoimintainstituutti.

Troberg, Elisa, 2014. *Osuustoiminnan idea.* Helsinki: Pellervo-Seura.

Vihola, Teppo, 2004a. ”Maatalouden rakennemuutokset itsenäisessä Suomessa”. In: Peltonen, Matti (ed.), *Suomen maatalouden historia 2*. Helsinki: Suomalaisen Kirjallisuuden Seura, 330–418.

Vihola, Teppo, 2004b. ”Pärjääkö pienviljelys?”. In: Peltonen, Matti (ed.), *Suomen maatalouden historia 2*. Helsinki: Suomalaisen Kirjallisuuden Seura, 135–216.

Vilkuna, Kustaa and Mäkinen, Eino, 1943. *Isien työ. Veden ja maan vilja*. Helsinki: Otava.

Réka Marchut*

LAND REFORMS IN THE LITTLE ENTENTE STATES AFTER THE FIRST WORLD WAR AND THEIR ANTI-HUNGARIANS ASPECTS

The end of the First World War is held by many, and justly, to be the end of "the long" 19th century and the beginning of the "short" 20th century. Of course, we know that this point of view is strongly a European one, and particularly an East Central European one. If we look at the reorganization of the power structure in the region, together with its political, economic and social changes, we can observe that this cataclysm led to the beginning of a new era and the end of the old one. From a Hungarian point of view, this statement is only partially true. If we place the emphasis on the disintegration of historical Hungary and the end of national liberalism that prevailed in the 19th century, we will certainly notice that the Great War caused a *caesura*, but if we consider that the building up of parliamentary democracy and the necessary economic reforms that led to social changes are missing, then from Hungarian point of view the *caesura* is much more a feature of 1945.

For the successor states created around Hungary, except Austria, the member states of the Little Entente, the end of the First World War was much more a turning point.[1] They considered that their main mission was to protect the integrity of their territory, maintain their *status quo* and, related to this, build the state and simultaneously build the nation. While in the cases of Czechoslovakia and Yugoslavia[2] unsuccessful attempts were made in order to build the Czechoslovak and Yugoslavian nation that had never existed, in Romania the aim was to strengthen the Romanian nation. Although in Czechoslovakia the Czechs and the Slovaks were theoretically in the position of fellow-nations, in practice Czech centralistic dominance from Prague prevailed. In Yugoslavia the goal was to achieve a fellow-nation relationship for Serbs, Croats and Slovenes, but in fact it was dominated by the strong, and even violent Serbian power centre ruled from Belgrade, which was advantageous for the Slovenes, but only until they could be used against the Croats, and in 1929 the tension between these three nations led to royal dictatorship. The most homogeneous nation-state among the three was Romania, where the proportion of Romanians reached 72%. Therefore, the goal was not to build a nation from Bucharest, but to strengthen the nation, build the state and

* HAS Centre for Social Sciences, Institute for Minority Studies, with the subsidy of OTKA PD 112304 project.

1 From the perspective of the loss of imperial existence it was a turning point for Austria too.

2 From 1918 to 1929 the name of the state was: Kingdom of Serbs, Croats and Slovenes, and then Yugoslavia. In the paper I use 'Yugoslavia' in whole interwar period.

protect it. This was done against the Hungarians, Germans, Jews, Ukrainians, Russians and Bulgarians who became minorities after the Partium, Transylvania, Bucovina, Bessarabia and South-Dobrogea were joined to Romania. These were the conditions in which the economic changes took place that led to the land reforms aiming to eradicate the large estate system.

The emancipation of serf in East Central Europe in the 19th century closed the era of feudalism, but the economy and the society still wore its features for some decades. The large estate system remained dominant and the large majority of the peasantry lived in deplorable conditions, but there were significant differences between the regions.

In the states of the region – except Hungary – the large estate system was eliminated between the two World Wars. In Romania and Yugoslavia an immediate and radical reform was carried out, while in Czechoslovakia and Poland the implementation was slower and more moderate. The land reforms of the era were so different in their principles, methods of implementation and pace that it is difficult to make any general statements, but there is no doubt that there are also a number of similarities.

Czechoslovakia and Yugoslavia had never been independent countries before the First World War, whereas with the unification of the two Romanian principalities in the second half of the 19th century a unitary and independent Romania was created. It should not be forgotten that Czechoslovakia was the only state that had been formed from the territory of the former Austro-Hungarian Monarchy. In the cases of Yugoslavia and Romania (incl. the Regat, Old Romanian Kingdom) the territories of the former Monarchy were joined to an already existing core. While in Czechoslovakia a republic could appear, in Yugoslavia and Romania the parliamentary system had to function within the framework of a monarchy, which could have been democratic, but was realized only to a limited extent.

The historiography of the land reforms is rich and diverse. From the journalistic writings to the academic studies there is a wide range of works. The bibliography of Hungarian and international literature was compiled by the Metropolitan Ervin Szabó Library in Budapest.[3] We can find works on local history, works that treat each country separately and even ones that make regional comparisons.[4] One reason for this is that the implementation of the land reform had an impact on several social groups, and the other reason is that the nationalistic implementation caused grievances for some ethnic groups. This affected the external relationship of the countries and had international significance.

Looking at Hungarian historiography, different interpretations of the land reforms can be distinguished: a contemporary ('bourgeois democratic'), a vulgar Marxist, a Marxist and an ideology-free interpretation after the regime change. The contemporary one focused on the land reform implemented in a specific country, emphasized its strongly nationalistic aspect and did not step beyond the framework of 'grievance-centered' history writing. In the current political situation it was the decisive argument, but as the successor states emphasized the socio-economic aspects, an

3 Hóma – Witzmann 1935.

4 The presentation of the complete historiography on the theme would exceed the limits of this paper. Therefore, only a few works are listed here. From academic literature: Berend T. – Ránki 196; Dolmányos 1962; Dolmányos 1963a; Dolmányos 1963b; Dolmányos 1964; Machnyik 1993; Simon – Kovács 2008; Kovács 2004; Simon 2008; Gaucsík 2004; Balcar, 1998; Sajti 1997; Bartha 2012a; Bartha 2012b; Müller – Siegrist 2015.

anachronistic antagonism also appeared in it. It was characteristic of Hungarian works that they stopped at enumerating the grievances. Still the responses from the successor states merely listed their grievances during the Austrian-Hungarian Monarchy. Thus, there was no real dialogue.

The vulgar Marxist interpretation of the reforms in Hungary was expressed in the studies of István Dolmányos published in the academic journal *Agrártörténeti Szemle* (The Journal of Agrarian History) in the 1960s. His work was important because nobody had presented the land reforms of the region with similar details before him. His work cannot be regarded as an analytic comparative work as he treats the land reforms of each country in separate studies. His vision of history fits in with the world of the articles by Erik Molnár (the leading Marxist historian) published at the beginning of the 1960s, according to which "history raises its basic questions from the point of view of class struggle, not from the point of view of the nation".[5] It was on these grounds that Dolmányos criticized Professor Max Sering's book on agricultural reforms,[6] published in 1925 in Russian language, in which he complained about the loss of wealth that the Germans in the region had to suffer, and Dolmányos had thought that by emphasizing the nationalistic aspect of the reforms Sering concealed the economic and social aspects.[7] The author argued that the Hungarian works shared the vision of the Sering-group and he criticized it about its nationalism. Dolmányos described it as the "aggressive conservative voice" of the counter-revolutionary era.[8] The aim of his study was to build the "Marxist analysis of the common features of the bourgeois land reforms" through the presentation of the "slight differences of bourgeois academic literature".[9] He reached the vulgar Marxist interpretation.

The Marxist interpretation can be found in the work of Iván Berend T. and György Ránki.[10] They called attention also to the urgent social tensions, but the anti-national aspect of the land reforms was only mentioned marginally in it. They underlined that the reforms were led by political motives, but had also special features, i.e. the synchronization of the agricultural structure of the different parts of the country with diverse historical backgrounds.[11]

After the regime change there was an opportunity to express ideology-free historical visions. The works of Attila Simon, Attila Kovács and István Gaucsík focused on the analysis of land reforms in one country. In their writings they emphasize the anti-national aspect of the implementation, but they consider the analysis of social-economic structures to be important.

Now, the reader might justly ask: Why is it still important to write about this topic? First, because there is no comparative study available. Although Ákos Bartha discusses the reforms in Czechoslovakia, Yugoslavia and Romania, in fact he presents them in each country separately, one after another. Secondly, thorough reseacrh of the archival sources is only fragmentary even today. The most serious deficiencies concern Romania. All that can be undertaken in this article is to present the land reforms in the member states of the Little Entente by using the comparative method, and to discuss the situation in Transylvania between the two World Wars

5 Molnár 1965, 1. Cited by Romsics 2011, 415.

6 German edition: Sering 1929.

7 Dolmányos 1962, 132.

8 Ibid., 133. Counter-revolutionary era = after 1920.

9 Dolmányos 1962, 134.

10 Berend T. – Ránki 1969.

11 Ibid., 207–208.

based on Romanian fragmentary archival research.

In this article it is argued that the land reforms in the Little Entente states were tools of nation-building and, at the same time, indispensable parts of the socio-economic development. Comparison is necessary in order to show that the different conditions of the states presupposed different methods during the implementation of reforms. Another argument is that the Little Entente was not an economic alliance between the three states, but that it was first of all a military one. With the study of the land reforms this argument can be justified.

The agricultural structure before the land reform

The structure of agriculture in Czechoslovakia was based on the large estate system inherited from the Dual Monarchy, but after 1848 and especially after the Compromise of 1867 it took the road of capitalist development, but it was slowed down by multiple factors. The dominance of large estates is shown in the numbers of land censuses from 1895, according to which 36% of the agricultural territory of the country comprised of large estates over 1000 Hungarian acres, i.e. 0,1% of the total arable land of the country. The high proportion of estates with restricted turnover presented further problems (in the case of Slovakia this represented 30%).[12] When Czechoslovakia was created, in the Southern parts of the country there were larger disproportionalities in the distribution of estates than in the other parts of the country. The majority of the land ownership was in the hands of large estate owners and the number of independent farmers was very low, and consequently, the majority of the population was agricultural workers with no land ownership. The ethnic Hungarians in Slovakia had initially been waiting eagerly for the land reform that began in 1919, but they were very soon disappointed.[13] The distribution of land was extremely disproportionate in Czechoslovakia. The majority of the estates belonged to the aristocracy of German origins, the number of Czech smallholder owners was insignificant. 28% of the country was comprised of 245 large estates. 150 aristocratic families owned one third of all arable land.[14]

Due to its ethnic, territorial and geographic diversity Yugoslavia was the country with the most complex agricultural conditions. From an agricultural perspective three different zones can be distinguished. In Serbia and Montenegro peasant landownership dominated, large estates hardly existed. But this region became the political center of the new state. The other zone was formed by Croatia, Voivodina and Slavonia, where the large estates of feudal origin were common. The landowner class, predominantly of Croatian, Hungarian and German origin held political and economic power in the region. Also a large number of landless people lived there. The third zone included Bosnia, Macedonia, Dalmatia and Herzegovina, where the peasantry still lived at the serf or the semi-serf level. The social differences were enhanced by religious differences.[15]

The structure of agriculture in Romania can be considered more heterogeneous compared to the homogeneous Czechoslovakia, but it is more homogeneous when compared to Yugoslavia. In Transylvania the number of peasants owning family farms was fairly large in the era of dualism. In these territo-

12 Simon 2010, 30.

13 Ibid., 24.

14 Jócsik 1940, 24–31.

15 Dolmányos 1962, 142.

ries the adverse effect of the large estates was not so characteristic and the agricultural society was much more balanced than in the central territories of Hungary.[16] In Transylvania 70% of the agricultural estates were owned by peasants having their own equipment and animals, and 98% of all landowners had less than 100 (Viennese) acres of land. A strong middle layer of peasantry was formed. 30% of the agricultural territory was possessed by large estate owners. But the category of middle and large estates also included the public and community estates that had social functions, which was hardly present in the Regat, if at all.[17] In case of large estates 59% of the territories were in public ownership of church, foundations, public lands, etc., and it was formed predominantly forest land.[18]

The distribution of estates in the Regat was much more disadvantageous compared to Transylvanian territories: the large estates and *latifundia* were owned by those few who led the political and economic life. 48.6% of the agricultural territories were owned by 0.005% of landowners. In contrast, a large number of serf smallholdings were also present. 95% of all landowners possessed only 40.5% of the agricultural land.[19] There were not any middle layers in the peasantry. The smallholdings became dependent on large estates and between the two we find the usurers, who built up a nation-wide network.[20]

In addition to the structure of the estates, we have to take a glance at the distribution of estates per nationality in Transylvania.[21] 63% of landless peasants were Romanians and 26% were Hungarians. 75% of the peasants who owned a land of less than 10 (Viennese) acres were Romanian and 18% were Hungarian. In the case of small and middle estate owners (50 to 100 Viennese acres) the percentage correlated with the proportion of the Romanian population, and in case of large estate owners (who owned lands over 1000 Viennese acres) Romanians were underrepresented.[22] The significant difference regarding the distribution of estates and the unfavourable national proportion to Romanians justified the different methods of solving the agricultural question in Romania.

The social tension that preceded the land reforms

After the First World War the political changes made agricultural settlement possible in the region, and it was stimulated by the socio-economic upheaval, which had been present before the war in the agricultural socialist movements of the turn of the century. At the turn of the 20th century, peasant movements started in South- and Central-East Europe. In Hungary there were ‘agricultu-

16 Gunst 1998, 206.

17 Venczel 1942, 334–335.

18 Vincze 1996.

19 Ibidem.

20 Klein 1927, 12–13. The author presented his study at the meeting of Romanian German Academy in Sibiu on 12th of September 1926. See: Venczel 1942, 333.

21 Data of the census 1910 must also be examined. According to it, the proportion of Hungarians was 31,6%,, that of Roumanians was 53,8% in Transylvania. (By Transylvania we understand the old territories of Hungary which were annexed to Romania in the Treaty of Trianon.) See: Varga E. 1988.

22 Móricz 1932, 212. Contrary to the data of Móricz: Rus 1983, 343. The reason for difference is that while Móricz separated the agricultural land from forests, Rus does not differentiate between them. The contradiction of the two national paradigms is evident in them too as the former represents the Hungarian attitude and the latter represents the Romanian one.

ral socialist movements' between 1891 and 1907. In Romania bloody peasant uprisings broke out in 1888 and 1917, and in the latter one thousands of people died.[23] While in Hungary the social democrats, who made up the opposition of the ruling governments and the civil radicals demanded the solution of the agricultural problem, in the Regat the ruling National Liberal Party was the first to propagate the land reform. In the meanwhile, the First World War gave other, more urging tasks to the leading politicians.

In Czechoslovakia social disturbances appeared only in November 1918, the causes of which could be found in wartime losses, in the political instability, shortage of food, the prevalence of black market and the Spanish flu epidemic that spread all over the continent. In many regions there were robberies and arsons of anti-Semitic motivation, one target being just the large estate system.[24]

In the territories of the future Yugoslavia that belonged to the Austro-Hungarian Monarchy the national liberation movements of South-Slavic nations fought for the land reform during the last year of the war. In Macedonia and Montenegro, which had been occupied by the Serbian and Entente troops, the *kmet* peasants demanded the abolition of the dependent relationships of the feudal kind, a measure which the government of Serbia and Montenegro had been delaying since 1913. During the period of the Aster Revolution spontaneous land occupying mass movements appeared in the South-Slavic regions (Voivodina, Croatia, Slovenia and Dalmatia).

Political parties proposed different programs to solve the land problem. The most influential party of the new state was the National Radical Party, which had a not so coherent program regarding the land question, as they did not define the volume of expropriation. They made a distinction between the estates of the church and corporations of non-feudal origins and the old large estates, and they argued for keeping the former categories intact. The Democratic Party had a much more definite idea. They wanted to eradicate the feudal relationships in the Southern territories without any compensation. They considered themselves the party of the agricultural reform and expressed their opposition to the Radical Party. The interests of the radical peasantry was represented mainly a peasant party. They argued that the land belongs to the one who cultivates it, and expressly demanded the expropriation of the estates belonging to private persons, the church and the state. The right wing of the social democrats became the advocates of the land reform, while the left wing, rejecting any kind of land-distribution, wanted to build the system of agricultural cooperatives and state farms. Although the programmes existed, no law was enacted to solve the agricultural problem by the end of 1918.[25]

As a result of the military situation, the Romanian government had to make steps in agricultural politics, too. Just before the battle from Mărăşeşti[26] King Ferdinand issued a proclamation to the army, in which he promised land to those serving in the army. The promise was not realized because the Germans soon reached Bucharest. At the end of 1917 and in 1918 the rebellious masses of peasants made the solution of agricultural question impossible to delay any longer.[27]

23 Gunst 1998, 27.

24 Simon 2010, 30–31.

25 Dolmányos 1964, 349.

26 The battle of Mărăşeşti was one of the confrontations at the Romanian front between 6 August and 8 September 1917. The Central Powers mounted an offensive to occupy Moldavian territories that were under Romanian occupation, but the Romanian and Russian troops halted it.

27 Dolmányos 1963b, 484–485.

The program of the radical agricultural reform was formulated in the Alba Iulia Resolutions on 1 December 1918. Paragraph 3 of Article 5 contained the following:

> " Radical agrarian reform. All the assets, above all the big ones, will be inscribed. The wills by which the heir consigns the land to a third party will be abolished; meanwhile, on the basis of the right to cut estates freely, the peasant will be entitled to his own property (ploughing land, pasture, forest), at least one property for him and his family to toil on. The guiding principle of this agrarian policy is to promote social equalizing, on one hand, and giving power to production, on the other."[28]

From this it can be seen that the agricultural reform was implemented first of all for socio-economic reasons. It is known that the Alba Iulia Resolutions also promised extended rights for the minorities, and although the minorities claimed them several times, they were never enacted nor implemented in practice. Nevertheless, the agricultural program was.

The laws of the land reform

The land reform laws in Czechoslovakia were formulated between 1918 and 1920. The first decrees were published at the end of 1918. On 9 November (10 December in Slovakia) the Czech state bound the sale and mortgage of large estates to state permission, and on 17 December the degree was applied also to forestry. The revolution of the masses in villages at the beginning of 1919 made the land reform urgent, but the conflicts between the Social Democratic Party and the Agrarian Party slowed down the process. While the Agrarian Party aimed to strengthen private property through land distribution, the Social Democratic Party aimed at implementing a hiring system related to state property.[29]

The law published on 16 April 1919 was a compromise and it sequestrated the agricultural territories larger than 150 hectares and other estates larger than 250 hectares. But the sequestration was neither expropriation nor nationalization. The sequestrated estates remained the property of the original landowners. The law that came into force on 11 June 1919 established the Land Office. The land distribution law enacted on 30 January 1920 dealt with the further measures to be taken regarding the sequestrated lands, and according to it, part of these territories became state property and the other part was to be distributed. This law meant the victory of the Agrarian Party. But the expropriation law, which would have given compensations to the former owners, was accepted only on 8 April 1920.[30]

In Yugoslavia the land reform legislation was much more complicated and long-lasting compared to Czechoslovakia. On 25 February 1919 a governmental decree was issued with the title: "Preliminary orders to prepare the agricultural reform". With it the feudal relationships were abolished and the estates of the Habsburg dynasty were confiscated without compensation.[31] It ordered the elimination of large estates by confiscating the entails and, depending on local conditions, and it eliminated the estates over 100 or 500 ha. The state land office was established under the surveillance of the Ministry of Social Policy. But they made the effectiveness of production unstable by only hiring the land until the final land distribution was

28 Oberding 1930, 16.

29 Dolmányos 1963a, 363.

30 Ibid., 364.

31 This makes it obvious that the kingdom in Yugoslavia (the Karadordecic dynasty) would not have tolerated the property of the Habsburg dynasty on its territory.

carried out. The law was not extended to the territory of Serbia before 1912. The amount and condition of compensation remained an open question.[32]

As in Romania the government introduced the land reform with a decree and not by law. The situation of legislation was made more complicated by the fact that just before the decree the constitution of Serbian-Croatian-Slovenian Kingdom was issued, which stipulated that private property was sacrosanct. Later they wanted to settle the situation through the enactment of the „Preliminary orders". Josef Matl evaluated it correctly stating that the decree simply legalized what had been realized arbitrarily before.[33] The other governmental decree published on 10 April 1919 declared the land receivers to be renters, and the period of rental relationship was established for 1 year.[34] It was followed by the governmental decree of 21 July, which pronounced the prohibition of the sale and mortgage of large estates, and it set a maximum size to the lands that could be maintained in private ownership in different ways, depending on the type of territory and estate (cultivable or not cultivated territories). In Dalmatia and Herzegovina it was 50 to 100 ha, in Banat, Bácska, Slovenia and South-Serbia it was 300 to 500 ha.

The Romanian Kingdom published the decree regarding the land reform already on 13 December 1918, but this was valid only for the territories of the Regat.[35] However, it did not satisfy the claims of the poor peasants. Its correction was made on 14 July 1920, during the rule of General Alexandru Averescu, who entered the government as representative of the People's Party with the support of the peasant movements. With the land reform law the parliament approved the earlier decree and based on that the expropriations that had been carried out, and supplemented it with new decrees.[36]

On 10 September 1919, the Governing Council of Transylvania (Consiliul Dirigent) issued the Decree No. 3911/1919,[37] which was modified by the Averescu government[38] with Decree No. 2478/1920 of 9 July 1920.[39] The implementation of expropriations were not based on these but on the law of 23 July 1921, prepared by Garoflid, which was valid for the territory of Transylvania, Banat, Maramures and the region of the Crisul Rivers. It came into force in November 1922.[40] Independent agricultural land reform laws were enacted regarding the territories of Bukovina and Bessarabia. The goal was to extend the circle of estates that would be expropriated. The landowners were excluded from the members of expropriation and land distribution committees.[41]

There were significant differences between the decrees of the Regat and those of Transylvania: while in the Regat the size

32 Dolmányos 1964, 351.

33 Josef, Matl, *Die Agrarreform in Jugoslawien*. Berlin – Breslau 1927. 8. 1. István Varga wrote a review of the book in *Közgazdasági Szemle* [Economic Review] in 1927. Varga recognized the strengths of the book but also criticized it because the author underestimated the significance of the Hungarian agrarian reform. Varga 1927, 637–638.

34 On 3 September 1920 the rental period was extended to 4 years.

35 Dolmányos 1963b, 488–489.

36 Ibid., 491.

37 *Monitorul Oficial*, 1919, Nr. 117.

38 Alexandru Averescu was PM three times: 9 February to 15 March1918, 19 March 1920 to 18 December 1921, and 30 March 1926 to 4 June 1927.

39 *Monitorul Oficial*, 1920, Nr. 55.

40 *Monitorul Oficial*, 1921, Nr. 93. See Mikó 1941; Oberding 1930, 32.

41 Oberding 1930, 48–49.

of the lands that could be expropriated were maximized, in Transylvania this did not happen; the size of the land that the owners were allowed to keep was 50, 100 or 200 acres in Transylvania, and 173 or 261 acres in the Regat;[42] the purchase price of the lands in the Regat was much more advantageous than in Transylvania; in Transylvania the estates that an owner possessed in different settlements were considered to be one, while in the Regat they were not; in Transylvania the law was valid also for private forests, whereas in the Regat it was so only in exceptional cases.[43]

Looking at the legislation it can be seen that while in the parliamentary democracy of Czechoslovakia laws were enacted to solve the land problem, in Yugoslavia and Romania the parliamentary monarchy settled these questions with decrees. In Czechoslovakia the law was effective in the entire country, in Yugoslavia it was not valid in the territory of Old Serbia, and in Romania the law differed depending on the territory. This situation *a priori* bore the possibility of antinationalistic aspect of the land reform, and the implementation obviously emphasized it.

Before discussing the implementation, I would like to analyse the case of Romania in order to show what kind of means and possibilities the Hungarian minority and Hungary had to treat the grievances the Hungarians in Romania suffered.

Land reform in Romania and the Hungarian response[44]

During the Averescu government Hungarians had no representation in the Romanian parliament, and the third decree was published without listening to the Hungarians or receiving their approval. The Saxons (German origin people) were strongly against the law. The agricultural decrees and laws that referred to Transylvania were in fact created so as to exclude or obstruct the incidental diplomatic objections of the Hungarian government. Until the ratification of the Treaty of Trianon, there was no possibility for a foreign representation in Bucharest. In September 1919 there were chaotic conditions in Hungary; the countryside was suffering under the white terror, the counter-revolutionary system was taking shape, and Hungary only received an invitation to the peace conference on 26 November. The peace treaty, which was dictated by the great powers, was signed on 4 June 1920. In July 1920 Hungary was living under the paralyzing pressure of the shock of Trianon. Traian Stârcea, the Romanian minister arrived in Budapest on 17 February 1921.[45] The Hungarian representation in Bucharest was organized by András Hory as chargé d'affaires between 21 January and 5 July 1921. On 22 July, Iván Rubido-Zichy was appointed to be a minister in Bucharest.[46] In such circumstances, he could not do anything for the interests of Hungary regarding the preparation of legislation. In theory, the articles of the peace treaties that referred to the protection of the minorities could have justified intervention.

42 The size of the land that owners were allowed to keep was 50 acres in highland in Transylvania and 174 acres in Old Romania; 100 acres in the hills in Transylvania and 174 acres in Old Romania; and 200 acres on the plains in Transylvania and 261 acres in Old Romania. See: Dolmányos 1963b, 492.

43 For details see: Vincze 1996.

44 In detail see: Marchut 2015.

45 Arhiva Ministerul Afacerilor Externe (AMAE) [Archives of Ministry of Foreign Affairs, Bucharest] Fond Personal D77 – S63 Traian Stârcea's personal folder.

46 Pritz 1994, 433; Pritz 1987.

The more so because the agricultural reform was considered to be an internal affair of each state, and not a question of international kind.

At the time Hungary was not a member of the League of Nations, so there was only one single possibility left for the Hungarian government.[47] On 31 December 1920, Minister of Foreign Affairs, Pál Teleki, sent a verbal note to the representatives of the Allied Powers in Budapest to express his objection against the agricultural decrees of the Romanian government, and the note was handed to Jules Cambon, the president of the Conference of the Ministers on 15 April 1921.[48]

The interests of the Hungarians living abroad were violated not only by the Romanian agricultural arrangement, but also by the land reforms implemented in other successor states. The Hungarian government spoke at international level not only in the interest of Hungarians living in Romania, but at the time of the note mentioned above it also protested against the Czech and Serbian-Croatian-Slovenian agricultural decrees. The notes of the Ministry of Foreign Affairs to these two countries were handed over on 25 February to the representatives of the Allied Powers in Budapest.[49] A petition against the land reform in Czechoslovakia was handed over already in October 1924, but there were no further Hungarian protests against the Yugoslavian agricultural reform at the level of international law.[50]

In Romania the situation was different. On 28 April 1921, Minister of Foreign Affairs Miklós Bánffy issued a new note which, in contrast to the previous note written by Teleki, put the stress on the anti-minority issue. This note was sent to the Conference of Ministers. [51]

After the Transylvanian agricultural law of July 1921, on 6/7 October the Bocskay Society turned to the League of Nations with a memorandum containing complaints.[52] While the first two were never received by the Committee of the League of Nations, the latter one was handed over to the representative of Romania on 31 October 1921, and the Romanian government sent its observations regarding the issue on the 2nd of January 1922, and then on 1st of April.[53]

For Hungary the primary foreign political goals were to break out from the isolation and ensure economic recovery. Rubido-Zichy received instructions from the Hungarian Ministry of Foreign Affairs along these lines to prepare negotiations on economic matters with the Romanian government. In exchange the Hungarians promised not to bring up territorial questions at the Conference in Geneva. Ion Brătianu postponed

47 Hungarian was affiliated on 18 September 1922 in the League of Nations. About the Hungarian Petitions, see: Zeidler 2003. and Eiler 2007, 24–66.

48 Truhart 1931, 137.

49 Ibid., 150, 152.

50 In the 1920s the Hungarian government turned to the League of Nations in the interest of Hungarians in Czechoslovakia 8 times, out of these 2 petitions were about problems of the agrarian reform. Ten petitions were submited in the interest of Hungarians in Yugoslavia. See: Truhart 1931, 137–152. Miklós Zeidler drew our attention to the fact that these numbers are only approximate. The reason for this is that auxiliary petitions could belong to each submissions: sometimes the Committee of the League of Nations united or separated cases. According to Zeidler's dates 21 Hungarian petitions arrived against Czechoslovakia, 14 against Yugoslavia and 25 against Romania between 1920 and 1930, see Zeidler 2003, 80.

51 C. 230. M. 168. 1921. 1. See also: Truhart 1931, 137.

52 Bárdi 2013, 333.

53 C. 215. M. 117. 1922. 1. See: Truhart 1931, 138; Venczel 1942; Bárdi 2013, 333.

the discussions stating that he had not established the economic program of his government yet,.[54] As a result, Minister of Foreign Affairs, Ion Duca, did not negotiate with the Hungarians, but expressed his willingness to discuss minority questions in privately with Rubido- Zichy. Their point of views remained far apart. While the Romanian party objected to the irredentist movements supported by Budapest, the Hungarian party was against the implementation of agricultural reform and complained about the grievances suffered by Hungarians during the elections of the National Assembly.[55]

The Hungarian protest against the Transylvanian agricultural reform contained a separate chapter about the injuries of the so called settlers. Based on the Laws No. 1886: IV, No. 1894:V. and No. 1911: XV., the Hungarian government removed the Hungarian settlers from Csanád county to Bácska and Torontál country, mainly for economic reasons. They were resettled to 25 villages, eight of which were newly-founded. They amounted to 15,000 settlers. The size of the plots was generally 24 Viennese acres, from which, according to the Transylvanian land reform, the settler family could keep a maximum of 7 acres, but the Romanians gained 16 Viennese acres.[56]

The Romanian agricultural law of Transylvania contained special regulations against the settlers. According to paragraph 10, the plots of the settlements created after 1 January 1885 were to be expropriated up to the limit of 7 acres. In the implementation instructions of the law it was stipulated that the settlement lands represented state properties in the land register.[57] This was because the settlers had to repay for the land for 50 years, in general. After paying the first instalment the Hungarian state would have been obliged to pass the estate under the name of the settler, but it did not do so, except in the Banat in spring of 1919, when it still controlled the region.[58] This default of the Hungarian government led to the tragedy of the Hungarian settlers.

On 31 December the Transylvanian Economic Society sent a long manifesto to the Romanian Ministry of Justice, which described in detail the legal and historical situation of the settlers, and requested the Ministry that in the cases of the settlers who could prove authentically that their settlements were acquired before 1 December 1918 the expropriation law should not apply.[59]

In January 1922, the delegation of the settlers from Banat visited Minister Caius Brediceanu.[60] He promised that as long as he remained in his position they would not have to suffer any grievances.[61] Brediceanu was a politician with roots in Banat, he had served as a diplomat for a while and had studied in Saxon (German) secondary schools. At the peace conference he represented the affairs of the Banat.[62] Consequently, he possessed all the necessary knowledge and experience to represent the interests of the settlers. Certainly, it is another question what kind of

54 National Archives of Hungary, State Archive MNL OL K 63 230. cs. 27/7 t. 3281/1922 165–170. Hory András's report to the Ministry of Foreign Affairs about the influence of Conference in Geneva on Romania on 30 May 1922.

55 MNL OL K 63 229. cs. 27/1 t. 1295/1922 159–166. Rubido-Zichy Iván's report to the Ministry of Foreign Affairs about the discussion with Bratianu on 28 February 1922.

56 Sebess 1925, 114; Oberding 1930, 72; Venczel 1942.

57 Sebess 1925, 114.

58 Oberding 1930, 73.

59 *Erdélyi Gazda* 53: 2. See alos: Oberding 1930, 74.

60 Caius Brediceanu (1879–1953). In the Take Ionescu government he was the Minister of State for Transylvania and Banat.

61 Oberding 1930, 74–75.

62 Predescu 1999.

influence a deputy who did not represent the Regat could have in Bucharest. It is known that there were tensions between the deputies who represented the Regat and those who represented Transylvania. In view of this, Brediceanu also had to work within certain limits, even if he would have worked in the interest of the settlers.

In 1922 the delegation of the settlers visited the presidents of the Senate and the Chamber. Neither of them replied to them, and the settlers sent a memorandum to the King. They did not get an answer from him either.[63] The Great Assembly of the National Hungarian Party organized in Brasov on 14 December 1924 decided to search for a solution at international forum. Their letter of complaint written by lawyer Dr Gyula Tornya was submitted to the League of Nations on 25 February 1925. The petition was discussed on three occasions in 1925. The verdict obliged the Romanian government to pay compensation. But the Romanian government did not execute it.[64]

The implementation of the Romanian agricultural reform in Transylvania resulted in the so called 'optant' cases, the essence of which was that the agrarian law stipulated that the estates of the absentee owners could be expropriated. But absenteeism was implemented in a wide-scale and arbitrary way. According to the regulations published in July 1922, it was regarded as a case of absenteeism if someone had left the country between 1 December 1918 and 23 March 1921 - even for a single day. In 1923 the Hungarian government sent a petition to the Council of Ambassadors and further to the League of Nation in the interest of the 'optants'. But the Council did not regard the question as one referring to minorities in 1923, 1927 and 1930. The dispute was closed with a bilateral agreement, but in practice it was not carried out because of the more favourable international political position of Romania.

The implementation of the land reform

In fact in all successor states the land reform was implemented anti-nationalistically (i.e. vs. minority nationalities). This was not only true in the case of the Hungarian minority, but also in case of other minorities. It was executed with the goal of state- and nation-building against economically and existentially vulnerable ethnic minorities in order to enhance their dependence from the state-builder, the national majority.

In Czechoslovakia the land reform was carried out with anti-German and anti-Hungarian motivations. The Hungarians living in Slovakia received a much smaller portion of the distributed land than the Slovaks (34,106 ha). In practice this meant that even in regions with a Hungarian population of 70-90% only 19% of the distributed land was received by Hungarian claimers, while the Slovaks who lived there in significantly smaller numbers received 25%, and the Slovaks who had been moved there plus the Moravian settlers were given 18%, and the remaining estate owners, who were Slavic also people, received 21%. The rest was distributed between the state and the public domains.[65] The Hungarians complained that so called remnant estates had been created from the best quality lands of the divided

63 Oberding 1930, 75.

64 Oberding 1930, 75; Zeidler 2013, 72.

65 MNL OL Békeelőkészítő Osztály iratai [Sources of the Class for the Preliminary of Peace] XIX-J-1-a-IV-50 The Czechoslovakian Land Estate Reform implemented before the decision of Vienna from 1939 on the territories of Felvidék – Transmittted: Simon 2010. 25.

large estates for politically preferred people and to the Moravian and Slovakian persons who had been invited to settle down there. The land reform did not only deprive Hungarian inhabitants of their lands, but also agricultural industrial facilities (distilleries, mills, sawmills, dairies). As a result of all this, in the 1930s the social situation of Hungarians who earned their livings from agriculture was very unfavourable. 44% of the Slovaks out of those working in agriculture were agricultural workers or day-men, whereas with Hungarians the ratio was 50,4%. In 1938 three-quarters of the Hungarians lived on smallholdings, which did not sustain their livelihood. The proportion of Hungarian smallholdings was significantly higher than in other regions of Slovakia inhabited by other nationalities. This also proves the protectionist, anti-national policy of the land reform.[66] István Gaucsík claims that in 1918/1919 the Hungarians lost ground not only in economic and political decision-making, but due to the nostrification of the land reform and the industry, they lost ground also in some sectors of the industry.[67]

The implementation of agrarian laws lasted for several years. First it was begun on the Czech territories between 1920 and 1926, then it was continued in Slovakia between 1926 and 1929, but the distribution of land went on even in the 1930s and it was not completed before the collapse of the republic.

Remarkable similarities are noticeable between the Czechoslovak and the Yugoslavian land reforms. The hiring system, a temporary feature, which was progressively abolished with post-factum laws, and the prohibition of sale and mortgage – all these measures were taken in a similar way in the two states. Obviously, the different systems influenced each other.

The Hungarian and Yugoslavian governments signed an agreement on 28 April 1930, according to which the Yugoslavian government committed itself to publish the final law of the land reform until 20 July 1931 and implement it until 31 December 1931. On 19 July 1931 the law was published with the title: 'The completion of the agrarian reform carried out on large estates'. The law did not apply to forests, and three categories of maximums were distinguished, i. e. narrow, wide and super maximum. The measure aimed at leaving more land in landowners' possession, and the churches were granted significant privileges. The problem of compensation was only solved by the law enacted on 24 July 1933.[68]

'Colonization' of great proportions of land took place in connection to the land reform in peripheral territories of the country in order to ascertain the majority of Slavic population. In the hands of the Serbian political elite the land reform was a weapon against the Hungarian, German and Italian large estate owners. The Serbian politician Sosovič Dobroslav admitted in public that "The great national goal of the agricultural reform is to carry out the colonization so that we could strengthen our population ethnically in the territories of our country where it had weakened under foreign rule. […] Our agricultural reform is the greatest historical effort of our nation, it is the legitimation of the existence of our state."[69]

The implementation of the Romanian land reform seriously exacerbated the already tense relationships between Hungary and Romania. Similarly to Czechoslovakia and Yugoslavia, the implementation of the reform progressed very slowly and it served national political goals causing abuses and

66 Simon 2010, 25–26.

67 Gaucsík 2008, 16.

68 Dolmányos 1964, 356–357.

69 Berkes 1928, 52.

political conflicts. The land reform can be designated as radical (cf. some argue that the most radical land reform was implemented in Czechoslovakia), because with the expropriation of 10,644,924 Viennese acres of land, it occupied the 'first place' in the region.[70] The details of the implementation of the land reform in Romania should be further investigated regionally. However, the tasks remains difficult because archives in Romania are unsystematically preserved. Notwithstanding, Romanian historians have already researched the topic.[71]

Conclusion

If one wants to answer the question whether there was "an economic Little Entente" or not, then the answer is negative. Although similar mechanisms can be observed in the three Entente states, they did not work in economic cooperation, but each country implemented the land reform because of socio-economic necessities, aiming at building its own nation-state. The geographical preconditions, the different political conditions of each state predetermined different methods of implementation. But if we consider that the large estate systems were dismantled, the size of the peasant middle-layer people and the smallholding owners' class increased, in several cases causing grievances to the minorities living in the countries in question, then one can say that from their point of view it was a success.

An important task for Hungarian historians is to make the wider public understand that the land reform with nationalistic characteristic had socio-economic aspects. Until historians cannot make this accepted, they will not be able to leave behind the grievance-focused interpretations. Professional historians have already left it behind, but there is need for more research, especially on the Romanian side of the issue.

70 Bartha 2012.

71 Bulgaru 2003.; Mihoc 1994.

BIBLIOGRAPHY

A. Sajti, Enikő, 1997. *Kényszerpályán. Magyarok Jugoszláviában 1918–1941*. Szeged: Hispánia Kiadó.

Balcar, Jaromir, 1998. „Instrument im Volkstumpfkampf? Die Anfänge der Bodenreform in der Tschechoslowakei 1919/1920." *Vierteljahrshefte für Zeitgeschichte*. 46: 3, 391–428.

Bárdi, Nándor, 2013. *Otthon és haza. Tanulmányok a romániai magyar kisebbség történetéből.* Csíkszereda: Pro Print.

Bartha, Ákos, 2012a. „A két világháború közti román földbirtokrendezés." *Korunk* 23: 6, 83–89.

Bartha, Ákos, 2012b. „A két világháború közti csehszlovák, jugoszláv és román földbirtokrendezés." *Valóság* 55, 10, 96–112.

Berend T., Iván – Ránki, György, 1969. *Közép-Kelet-Európa gazdasági fejlődése a 19–20. században*. Budapest.

Berkes, József, 1928. „A jugoszláv agrárreform és a magyar kisebbség." *Magyar Szemle* 1928: May, 48–53.

Bulgaru, Valeriu, 2003. *Reforma agrară din 1921 – fundamente economice*. Timişoara: Editura de Vest.

Dolmányos, István, 1962. "A kelet-európai földreformok néhány problémája (1917–1939) I. Historiográfiai megjegyzések." *Agrártörténeti Szemle* 4: 1–2, 129–152.

Dolmányos, István, 1963a. "A kelet-európai földreformok néhány problémája (1917–1939) IV. Csehszlovákia." *Agrártörténeti Szemle* 5: 3, 361–375.

Dolmányos, István, 1963b. "A kelet-európai földreformok néhány problémája (1917–1939) V. Románia." *Agrártörténeti Szemle* 5: 3–4, 484–504.

Dolmányos, István, 1964. "A kelet-európai földreformok néhány problémája (1917–1939) VI. Jugoszlávia." *Agrártörténeti Szemle* 6: 3–4, 347–365.

Eiler, Ferenc, 2007. *Kisebbségvédelem és revízió. Magyar törekvések az Európai Nemzetiségi Kongresszuson (1925–1939).* Budapest: Gondolat.

Gaucsík, István, 2004. "A csehszlovákiai magyarság gazdasági szervezetei (1918–1938). Gazdasági egyesületek, szövetkezetek, ipartársulatok." *Korall* 18: December, 48–64.

Gaucsík, István, 2008. *A jog erejével. A szlovákiai magyarság önszerveződése 1918–1938.* Dokumentumok. Pozsony: Kalligram.

Gunst, Péter, 1998. "A magyar agrártársadalom 1850–1914 között*"* In: Gunst, Péter (ed.), *A magyar agrártársadalom a jobbágyság felszabadításától napjainkig*. Budapest: Napvilág.

Hóma, Gyula – Witzmann, Gyula, 1935. *Földrendezés, telepítés, tagosítás. Aktuális kérdések irodalma. 51. füzet Nemzetpolitikai kérdések.* Budapest: Fővárosi Szabó Ervin Könyvtár. http://www.fszek.hu/?tPath=/view/&documentview_type=open&documentview_site=5481&documentview_id=6233&_articleedit_site=5481&_articlemodify_site=5481 (Download: 31.03.2017)

Jócsik, Lajos, 1940. "Magyarság a cseh földreformban". *Magyar Szemle* 14: January, 24–31.

Klein, Gusztáv Adolf, 1927. "Soziale und nationale Probleme der Agrarreform in Siebenbürgen." *Deutsche Politische Hefte aus Großrumänien*, 7. 12–13.

Kovács, Attila, 2004. "A két világháború között végrehajtott jugoszláv földreform és a kolonizáció rövid áttekintése". In: Kovács, Attila (ed.), *Földreform és kolonizáció a Lendva-vidéken a két világháború között.* Lendva: Magyar Nemzetiségi és Művelődési Intézet, 169–187.

Machnyik, Andor, 1993. *Csallóköz. Tanulmány a honismeret, az agrár- és szociálpolitika köréből*. Pozsony: Kalligram.

Marchut, Réka, 2015. "Az 1921. évi erdélyi agrárreform és annak magyar fogadtatása 1919–1922". In: Varga, Zsuzsanna – Pallai, László (ed.), *Föld – parasztság – agrárium. Tanulmányok a XX. századi földkérdésről a Kárpát-medencében.* Hajdúnánás: 113–133.

Mihoc, Blaga, 1994. *Reforma agrară din 1921 – O istorie a agriculturii în judeţul Bihor 1918–1940.* Oradea: Muzeul Tarii Crişurilor.

Mikó, Imre, 1941. *Huszonkét év - az erdélyi magyarság politikai története 1918. december 1-től 1940. augusztus 30-ig.* Budapest: Stúdium.

Molnár, Erik, 1965. "A nemzeti kérdés. [1960]". In: Pach, Zsigmond Pál (ed.), *Vita a magyarországi osztályküzdelmekről és függetlenségi harcokról.* Budapest: Kossuth Kiadó.

Móricz, Miklós, 1932. *Az erdélyi föld sorsa. Az 1921. évi román földreform*. Budapest: Erdélyi Férfiak Egyesülete.

Müller, Dietmar – Siegrist, Hannes (ed.), 2015. *Property in East Central Europe. Notions, Institutions and Practices of Landownership in the Twentieth Century*. New York – Oxford: Berghahn.

Oberding, József György, 1930. *Az erdélyi agrárreform.* Kolozsvár.

Predescu, Lucian, 1999. Enciclopedia României. Cugetarea. Bucureşti: Saeculum I.O.

Pritz, Pál (ed.), 1987. *Hory András*: *Bukaresttől Varsóig.* Budapest: Gondolat.

Pritz, Pál (ed.), 1994. *Iratok a magyar külügyi szolgálat történetéhez 1918–1945.* Budapest: Akadémiai Kiadó.

Romsics, Ignác, 2011. *Clió bűvöletében. Magyar történetírás a 19–20. században – nemzetközi kitekintéssel.* Budapest: Osiris.

Rus, Traian, 1983. „Reforma agrară din 1921 în Transilvania şi naţionalităţile conlocuitoare." *Revista de istorie* 36: 4, 333–348.

Sebess, Dénes, 1925. *Az új agrárdemokráciák.* Budapest: Légrády.

Sering, Max, 1929. *Agrarrevolution und Agrarreform in Ost- und Mitteleuropa*. Berlin: Gruyter.

Simon, Attila, 2008. *Telepesek és telepesfalvak Dél-Szlovákiában a két világháború között.* Somorja: Fórum Kisebbségkutató Intézet.

Simon, Attila, 2010. *Egy rövid esztendő krónikája. A szlovákiai magyarok 1938-ban.* Somorja: Fórum Kisebbségkutató Intézet.

Simon, Attila – Kovács, Attila, 2008. „Gazdaság és nacionalizmus. Földreformok az utódállamokban". In: Bárdi, Nándor – Fedinec, Csilla – Szarka, László (ed.), *Kisebbségi magyar közösségek a 20. században*. Budapest: Gondolat Kiadó, 118–123.

Truhart, Herbert, 1931. *Völkerbund und Minderheitenpetitionen*. Wien-Leipzig.

Varga E., Árpád, 1988. „Az erdélyi magyarság főbb statisztikai adatai az 1910 utáni népszámlálások tükrében". In: Juhász, Gyula (ed.), Magyarságkutatás. Budapest: Magyarságkutató Intézet. 37–65. http://www.kia.hu/konyvtar/erdely/erdmagy.htm (Downloaded: 31.03.2017)

Varga, István, 1927. Könyvismertetések. *Közgazdasági Szemle* 51. 637–638.

Venczel, József, 1942. *Az erdélyi román földbirtokreform.* Kolozsvár: Minerva, http://adatbank.transindex.ro/html/alcim_pdf9801.pdf (Downloaded: 31.03.2017)

Vincze, Gábor, 1996. „Gazdaságpolitika vagy kisebbségpolitika? Az 1945-ös romániai földreform a Groza-kormány kisebbségpolitikájának tükrében". *Magyar Kisebbség* 2: 6. http://www.jakabffy.ro/magyarkisebbseg/index.php?action=cimek&lapid=5&cikk=m960427.html (Downloaded: 31.03.2017)

Zeidler, Miklós, 2003. "A Nemzetek Szövetsége és a magyar kisebbségi petíciók". In: Bárdi, Nándor – Fedinec, Csilla (ed.), *Etnopolitika. A közösségi, magán- és nemzetközi érdekek viszonyrendszere Közép-Európában*. Budapest: Teleki László Alapítvány. 59–83.

Holger Fischer

THE NON-AGRICULTURAL ACTIVITIES OF THE AGRICULTURAL PRODUCTION COOPERATIVES AND STATE-OWNED FARMS IN SOCIALIST HUNGARY 1967–1989[1]

Introduction

In the 1970s and 1980s Hungarian and foreign experts agreed - as they still do now - that agricultural policy was the most successful component of Hungarian economic policy.[2] Hungary's agriculture was productive: It rested on a flexible combination of state-owned and cooperative large farms, on the one hand, and household plots and auxiliary farms, on the other. Moreover, these agricultural activities characteristically demonstrated high levels of proactivity and market orientation. Hungarian agriculture not only succeeded in providing its own population with a relatively high level of foodstuffs; it was the only country belonging to the Council for Mutual Economic Assistance (COMECON) that managed to assume an important role as the sole net exporter of agricultural products. During the 1980s, agriculture's contribution had stabilised at roughly 15% of the gross national product (GDP), around 18% of the net national income (NNI), almost 20% of the workforce and approximately 20% of exports.

The decisive element in the success of Hungarian agriculture was the agricultural production cooperatives (Mezőgazdasági Termelőszövetkezet = MTSz in Hungarian). In the mid-1980s, some 60% of the rural workforce was member or employed in the MTSz, which accounted for almost 70% of gross production. State-owned farms comprised the other important element; household plots and auxiliary farms served primarily as a means of subsistence and provided the market above all with special crops such as fruit and vegetables.

Over and above purely agricultural production, the MTSz fulfilled important service-provision functions, first and foremost for the rural population, and carried out organisational and marketing tasks for household plots and auxiliary farms. From the 1960s onwards, both in conjunction with and independent of these functions, the MTSz and to a slightly lesser extent the state-owned farms developed intensive non-agricultural activity in the industrial, construction, food, retail, transport, and other service sectors. The significance of these non-agricultural

1 This article is based on my book Fischer 1989a. An extensive summary was published in Fischer 1989b. Because of the political circumstances in 1989 book and article were not subject to any discussion in Hungary at that time. That's the reason, it makes for an interesting experience to retrieve almost 30 years later from the bookshelf my almost forgotten study, in order to provide you today with an overview of its findings that relate, historically speaking, to a process that has since drawn to a close.

2 Antal 1987, 354, 357. Csizmadia & Székely 1986, 217-218.

activities for agriculture is exemplified by the following figures[3] for 1987:
Share of workforce: 37%
Share of gross production: 38.9%
Share of net production: 49.0%
Share of revenue from the sale of goods: 53.6%
Share of profits: 44.9%

In light of the significant real importance of non-agricultural activity, it is astonishing that this topic has received so little attention in the past.

In the following paper, I am going to analyse the various aspects of this non-agricultural activity in greater detail.

Party and state regulations

The foundations of state regulation of non-agricultural activity were laid with the co-operative law of 1967 (1967. évi III. sz. Termelőszövetkezeti Törvény) and the general economic reform of 1968. These initially sought above all to boost the manufacture of agricultural products and expand the range of services available to the rural population. The intentions of Party and government become apparent through both the criteria that were applied when authorising non-agricultural activity and the importance that was accorded to each criterion, as expressed by the order in the list below:

- non-agricultural activity including an organic element or continuation of the basic agricultural activity, in particular businesses processing or manufacturing agricultural products and wood
- exploitation of local raw-material resources, for example, the production of construction materials and the construction industry
- non-agricultural activity designed to improve exploitation of existing means of production, for example, carpentry, locksmith, and general repair businesses
- meeting the needs of the population for services, in particular also those of MTSz members
- securing employment for the local population
- purchasing and marketing businesses cooperating closely with state-owned businesses
- exercising of wage labour for state-owned businesses where capacity is insufficient, substitution of imports, or improvements to the structure of production.

During the 1970s and 1980s, a whole raft of hazardous decisions made by organs of the ruling Hungarian Socialist Workers' Party as well as state regulations had both a positive and, in some cases, extremely negative effect on the development of non-agricultural activity, reflecting the ambivalent relationship between Party and state on the matter of non-agricultural activity.

Whilst society had, on the whole, a largely positive attitude towards non-agricultural activity and its proponents pointed over and over again to its economic success, opponents of the practice generally advanced the following arguments:

- rejection of the link between basic agricultural activity and the largely industrial non-agricultural activity for ideological reasons
- uncontrolled growth of economic reform and danger for the development of the cooperatives

3 Definitions: Gross output: the value of production including consumption of resources and depreciation; Net output: gross output without consumption of resources and depreciation; Revenue from the sale of goods (self-explanatory); Profit: the difference between revenue and expenditure.

- extraction of qualified workers from state-owned industry
- focus of MTSz managers in the basic agricultural activity subject to distraction
- preservation of obsolete technologies through widespread use of machinery that has already been written off.

Reasons and motors for the emergence and development of non-agricultural activity

If one looks at the reasons and motors for the emergence and development of non-agricultural activity in detail, it is possible to discern several causal complexes:

- The legislative regulations of 1967/68 abolished administrative bans and restrictions, thus providing the MTSz and the state-owned farms with the opportunity to establish non-agricultural businesses. Subsequent regulations had a partly stimulating and a partly slowing effect, however, they were unable to put a definitive brake on this speedy development.
- The very strong expansion of non-agricultural activity in the second half of the 1970s went hand in hand with the process of integration and modernisation in agriculture. Modernisation led to a significant vertical and horizontal integration of large farms. Spearheading this development were the state-owned farm in Bábolna and the MTSz Vörös Csillág (Red Star) in Nádudvar. Farms were put in a position to establish the infrastructures necessary for large-scale production, improve use of local raw-material resources and products, and increase resource exploitation levels, to which end non-agricultural activity could also be effectively deployed.
- Non-agricultural businesses contributed significantly to strengthening the economic power of the MTSz and thus made it possible for farms to fulfil their mission in line with the way they understood themselves as societal organisations, that is, to ensure that the social, cultural, and educational needs of their members were met.
- Non-agricultural businesses fulfilled above all the task of making jobs available to members of the MTSz, thereby guaranteeing them both an adequate and secure income. This was particularly important in regions affected by unfavourable natural conditions, but also for the employment of women.
- Given the high concentration of industry, the construction industry and the service sector, non-agricultural businesses ensured that the population was supplied with products which, for economic reasons, large industrial enterprises did not produce. In many cases, non-agricultural activity formed a sort of "background" industry for big industry.
- Numerous non-agricultural activities emerged because the MTSz sought to liberate themselves from the strong relationship of dependency on the state-owned monopolies and to take on the task of marketing their goods themselves.
- Of crucial importance for the development of non-agricultural activity was in many cases the opportunity to greatly increase the profitability of a business and to use these profits not only to increase workers' salaries, but above all to invest in the modernisation of the basic agricultural activity and the infrastructure in rural villages and towns.

The national economic importance of non-agricultural activity

Whereas the overall economic importance of non-agricultural activity for large farms was very high and demonstrated continual growth into the 1980s, its national economic significance was, in comparison to state-owned industry, retail and the service sector, considerably less. Thus it posed no serious threat as a competitor. The non-agricultural activities of the MTSz comprised between 3% and 4% of socialist industrial output during the 1980s, and those of the state-owned farms just under 2%; so, all in all, between 5% and 6%. However, when we break these figures down into the individual sectors, we get a slightly more differentiated picture.

Table 1: Non-agricultural activity as a proportion of gross output of individual sectors, 1980

Sectors	Proportion of non-agricultural activity in		
	MTSz %	State-owned farms %	Agriculture overall %
Mechanical engineering	2.0	0.3	2.3
Wood manufacturing	36.6	4.7	41.3
Construction materials industry	1.2	0.5	1.7
Chemical industry	1.2	0.5	1.7
Food industry	8.4	7.2	15.6
Industry overall	3.8	1.9	5.7
Sources: Szabó 1984, p. 23; Papp 1985, p. 27			

In the food industry in particular, there were product areas in which non-agricultural activity played a higher-than-average role. So, for example, around 70% to 75% of egg products and fruit schnapps, 50% of wine and sparkling wine, 30% of baked goods, and around 20% of smoked small goods and sausages were produced in non-agricultural businesses.

It is also worth noting that from the very outset, non-agricultural activity in large farms demonstrated higher growth in all sectors in which non-agricultural activity was present than the corresponding state-owned businesses and the basic agricultural activity.

The importance of non-agricultural activity for the LPGs and state-owned farms

Non-agricultural activity was of considerably greater importance for the large farms themselves, as will become apparent when we analyse it in its national economic context. The data shows that by 1987 non-agricultural activity had reached a level that put it in clear competition with the basic agricultural activity.

In the following table I have collated the key data:

Table 2: Importance of non-agricultural activity in the mid-1980s

	MTSz	State-owned farms	Agriculture sector overall
Number of farms in 1987	1,262	140	1,402
Number of non-agricultural businesses in industry and the construction industry in 1987	10,057	1,181	11,238
Number of non-agricultural businesses in retail in 1987	3,475	512	3,987
Number of non-agricultural businesses per farm in 1987	11	12	11

Number of employees in non-agricultural businesses in 1985	234,000	42,000	276,000
Employees per non-agricultural business	17	25	18
Employees in non-agricultural activities as a proportion of all employees in 1985	39 %	30 %	37%
Proportion of gross output in 1987	38.2 %	40.7 %	38.9 %
Proportion of net output in 1987	48.5 %	50.7 %	49.0 %
Source: Fischer 1989			

The small-business structure:

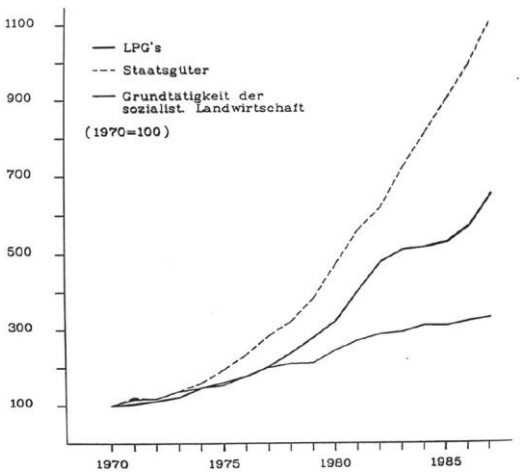
Aside from a handful of exceptions, in the 1980s Hungarian farms maintained at least one and on average between eleven and twelve non-agricultural businesses. With roughly 17 to 25 employees per business, these non-agricultural businesses demonstrated an overwhelmingly small-business structure, whereby it should be mentioned that non-agricultural businesses in retail in particular tended to employ far fewer workers. Overall, employees in the non-agricultural sector made up more than one third of all those working in the agricultural sector.

Gross and net output:

The proportion of gross output[4] stood at almost 40% of the gross output produced by agriculture overall, whereby state-owned farms achieved a significantly higher figure in comparison to their share of employees. The proportion of net output[5] stood at around 50%, that is, 10% more than the figure for gross output. Comparison of gross and net outputs shows that deployment of resources in the non-agricultural businesses was much lower than in the basic agricultural activity.

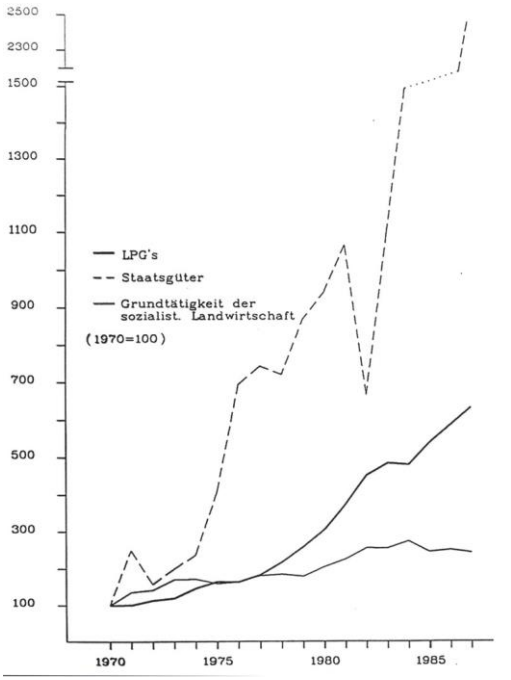
Figures 1 and 2 demonstrate impressively the growth of non-agricultural activity in the 1970s and 1980s.

Fig. 1: Growth of gross output of non-agricultural activity 1970-1987



Source: Fischer 1989, 37

Fig. 2: Growth of net output of non-agricultural activity 1970-1987



Source: Fischer 1989, 50

4 The contemporary statistical definition of gross output: gross output including consumption of resources and depreciation.

5 The contemporary statistical definition of net output was: gross output less consumption of resources and depreciation.

If we observe the distribution of MTSz in relation to their share of gross output, it is striking that around 24% of the MTSz demonstrate a value higher than the average of 40%, which means that this small group generated around 70% of the overall production achieved by non-agricultural businesses. 9% of this small group contributed between 60% and 80%, and around 2% generated 80% and above. In other words, around 30 MTSz generated over 80% of their gross output through non-agricultural activity. In these MTSz the basic agricultural activity had, in practice, been almost completely marginalised.

The structure of non-agricultural activity sectors

The following table contains relevant data for the structure of non-agricultural activity sectors.

Table 3: Structure of non-agricultural sectors in large agricultural businesses in 1987

Sector	Share of gross output in %		Share of net output in %	
	MTSz	State-owned farms	MTSz	State-owned farms
Industry	64.3	78.7	50.9	59.1
of which food industry	19.3	52.6	13.8	35.9
Construction industry	16.9	10.9	20.9	18.0
Retail	8.9	6.0	14.8	14.5
Transport	5.9	1.8	6.8	2.8
Other	4.0	2.5	6.7	5.6
Source: Fischer 1989, 61, 63, 65				

The data demonstrate clearly the phenomenal importance of industry and the construction industry, which together make up over 80% of the gross output generated by the MTSz through non-agricultural activity; the state-owned farms achieved almost 90%. In terms of development over the entire period in question since 1967, industry also exhibited the greatest dynamic. The food industry made up the largest sub-sector within industry, although there was a striking difference on this front between MTSz and state-owned farms. Whereas food production comprised less than 20% of non-agricultural activity in the MTSz, in the state-owned farms the food sub-sector accounted for well over 50% of non-agricultural activity and thus made up the most important activity. Throughout the period under observation, the construction industry continued to lose importance, a development related to the fact that as non-agricultural activity gained momentum at the end of the 1960s and early 1970s, large farms invested heavily in expanding and modernising their existing buildings, in particular in the construction of big sheds for animals.

The shares of the various other areas within the tertiary sector remained relatively constant, and these tertiary sector sub-areas were also more pronounced in the MTSz than in the state-owned farms. These figures suggest that the MTSz appeared to have been of greater importance to the local population with regards to the provision of services and, in so doing, they developed much closer relationships with rural settlements than did the state-owned farms.

The discrepancies between MTSz and state-owned farms in the figures relating to net output can be explained by the fact that the MTSz deployed far fewer resources and worked with a much lower rate of depreciation than did the state-owned farms. In other words, the MTSz made more extensive use of machinery and technologies that were both obsolete and had been long written off.

The structure of industrial non-agricultural activity

The dominance of industrial non-agricultural activity invites us to take a closer look at this area. The most important structural data concerning the MTSz are compiled in the following table.

Table 4: The structure of industrial non-agricultural activity in the MTSz in 1983

Sectors	Number of businesses		Income from sales[6]	
	absolute	%	in million forint	%
Food industry	2,482	24.1	19,427	40.3
Wood processing industry	1,823	17.7	3,232	6.7
Mining	30	0.3	65	0.1
Metallurgy	41	0.4	406	0.8
Mechanical engineering industry	2,963	28.7	13,847	28.7
Chemical industry	562	5.4	4,011	8.3
Building materials industry	716	6.9	1,394	2.9
Light industry	871	8.4	3,664	7.6
Industrial services	637	6.2	1,854	3.8
Other industries	188	1.8	320	0.7
Total for all industrial sectors	10,313	100.0	48,221	100.0
Source: Fischer 1989, 76-77				

In terms of the number of businesses, the key sectors of industrial non-agricultural activity were food, machine building and wood processing.

In the food sector, however, emphasis lay on the production of mixed- and animal-feed concentrates, meat processing (in particular pork, bacon and pork fat), poultry and egg processing, and preserving (in particular fruit juices). In the production of fruit schnapps and baked goods (breads, pastries, etc.), the non-agricultural businesses of the MTSz assumed a leading role; they were also important in wine making.

The MTSz non-agricultural activities in the wood processing industry focused largely on the production of wooden packaging, palettes, parquet flooring and simple furniture.

In the mechanical engineering and metallurgy industries, production ranged from: cast-iron wares; mass-produced metal items for industrial and commercial use, such as metal fittings and armatures, screws, containers and simple household appliances; agricultural machines, machine components and spare parts; to semiconductors for the electronics industry. The latter were manufactured, for example, by the MTSz Új Élet (New Life) in Sárisáp, County of Komárom. The MTSz were frequently under contract to supply the state-owned large industry, hence their role as background or subcontractor industry was particularly pronounced in the sector of mechanical engineering.

Using raw materials supplied by the state-owned chemical industry, chemical non-agricultural businesses produced plastic parts and products for the household, appliances and machinery, etc. as well as plastic packaging, for example, yoghurt containers.

Similarly, the light-industrial non-agricultural businesses run by the MTSz developed a characteristic production profile. For the paper industry, cardboard and packaging materials were of great importance. The MTSz Jószerencsét (Good Luck) in Kesztölc, County of Komárom, held a practical monopoly on wallpaper production in Hungary. Further important light-industrial products were home textiles, protective workwear and protective leather gloves.

The industrial service businesses housed

6 Income derived from the sale of goods.

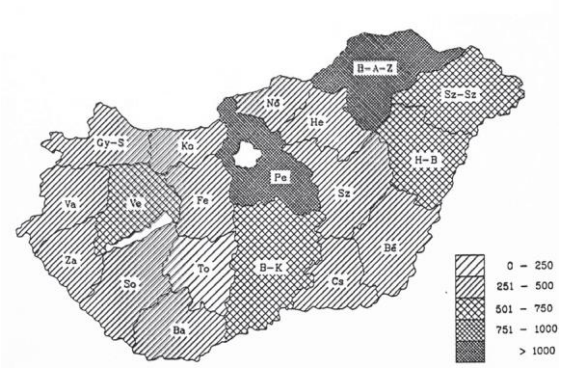
a broad range of activities, such as joineries, plumbing and other trades, repair workshops, wage-based schnapps distilleries, but also included, for example, maintenance of the pipe system in the nuclear power plant in Paks, which was carried out by over 200 members of the MTSz Alkotmány (Constitution) in Banja, County of Komárom.

Spatial structures of non-agricultural activity

Investigations into non-agricultural activity on a micro-spatial level - at county level, for example - encounter substantial problems of a statistical nature as most of the relevant data published relates to activity at state level. Nevertheless, analysing the spatial structures is of great importance because it reveals the characteristics of and differences within the spatial structural pattern of non-agricultural activity.

The following figure 3 showing the number of industrial non-agricultural businesses in 1983 demonstrates this fundamental pattern.

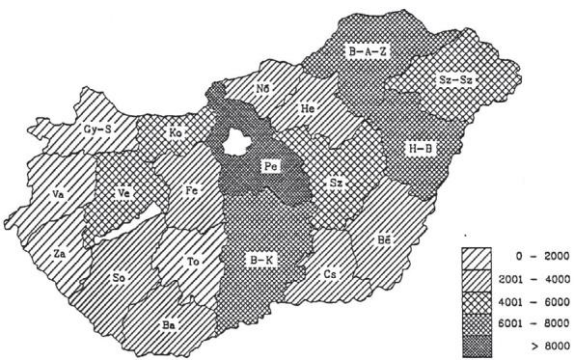
Fig. 3: Number of industrial non-agricultural businesses 1983



Source: Fischer 1989, 82

The two counties with the highest number of industrial non-agricultural businesses were the Pest and Borsod-Abaúj-Zemplén counties, followed by the Szabolcs-Szatmár, Hajdú-Bihar, Bács-Kiskun and Veszprém counties. Bringing up the rear were the counties of Tolna and Baranya. A similar pattern reveals itself when we take gross output of all non-agricultural activity in 1987 (Figure 4) as the analytical criterion. Both leading counties, Pest and Borsod-Abaúj-Zemplén, generated together over 44% of the total gross output of non-agricultural activity. This figure undergoes slight modification when we take into account the relative significance of non-agricultural activity, that is, the share of non-agricultural activity at the total gross output generated by agriculture within a county (Figure 5).

Fig. 4: Gross output of non-agricultural acitivity 1987 (Mill. Forint)



Source: Fischer 1989, 87

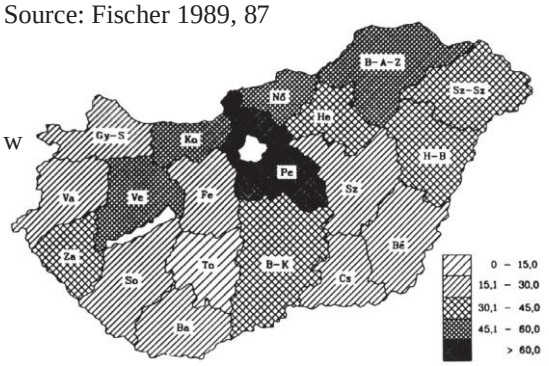
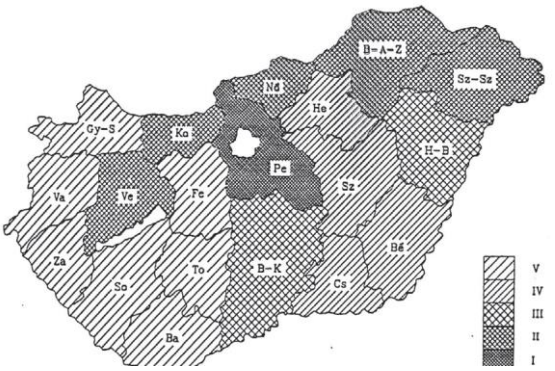


Fig. 5: Share of non-agricultural activity at the total gross output of agriculture 1987 (in %)

Source: Fischer 1989, 88

The counties of Pest and Nógrád, which in 1987 generated 69.6% and 59.6% respectively of gross output through non-agricultural activity, were the leaders, followed by the counties of Borsod-Abaúj-Zemplén, Komárom and Veszprém with 58.2%, 54.9% and 48.4% respectively. In these counties, most of which are located in the North Hungarian and Transdanubian Mountains, non-agricultural activity played a prominent role in MTSz production. The variation in the importance of non-agricultural activity between the counties is demonstrated by a comparison of Nógrád und Békés. In 1987 non-agricultural activity generated around 3,400 million forint in both counties. In the county of Békés, with its favourable natural environment and strong agriculture, this figure translated to a mere 20.6% of overall gross production. In contrast, less favourable natural conditions in the agriculturally weak Nógrád meant that non-agricultural activity accounted for 59.6% of overall gross production in the county.

If we were to continue this micro-spatial analysis of non-agricultural activity, for example, with regards to the economic sectors of industry, the construction industry and the tertiary sector, or with regards exclusively to the structure of sectors in the industrial non-agricultural businesses, we would encounter further interesting findings. Unfortunately, the scope of this paper precludes any further foray down that road. Instead I will attempt to typify the now visible spatial structures using ten different indicators, including absolute and relative importance, sector structure, and productivity of non-agricultural activity. Five types of non-agricultural activity emerge, some of which demonstrate sub-types, and their spatial distribution can be seen in the following figure 6.



Source: Fischer 1989, 136

Due to its unique position, the county of Pest comprises its own category. In almost all of the indicators used to determine type, it achieves scores well ahead of all other counties in Hungary. Non-agricultural activity in this county targeted in particular the large market provided by the capital city Budapest.

The five counties belonging to the second type (Borsod-Abaúj-Zemplén, Veszprém, Komárom, Szabolcs-Szatmár and Nógrád) are characterised by a very high absolute figure for gross production and the very high relative importance of non-agricultural activity. The sector structure demonstrated a very high proportion of industrial non-agricultural activity measuring well over 50%, a strong construction industry generating a share of between 15% and over 20%, and finally, a comparatively small tertiary sector coming in at around 30%. Overall productivity and revenue, in particular in mechanical engineering and food production, achieved top scores. In all of these five counties, agriculture suffered from unfavourable natural conditions due to the mountainous location and poor soils.

The third type includes the two counties

located in the Alföld, Bács-Kiskun and Hajdú-Bihar, whose economic structure was distinguished by highly developed agriculture. The non-agricultural activity of the MTSz in this group did reach very high levels in terms of absolute figures, even surpassing those registered by the type 2 counties. However, the relative importance of non-agricultural activity was considerably lower due to the county's well-developed basic agricultural activity. In both counties, the importance of industrial non-agricultural activity, which stood at around 30%, was demonstrably less than that of non-agricultural activity in the tertiary sector, which achieved over 60%. By far the most important industrial activity was food production, and in terms of absolute revenue from the sale of goods, these counties belonged to the leading group within the Hungarian counties overall.

The fourth type comprises the three counties in the Alföld: Csongrád, Békés and Szolnok as well as the county Heves, half of which lies in the Alföld. All counties - the county of Heves with some restrictions - have very rich soils and their economies are strongly agricultural. The absolute figure for non-agricultural activity achieved only average values, and the relative importance was more often than not below average. The sector structure was characterised by a proportionately low level of industry, sometimes less than 20%, and a proportionately large tertiary sector, which at its best achieved 70%. Within industrial non-agricultural activity, businesses in the food production industry dominated.

All seven counties making up the fifth type are located in Transdanubia: Győr-Sopron, Fejér, Vas, Zala, Somogy, Baranya and Tolna. Both overall and industrial non-agricultural activity were, in terms of their absolute sum and their relative importance, very low, and productivity also demonstrated low levels. Tolna and Baranya trailed all other Hungarian counties. All seven counties were economically speaking highly dependent on agriculture; only in the counties of Győr-Sopron and Fejér, with their highly localised industrial settlements in Győr and Székesfehérvár, did industry play a greater role. In terms of the structure of non-agricultural activity, industry assumed an only average and at times very low level. In Győr-Sopron and Fejér, by contrast, the tertiary sector was proportionately very high at almost 70%. In the three counties within this type with rich soils (Győr-Sopron, Fejér and Tolna), industrial non-agricultural activity in food production dominated, whereas in the other counties food assumed a subordinate role.

Influential factors and particular features of non-agricultural activity

The process of typifying reveals that there are close correlations between the extent of non-agricultural activity, on the one hand, and the proportion of industry as well as the prevailing natural conditions (terrain, soil quality), on the other. There were also several further factors that strongly influenced the level of non-agricultural activity in a given county. These were, for example, the proximity to Budapest, which with its two million inhabitants provided an outstanding market for products and services, as well as the opportunity to supply wage labour for the state-owned large industry in those more heavily industrialised counties.

Another factor was political support or hindrance through the Party at local and county level. In several counties, for example, Pest, Komárom, Bács-Kiskun and Veszprém, non-agricultural activity was

promoted very early on because there was awareness that the employment situation and the incomes of the MTSz members would benefit decisively, and that it would be possible to generate means for investment in the basic agricultural activity. In other counties, for example, in Zala and Szabolcs-Szatmár, there was a concerted effort well into the 1980s to limit the activities of the MTSz to the basic agricultural activity and, where applicable, to food production.

A particular feature and simultaneously an indicator for the characteristic flexibility was the fact that a large proportion of the MTSz maintained non-agricultural businesses located beyond their headquarters in other counties or in the capital Budapest. This was particularly typical of MTSz from the neighbouring county of Pest as well as from the counties Borsod-Abaúj-Zemplén and Nógrád. Of the MTSz workforce in these counties, more than 20% worked outside of the MTSz headquarters. The capital Budapest was at the centre of this supraregional interlocking construct: In 1983 some 250 MTSz maintained non-agricultural businesses in Budapest that employed around 54,000 workers. This group of workers made up around 90% of all those employed by the MTSz in locations beyond their headquarters. Of these workers, some 55% were employed in the construction industry, 23% in the service sector, 15% in industry, 3% in retail and hospitality, and a further 4% in other areas.

Problems with non-agricultural activity

Although this analysis has provided a relatively positive picture of non-agricultural activity within large farms, in particular in the MTSz, there were a number of grave problems that emerged largely during the latter half of the 1980s. One problem was the prevailing small-business structure of non-agricultural businesses, with an average of 13 employees in industry, 27 in the construction industry, and 2 in retail. Certainly, this structure offered advantages, such as speedy and flexible reaction times to changes in demand, the ability to shut down completely, and a relative degree of independence. However, the small-business structure also brought disadvantages because it led to minimal investment. In turn, these small businesses were heavily dependent upon local conditions and locally available raw materials. Often these businesses were at the mercy of large industry. The economic work collectives permitted in state-owned industry by the government in the early 1980s assumed, in part, the precise function of the industrial non-agricultural businesses of the MTSz, and thus proved problematic for the development of the non-agricultural activity of the MTSz.

Minimal investment led, in turn, to a situation whereby the initial low technological level and the obsolescence of the means of production could not be improved upon and productivity progressively decreased. There were a number of reasons for this low investment: Firstly, many non-agricultural businesses were established in order to employ excess workers who had been let off by the basic agricultural activity of the MTSz - hence the establishment of businesses with low levels of mechanisation requiring a large workforce. Secondly, profits raised were largely invested in the basic agricultural activity, which contributed to the high level of modernisation in Hungarian agriculture during the 1970s. Finally, frequent politically motivated changes to the economic, legal and administrative framework led to uncertainty, which had a negative effect on

the willingness to invest.

A further problem was the repeatedly voiced reproach that the MTSz and the state-owned farms, with their non-agricultural activities, higher wages and extra privileges, sucked industry dry of workers and thus posed a threat to production in large industry. The statistical data do not uphold this argument, for the balance of migration from industry into agriculture was extremely low; the increase in the number of employees in non-agricultural businesses was due between 80% and 90% to the shift of workers from the basic agricultural activities.

As far as further problems are concerned, in particular those of the industrial non-agricultural businesses, it is lastly necessary to point out the emerging difficulty in the supply of raw materials in the mid-1980s as well as the absence of market-research opportunities and the lack of marketing strategies, all of which combined to produce an increasingly difficult situation.

Conclusion

In my study published in 1989, I was able to deal in great detail with the perspectives for development in the area of non-agricultural activity. I judged these to be well and truly positive, on condition that the MTSz succeeded in adapting to the economic changes underway in the 1980s, that they took stock of the strengths that small-business organisation and greater flexibility afforded them, and that they withheld from activities that would necessitate large industrial technology, for the level of investment necessary to achieve the latter would have almost certainly overwhelmed the MTSz. As far as I was concerned, the future of the MTSz and their non-agricultural activity lay in seizing opportunities emerging from the new economic structures in rural regions ensuing from the efforts to concentrate industry and population. In my opinion, the MTSz were already organising and supporting household plots and auxiliary farms in the 1980s, and they were satisfying the needs of the rural population with their service businesses. The MTSz were on the road to shaping themselves as integrated village organisations that provided comprehensive services to villages in the areas of construction, retail and transport as well as cultural and social services. They were beginning to operate the type of small businesses that, on the one hand, could satisfy the needs for industrial services resulting from their own production and, on the other, would be able to forge and maintain relationships with large-scale industrial production. It is my opinion that non-agricultural activity would not have been a foreign but instead would have comprised an organic component of large-scale farming in Hungary.

The changes that came in 1989, including the privatisation of agriculture and the dissolution of the MTSz, dashed any opportunity for developing non-agricultural activity. Almost all of the non-agricultural businesses were shut down: they were history. Today we are once again thinking about diversifying agriculture and rural regions.[6] At this juncture, the functions associated back then with non-agricultural businesses once again have a role to play.

6 Cf. for example, studies by Eszter Hamza 2008 and 2011.

BIBLIOGRAPHY

"Alaptevékenységen kívüli tevékenység a mezőgazdasági termelőszövetkezetekben". 1983. *Területi Statisztik* 33: 139-147.

Antal, Endre, 1987. Land- und Forstwirtschaft. In: *Ungarn*, ed. by Klaus-Detlev Grothusen. Göttingen: Vandenhoeck & Ruprecht, 354-382 (= Südosteuropa-Handbuch 5).

Bánki, András, 1984. „Ipari tevékenység a mezőgazdaságban". *Közgazdasági Szemle* 31: 1189-1199.

Barta, Györgyi, 1986. „Az Alföld falusi ipara". *Alföldi Tanulmányok* 10: 165-186.

Barta, Györgyi & Enyedi, György, 1981. *Iparosodás és a falu átalakulása*. Budapest: Közgazdasági és Jogi Könyvkiadó (= Iparosodó mezőgazdaság).

Bora, Gyula, 1983. „Industrie und Dorf". *Osteuropa* 33: 485-492.

Csizmadia, Ernő, 1977. *Socialist Agriculture in Hungary*. Budapest: Akadémiai Kiadó.

Csizmadia, Ernő, 1984. *Az MSZMP agrárpolitikája és a magyar mezőgazdaság*. Budapest: Kossuth Könyvkiadó.

Csizmadia, Ernő & Székely, Magda, 1986. *Food Economy in Hungary*. Budapest: Akadémiai Kiadó.

Enyedi, György, 1981. Industrie in ungarischen landwirtschaftlichen Großbetrieben. In: *Industrialisierung und Urbanisierung in sozialistischen Staaten Südosteuropas*. Kallmünz/Regensburg: Verlag Michael Lassleben, 67-80. (= Südosteuropa-Studien 28 und Münchner Studien zur Sozial- und Wirtschaftsgeographie 21).

Enyedi, György, 1983. Ipar a mezőgazdasági nagyüzemekben. In: Enyedi, György: *Földrajz és társadalom. Tanulmányok.* Budapest: Magvető Kiadó, 166-193 (= Elvek és utak).

Fischer, Holger, 1989a. *Die nichtagrare Nebenbetriebstätigkeit der landwirtschaftlichen Großbetriebe – LPGs und Staatsgüter – Ungarns*. Saarbrücken: Verlag Rita Dadder (= Schriften zur Wirtschaftsgeographie und Wirtschaftsgeschichte 2).

Fischer, Holger 1989b."Die Nebenbetriebstätigkeit der Landwirtschaftlichen Produktionsgenossenschaften Ungarns". *Südost-Europa.* 38: 118-172.

Gulyás, Pál (Ed.), 1985. *Mezőgazdasági szövetkezetek Magyarországon*. Budapest: Statisztikai Kiadó.

Hamza, Eszter, 2008. *A mezőgazdasági jövedelmek kiegészítésének lehetőségei*. Budapest (= Agrárgazdasági Tanulmányok 5). [www.repo.aki.gov.hu/1442/1/at_2008_05.pdf] [13.03.2017].

Hamza, Eszter, 2011. *A diverzifikáció főbb összefüggései a mezőgazdasági vállalkozásokban*. PhD-Thesis Szent István Egyetem, Gödöllő. [www.doktori.hu/index.php?menuid=193&vid=6817 and www.szie.hu/file/tti/archivum/Hamza_Eszter_ertekezes.pdf] [13.03.2017].

MÉM-STAGEK (Ed.), 1987. *A mezőgazdasági nagyüzemek kiegészítő tevékenységének fejlődése és helyzete az 1980-as évek első felében*. Budapest: MÉM Mérnök és Vezetőtovábbképző Intézet.

MÉM-STAGEK (Ed.), 1982. *A mezőgazdasági üzemek kiegészítő tevékenységének adatai 1970-1981*. Budapest: MÉM STAGEK.

MÉM-STAGEK (Ed.), 1984. *A mezőgazdasági üzemek kiegészítő tevékenységének adatai (1975-1983*. Budapest: MÉM STAGEK.

Papp, Sándor, 1985. *A mezőgazdasági ipar: ellenfél vagy partner?* Budapest: Kossuth Könyvkiadó (= Gazdaságpolitikai füzetek).

Szabó, Károly, 1984. *Az ipari melléküzemági tevékenység fejlesztésének kérdései*. Budapest: Szövetkezeti Kutató Intézet (= Szövetkezeti Kutató Intézet Közlemények 184).

Szabóné Medgyesi, Éva, 1985. „A mezőgazdasági vállalatok nem mezőgazdasági tevékenységéről". *Statisztikai Szemle* 63: 166-178.

Varga, Gyula, 1981. „Agrarpolitik in Ungarn. Resultate und Perspektiven". *Osteuropa.* 31: 61-74.

Judit Tóth

ELIMINATING THE FARMER ELITE IN HUNGARY IN THE 1950s

Introduction

"The international situation is getting aggravated. The class struggle is sharpening. Life is not a bed of roses." These are much quoted sentences from the Hungarian motion picture *The Witness* (*A tanú*) from 1969, which has since become a classic. The film depicts the communist dictatorship, more accurately, the Rákosi-era with great suggestive power, cynicism and irony. This it exactly the reason is was banned at the time it was made and released only years later.

The following citation, however, is from a document in the archives: "…due to the current international situation the class struggle in the countryside should be intensified, and we shall take firm action against all enemies…"[1] This shows us just how insightfully the movie captured the mood of the period.

As for my own research, I first began to explore the fate of the farmers branded kulaks by examining the system of compulsory deliveries that had been the heaviest burden on farmers in the Rákosi-era.[2] Later, I devoted more attention to propaganda as I analysed articles and caricatures published in contemporary press.[3] Now I ask: who qualified as an enemy in the Hungarian countryside in the first place? Whom did the representatives of the Rákosi-regime consider enemies? Why and how did they take action against them? Furthermore, it is important to show the change in the number of this group we may call the farmer elite. Why did it decrease so drastically?

It was only after the political transition in Hungary (1989/1990) that these questions could be asked and answered in a historically truthful manner. The research of the everyday life and trials of the farmer elite branded kulaks and enemies became the centre of attention from the second half of the 1990s on. The significant publications which are relevant appeared from the 2000s on. They are comprehensive in the sense that they focus not only on administrative documents but also on documents issued by the party state and which had become available for research in the meantime. Even though somewhat different in their approach, their common goal is to present a synthesis of the history of the persecution of the kulaks in Hungary.[4]

A resolution brought by the Hungarian parliament in March 2012 to make 29th of June (name day of Peter and Paul[5] a day com-

1 National Archives of Hungary Pest County Archives (MNL PML) XXIII. 3-c/7. The documents of the Secretariat for the Executive Committee of Pest County. Miscellaneous documents. Report on the state of the social list. 13th February 1952.

2 Tóth 2011.

3 Tóth 2018.

4 Kávási 1991; Nagy 2014.

5 According to folk tradition, this day marks the beginning of the harvest which was a holiday in rural society.

memorating the persecution of the kulaks[6]) gave the research additional momentum. Local commemorations and inaugurations of memorial tablets contribute significantly to keeping micro-level approaches relevant and noticed.

Kulaks as enemies

Following the Second World War, like in other countries in the Easter-Central European bloc, the system which was established in Hungary was subordinated to Soviet interests. The new political, economic and social structure that disregarded the country's special characteristics and traditions in favour of the foreign power, was realized under Mátyás Rákosi, nicknamed Stalin's best (Hungarian) disciple. The exclusive political power of Rákosi, complete with a personality cult, became indisputable following the establishment of a totalitarian one-party system as well as a ruthless expulsion of political adversaries and the former elite by the late 1940s.[7]

Due to its special characteristics, the fight against the enemy became an integral and constant element of the regime. There were several reasons for this but the pivotal one was the following. The primary goal, defined as the basis of the new economic structure, was the forced industrialisation of the country following the Soviet model, and simultaneously, the elimination of private property. The representatives of power considered anyone who might stand in the way of this policy an enemy. This meant all citizens with private property or any kind of own enterprise.

The Soviet model was the pattern to follow not only in the industrial sector, but also in agriculture. Collectivisation was considered a priority which made conditions impossible for individual farms. The land reform in Hungary, implemented in 1945, had abolished the system of big farms. Kulaks, actually owners of medium-sized land, became the group with the largest areas of land and pursuing individual farming. All farmers with a land area larger than 14,25 hectares or 350 golden crowns, were labelled kulaks. They were the so-called farmer elite, not only due to their expertise but also because of the important part they played in the life of local communities.

The word 'kulak' originally comes from the Russian. In Hungary, however, kulaks were also called big farmers or wealthy peasants. The party state regarded kulaks as the last remnants of an exploiting capitalist system and, therefore, a major obstacle in the building of socialism and collectivization of agriculture.

All of this explains why the communist regime proclaimed this entire social group an enemy and why it did everything possible to restrict farmers they had branded kulaks and make their life difficult. As a priority of the political power, elite farmers had to be registered on the so called kulak -lists. From the system's perspective, however, it was essential to keep the number of enemies at a constant level, and in fact, to increase their number. In order to do so, they added such people to the list who, beside their economic power, were socially influential or perhaps, due to the office they had held in the previous Horthy era, were considered part of the countryside elite. In the following section it is important to discuss on what grounds, and according to which characteristics people were stigmatized and registered on these lists.

6 23/2012. (III. 28.) Resolution of the Hungarian National Assembly.

7 For literature on Mátyás Rákosi, see: Pünkösti 1996. Compare: Rákosi 2002.

The kulak lists

One of the reasons why the government put so much effort in assessing the true economic output of the farmers branded kulaks, was taxation. With the application of progressive taxation, farmers branded kulaks were forced to endure larger tax burdens. The forceful industrialization in Hungary had been mainly based on revenues taken from the agricultural sector. The most common form of revenue within the framework of planned economy was named compulsory delivery of produce. This obligation was also the heaviest burden put on peasants at the time.[8]

Farmers who had been branded kulaks were subjected to a significantly greater amount of delivery than others. One of the additional burdens was the so-called agricultural developmental contribution to be paid from 1948 on[9]. Following a modification in 1949, this fee, also named 'kulak tax', had to be paid by all landowners with an area larger than 14,25 hectares, or land exceeding in value 350 golden crowns. Actually, this was also the definition of the social category for registered kulaks. Since truck farms, orchards and vineyards were counted with a multiplier of 4 and 5, farmers with relatively small areas of them were also branded kulaks. According to this regulation, at the turn of 1948/1949, some 65,000 farmers had been added to the list of kulaks.

Registry list of kulaks were collected locally in each town. It was the task of local councils to list farmers considered kulaks under the new regulations. Lists of this kind were collected several times by the first half of the 1950s.[10] Farmers on the list could not be erased from it even if they had found some way to get rid of their land. Once branded a kulak, they could never free themselves from it.

The number of farmers registered as kulaks was gradually declining. The main reason was that they were compelled to get rid of their land under immense pressure: they offered their land either to the state or to the local agricultural cooperative. The representatives of the party state, however, could not tolerate the dwindling number of the enemy. They extended the list of kulaks by including new aspects in the definition of a kulak. These were provided by Rákosi himself in a speech held at the II. Congress of the MDP (Magyar Dolgozók Pártja, in English: Hungarian Workers' Party):

> "The real power of the kulaks is far greater than what is indicated by mere figures. Kulaks, for instance, with a land of 15 to 24 acres (approximately 9-14 hectares), who own pubs, shops, threshing machines, tractors or other companies, kulaks who are

8 For further details on the system of compulsory delivery in Hungary, see: Erdmann 1992; Szabó, Virágh 1984. The system of compulsory delivery ws abolished as a result of the events of the revolution in 1956 (October 30th 1956). The subsequent government led by Kádár did not revoke this provision either, but in fact, ratified it in statutory rule No 21, announced on 12th November 1956. For a more detailed analysis, see: Papp 2002.

9 The payment of agricultural developmental contribution was regulated by edict No 7090/1948, announced on 27th June 1948.

10 These lists have not yet been thoroughly investigated and analysed by Hungarian historians to this very day. This is also why there is no consensus in Hungarian research as to the exact number of people registered as kulaks. Compare Hantó 2010; Nagy 2009; Valuch 2001; Varga 2006. Getting the data right and establishing the exact number of individuals registered as kulaks is only possible by thorough exploration of relevant archival sources. The author of the present study considers an essential task for the near future setting up a team to examine and review archival sources in order to create a detailed database containing (possibly) all people concerned and important data on them.

> engaged in shady trade manipulations and speculations, do not appear in our statistics. They can number in the tens of thousands, and including already registered kulaks, their number amounts to more than a hundred thousand families."[11]

Beside kulaks defined by the area and value of their land, a further group the state considered an enemy were individuals engaged in all kinds of self-subsistent activity. All of this appropriately summarised by a member of the MDP committee of Pest County. In a comment, he said: "…a kulak is not only defined by how large area of land he owns but also by what means he makes a living."[12] Therefore, people who owned a threshing machine, a mill, a pot-house or were engaged in any kind of business, were considered kulaks. This led to the expressions 'industrial kulak' and 'business kulak'. Farmers hiring hand were also regarded as kulaks, since this activity was deemed exploitative. It was not only property, however, that could cause someone to be registered as a kulak, but also certain positions held in the previous political system. This is how one-time officials, military officers or even their widows could be listed. They were named 'lordly kulaks'. There had been certain individuals, however, who fit none of the above mentioned categories but were still considered enemies of the state. They were simply made to appear as individuals of 'hostile behaviour' and hence, put on the kulak list. After having defined the farmer elite that is an integral part of the rural elite, it is important to take a look at the tools the party state used to break this social group.

11 Report and End Notes at the 2nd Congress of the Hungarian Workers' Party. in: Rákosi 1951.

12 MNL PML XXXV. 1. The documents of the Hungarian Workers' Party Committee of Pest County. 19th July 1951.

Breaking the farmer elite

"We shall lean on poor peasants, fight the kulaks and join forces with the middle peasant class"– said the so-called triple slogan formulated by Lenin that served as the basis of the peasant policy of the Rákosi-era. Among these, the fight against farmers branded kulaks was particularly highlighted. One of the reasons why this was of special importance was that this social group had not only been a driving economic force but also played a significant role in the social organization of a certain kind of community. State power aimed at the restriction of the group of peasants engaged in individual farming, making it impossible, and ultimately, by disorganising the entire rural society. For this purpose, they had a wide variety of political and power tools at their disposal.

First, there were the penalties and other punitive measures for non-fulfilment of compulsory delivery. Peasants were obliged to provide ever-growing deliveries according to the amount of their crop and certain products on time[13]. In case they did not succeed, they were subject to a number of sanctions including increasing the amount of delivery, paying compensations and fines. What followed these measures were so-called on-the-spot penalties, which were publicly known as requisitions, or 'sweeping the attics'. Members of the penalty committees often arrived at the farms accompanied by police or state security officials. In many cases, the homes were completely rummaged from the cellar up to the attic, in a search for hidden stocks. Generally, all other moveable assets beside

13 The amount of crop and products to be delivered grew year by year. In the beginning, it involved bread crops only, from 1949 they also included forage. From the next year on, peasants had to deliver potatoes, onions, while from 1951 on, beef cattle, poultry, eggs, milk and wine. Erdmann 1992, 87–116.

the deliveries were confiscated. The first targets of these financial sanctions were always farmers who had been branded kulaks.[14]

Imposing compensations and fines as well as 'sweeping the attics', however, were only the first steps. Farmers who failed to deliver the required amount of crops were brought to trial for jeopardising public food supply. It was easy to find pretexts that could be used to take legal action against farmers for public supply offenses. The most common charge was failure of compulsory delivery, but there were also sentences for delivering weevil-eaten grain, illegal slaughter of fat stock, hiding or stacking up products. Some farmers were blamed for harvesting under-ripe crops, too big grain loss or ploughing their ground too shallow out of malice pretension. Farmers not accomplishing their work on time – like tilling or sowing their land according to strict regulations – were also brought to trial. Sentences for farmers usually involved shorter or longer imprisonments beside penalties ranging from a few hundred forints fine to a full confiscation of their property. An important aspect in the severity of the sentence of a farmer in many cases was that a local agricultural cooperative was in need of his particular part of land. The courts were required to produce sentences that were in line with the peasant policy of the MDP. The jurisdictional practice in Hungary in the 1950s was characterized by the dominance of class-based justice. Judges were required to adequately determine the defendant's class status, since "neither the offense, nor the due punishment may be correctly judged without the sufficient knowledge of class status", they believed.[15] In reality it meant imposing different sentences on farmers branded kulaks than on small or middle-class peasants.[16]

The defendants who had been branded class enemies were imposed various punishments in the lawsuits concerning public supply. Beside imprisonment, confiscation of property was deemed most effective which was applied as a subsidiary punishment. This was often more important than the main punishment and its frequent application indicates that this had been the true purpose of the proceedings. In these cases, there was a close connection between the reason for launching the proceedings and ordering the confiscation of property. This means that the state's actual purpose had been to obtain the real estate or other property through the method of criminal proceedings. Confiscation was in some cases limited to a certain amount but in others it involved all property of the defendant. This was often the case with farmers branded as kulaks whom the state intended to put in dire straits. This also led to a very difficult situation of their families.[17]

Moreover, there were internments. Many farmers were deported to the Hortobágy and state farms in Tiszántúl, the eastern part of the country. They were forced to work in one of the twelve closed camps. Kulaks who had been relocated from their original homes were kept under police supervision in farm buildings and barracks.[18] Between 1951 and 1956, a number of young men ready to be enlisted in the army were forced to do labour service at construction sites, mines and large building projects due to their kulak family relations.[19]

Beside courtroom sentences, imprisonme-

14 See more in detail in: Závada 2006; Tóth 2011.

15 MNL PML XXV. 1-a-2. Documents from Pest County Court. Presidential papers. Confidential papers 1949–1954.1951/82/24/26. June 19th, 1951.

16 See more in detail in Balogh, Habuda, Markó, Svéd, Szakács, Zinner 1991; Kahler 1999.

17 Kahler 1993, 192.

18 Füzes 2002.

19 Kocsis, Nagy 1995.

nts and other sanctions, various tools of propaganda were ready for use to keep the peasantry under a constant threat, considering that there were regularly articles published concerning them in party newspapers and they were regularly ridiculed in the famous contemporary caricature magazine *Ludas Matyi*.

The MDP, in achieving its political objectives, laid a great emphasis on agitation and propaganda activity.[20] To use contemporary language, political information was actually aimed at letting people know about decisions made by the party and the government and in fact, convince them of their fairness. This activity was primarily carried out by official educators working in the local party organizations. The promotion of collectivization was considered priority in the propaganda in the countryside. Official educators also encouraged farmers to complete their agricultural work as quickly as they could, to comply with compulsory deliveries and to join working competitions. This propaganda work, however, had to be coupled with a further priority, namely, mobilizing against the enemy. Propagandists, functioning as the mouthpiece of the representatives of the regime, had to argue that certain tasks could only be achieved through a consistent fight against kulaks.[21] Educators – acting on orders from above – had to point out that kulaks were enemies of the state and that therefore it was essential to incite "strong class hatred" against them and mobilize smallholders and middle peasants to "the fight against kulaks". [22]

Furthermore, the propagandists aimed at dividing the peasantry and inciting hatred, and they applied a number of methods to discredit and deride kulaks. The so-called drumming[23] became a common practice in villages. In busier places, following a shorter or longer drum beat, they announced useful information like the time the market opens or where one could have one's dog vaccinated. They used this opportunity, however, to announce the names of people who had been convicted for failing their compulsory deliveries. The penalties inflicted were also read aloud, which clearly served the purpose of arousing fear. They wanted to make clear what people could expect if they rebelled against the system. A further practice aimed at deterrence and showing an example was putting photographs of farmers exposed of crimes into shop windows or have their names put out on the shame-table of the village. It was, however, the press that was widely considered to be the most efficient tool in anti-kulak propaganda.

Parallel to the closing of national events and following the same pattern, the daily and weekly newspapers of other parties were abolished one by one. Consequently, by the summer of 1950, only newspapers of the MDP remained in circulation in every

20 For this purpose, the Department of Village Propaganda was established within the ranks of the Department of Agitation and Propaganda. National Archives of Hungary (MNL OL) M-KS 276. f. 89. cs. 176. ő. e. Work plan of the Department of Village Propaganda. 19th July 1950.

21 „Organizations and individuals engaged in informing the public of delivery regulations must be made to understand that these regulations can only be successfully implemented within the framework of a fight against kulaks and other adverse elements." MNL OL M-KS 276. f. 55. cs. Documents of the Organizational Committee of the MDP. (1948–1953) 163. ő. e. Motion of the Department of Agitation and Propaganda on the propaganda work concerning the state delivery regulation. 7th April 1951.

22 MNL OL M-KS 276. f. 89. cs. 178. ő. e. Minutes of the meeting held by the Department of Agitation and Propaganda. 2nd February 1951.

23 In the village archives concerning this period, the so-called drum books had been preserved. These books contain the passages read aloud during the drummings. See in detail in: Gaálné Barcs 2010.

county. The structure of the press of the regime was complete.[24]

Certainly, there had been no political differences between central and county newspapers. The task of local newspapers was to present national party policy through local issues and examples. Party newspapers, every single copy of them, were regarded as tools of political and economic-political propaganda that served, in the words of Lenin, as "collective agitators". The regime expected that the newspapers should "transmit party policy through their articles {…} to the working masses, to promote production and efficiently confront reactionaries".[25]

As early as from July 1948 on, central and local party newspapers issued articles on the failures and harmful activities of kulaks, at the time usually called large farmers.[26] These kinds of articles did not just describe a single incident but also published the name of the perpetrator and the penalty inflicted. In these cases, journalists used police reports and excerpts from court decisions. In addition to humiliating the victim, such articles clearly served the purpose of deterrence and spreading fear. As a further common form of humiliation, kulaks were derided and depicted in caricatures with overdrawn features in the party newspaper *Szabad Nép* or *Ludas Matyi*, a popular caricature magazine.[27]

The sanctions, the tools of retaliation and terror were integral parts of rural life in Hungary between 1948 and 1952. These phenomena as well as the dictatorship itself reached a peak in the year 1952. In that year was the 60th birthday of Rákosi, which also brought about the height of the personality cult. Simultaneously, the rural population of Hungary faced an everyday struggle to make a living. At the turn of 1952–1953, some 800,000 farmers, more than two thirds of the entire stratum, did not have the seed corn or the ration of corn available that was necessary for the coming year.

Many farmers experienced illegal and cruel actions against the peasant class firsthand. These atrocities reached a peak during the winter of 1952–1953, when most of the so-called attic sweeps took place. By this time, the amount of debt per acre on kulak farms had reached 1,431 Forints, equivalent to the entire annual yield of the area.[28]

Between 1949 and 1953, the expenses of farmers tripled. Escape from landed property, became ever more massive. As a result, farmers left or handed over to the state an estimated area of 1.5 million acres of arable land. Farmers quitting the agricultural sector numbered around 300,000.[29] At the time of this untenable situation, in the spring and perhaps even more, in the summer of 1953, there was a flash of hope for farmers and the entire country as well.

24 MNL OL M-KS 276. f. 89. cs. 213. ő. e. Motion on the establishment of independent county daily newspapers and the abolition of smallholders' newspapers. 14th June 1950. See more in detail: Tóth 2009.

25 MNL OL M-KS 276. f. 89. cs. 213. ő. e. Motion on the establishment of independent county daily newspapers and the abolition of smallholders' newspapers. 10th June 1950.

26 "Exploitators of the villages against the bread of the country, The alertness of working peasants exposes the sabotage of the kulaks, Criminal proceedings started against kulaks committing sabotage, The people's fist hits the murderous gang of kulaks, Members of the murderous, anti-democratic kulak gang before a martial court." (Headlines from the party newspaper *Szabad Nép*).

27 See more in detail: Tóth 2016.

28 Honvári 1996, 549.

29 Pető & Szakács 1985, 182.

"Once a kulak, always a kulak"

Similarly to the Soviet Union, Stalin's death meant a turning point also in other countries of the socialist camp. In Hungary, Imre Nagy became prime minister some months later, in July 1953.[30] Simultaneously, the so-called June resolution abolished kulak lists.[31] This regulation eased the tension among farmers branded kulaks, their persecution, however, was not over. As a result of the turn in political life, Rákosi became less dominant, his political impact nevertheless, remained significant. In spite of the June resolution and soon after it had been passed, Rákosi's saying that a kulak remains a kulak even without the list, became a doctrine to be followed in the actual agricultural policy.[32] What did all this actually mean regarding the Hungarian farmer elite? The true purpose of the kulak lists was to enable the everyday harassment of farmers. The resolution in June to abolish kulak lists could have brought the promise of a more hopeful and peaceful period ahead. The already cited speech made by Rákosi, however, made it absolutely clear that behind the political scenes there had been significant differences of opinion concerning the fate of the farmer elite.

Following such a difficult period as the winter of 1952–1953, it became obvious that in order to boost agricultural production the government had to make concessions. To this end, the June resolution contained several promises that sounded beneficial for both the agricultural sector and the rural society. They included a guideline regarding the moderation of forced delivery. It also sought to cancel compensations to be paid for the non-fulfilment of forced delivery, which affected a great number of farmers. Furthermore, it allowed members to leave agricultural cooperatives and abolished the closed camps where many farmers branded kulaks were deported.

However, all these measures signalling a positive tendency failed to bring about the fundamental, decisive turn that could have significantly changed the fate of farmers branded kulaks. The June resolution ordered the cancellation of kulak lists as well as ending their harassment. Nevertheless, the party added that all this must be carried out by upholding a "policy of restriction and isolation of kulaks".[33]All this would have in fact meant that kulaks belonging to the farmer elite, once branded exploiters, were still considered public enemies.

Following the June resolution, the party leadership came back several times to the discussion of the "kulak issue". In these discussions, they stated:

> "In the last several years, the number and the territory of kulak farms has significantly decreased, since, due to restrictive measures, a great number of kulaks offered parts of their landed property or all of it to the state".[34]

30 Imre Nagy (1898–1958) had been a significant political figure in Hungary long before becoming the prime minister of the revolution in 1956, actually from 1945 on. He was minister of agriculture in the period of the redistribution of landed property following the Second World War. Later, from 1950 on, he was a leading figure of the Ministry for Food Supply supervising compulsory delivery and later of the Ministry for Delivery. He became prime minister on 4th July 1953 but was gradually cut out of political life from the spring of 1955 on. His return and second appointment to prime minister was made possible by the revolution in 1956. See more in detail in: Rainer, 1996–1999,

31 Izsák 1998, 188–193.

32 Speech delivered by Mátyás Rákosi at a party meeting in Budapest on 11th July 1953. In: Rákosi 1955. http://mek.oszk.hu/01900/01937/html/szerviz/dokument/rakosis0.htm

33 Resolutions of the MDP. 238.

34 MNL OL M-KS 276. f. 53. cs.

What does it actually look like in numbers? At the time of the first kulak lists and the introduction of agricultural developmental fees, in 1948, there had been about 66,000-67,000 farmers who would qualify as kulaks due to the area of the landed property they owned. This group fit the so-called 'kulak limit', i.e. they owned 14.25 acres of land or more or land with a value greater than 350 golden crowns. As soon as the atrocities against them started, their number started to dwindle. Hence, the number of farmers registered as kulaks due to their area of landed property decreased from 63,300 in 1949 to 50,000 in 1950, and from that to 46,500 in January of 1951 and finally to 36,000 in September 1951. A memo drafted for the Political Committee following the June resolution indicates that, by the summer of 1953, there were no more than 13,447 farmers labelled as kulaks. We must add, however, that by this period, a total of more than 70,000 people were registered on the kulak lists.[35] This indicates which different roles the lists actually played than the one officially declared by the communist leadership. Instead of being a registry of farmers with a certain area of landed property for taxational reasons, it served the clear purpose of collecting information on the rural class enemies and discriminating them.

As indicated by the figures above, the communist leadership had achieved its goal – as an obvious and inherent part of their policy restricting the kulaks, the number of kulak farms had significantly dropped. Furthermore, as referred to in the June resolution, this included in many cases illegal measures. As a result, the policy of restriction was "gradually replaced by the policy of elimination".[36]

The memo of August 1953 mentioned earlier contained a further interesting part. This section said that, due to the diminishing economic power of the kulaks as well as the struggles of party and state organizations, the political impact of kulaks has significantly decreased, their influence was hardly perceptible among small- and medium-sized landowners. Nevertheless, the party leaders explicitly reminded party institutions to "show increased alertness to kulaks owning small areas of land or no farmsteads at all".[37]All this shows us clearly that even though kulak lists had been abolished, the category of kulak remained. In fact, they were still considered a social group to be watched closely, i.e. an enemy.

We must mention, however, that the definition of kulak itself had changed. From January 1954 on, a kulak was a farmer whose landed property exceeded 14,25 acres and 350 golden crowns, or, a farmer who, even with a smaller area of land was the employer of one or more agricultural workers.[38] It is important to mention that belonging to the above-mentioned category only meant that this group was obliged to pay an agricultural developmental fee. The party leaders added: "[…] the institutions of the party and the councils must, however, make a political distinction regarding former large farmers, exploiters, who are still to be considered kulaks." They emphasized that "the modifications in the restrictive measures and the

Documents of the Political Committee of the MDP (Hungarian Workers' Party).154. ő. e. 30th December 1953.

35 MNL OL 276. f. 53. cs. 134. ő. e. 2nd September 1953.

36 Resolutions of the MDP. 188–193.

37 MNL OL M-KS 276. f. 53. cs. 154. ő. e. 30th December 1953.

38 MNL OL M-KS 276. f. 53. cs. 154. ő. e. 30th December 1953. It is important to add that the former policy of the so-called up-multiplier was cancelled. This meant that areas of vineyards, gardens orchards could not be counted with a multiplier anymore.

abolishment of the kulak lists do not mean the end of the fight against kulaks".[39] A great indication of what all this meant in practice is a guideline by Miklós Pálosi, the executive of the Office for Agricultural Delivery in Pest county:

> "Those kulaks, who currently own no land or employ no agricultural workers must be charged with a fee equal to other individual farmers. A farmer, for example, who used to own a landed property of 50 acres but now only owns 3 acres, shall pay the peasant tax. This, however, must not mislead the state administration. From a political point of view, this resolution entails other requirements. The class struggle must not calm down regarding kulaks. This is a real danger."[40]

All this proves that once branded a kulak, 'kulak' people were not able to get rid of the discrimination it involved even after June 1953. Nevertheless, it is also true that the drastic level of discrimination of the period between 1948 and 1953 was over. Harassment of kulaks became rare, the number of trials dropped as well as the number of newspaper articles and caricatures on kulaks. The short period of eased tension connected to Imre Nagy's policy was soon followed by a restoration because of a further change of policy in the Soviet Union. The restoration was marked by the return of Rákosi and the strengthening of his position. Consequently, the anti-kulak campaign regained momentum.

Conclusion

Historiography in Hungary has not yet discussed the constant observation and intimidation of farmers who had been branded kulaks after the revolution in 1956 and the fall of the Rákosi-regime. Order No. 57, issued on the 27th of November 1957 by the Ministry of the Interior contains instructions regarding the political investigative duties of the internal security organizations. They include the need to register, beside ex-aristocrats and capitalists, kulaks. Instructions were necessary to the new political leadership led by János Kádár since it intended another large-scale reorganisation of agriculture in order to complete collectivisation, which had not been fully carried out in the Rákosi-regime.

As we can see, the discrimination against the group branded kulaks did not end with the Rákosi-era. Those once considered enemies were treated with a similar distrust by the new Kádár-regime. We must add that the farmers could only be regarded as kulaks due to the labels attached to them. It is clear that, as a result of the processes outlined in my study, the area of landed property owned by these farmers had shrunk significantly. Their enemy status, however, had not changed. In fact, it lived on and its detrimental effect influenced even the lives of the descendants of farmers branded kulaks.

39 MNL OL M-KS 276. f. 53. cs. 154. ő. e. 30th December 1953.

40 MNL PML XXIII. 2. Records of the sessions of the Executive Committee of Pest County. Vol 27. 13th January 1954.

BIBLIOGRPAHY

Archival Sources

MNL OL M-KS 276. f. 89. cs. 213. ő. e. Motion on the establishment of independent county daily newspapers and the termination of smallholders' newspapers. 10th June 1950.

MNL OL M-KS 276. f. 89. cs. 213. ő. e

MNL OL M-KS 276. f. 53. cs. Documents of the Political Committee of the MDP (Hungarian Workers' Party).154. ő. e. 30th December 1953.

MNL OL 276. f. 53. cs. 134. ő. e. 2nd September 1953.

MNL PML XXXV. 1. The documents of the Hungarian Workers' Party Committee of Pest County. 19th July 1951.

MNL OL M-KS 276. f. 53. cs. 154. ő. e. 30th December 1953.

MNL OL M-KS 276. f. 53. cs. 154. ő. e.

MNL OL M-KS 276. f. 53. cs. 154. ő. e. 30th December 1953.

MNL OL M-KS 276. f. 89. cs. 176. ő. e. Work plan of the Department of Village Propaganda. 19th July 1950.

MNL OL M-KS 276. f. 55. cs. Documents of the Organizational Committee of the MDP. (1948–1953) 163. ő. e.

MNL OL M-KS 276. f. 89. cs. 178. ő. e. Minutes of the meeting held by the Department of Agitation and Propaganda. 2nd February 1951.

MNL PML XXXV. 1. The documents of the Hungarian Workers' Party Committee of Pest County. 19th July 1951.

MNL PML XXV. 1-a-2. Documents from Pest County Court. Presidential papers. Confidential papers 1949–1954.1951/82/24/26. June 19th, 1951.

MNL PML XXIII. 2. Records of the sessions of the Executive Committee of Pest County. Vol 27. 13th January 1954.

Research Literature

Balogh, Margit; Habuda, Miklós; Markó, György; Svéd, László; Szakács, Sándor; Zinner, Tibor, 1991. *Törvénytelen szocializmus*. A Tényfeltáró Bizottság jelentése. Budapest: Zrínyi Kiadó, Új Magyarország.

Erdmann, Gyula 1992. Begyűjtés, beszolgáltatás Magya*rországon*. Békéscsaba: Tevan.

Füzes, Miklós (ed.), 2002. *Kitaszítottak.* Dokumentumok a hortobágyi zárt táborokból 1950–1960. Budapest: Alterra, Svájci–Magyar Kiadó Kft.

Gaálné Barcs, Eszter, 2010. "1945 utáni dobolási könyvek Pest megyéből". *Levéltári Szemle* 4, 29-40.

Hantó, Zsuzsa, 2010. "Kulákok. Megkülönböztetés, megtörés, megsemmisítés". *Rubicon* 9, 44-57.

Honvári, János (ed.), 1996. *Magyarország gazdaságtörténete a honfoglalástól a 20. század közepéig*. Budapest: Aula.

Izsák, Lajos (ed.), 1998. A *Magyar Dolgozók Pártjának határozatai 1948–1956*. Budapest: Napvilág,

Kahler, Frigyes, 1991. Szemtől szembe a múlttal. Válogatott írások. Budapest: Kairosz.

Kahler Frigyes, 1993. *Joghalál Magyarországon 1945–1989.* Budapest: Zrínyi Kiadó.

Kávási, Klára, 1991. *Kulak List*. Budapest: Agora Könyv- és Lapkiadó.

Kocsis, Gyula & Nagy, Varga Vera, 1995. *Alkalmazkodás, ellenállás, mobilitás*. Cegléd: Ceglédi Füzetek.

Nagy, József, 2009. *A paraszti társadalom felbomlásának kezdetei 1945–1956*. Budapest: Napvilág.

Nagy, Netta, 2014. *From the World of Exchange to Sweeping the Attics. Everyday Life in the Countryside in the Years of Compulsory Delivery*. Budapest: Magyar Néprajzi Társaság.

Papp, István, 2002. "A Begyűjtési Minisztérium az 1956-os forradalom idején és a begyűjtési rendszer felszámolása 1956–57-ben". *Századok* 1, 31-56.

Pető, Iván, Szakács Sándor, 1985. *A hazai gazdaság négy évtizedének története 1945–1985. I. Az újjáépítés és a tervutasításos irányítás időszaka 1945–1968. Budapest*: Közgazdasági és Jogi Könyvkiadó.

Pünkösti, Árpád, 1996. *Rákosi a csúcson 1948–1953.* Budapest: Európa.

Rainer M., János, 1996-1999. *Nagy Imre. Politikai életrajz I–II*. Budapest: 1956-os Intézet.

Rákosi, Mátyás, 1951. *A békéért és a szocializmus építéséért*. Budapest: Szikra.

Rákosi, Mátyás, 1955. *Válogatott beszédek és cikkek.* Budapest: Szikra.

Rákosi, Mátyás, 2002. *Visszaemlékezések I-II.* Ed. Sipos, Levente. Budapest: Napvilág.

Szabó, Károly; Virágh, László, 1984. *"A begyűjtés klasszikus* formája Magyarországon (1950–1953". *Medvetánc* 2–3.

Tóth, Judit, 2009. "Az állampárti sajtóstruktúra kiépítése Pest megyében". In: Halász, Csilla & Tóth, Judit (ed.) *Tanulmányok Pest megye múltjából III*. Budapest: Pest Megyei Levéltár, 181-203.

Tóth, Judit, 2011. *Padlássöprések kora. A beszolgáltatás Pest megyében.* Budapest: Pest Megye Monográfia Közalapítvány.

Tóth, Judit, 2016. "Kulaks in political cartoons of the Rákosi-era". In: Sorin, Radu & Cosmin Bundeanca (ed.). *Countryside and Communism in Eastern Europe. Perceptions, Attitudes, Propaganda*. Berlin: LIT Verlag, 637–655.

Tóth, Judit, 2018. *Anti-kulak Propaganda in Pest County National Daily*. (In press)

Valuch, Tibor, 2001. *Magyarország társadalomtörténete a XX. század második felében.* Budapest: Osiris.

Varga, Zsuzsanna, 2006. "A falusi társadalom feszültséggócai az 1950-es évek közepén". *Múltunk* 4, 223-239.

Závada, Pál, 2006. *Kulákprés*. Budapest: Magvető.

Erkki Laitinen

RESETTLEMENT MEASURES IN FINLAND FOLLOWING THE SECOND WORLD WAR

Rapid resettlement of evacuees after the Winter War as a prelude

The Second World War broke out on 1.9.1939, just a week after Germany and the Soviet Union had entered into the so-called Ribbentrop Pact. Its secret supplementary protocol included an agreement on the two country's spheres of influence, according to which Finland belonged to the Soviet Union's sphere of influence together with the Baltic states. On 5.10.1939 the Soviet Union invited the Finnish delegation to Moscow to negotiate on "concrete political questions". These turned out to be territorial demands affecting the Karelian Isthmus, islands in the Gulf of Finland and Petsamo, as well as the leasing of a military base at Hanko. Finland was prepared to make only small territorial concessions. When these failed to satisfy the Soviet Union, it declared war on Finland on 30.11.1939.[1]

The war, dubbed the Winter War, lasted three and a half months. Finland fought with dogged determination but was forced to retreat in the face of superior numbers. Peace was concluded on 13.3.1940, with Finland having to cede to the Soviet Union the Karelian Isthmus, Ladoga Karelia, islands in the Gulf of Finland and parts of Kuusamo and Salla, as well as leasing the Hanko headland to the Soviet Union as a military base (see: map 1**).**

1 Zetterberg 1989, 14–27.

Map 1. In the peace agreement following the Winter War, Finland ceded to the Soviet Union the Karelian Isthmus, Ladoga Karelia, parts of Salla and Kuusamo as well as islands in the Gulf of Finland. In addition to these areas, Petsamo was lost in the Continuation War peace agreement.

Finland initiated the evacuation of the civilian population from the border towns and villages on the Karelian Isthmus already before the war. During the war evacuations were continued, and with the peace settlement

the population of the entire ceded area was to be cleared. The total number of people to be relocated was 420,000, or 11 percent of Finland's population. Of this number, 410,000 were Karelians and the remaining 10,000 from other ceded areas. Of the Karelians resettled in a reduced Finland, 230,000 were farmers and their families. 270,000 hectares of arable land were lost in the territorial cessions, i.e. 10 percent of the country's arable area.[2]

Immediately after peace was concluded, a project for the resettlement and rehousing of the displaced agricultural population was launched. The necessary legislation was quickly prepared with the result that it could already be ratified on 28.6.1940. This law received the name *rapid resettlement act for displaced persons.* The name was not indicative of the speed with which the legislation was prepared but rather of its aim. It was essential to rapidly reconnect the relocated farmers and their families with the land and with productive work. The rapid resettlement law could be drafted and passed quickly because it largely followed the examples of prewar settlement legislation in the 1920s and 1930s. The resettlement programme in accordance with the rapid resettlement law was operationalized in autumn 1940. Almost 39,000 approved applications for land allocation were received, of which 34,700 were approved. There was only time

2 Laitinen 1995, 52, 55.

Evacuation of civilians on the Karelian Isthmus in December 1939. The initial stage of the journey was usually undertaken on foot or horseback. Once the frontline had been left far behind, the onward journey continued by train or lorry (SA-picture).

to establish some 8,000 of the farms required for resettlement when the Continuation War (1941-1944) broke out in June 1941. Implementation of the rapid resettlement programme was suspended on 26.6.1941 "for the time being".[3]

The Continuation War leads to the idea of resettling ex-servicemen

Finland fought alongside Germany in a war of aggression against the Soviet Union. The territories lost in the Winter War were recaptured by the autumn and in Eastern Karelia the front was pushed well beyond the old border. The attack came to a halt in September/October 1941 and military action became stalled in stabilized trench warfare lasting over two and a half years. Some of the Karelians who had been given a resettlement property remained on their new property for the duration of the Continuation War, but 70% of those resettled returned to Karelia with the bulk of the returns taking place in the spring and summer of 1942.[4]

In the early phases of the Continuation War, there was a firm belief in Finland that Germany would defeat the Soviet Union and that in the resulting peace the territories lost in the Winter War would be returned to Finland. Additionally, there were hopes that Finland would acquire new territories in Eastern Karelia. A part of its inhabitants were of Finno-Ugric origin and spoke Finnish. Already in July 1941 the Finnish press was eagerly writing about Eastern Karelia and its incorporation into Finland. The newspapers also mentioned the idea that there was space in Eastern Karelia for large-scale pioneer settlement. In August 1941, Finnish government and military leaders began to use press censorship to restrict articles on Eastern Karelia and military objectives. Official Finland stressed that it was engaged in a separate war alongside Germany. The idea of a war of conquest was denied and the intrusion into Eastern Karelia was justified for defensive reasons. The real objective of the war was to return the territories lost in the Winter War to a unified Finland.[5]

A civilian government was not set up in occupied Eastern Karelia, but instead the area was put under Finland's military administration. A committee under this (the Eastern Karelia Land Affairs Committee) secretly made plans for the economic exploitation of the area and also for populating it. This secrecy was justified since the outcome of the war was still unknown. The plans of the Eastern Karelia committee might also be called "the military line" of resettlement activity. Alongside it, there was also the resettlement "civilian line". In November 1941, the Finnish government established a committee (the Jutila Committee) to plan the resettlement of war invalids, war widows, war orphans and landless ex-servicemen. For the sake of clarity, the corporate term ex-servicemen will be used here to refer to these groups. Their resettlement would be started once the war was over. The second task of the committee was to complete the unfinished follow-up work involving the rapid resettlement of evacuees.

The committees were not complementary nor alternatives, but rather autonomous organs, independent of each other. The Eastern Karelia Committee adopted an anticipatory line in case Finland received Eastern Karelia in the peace settlement. The Jutila Committee on the other hand represented the traditional civilian line. The point of departure for

3 Hietanen 1982, 149–150; Laitinen 1995, 61–62; Naskila 1984, 26–28.

4 Laitinen 1995, 62–63.

5 Ibid., 71–72.

its activities was that Finland would regain the territories lost in the Winter War, and that the entire Karelian evacuee population would return to them. The lands already set aside, and at least some still to be designated, for the rapid resettlement of evacuees, would be used after the war specifically for the resettlement of ex-servicemen. According to the committee's brief, this was to happen "within Finland's then existing borders", i.e. in Finland's post Winter War territory.[6]

Already in the initial stages of the Continuation War, the understanding that ex-servicemen had been promised land had become widespread public knowledge. Public proposals were made for resettling landless ex-servicemen, and these spread through newspapers to reach ordinary people and soldiers.[7] Officially, no land acquisition promises had been given, but the establishment of the Jutila Committee reinforced the idea that after the war landless ex-servicemen would be entitled to receive land. The prolongation of the war and Germany's changing military fortunes constrained the visions of acquiring Eastern Karelia, but the idea of resettling ex-servicemen lived on and intensified.

The Jutila Committee's report on resettlement of ex-servicemen was completed in the summer of 1943. A resettlement programme was regarded as crucial also in wider circles – extending across the entire political spectrum. Resettlement would increase the acreage of arable land, strengthen agriculture and improve foodstuff provision, which had revealed its vulnerability during the war. Resettlement would also remedy some social ills and promote population growth. It was also a matter of a debt of honour. With the arrival of peace, the wishes of those men who had sacrificed their lives and fulfilled their duty, as well as the wishes of their nearest and dearest, needed to be taken into account. This debt of honour was paid even though Finland lost Karelia for a second time in the Continuation War peace.[8]

The 1944 Moscow Armistice and the 1945 Land Acquisition Act

On 9.6.1944 the Soviet Union launched a major offensive on the Karelian Isthmus which led to a collapse of the defense lines. Finnish troops that had been deep inside Eastern Karelia were withdrawn to areas in Ladoga Karelia. Some of them were successfully transferred to provide support for troops on the Isthmus. In late June and early July Finland achieved decisive defensive victories over the Russians, which brought the Soviet offensive to a standstill. In July part of the Soviet troops were withdrawn from the front. They were transferred to the German front because, as a consequence of the Normandy landings, the race to be first in Berlin had begun.[9]

The armistice between Finland and the Soviet Union was signed on 19.9.1944. Accordingly, Finland lost the same areas of Karelia, Kuusamo and Salla as in the Winter War, as well as Petsamo (see: map 1). In addition, Finland was required to expel the German troops stationed in the country and to lease the Porkkala area close to Helsinki to the Soviet Union as a military base. Action against the German troops began in October 1944 and the last Germans left Finnish territory in April 1945. While withdrawing, the German troops destroyed and set fire to a large part of the habitations and buildings in Lapland. In the course of the war Finland was obliged to

6 Ibid., 75–84.

7 Ibid., 76–78, 85.

8 Ibid., 82–84.

9 *Jatkosodan historia 4* (1993), passim.

empty Lapland of its civilian population. This took place with the mutual understanding of the Germans. A total of 146,000 persons were evacuated from the provinces of Lapland and Oulu. Over one third of these – 56,000 – were evacuated to Sweden and the rest further south in Finland to Ostrobothnia. Lapland's evacuees were able to return to their razed home region in 1945.[10]

It was necessary to evacuate the civilian population of Karelia to elsewhere in Finland with speed and with regard to the ongoing war. With them the evacuees took their cattle and any loose belongings that they were fortunate enough to carry by train or on lorries. This loose property consisted mainly of furniture, agricultural machinery and tools. The majority of the cattle were moved on foot to beyond the Winter War border. If we include the resettled population remaining in pre-war Finland after the Winter War, the total number of evacuees rises to 422,600 persons. The majority of them were Karelians, 10,800 from Kuusamo, Salla and Petsamo, and 5,800 from the leased area at Porkkala.[11]

On 29.9.1944 the government set up a committee "for forthcoming urgent resettlement action". In line with its chairman's name, the committee was called the Nissinen committee. The committee's starting point was that resettlement would, in addition to evacuees, apply to ex-servicemen, even though the entire task of resettlement was to be carried out in a reduced Finland. In making its plans, the committee may have relied on early resettlement legislation and on calculations made by the wartime Jutila Committee and by the production committee planning Finland's future economic development. Both had proposed that Finland needed 500,000 hectares of new arable land. These calculations had been based on the assumption that Karelia would be returned to Finland as part of the peace settlement. When this did not happen, the Nissinen Committee set 800,000 hectares as the new land clearing target.[12] New arable land was to be created by clearing both land set aside for resettlement as well as on older farms. In practice, by the end of the 1950s, only half of this land clearance target had been achieved, 400,000 hectares. Nevertheless, Finland found itself overproducing because the per hectare harvest rates and milk production increased far more quickly that had been assumed in the 1944 calculations.

The Nissinen Committee submitted its report in December 1944. It proposed the setting up of five types of farming and dwelling land allocations, which - translated directly from the original Finnish - were called: farming areas, housing and farming areas, housing areas, housing plots, and fishing areas, as well as separate compensatory forests, grazing areas and supply areas. For the sake of simplicity and consistency, the five basic types of land parcel allocated will be designated as follows: farm, farmstead, homestead, building plot, and fishery. Collectively, they will be called resettlement properties. A farm was supposed to provide the family living on it with a full-time livelihood. For those on a farmstead, part of their livelihood was to be found through employment outside the home. Occupiers of homesteads would obtain a part of their food requirements from their own land, but they would have to earn the bulk of their livelihood outside the home. On fisheries, the main source of livelihood was fishing. Building plots were merely areas intended for building individual dwellings.[13] For

10 Ursin 1980, 31–32, 489; *Jatkosodan historia 5* (1992), 369; Laitinen 1995, 85–86.

11 Laitinen 1995, 86.

12 Ibid., 95–96.

13 Ibid., 97–98.

each type, a maximum limit was set for the amount of agricultural land (arable land and land suitable for clearing) to be allocated. These limits are presented in table 1.

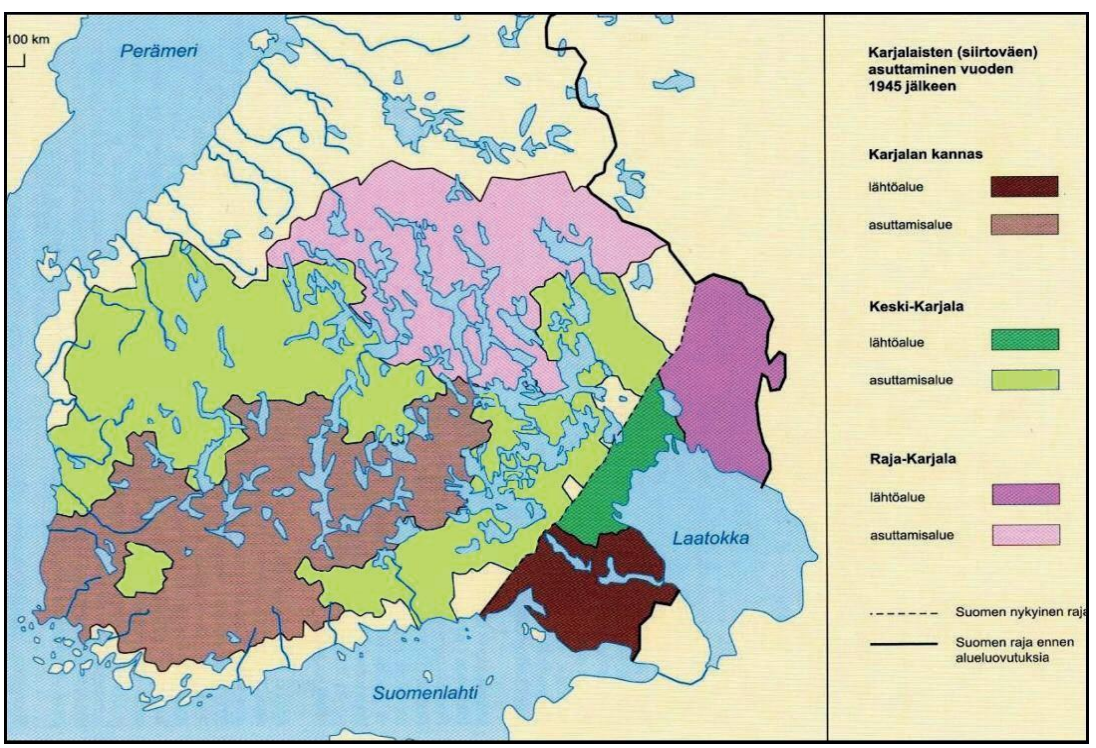
Table 1. Farming and dwelling allocation types in Finland's postwar resettlement programme

Allocation type	Maximum agricultural land
Farm	15 hectares
Farmstead	6 hectares
Homestead	2 hectares
Fishery	2 hectares
Building plot	0,2 hectares
Source: Laitinen 1995, p.97.	

The proposals of the Nissinen Committee were adopted as such in the Land Acquisition Act, which was passed in the winter and spring of 1945. The law came into force on 5.5.1945. Those entitled to acquire land consisted of the farming population relocated from Karelia and from other ceded or leased territories, war invalids, war widows and their families, war orphans who had lost both parents, ex-servicemen with families, as well as tenant farmers, and farm labourers who had been forced off properties and would lose their previous position with the implementation of the Land Acquisition Act. For ex-servicemen, obtaining a farm or farmstead was conditional on their being well-versed in agriculture and capable of practising it.[14]

14 Ibid., 106–107.

Map 2. The 1945 resettlement plan for displaced agricultural population. Efforts were made to resettle farmers from the ceded territories of Karelia in areas similar in natural environment to those they had formerly inhabited in Karelia. Source: Rantatupa, Rautiainen & Jokinen 2006, p. 215.

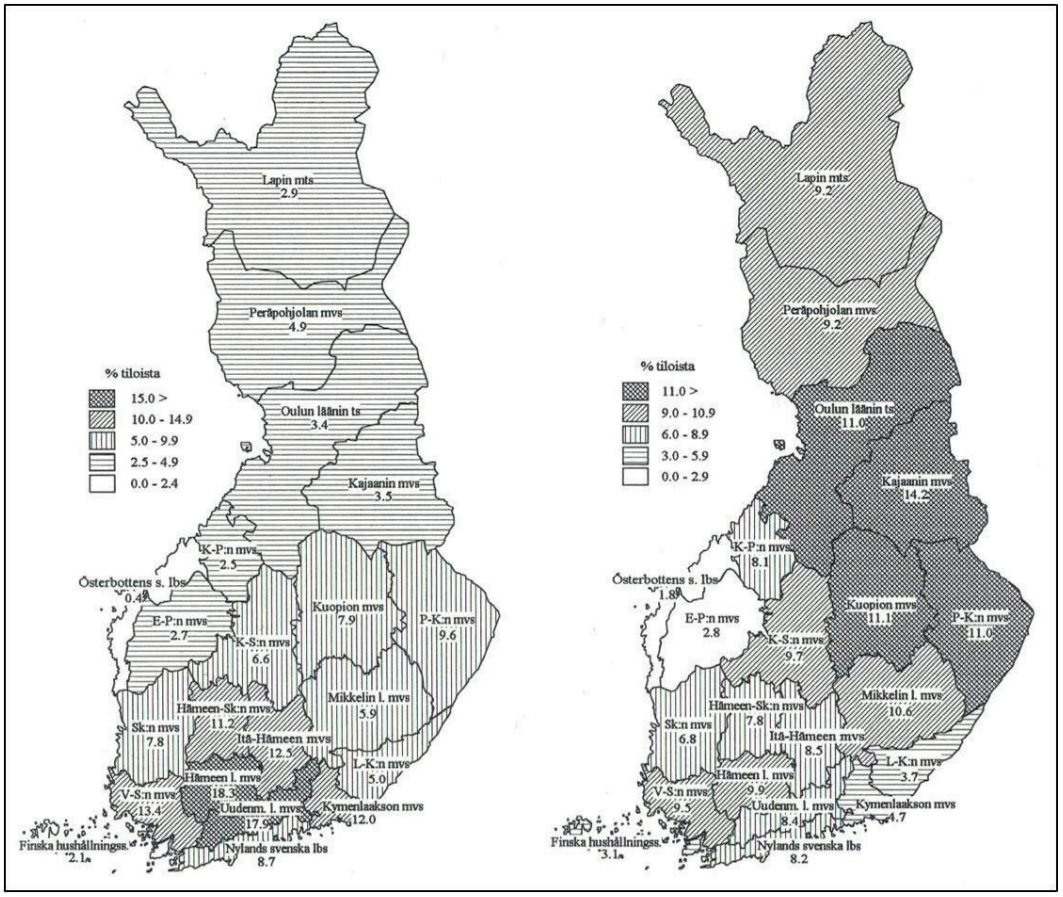


The plan for relocating the evacuee population was completed quickly and was ratified already in June 1945. Each group of evacuees was assigned its own resettlement areas (see: map 2).

These were chosen so that the natural environment of the area would most closely resemble conditions in the area of origin, for example with regard to the length of the growing season. This was not entirely successful since it was necessary to relocate some of the evacuees further north than their place of origin. Evacuees from Kuusamo, Salla and Petsamo were resettled in Northern Finland. There were a large number of Swedish-speaking areas along the Finnish coast in Ostrobothnia and Uusimaa. These areas were omitted from the resettlement plans to prevent upsetting language relations. Efforts were made to resettle ex-servicemen in their home community or at least close to it.[15] Their resettlement was concentrated in areas further north, further east and in more remote districts than for evacuees. For example, a lot of resettlement areas for ex-servicemen were created in forested areas, offering a considerable amount of forestry work. (see: maps 3-4).

15 Ibid., 111–113.

Maps 3-4. The maps show the proportion of Finnish farms in 1959 made up of evacuees' properties (Map 3) and of ex-servicemen's properties (Map 4) in the areas of various agricultural associations. Source: Laitinen 1995, p. 127.



Acquiring land for resettlement

The most difficult question in drafting and implementing the Land Acquisition Act proved to be obtaining land. Far more land was now required for habitation than when the Rapid Resettlement Act was being planned in 1940. In particular, problems were caused in redeeming existing arable land for use as resettlement areas. A total of 246,000 hectares of fields were obtained by compulsory purchase or voluntary sale. This constituted 10.4% of Finland's arable area at the end of 1944.[16] The resettlement programme thus encroached on private land ownership, but ultimately in no way to a radical extent. 36,400 hectares of meadow and 320,800 hectares of agriculturally viable land (capable of being cleared) were redeemed. Some 2 million hectares of forest land was redeemed as part of the resettlement programme. This was assigned only to farms and farmsteads, with the former receiving an average of 15-25 hectares and the latter 10-15 hectares. Larger amounts of forest were granted in the sparsely populated parts of Finland. Forest was also assigned as additional land to some of the old smallholdings in order to improve their viability.[17]

From whom was the land required for resettlement taken? According to the paragraphs of the Land Acquisition Act referring to land redemption, land was to be acquired primarily from government land or through voluntary sales. If sufficient land was not obtained from these, it could be subject to compulsory purchase from derelict properties and from land speculators, and from the lands of parishes, municipalities, companies, trusts and other communities. If sufficient land had still not been accumulated, then it could be obtained by compulsory purchase order from landowners whose main occupation was other than farming. Where needed, other land suitable for resettlement was also subject to compulsory purchase. The latter referred to large farms with over 20 hectares of arable land. The scale of land transfer grew according to the area of arable land. For example, compulsory purchase meant that a farm of 20 hectares could lose 20% of its land, a farm of 40 hectares or more 25%, 60 hectares or more 30%, 80 hectares or more 35%, and over 100 hectares 40%.[18] In practice, this compulsory purchase paragraph removed a considerable chunk of the arable land areas of Finland's estates and large farms. Compulsory purchase was weighted specifically towards large estates and major landowners. For example, farms of 20-30 hectares were subjected to compulsory purchase orders very judiciously.

Of the forest set aside as resettlement areas, half (49,7%) was obtained from government land. In practice, the proportion of government land was greater because at the time of implementing the Land Acquisition Act 5,7% of the required forest had been obtained from lands set aside for rapid resettlement after the Winter War. A significant proportion of these had been parceled off from government forests. The next largest group to hand over forest were the lumber companies (15,7%) and amateur farmers (11,1%).[19] In Finland the lumber companies owned extensive amounts of forest. This was a legacy from the period when the Finnish forest industry was breaking into the world markets and when the value of forests was sharply increasing. In order to guarantee a cheap and ample supply of raw material, the lumber industry began to buy farms and fo-

16 Ibid., 120; *Suomen taloushistoria III,* historiallinen tilasto (1983), 77.

17 *Asutushallinto 1917–1967* (1967); Laitinen 1995, 119–120.

18 Laitinen 1995, 99–100.

19 *Asutushallinto 1917–1967* (1967), 115.

rests from the 1870s, and the paper industry from the 1890s onwards. Before the Second World War (1938), companies owned 7,9% of Finland's forests.[20]

Finland's postwar resettlement programme could be characterized, in terms of both spirit and implementation, as a "peasant project". This was apparent particularly in the redemption of forests. It was easier to obtain forest land from lumber companies than from privately-owned lands. The exception was the amateur farmers. Their share (11,1%) of those surrendering forest was surprisingly large. There were numerous private forest owners (businessmen, civil servants, large estate owners) in Finland who had increased their wealth by buying forest lots. In the climate of the resettlement period, forest was compulsorily purchased specifically from those who did not necessarily need it. This group can be said to have also included municipalities and parishes whose share of the forest used for postwar resettlement amounted to 5,4%.[21]

Results of the resettlement programme

Land acquisition applications had to be submitted by 1.10.1945, but the application period was later extended until the end of 1947. A total of 149,000 land acquisition applications for land parcels were received. Of these, 113,000 were approved and 36,000 rejected.[22] The number of allocations made, however, was clearly smaller than the number of approved applications. A lot of people acquired land "on a trial basis" but renounced their right to land acquisition when they had managed to arrange employment and housing matters in some other way. In the end, 101,000 allocations were supposed to be made in Finland, but even this number did not materialize.

Many refused to accept the property they were offered when they saw what a huge amount of clearing and constructing work was involved. In the end, some 94,000 resettlement parcels were completed. The biggest reduction affected the number of plots set aside for building private houses, which was 3,500 less than planned. One reason for this was the lack of suitable building plots. The majority of residential plots were located in towns or built-up areas, or at least in close proximity to them. There was a shortage of suitable residential land especially in big cities. As a result, in 1949, the so-called Lex Raatikainen bill was passed. This made it possible to exchange the right to a building plot for a share in an apartment housing company. Almost 3,500 of those entitled to a building plot made use of this opportunity, 95% of which were ex-servicemen and 5% evacuees. Those being resettled formed housing companies, which then built apartment blocks for their shareholders. Altogether 58 such housing companies were formed in Finnish towns, and they constructed 100 apartment blocks with a total of 3,493 apartments. The vast majority of these houses were built in Helsinki (63 blocks, 2,069 apartments) and Tampere (13 blocks, 796 apartments).[23]

There were five types of resettlement land parcel allocations. Table 2 shows how many of each type were formed and how they were distributed amongst the various groups receiving land. The first four area types represent rural resettlement and the first two of these agricultural resettlement. Two-thirds of the farms went to evacuees

20 Harve 1947, passim; Laitinen 2012, 37.

21 *Asutushallinto 1917-1967* (1967), 115.

22 Laitinen 1995, 125.

23 Palomäki 2011, 407-411.

and a quarter to ex-servicemen with a family. Farming this land was supposed to provide the main source of livelihood for its recipients, and it was specifically to those with agricultural skills that they were allocated: farmers who had lost their lands in Karelia, and ex-servicemen who had worked in farming before the war but had no farm of their own. The farmsteads were more evenly divided up amongst the different groups receiving land. Half of such lands went to evacuees. Whether a farming family evacuated from Karelia was granted a farm or a farmstead was largely decided by the area of the farm lost.

According to the Land Acquisition Act, farmsteads were supposed to be created mostly near population centres so that their occupants could boost their earnings with other work. In practice, however, it was necessary to locate the majority of the farmsteads far away from population centres and often even in remote, outlying places, where the most significant source of extra income was forestry work.

Resettlement in population centres or close to them was accomplished fairly well in terms of homesteads, and almost completely in terms of building plots. Small homesteads under two hectares were largely located on the outskirts of rural villages and in areas close to towns. Over half of those receiving homesteads were ex-servicemen with families. Of all the different allocation types, building plots made up the majority: over 33,000. The bulk of these were created in towns and large built-up areas, but they were also created to some extent in smaller rural population centres. Over two-thirds of all building plots were granted to ex-servicemen

Picture 2. The Mure family's farmstead in Alapitkä village, Lapinlahti (Central Finland, Savo). The resettlement properties brought uniformity to building stock in rural Finland because dwellings and cowsheds were constructed in accordance with Ministry of Agriculture standard designs. The size of the buildings was determined by the extent of the property, family size and number of cattle. Nowadays the Mure property is a museum. Photo: Finnish Resettlement Museum.

Table 2. Areas allocated to the various groups acquiring land

Type of allocation	A	B	C	D	Total
Farm	18,800	7,375	1,314	711	28,200
Farmstead	7,297	5,156	1,362	885	14,700
Homestead	4,944	11,466	2,344	1,546	20,300
Fishery	453	119	23	15	610
Building plot	4,856	21,215	3,558	771	30,400
Total	36,350	45,331	8,601	3,928	94,310

A = evacuees, B = ex-servicemen with families, C = war invalids, war widows and war orphans, D = others receiving land. Source: Asutushallinto 1917-1967 (1967), p. 116.

with families. If war invalids, war widows and war orphans are included, then over 80% of plots were granted "on military merit".

The figures in the table show how in a way evacuees contrasted with other land recipients. Finland's postwar resettlement programme began with arranging the status of the agrarian population that had had to be evacuated. Above all, it was a question of agricultural policy. And so over 70% of the properties received by evacuees were farms or farmsteads. Resettlement of other land recipients was concentrated on smaller types of property: homesteads and building plots. The largest of the groups requiring resettlement – even larger than the evacuees – were the ex-servicemen with families. Even though over 70% of the properties they received were building plots and homesteads, they were regarded as "land-hungry" and so got to try their hands at farming. All in all, some 12,5000 ex-servicemen's families received a farm or farmstead to cultivate. Before these families could get to grips with farming work, most of them were faced with the arduous task of land clearance. The fact was that the majority of the available arable land designated for resettlement was used for rehousing evacuees. Nevertheless, thousands of Karelian families were also obliged to clear all of their arable land themselves, and even more to do so in order to extend the small patches of arable land they had received.

Resettlement activity carried out in line with the Land Acquisition Act was primarily a part of agricultural policy, but it was also housing policy. In parallel with these, the resettlement programme also had a powerful streak of social and family policy. It committed almost 100,000 families to building a better and more secure future for themselves. In the economically tight and politically restless years following the war, it maintained social peace. Even though for thousands of the resettlement properties, the secure future remained short (15-25 years), the resettlement programme achieved one of its central objectives. It helped Finland get back on its feet again following a war that had ended in defeat and caused heavy human and economic losses. Housing construction proved to be the most lasting and successful achievement of the resettlement programme. This was particularly true of the residential one-family housing areas built in population centres.

There was a clear marching order in the resettlement activity carried out in line with the Land Acquisition Act. First of all, agricultural evacuees and war invalids had to be resettled, and only then other recipients of

land. In practice, the work of resettling the different land recipients went on in parallel, but action on resettling evacuees clearly progressed more rapidly than for other land recipients. The bulk of the Karelians were able to move into their new properties in 1946-1947. If the property already had workable arable land, farming work could begin immediately. Construction and land clearance took more time. The Colonization Department within the Ministry of Agriculture and Forestry (ASO), which managed postwar resettlement, noted down the rate at which new buildings were completed on residential properties. The largest share of dwellings on evacuees' properties were completed by 1949. At that time, only slightly less than one third of ex-servicemen with families needing resettlement had their own roof over their head. Construction work on thousands of ex-servicemen's properties continued until the end of the 1950s and on a small number of properties even into the 1960s.[24] There was no need, however, for new buildings on all resettlement properties. Along with the land for resettlement, some of the designated properties also received the buildings already on the property or had buildings for sale moved from elsewhere. Table 3 shows the rate at which new buildings were completed for resettlement properties up to 1960.

In evaluating the columns in the figure, it should be noted that the statistics do not include every building. The numbers fall short in terms of building plots. This can be deduced from the fact that the number of livestock shelters completed by 1960 (38,000) was very close to the total number of farms and farmsteads created, but the number of dwellings (69,300) is far smaller than the total number of properties created as part of the resettlement programme (94,300). The figure nevertheless reveals a number of essential points. Constructing resettlement properties was a long and time-consuming process even though the bulk of the building work took place in the second half of the 1940s. From the viewpoint of stabilizing life, the most important thing was first of all to arrange for somewhere to live. After that, it was possible to concentrate more on farming, such as building shelters for livestock, for example. Indeed, the photographic evidence and written memoirs dealing with the resettlement programme reveal that the resettlement properties could keep their cattle in temporary shelters for several years before work began on constructing a new cowshed.

Land clearance and financing the resettlement programme

Clearing the land on resettlement properties was left mainly to the people being resettled themselves, but other agencies were also involved. The most important of these was the state, under whose direction the majority sta-

24 Laitinen 1995, 131; *Suomen Tilastollinen Vuosikirja* (STV) *1946–1960.*

Table 3. New buildings completed in postwar resettlement by 1960.

Completion of new buildings on resettlement properties (in numbers)				
	1945–1950	1951–1955	1956–1960	total
Dwellings	39,639	22,342	7,307	69,288
Buildings for livestock	18,136	14,687	4,982	37,805
Other domestic buildings	33,943	14,360	3,925	52,228

Source: Asutushallinto 1917-1967 (1967), p. 117.

te-owned company Pellonraivaus Ltd. was founded in 1940. It obtained bulldozers for land clearance. There was, however, no time to put these to use before rapid resettlement following the Winter War was suspended. The 1945 Land Acquisition Act decreed that those landowners in Swedish-speaking areas who would have been obliged to surrender land but were exempted because of language relations, would have to contribute to the costs of the resettlement programme. This was organized by means of land clearance activity carried out elsewhere or financed by these landowners. This procedure was given the name "Swedish clearance". On the other hand, private individuals liable to surrender land had the possibility of being exempted from losing ready arable land by clearing an agreed amount of new arable land from the farmable land set aside for resettlement.[25] This arrangement is known under the name "compensatory clearance". Land clearance was distributed among the various agencies as follows:[26]

Clearance agency	Area cleared, hectares
Land recipient	113,000
State	29,000
"Swedish clearance"	4,700
"Compensatory clearance"	3,000
Total	149,7000

For its own land clearance operations the state used bulldozers, clearance ploughs, drain ploughs and heavy disc harrows belonging to Pellonraivaus Ltd. It was also possible to use this machinery for clearance financed by others if it was available. The bulk of land clearance, however, was carried out by the people being resettled themselves, with their own hands and a horse. The tools used were mattocks, spades, steel rods and various kinds of horse-drawn implements. The toughest work - pulling tree stumps out of the ground – could be made easier by using explosives to blow the stumps apart.[27]

The land was reclaimed and made arable by clearing fertile forest, draining bogs and, where appropriate, lowering the surface of lakes. By lowering lake height it was possible to create several dozen farms and even entire resettlement areas consisting of at most hundreds of farms. At the time of the land clearances, the concept "cold farm" was born. It meant a resettlement farm where all the fields had been reclaimed as a result of clearance. In practice, too, some of the resettlement properties were cold. Especially in swampy areas the fields cleared often proved to be sensitive to frost and underproductive. Unless machinery was used, clearing the fields on a cold farm took years – at most, as much as ten years.

In the matter of setting up resettlement properties, Karelian evacuees were in a more advantageous position than ex-servicemen. The case was that they could cover a major part of the clearance and building expenses with reimbursements that the state paid for property lost in the ceded territories. The reimbursements were paid in cash, as bonds, shares and index increments. In the first years following the war, compensatory payments to evacuees took 10-14% of all state expenditure. Since the war reparations paid by Finland to the Soviet Union took considerably more as well – in 1945-1949 an average of 27,9% of the state's actual expenditure – in the postwar years Finland's national economy was seriously stretched.[28]

An extensive loan system was also set up for the resettlement programme. According

25 Naskila 1984, 80.

26 *Asutushallinto 1917–1967* (1967), 120.

27 Naskila 1984, 78, 82–88.

28 Jokinen 1982, 132–133.

to plans and cost estimates drawn up by the resettlement authorities, people awaiting resettlement were allowed to apply for loans for land clearance, building, general improvements as well as other purposes. These loans were granted against mortgage security. If the bank thought that security was inadequate, it could receive 25% of the loan as state liability. In this way, the loan system proved to be flexible and reliable. Interest on the loans was only 3%, and for the first five years the loans were free of interest and installment repayments. Even repaying the loans did not put excessive pressure on resettlement property owners since the majority of the loans were long-term loans for 36 years. This sytem of loans ensured that the resettlement programme could be smoothly seen through to completion.[29]

Table 4. Finland's area under cultivation, number of independent farms and their average size 1920-1969.

Year	Area under cultivation, hectares	Farms of more than 1 hectare	Average size of farms hectares of arable land
1920	2,018,500	225,100	9,0
1929	2,240,300	249,200	9,0
1939*	2,624,300	275,000	9,5
1950	2,430,900	305,300	8,0
1959	2,633,400	331,300	7,9
1969	2,752,800	297,200	9,3

Sources: Suomen taloushistoria 3, historiallinen tilasto (1983) [Economic history of Finland 3, historical statistics], p. 63; Kupiainen & Laitinen 1995, p. 46.

*The figures for 1939 are estimates obtained by adding the 1941 agricultural figures for farms in the territories ceded in the Winter War.

Postwar resettlement in Finland's long-term agricultural policy

Agriculture in Finland can be divided into two clearly distinctive periods: the period between the 1920s and early 1960s when agriculture was expanding in favour of small farms, and the period between the late 1960s and 2000 when agriculture was contracting and becoming concentrated. The former of these periods actually already began at the end of the 19th century, but in terms of agricultural policy and statistical analysis the change was not clearly identifiable until 1910–1920. The true extent of postwar resettlement becomes apparent when it is seen in relation to the main changes that had taken place in the structure of Finnish agriculture during the period of agricultural expansion

The period from the early 1920s until the beginning of the 1960s was a time when new land was being energetically cleared. Land clearances took place on both small and large farms, but the bulk was on small farms. Land clearance was encouraged with economic inducements. In 1928 the state began to offer remuneration for land clearance carried out on farms with less than 10 hectares of arable land. Receiving such remuneration required individual clearance plans drawn up by agricultural advisors, and for those plans to be carried out.[30] This policy of remuneration was continued in the postwar resettlement programme and also in parallel to it. If establishing a farm or farmstead was totally dependent on land being cleared, then its owner was awarded a payment for establishing a new property. People were encouraged to expand the field area of old farms with the same type of land clearance payments as

29 Naskila 1984, 99–100.

30 Tolonen 1961, 119.

before World War II. So, as a result, the area of arable land lost in the territorial cessions – 270,000 hectares – had already been regained by the mid 1950s through land clearance, and at the beginning of the 1960s Finland already had more arable land than in 1939. Postwar resettlement produced 150,000 hectares of new arable land in Finland, but by 1969 more than 300,000 hectares had been cleared on existing old farms.[31]

In the 1920s and 1930s, the number of independent farms grew by some 50,000. The most important reason for this was that the freeing of the crofts or tenant farms as a result of the 1918 act. The background to its enactment was the bitter civil war fought in Finland during the winter and spring of the same year. The insecure position of the tenant farmers was regarded as one of the reasons leading up to the civil war. The wish, then, was to calm society by making the tenant farms independent. The freeing of the tenant farmers led to the creation of some 51,000 independent farms. Some of these farms had already become independent before the first year presented in the table, which describes the situation at the end of 1922. The number of farms was also increased by the active resettlement policy carried out in Finland in the 1920s and 1930s. By 1939 this had produced 17,000 new farms on state-owned land and on land purchased by the state for resettlement purposes.[32]

The table 4 shows that the number of farms continued to grow despite the loss of Karelia. In 1950 there were almost 30,000 more farms in Finland than in 1939, even though at that time not all the farms intended for resettlement had been established. The number of farms in Finland reached its maximum at the turn of the 1960s, by which time the task of postwar resettlement was already over. From 1939 the number of farms had grown by 56,000. The majority of these were farms and farmsteads created in accordance with the Land Acquisition Act, but the new properties also included farms formed by dividing up old farms. Finland's resettlement and agricultural policy favouring small farms had reached its culmination.

The number of farms grew so rapidly that the average farm size decreased despite assiduous land clearance. This can be seen in the last column of the table. The agricultural policy pursued in Finland during its entire independence reached the end of the road in the 1960s. Finland found itself overproducing foodstuffs, and marketing them abroad became expensive for the state. So agricultural policy moved from a policy of resettlement to a structural policy aiming at increasing agricultural efficiency. Its main objectives were cutting overproduction, reducing the amount of arable land and number of farms, and boosting efficiency by increasing the size of farms. Seen in terms of long-term agricultural policy, this was a precipitous turn, as were also other rural developments. With the mechanization of forest work, the farms saw a reduction in their supplementary source of income. With the decline in the profitability of farming, passing on a farm to the next generation be-

31 Laitinen 1995, 129–131.

32 Kupiainen & Laitinen 1995, 42, 45. In making tenement holdings independent, plots with over two hectares of arable land were counted as crofts. Plots with less than that were counted as cotters' cottages entitled to a maximum of two hectares of land. The crofters were also given forest, but not the cotters. The number of emancipated crofts includes crofts on private land, ecclesiastical farms and state-owned properties. The emancipation laws affecting the latter were passed in 1921–1922. In the 1920s and 1930s farmsteads and homesteads were formed in state-directed resettlement activity. Their size was determined in the same way as in the crofters' emancipation (farmsteads over 2 hectares and homesteads under 2 hectares).

Picture 4. The family of war invalid Väinö Hämäläinen.

A Veteran Family

This photo, taken in the 1960s, is of a war veteran and his family in Kangasniemi in Southern Savo on the farm they cleared for settlement. The picture shows the husband, Väinö Hämäläinen, and his wife, Anna, with their children. Anna, who had already had one child, had lost her first husband in the Winter War in 1940, but she met Väinö in 1945 after his discharge from hospital – as can be seen, he had lost his left arm fighting in the Winter War. The couple, a war widow and a war invalid, married in 1946, the same year their application for a farm was accepted. It consisted of 40 hectares of land and was given the apt name "Clearance" since at that point there was neither arable land nor a house – fields had to be cleared from the forest and a house had to be built. Timber for the house and cowshed had to be felled. They moved into the house in 1949. Now they had a newborn child with them as well as two cows and a horse. The first rye crop was harvested by Anna in the autumn. A new, hectic phase of their lives was about to start.

The work on the farm was very hard as more and more arable land was needed to feed the growing family. Using his one arm, Väinö also built the sauna, a stable for the horse, a row of storehouses, and cleared new arable land – in 1952 there were a respectable eight hectares of field. The only work Väinö could not do with his remaining arm was to use a sickle to reap the rye. He was a real die-hard Finn with lots of "sisu" (perseverance); his and his wife's indefatigable efforts to build a viable farmstead tell one heroic story of postwar everyday life in Finland.

Hankasalmi (Central Finland) parish in 1936. In front of the picture are the lands of the vicarage, which were expropriated for settlements after the war. As one can see, there was a lot of land available for the purpose. Photo: Hankasalmi local archives.

Kuvateksti: Hankasalmi parish in the end of the 1950s. The nearest six houses with small plots of arable land belonged to resettled Karelians. They all were formed from the expropriated lands of the vicarage (cf. Picture 4). Photo: Hankasalmi local archives.

came more problematic, and on many farms a successor could no longer be found to carry on farming.[33]

The incipient change – farming coming to an end on tens of thousands of farms – is already visible in the figures for 1969, the last year examined. Restructuring was beginning in Finnish agriculture, which had an especially powerful effect on the countryside in the 1970s. Compared to the other Nordic countries, restructuring in Finland had an exceptionally disruptive impact because policy on resettlement and small farms had postponed its inevitable onset by at least a decade, perhaps even two. Restructuring evened out in the 1980s, but accelerated again when Finland joined the European Union in 1995. In 2015 only 51,000 active farms remained in Finland. The majority of Finland's arable land nevertheless remained in use. A total of 2,273,300 hectares of land were under cultivation, in other words 82% of Finland's 1969 arable land area. The bulk of the arable land from discontinued farms had been sold or rented to functioning farms.[34]

Finland's postwar resettlement programme was a product of its own time. It was an unavoidable solution given the social and economic conditions of the time. Finland managed the relocation of its war evacuees in a unique way, perhaps in the most successful way in the whole of Europe. Nevertheless, the exceptionally large scale of the resettlement programme caused huge problems later. A small number of the resettlement properties are still active, but the lifespan of the majority was limited to just one or two generations.

33 Kupiainen 2007, 163–166.

34 *Suomen Tilastollinen Vuosikirja 2016* (SVT), 197.

BIBLIOGRAPHY

Asutushallinto 1917–1967 [Resettlement administration 1917–1967](1967). Asutushallitus.

Harve, Paavo 1947. *Puunjalostusteollisuutta ja puutavarakauppaa harjoittaneiden yhtiöiden maan hankinta Suomessa*. [Land acquisition in Finland by companies engaged in the wood processing industry and timber trade]. Acta Forestalia Fennica 52. Suomen Metsätieteellinen Seura.

Hietanen, Silvo 1982. *Siirtoväen pika-asutuslaki 1940*. [*The 1940 Rapid Resettlement Act for Displaced Persons*]. Historiallisia tutkimuksia 117. Suomen Historiallinen Seura.

Jatkosodan historia 4. Asemasota, vetäytyminen Kannakselta. [History of the Continuation War 4. Stabilized war and retreat from the Karelian Isthmus]. 1993. WSOY.

Jatkosodan historia 5. Vetäytyminen Itä-Karjalasta, torjuntataistelut, sota Lapissa. [History of the Continuation War 5. Retreat from Eastern Karelia, defensive battles, the war in Lapland]. 1993. WSOY.

Jokinen, Marita 1982. *Karjalaisen siirtoväen korvauskysymys*. [The question of compensation for Karelian evacuees]. Suomi toisessa maailmansodassa -projektin julkaisuja 6.

Kupiainen, Heikki 2007. *Savotta-Suomen synty, kukoistus ja hajoaminen. Talonpoikaisen maanomistuksen muutos ja elinkeinot Savossa ja Pohjois-Karjalassa 1850–2000*. [The birth, heyday and decline of logging-camp Finland. Change in peasants' land ownership and means of livelihood in Savo and North Karelia 1850-2000]. Joensuun yliopiston yhteiskunnallisia julkaisuja 79.

Kupiainen, Heikki & Laitinen. Erkki 1995. *Suomalaisen asutustoiminnan juuret*. [The roots of the Finnish resettlement action]. In: *Rintamalta raivioille. Sodanjälkeinen asutustoiminta 50 vuotta*. [From the front to land clearing. 50 years of postwar resettlement action]. Atena Kustannus Oy.

Laitinen, Erkki 1995. *Vuoden 1945 maanhankintalain synty, sisältö ja toteutus*. [The birth, contents and implementation of the 1945 Land Acquisition Act].]. In: *Rintamalta raivioille. Sodanjälkeinen asutustoiminta 50 vuotta*. [From the front to land clearing. 50 years of postwar resettlement action]. Atena Kustannus Oy.

Laitinen, Erkki 2012. *Luontoistaloudesta kaupalliseen metsätalouteen 1850–1950*. [From barter economy to commercial forest economy]. In: *Ihminen ja metsä. Kohtaamisia arjen historiassa 2*. [Mankind and the forest. Encounters in everyday history 2]. Metsäkustannus.

Laitinen, Erkki 2015. *Kangasniemen historia IV. Sotien jälkeinen aika 2010-luvun alkuun*. [History of Kangasniemi IV. The postwar period until the early 2010s]. Kangasniemen kunta ja seurakunta.

Naskila, Marja (ed.) 1984. *Rakentamisen aika. Asutus ja maanhankinta 40 vuotta. Maanhankintalain 40-vuotisjuhlajulkaisu*. [A time of building. 40 years of resettlement and land acquisition. Land Acquisition Act 40th anniversary publication]. Kirjayhtymä.

Palomäki, Antti 2011. *Juoksuhaudoista jälleenrakennukseen. Siirtoväen ja rintamamiesten asuntokysymyksen järjestäminen kaupungeissa 1940–1960 ja sen käänteentekevä vaikutus asuntopolitiikkaan ja kaupunkirakentamiseen*. [From trenches to rebuilding. Solving the housing question for evacuees and ex-servicemen in towns in 1940-1960, and its momentous impact on housing policy and urban building]. Tampere University Press.

Rantatupa, Heikki & Rautiainen, Matti & Jokinen, Jukka 2006. *Atlas Suomen historia*. IS-VET Oy.

Suomen taloushistoria 3. Historiallinen tilasto. [*Finnish economic history 3*]. 1983. Tammi.

Tolonen, L. 1961. *Mikkelinläänin maanviljelysseura 1861–1961*. [Mikkeli Province Agricultural Society 1861-1961]. Mikkelin läänin maanviljelysseura.

Ursin, Mikko 1980. *Pohjois-Suomen tuhot ja jälleenrakennus saksalaissodan 1944–1945 jälkeen*. [The destruction and reconstruction of Northern Finland after the 1944-1945 German war]. Pohjois-Suomen historiallinen yhdistys.

Zetterberg, Seppo 1989. *Jako etupiireihin*. [The division into spheres of influence]. In: *Talvisota*. [*The Winter War*]. Kirjayhtymä.

Péter Porkoláb

CHANGES IN VALUES IN RURAL HUNGARY IN THE 20th AND 21st CENTURIES

In Hungary, the village and agriculture have appeared to this day as a traditionally linked unit, despite the fact that both have gone through significant changes in the second half of the 20th century and the years of the 21st century that have elapsed so far. The diverse group of those engaged in agricultural activities has always predominantly consisted of the population living in villages. If we look back on the past one hundred years in the history of villages and agriculture, we can draw the conclusion on this rural population engaged in agricultural activities that it has continuously included both less educated people, as well as experts with the most advanced agricultural qualifications.[1] Apart from the population working in agriculture, there have also lived in villages people engaged in other activities, who were less, or only tangentially or indirectly related to agriculture, but in many cases also people who were not linked to this sector even indirectly, although the number of rural residents in this latter category is negligible and less important in comparison with those engaged in agricultural activities. Thus, we can say that the village still continues to appear in people's minds as the site of agriculture with various kinds of activities and events related to it.

In my paper, concentrating on certain aspects of the differences between the period since the political changes of 1989–90 and the preceding years, as well as the changes that have occurred, I will attempt to shed some light on the circumstances of the social change in villages, which are closely linked with the changes in the way agricultural activities are pursued.

In connection with this topic, I will make references to a specific village in Hungary, and take examples from the life of a concrete family in that village.[2] The village, Tiszadob, is located in Szabolcs-Szatmár-Bereg County, in the Nyíri Mezőség region, and the majority of its residents were smallholders or agricultural workers on the big manors before 1945.[3] When the organization of the agricultural cooperatives became final, Tiszadob became a collective farm village, which means that the majority of the residents found jobs in the cooperative, and the village lived in an organic relationship with the cooperative.[4]

Prior to 1989, the operation of the agricultural cooperative largely defined the life of the settlement and its residents in the approximately 30 preceding years. Work in the cooperative made it possible for the residents to also engage in a kind of household farm-

1 Porkoláb 2015, 32.

2 For more details, see Porkoláb 2006, 2009.

3 Veresegyháziné Kovács – Veresegyházi 1996, 266.

4 Porkoláb 2015, 122.

ing activity, which determined the economic operation of the entire country and the face of our villages. Every cooperative member received a 1,600-square-fathom (equalling 1 "hold", i.e. approximately 0.57-hectare) plot to cultivate, except for those who had land of their own. In the case of Tiszadob, there were many cooperative members who had vineyards just outside the village, and after 1945 it became generally permitted for residents of the village to buy land from those areas. Therefore, those who had a 300-square-fathom vineyard could receive 300 square fathom less area from the co-operative for use as a household farm, and the total of one "hold" of land that could be cultivated added up.[5] However, household farming did not only mean working in the fields, but also other agricultural activities around the household such as, in the present case, animal husbandry, which partly derived from the availability of feed produced on the household farms, and so this was how the smallholding form of farming continued to survive in the cooperative villages such as in Tiszadob, which had previously characterized such communities. In the case of Tiszadob, a defining characteristic feature was that the families operating the smallholder farms had also been present among the agricultural workers on the big manors – even if not with all members of the family and not around the whole year, but they had maintained a continuous link with the manor. This relationship was easy to continue and adapt in the cooperative village, in the relationship between the collective farm and the household farm.[6] In connection with the household farms, the earlier elements of action groups that defined the peasants' working community could live on.[7]

What I mean by this are the working relationships through which people co-operated in the performance of the yearly tasks. There were relationships based on day-labour, such as who would be willing to work as a day-labourer for whom and for how much pay, since day-labourers were also needed on the household farms, and such work was often not paid for with money but in produce or otherwise in kind. Day-labour created a kind of a hierarchical relationship, since day-labourers were always people from a poorer background or with less resources at the given moment than those employing them. It follows from this that day-labourers did not ask for their work to be paid for in money, but rather in produce, since they came from families with less land or fewer working people, and so their household farms were also smaller and could be cultivated by fewer people, and consequently, their supplementary household farm activities were also more limited.

This hierarchical relationship, however, should not be interpreted in the same way as the relationship of the landlord and the peasant, since these people appreciated each other for their work-related skills, knowledge and abilities. In addition, those who were day-labourers could easily rise in the community through their work among those who then asked others to work for them as day-labourers. In addition, however, we should also mention that the role of work done in the form of voluntary co-operative work called "kaláka", that is, taking turns in helping out each other in certain tasks, was also of outstanding importance.[8] Such work was not limited to specific tasks to be performed, but also included other communi-

5 Varga 2013, 203–222.

6 Valkó 1993, 29–32.

7 Szabó 1977, 55.

8 Szabó 2005, 388, 390–393. – Szilágyi 2000, 569–571.

ty-based performance of work as well. First, let me mention the working communities where people helped each other's families in "kaláka" in the performance of everyday work. These included, for example, harvesting, corn snapping, lifting potatoes or haymaking. Due to their volume, such activities required larger groups of people than a single family. We can see that all of the above are works related to harvesting, which means that the results of the whole year's work in a given type of produce had to be collected in a short period of time and in good quality. The whole year's work, as well as the fact that the harvested produce and goods would serve the needs of the given farm in the following year, were signs of the importance of such activities both in terms of quality and quantity. Therefore, these harvest-related tasks required not only a larger group, but also a community that had the necessary expertise with respect to the given activity.

As the next type of activities where voluntary co-operative work appears, we should mention outstanding occasions which are not linked to working, but rather to major life events and ceremonious occasions. Of particular importance among these were weddings, in case of which, in the period before the political changes of 1989, there was a large number of wedding parties held at people's homes, typically in large tents. For the preparation and holding of such weddings, also including the pitching and taking down of the tent, a similar action group was formed as well, as people did not hire tent-builders or wedding organizers, but rather the close relatives and friends of the family helped with these tasks. Further, even the guests had specific roles, as it was determined for everyone what they should contribute to the wedding menu, ranging from cakes, plucked hens, home-made snail-twist pasta, etc. This way, the entire wedding party

1. An agricultural collective (co-op.) having brigades'' trip to Aggtelek in the 1980s.

also functioned as members of a kind of an action group. In case of the "kaláka" work tasks that I listed above, we can observe that the families selected members from similar, closely-linked families from among their relatives and friends, and these families knew when and for whom the next tasks will come up on the schedule year after year.

Until the early 1990s we can clearly observe the constructions of houses also performed in "kaláka". In most cases, these jobs were performed for each other by acquaintances known from work, which means that members of the same cooperative work brigade went to help each other with the construction, but participants of the types of activities mentioned before also appeared at constructions to contribute to the work. The co-workers kept track of who helped the other and on how many days, and made an effort to pay back in full with their own work when there was an opportunity. Once again, we can observe here the performance of work for others without pay. I would like to mention an example from Tiszadob, in connection with the building of the house of Károly Porkoláb Jr., on which the married couple had some written notes surviving. These notes indicate how many people participated in the work making the foundation and erecting the walls of the house, and for how many days. In addition, the notes also show what food and drinks were purchased and in what quantities for those helping in the construction works. The making of the foundation took seven days, during which the notes show the following numbers of people participating: 5 on the first day, 14 on the second, 14 on the third, 3 people on the fourth, 12 on the fifth, also 12 on the sixth, and 7 people on the seventh day. Erecting the walls of the building took six days, and the number of participants in the work included 8 people on the first day, 10 on the second, 8 on the third, 7 on the fourth, 5 of the fifth, and 2 people on the sixth day. If we add all this up, during this time of 13 days, it comes to a total of 102 man days, which also means the provision of 102 daily units food and drinks. On the basis of the detailed notes, the following quantities were used up: 10 kg of pork, 10 pigs' trotters, 5 ducks, 70 eggs, 5 packets of coffee, 420 bottles of beer, 18 litres of palinka (fruit brandy), 8 kg of sausages, 8 chickens, 2.5 kg of cottage cheese, 5 kg of beef, 3 kg of lard, 2 kg of bacon, 3 containers of sour cream, 3 litres of soft drinks and 10 litres of wine.[9]

This is how much information the notes contain, but even from these notes it is visible that the hosts wanted to decently feed those who came to help them out, since payment was out of the question, and the only reward provided could be food and drinks, as well as helping back when the time came.

All these examples clearly show that in the course of the lives of the villagers, work was a central element[10] around which community activities were organized from the bottom up. Each of these activities can be used as an example to demonstrate that community formation in rural Hungarian society was rooted in the performance of work and in the course of the creation of the product that was the result of that work. This means that in the first half of the period examined, people in villages still knew and understood that work was not a grim task, not a place and time for calling somebody to account, not something that means being forever tired and exposed at the mercy of others, but rather, that work is a task that is necessary and indispensable for humans, something that can be enjoyed and done in such a way that the product which is the final aim already appears before the eyes of the working during

9 Porkoláb 2006, 394.

10 Jávor 2000, 604; Szabó 1981, 27; Szabó 1988, 287.

the process itself. Of course, work also involved a lot of effort put in and exhaustion for these people. However, the tiredness and the lack of prospects could be bridged, and even altogether eliminated, with the help of the community, which even often happened without the people being fully conscious of this. Or, we could also say that they were just emulating the behaviours of those before them. This was nothing else than the perfect example of being conditioned in a certain way.[11] They knew very well that work cannot be disposed with, that all humans need to work, but the rhythm and the circumstances of the work often could give people the necessary impetus to overcome the difficulties. That is, they learnt to perform their tasks in a way that they were conditioned to work which has become an organic part of their lives: not as a special task, but as life itself. Peasants in villages were not left to their own devices in all this: there was always the work community of relatives, friends and neighbours with whom they could also work in case of individual tasks, seeing the other person day to day in similar tasks, and therefore, they were able to rely on the experiences of the others and use the shared knowledge of the village community to find ingenious solutions for the performance of tasks in all cases.[12]

After the political changes of 1989–90 in Hungary, work opportunities mostly disappeared in Hungarian villages, since the previous organizational form of agriculture, that is the cooperative form, has disappeared. After the political changes, it was quite easy for modern ideologies to convince villagers in Hungary that land is useless, it only means hard work, and that the masses should not think in terms of making a living from agriculture. This way of thinking was reinforced by the form of privatization as a result of which people got back their earlier collectivized lands in small patches of land outside the village, calculated on the basis of the "gold crown" value of the land. The problems caused by this type of privatization still could not be resolved to this day, and rural Hungary continues to suffer as a consequence of this mistake, but so is also a significant part of the Hungarian population, since many people who were the heirs of these pieces of land were dislocated far from their original place of birth and have never lived there, and as a third or fourth generation they are no longer even concerned with land ownership.

After the political changes, in the turmoil of that situation, many people did not actually understand the essence of the changes and the real consequences. Those, however, who did understand the winds of change were able to increase their wealth tremendously, and so a large-scale accumulation of capital started in Hungary.[13]

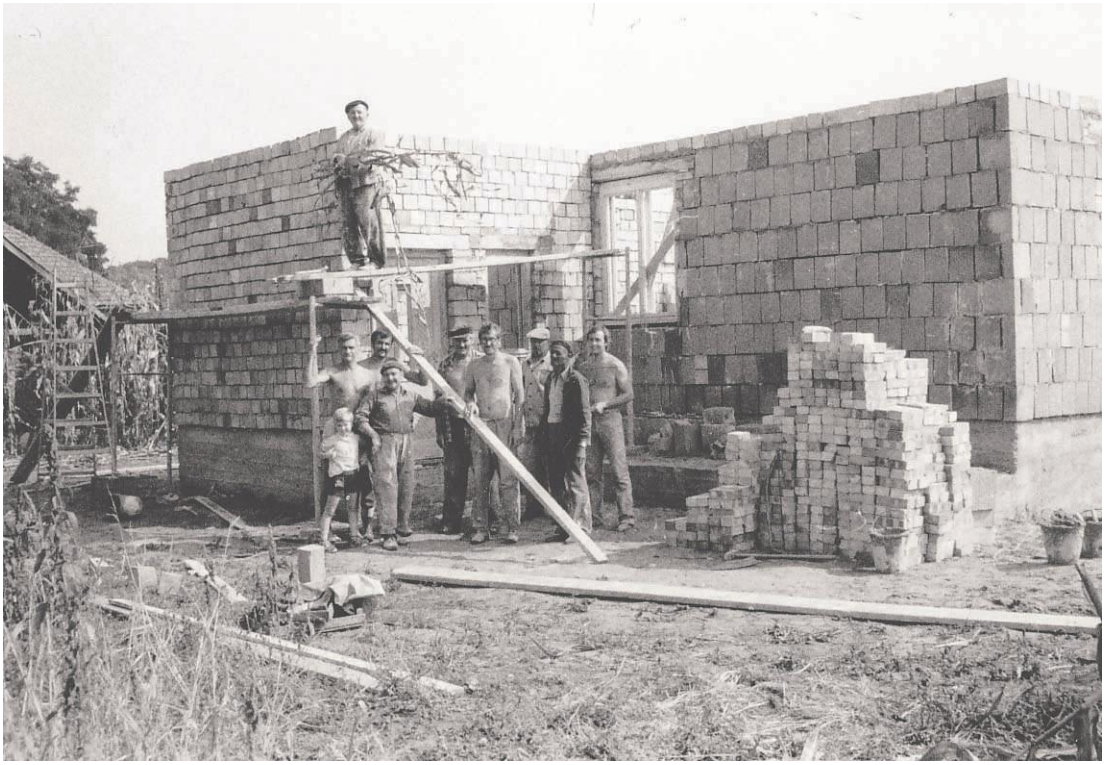
Those who received land after 1945, coming into this situation with an eagerness to own land, were soon forced into collectivized agricultural cooperatives: their ownership of the land remained, but they were nevertheless unable to freely dispose over it. At the time of the political transformations, this generation either no longer lived or was too old, or – as mentioned above – simply did not fully understand the processes of privatization.

After the dissolution of the agricultural cooperatives, and as a result of an incomplete and not real understanding of privatization, a significant part of the rural population remained in the villages without work and

11 Szabó 1993, 226; Szabó 1996, 35–37; Szabó 2005, 395.

12 Szabó 2005, 39; Szilágyi 2000, 569.

13 See more on the specialities of the Hungarian rural transformation within the Central and East-European context: Swain 2013, 19–69.



House-building kaláka work (voluntary work to help a neighbour). Completing the walls. In the kaláka friends, relatives, working partners and the owner of the house take part (Tiszadob, mid-1980s).

an opportunity to make a living. Earlier on, people ran small household farms in addition to their jobs in the agricultural cooperative. One supplemented and helped with the other, and thus provided an opportunity for the rural population to get ahead. When the jobs in the agricultural cooperatives were gone, it also meant that the household farms disappeared as a form of supplementary work and income. Those who otherwise had land, such as a vineyard or larger garden, were able to maintain the household farming activities, while those who, at least for the time being, did not sell their lands recently received back in the privatization had a chance to rent them out in some form. Usually, these people asked for rent in kind, in the form of produce, which was both an obvious and mutually advantageous choice for the tenant and the land owner. The land owners tried to further keep their livestock with the use of the rent paid in kind, and to maintain the opportunity to continue to generate an income beyond mere subsistence from the household farm and their livestock. The hope of this, however, faded relatively quickly in our villages, since the earlier markets disappeared one after the other or became more difficult to access, and in many cases it happened that the goods were delivered, but the payment, the amount of which was lower and lower, was often late or it was never received. This quickly discouraged the population still living in villages from farming: since their efforts were not appreciated, that is, the result of their work could not be sold

on the earlier markets, while the new ones were not available, or only with restrictions and through alternative ways, masses of people in villages gave up growing agricultural products and operating their small farms. Simultaneously, larger groups, limited liability companies and other economic associations engaged in industrial farming appeared, in which activity, however, the practices earlier widespread in village populations, as well as the experiences passed down from one generation to the next in the community, no longer had a place.

Working opportunities and all other elements linked with the peasants' way of working gradually disappeared from the villages, and so it was very difficult to find them surviving in rural Hungary, in comparison with their earlier widespread presence that was characteristic in villages before the political changes.

If we look back to the period before 1945, compare it with the decades after and then again with today's situation, we can observe an alternating pattern concerning land ownership and property conditions in general. Before 1945, the agriculture of Hungary was determined by the large estates, while in the next period, these were divided up to create smaller family farms. The ownership of these farms remained the same in the period of collectivization, but the right of disposal over the land they owned was taken away from the rural population. After they regained this right, however, they could not fully utilize it, and we could witness the appearance of the large, industrial farms, which made the emergence of small-scale farming operations once again obsolete.

Today we can all hear from many places and directions that grassroots-based, bottom-up generated communities should emerge in order to ensure that our depopulated and neglected villages can survive, their deterioration could be stopped, and perhaps they could even be restored to their old condition. Meanwhile we do not notice, and even if we do notice, we cannot do anything about the situation when we formulate our wishes concerning the above, and at the same time, we continuously attack and eliminate human relationships built from the bottom up. Using the earlier examples, as far as the performance of work, co-operative work, or "kaláka" is concerned, today it is only possible to work in Hungary in such a format of cooperation if it is official registered. Any joining of forces on the part of small communities of friends, or where people organize themselves from within in order to satisfy the needs of one or several farmers, aiming at helping each other back and forth, and to provide such assistance to each other that would be similar to the earlier "kaláka" system – these are no longer possible.

Let us consider the example of building houses. Earlier, houses were built in Hungarian villages with the help of relatives, friends and co-workers taking turns in helping each other. This "kaláka" system, regardless of the type of work, did not simply mean the provision of help to each other and the community, but also friendships, the possibility to replenish themselves through the time spent together, and these people did not need external motivation to build human relationships. Those relationships very much existed and worked well, and their effect was continuously present in the lives of the villages.[14]

In the above, I dealt with the village, rural society, and their history in the past approximately 60 years. During the second half of this period, in my opinion, the village, rural society and communities changed in a negative way. In Hungary, traditionally these villages and rural communities constituted the agricultural population and were the sites

14 Szabó 1981, 37.

where agricultural production took place. In this sense, traditional Hungarian agriculture and rural society is in ruins, and some villages now do not even cry for help.

Postmodern efforts aim at 70% of the world's entire population to be urbanized by 2050, that is, for them to live in urban areas, abandoning the village and the rural lifestyle.[15] The excessively quick modernization efforts even want us to believe that things that only happened yesterday should be considered obsolete and forgotten. The question that remains is where the place of tradition, cross-generational conditioning, villages and agriculture based on it is in Hungary and around the world.

BIBLIOGRAPHY

Jávor, Kata 2000. *A magyar paraszti erkölcs és magatartás*. In: Paládi-Kovács Attila (Ed.). *Magyar néprajz VIII*. Társadalom. Akadémiai Kiadó.

Porkoláb, Péter 2006. "Hungarian and Finnish Family Farming in Village Community from the 1950s to the 1980s". In: Anssi Halmesvirta – Heino Nyyssönen (Eds.). *Bridge Building and Political Cultures: Hungary and Finland 1956-1989*. Kopi-Jyvä: Jyväskylä.

Porkoláb, Péter 2009. "Parasztság és agrárhelyzet Magyarországon Tiszadob példáján 1945–1975". In: *Tisicum. A Jász-Nagykun-Szolnok megyei múzeumok évkönyve*. XVIII. Szolnok. Jász-Nagykun-Szolnok Megyei Múzeumok Igazgatósága

Porkoláb, Péter 2014. *Unkarilainen ja suomalainen perheviljely kyläyhteisössä 1950-1980 -luvuilla*. Jyväskylä. Lankamaan kyläseura ry. Grano Oy: Jyväskylä.

Porkoláb, Péter 2015. 'A vidéki, falusi élet változása a XX. század második felében Magyarországon és Finnországban két falu – Tiszadob és Kuusvedenranta – példáján keresztül. Összehasonlító vizsgálat'. PhD. dissertation. University of Jyväskylä Press: Jyväskylä.

Swain, Nigel 2013. *Green Barons, Force-of-Circumstance Entrepreneurs, Impotent Mayors. Rural Change in the early Years of Post-Socialist Capitalist Democracy*. Budapest–New York, CEU Press.

Szabó, László 1977. *AKCIÓKÖZÖSSÉG*. In: Ortutay Gyula (Ed.). *Magyar Néprajzi Lexikon I*. 55. Budapest. Akadémiai Kiadó.

Szabó, László 1981. "A paraszti munkaszervezet mai formái". In: Örsi Julianna – Szabó László (Eds.). *Életmódvizsgálatok az Alföldön*. Tudományos tanácskozás 1979. szeptember 4-5-én a karcagi Györffy István Nagykun Múzeumban. *Múzeumi levelek* 37-38. Szolnok.

Szabó, László 1988. *A palócok társadalomnéprajza*. Folklór és Etnográfia 46.

Szabó, László 1993. *Társadalomnéprajz*. Debrecen: Ethnica kiadás.

Szabó, László 1996. *Társadalom, etnikum, identitás*. Folklór és Etnográfia 91.

Szabó, László 2005. *Gömör és Kishont vármegye paraszti társadalma*. A gömöri magyarság néprajza IV.

Szilágyi, Miklós 2000. *Gazdasági társulások, egyesületek, érdekvédelmi szervezetek*. In: Paládi-Kovács Attila (ed.): Magyar néprajz VIII. Társadalom. Akadémiai Kiadó.

Valkó Béla 1993. Tsz vagy koldusbot? In: *A falu* 2. szám.

Varga, Zsuzsanna 2013. "Conflicts and compromises between the Hungarian socialist state and the peasantry: contextualising the 'Hungarian agricultural miracle'". In: *Integration through Subordination. The Politics of Agricultural Modernisation in Industrial Europe*. Eds. Peter Moser & Tony Varley. Turnhout: Brepols, 2013. 203–222.

Veresegyháziné Kovács, Jolán – Veresegyházi, Béla 1996. *Magyarország történeti-tipográfiai kislexikona*. Folklór és Etnográfia 46.

Tér – idő. 8 March 2017. Kossuth Rádió.

15 Tér – idő. 2017 (Kossuth Radio).

Pilvi Hämeenaho

IDYLLIC LIVING IN RURAL SURROUNDINGS. PERCEPTIONS OF FINNISH RURAL RESIDENTS OF THEIR HOME ENVIRONMENT

Introduction

Living in Finnish rural areas is different. Within the urbanized culture that perceives city living as a norm, residing in rural Finland is an exception to the rule. The rural-urban dichotomy represents the two environments as opposites rather than perceiving them as alternative dwelling opportunities.[1] Although this polarization has been challenged over decades in research on rurality[2] by emphasizing the cultural intertwining and continuities of these two environments as social spaces, the way of understanding them as opposites has persisted among commonly shared perceptions. Both urban and rural areas exist in spatial reality, but the distinctions are created at the level of cultural conceptualizations. According to these ideas, based on stereotypes and assumptions attached to rural and urban, urban represents the modern way of living while rural areas are perceived to be bound either to modern agriculture or its past and to an agrarian lifestyle. It is noteworthy that these cultural perceptions of rurality are based on urban standpoints.[3] From this it follows that rural areas are understood as 'the other' in relation to the norm; whereas cities are understood in their own terms rural areas represent a site of conceptual struggles, which need to be explained and rendered comprehensible.[4]

The perceptions related to rurality are multiple. The way of perceiving urban and rural areas as cultural counterpoints is grounded on the historical ways of defining 'the city'. As cultural imagery, the countryside has represented the opposite of the features associated with cities: rurality represents poverty rather than of wealth and luxury, isolation rather than centrality, backwardness and stagnation rather than progression, civilization and mobility.[5] On the other hand, the criticism of urbanism has led to the glorification of agrarian culture and 'natural' or 'traditional' lifestyle of pre-industrial times.[6] These admired features of peasant living are considered to be lost in the cities but still to be found 'out there', in the country.[7] It is

1 On political and economic rural restructurings, 'desires' to dwell in the country and the assumed daily life challenges see e.g. Silvasti 2001; Woods 2005; DuPuis 2006, Kattilakoski 2011.

2 See e.g. Pahl 1966; Mitchell 2004; Cloke 2006; Hompland 1991; Olsson & Ruotsala 2009; Hämeenaho 2013.

3 E.g. Short 1991, 28, 30; MacNaghten & Urry 1998, 120–121; Korkiakangas 2010, 82–83.

4 Cloke 2006, 18

5 Williams 1985, 290; Greed & Ching 1997 (see also Rosenqvist 2007, 4); Macnaghten & Urry 2001, 2; Knuuttila & Rannikko 2008, 19.

6 Williams 1985; Macnaghten & Urry 1998, 175; Hangasmaa 2007.

7 Woods 2005, 177; Hämeenaho 2013

argued[8] that despite the myriad of meanings given to rural and rurality, this way of envisioning rural areas as 'idyllic' is the most common way to define the countryside and rurality. The romantic notion of rural idyll also associates the modern countryside of today with the agrarian past by emphasizing the significance of nature and lifestyles founded on a communality of local people as an essence of the rurality of today. Rural as a social space may be represented either as "at the back of beyond" (in Finnish: *syrjäkylä*) or as an idyllic place for 'simple life' but it remains bound to its agrarian past as a contradiction to modern urban.

In order to understand rurality one must admit the strength of these rural visions, the culturally valued interpretations of *what is rural* and how they affect our thinking and practices in everyday life.[9] The ideas and stereotypes related to rural areas occur as underlying assumptions and are reiterated by mass media, popular culture, tourism and in preservation of cultural heritage, for example.[10] Besides the aforementioned culturally rooted stereotypes, policy discourses also interpret rural areas from their perspectives, mainly from the viewpoints of the economic value of rural land and nature. The major policy discourses have perceived the countryside as a place for primary production and industries only.[11] Another policy orientation is to evaluate rural areas from an ecological perspective. This orientation reflects the idea of a 'culture of nature', the way of valuing products, practices and lifestyles considered natural.[12] This discourse grows from concern about the exploitation of nature for the benefit of industry and supports the idea that the countryside should mainly serve as a city-dwellers' place for leisure and recreation among natural surroundings.[13] This perception is closely connected to the idea of 'peasant idyll' that envisions the countryside as a haven for agrarian heritage and beautiful rural landscapes to be preserved. When these visions of nature conservation or the nostalgic view on rurality are combined, the countryside may be considered a location for heritage or nature tourism to the extent that the viewpoints of local residents and endeavours related to their (modern) home environment are forgotten.[14]

It is noteworthy that these seemingly very different rural visions are virtually carved out from the same source of cultural conceptions. They are a creation of *the urban view* that depicts rural areas as 'the other', or more precisely, its main characteristic is to be 'other-than-urban'. Instead of giving rural areas value *per se*, these visions and perceptions are exploitative. They fail to answer the question 'What is rural?' but are in response to a dilemma 'What is rural *for*?' Another connection between these perceptions is that rural areas are not regarded as an alternative living environment but as a place in which urbanites could *consume rurality*.[15] This perception of rurality is an outcome of the cultural process that has detached the idea of 'rurality' from its geographical refe-

8 See e.g. Mormont 1990; Cloke 2003; Figueiredo 2013.

9 Cloke 2003; also Hämeenaho 2013; 2014.

10 Urry 2002; Bunce 2006; Siivonen 2008; Hämeenaho 2013.

11 Cloke 2003, Rosenqvist 2007.

12 MacNaghten & Urry 2001, 1–2; Short 1991, 31.

13 Woods 2005, 173; Bell 2006,158; Figueiredo 2013, 159–160.

14 Hansen & Waldenström 2012; Hämeenaho 2013. On tensions and conflicts over rural areas see e.g. Siivonen 2008; Dabezies and Ballesteros-Arias 2013; Uusitalo & Assmuth 2013.

15 Bunce 2003, 25; Cloke 2006, 18; Halfacree 2006, 57; Macnaghten & Urry 1998, 120–121

rent.[16] It has even been argued[17] that the way of perceiving the rural as a social and cultural construct has led us to the point where 'rurality' no longer exists outside the countless re-representations and discourses. These multiple and often contradictory discourses may be utilized according to the needs of tourism, nature conservation, policymaking and development programmes – whatever the cause and need in question.[18]

The dichotomy between rural and urban is evidently connected to a dichotomy between nature and culture.[19] Cities represent the man-made environment whereas rural assimilates with nature. Accordingly, rural areas may be valued as land or *soil* to be cultivated or forests and landscape to be utilized for industry or leisure.[20] On the other hand, rural may be considered to refer to wilderness – either to be tamed or preserved[21] or as once cultivated land of which the visual features such as traditional buildings or pastoral sceneries now should be protected as a reminder of the agrarian heritage. Analysis of the rural visions stated above illuminates the nature-culture categorizations. All these visions define rural primarily by emphasizing the significance of nature as a key element of rurality.

In order to further study this aspect of rurality, my research focuses on exploring rurality in sparsely populated areas in rural Finland as a certain kind of environment, demarcated by nature and long distances to city centres. However, as I study the rural vision given by rural residents, the starting point of my study is to understand rural areas as a place *to live* – not as a place *to visit* for one reason or another. I ask how rural nature, understood both as land and as a living environment underpinned with culturally and socially constructed meanings, and its usage is envisioned in the course of daily lives of rural residents. Listening to those with experience of rural living widens our understanding of rurality by adding one more rural vision – that of local residents – to the discussion often led by urbanites.

Data and methodology

Among the 'countless re-representations' of rurality, my study aims to understand how rural, and especially rural nature, is given meanings in the context of everyday living. This requires ethnological research exploring rural visions and assumptions related to rural environment in the context of daily living. Paying attention to the everyday lives of people living in rural areas reveals the meanings attached to the countryside as *a daily activity space* instead of exploring merely ideas based on shared assumptions or cultural perceptions.[22] This interpretative analysis thus provides another viewpoint, one 'conception of truth' that emanates from the daily life experiences and perceptions of my informants.[23] With qualitative content analysis, with a special interest in how cultural imagery is present in the talk. I give a voice to 14 women whom I interviewed during the fieldwork in 2009.

The data consists of fourteen thematic interviews, during which my informants, mot-

16 Halfacree 1993.

17 Cloke 2003, 18, see also Korkiakangas 2010.

18 Lehtonen 2016, 52.

19 Macnaghten and Urry 1998, 172; Ingold 2000.

20 Cosgrove 1998; Gray 2012, 226.

21 Macnagnten & Urry 1998, 34; Cloke 2006, 18; Wollin Elhouar 2014, 192.

22 Hämeenaho 2014, 30; Hamilton 2016, 298.

23 On 'ethnographic truths' see Frykman & Gilje 2003, 35; Fassin 2017, 9; also Strauss 2005; Schnegg 2010.

hers living in sparsely populated rural areas of Central Finland, described their families' daily living in the country. Perceptions attached to rurality were also scrutinized in the interviews, during which we discussed rural living from the viewpoint of the benefits and challenges related to the interviewees' home environment and how living far from workplaces and services affected their daily life practices. The women had different relations to rural living, but they had all also lived in cities during their lifetime. Most of my informants had been born in the country and had only spent a few years in urban areas, mainly for vocational studies. Five of the informants were in-migrants, as they had been born in the city and moved to the country as adults. The data thus represent perceptions of people who have experience of both living environments, city and country.

Daily life practices in rural environment

> "It is so peaceful here, we have this privacy. When I come home after the day at work I can do whatever I want, just be here. Nobody is watching us." (Interview 8.)

When asked what was good about the home environment, and what the best features of country living were, all my informants wanted first to emphasize the significance of one's own peace that a rural environment and sparse population afford. The importance of natural surroundings was also stressed during the interviews. They all mentioned how the opportunity to live close to nature, forests and fields, was their main source of private wellbeing. Accordingly, living far from the centres was not considered burdensome in the daily life course; it was a personal choice for all my informants.

This thinking, perceiving rural areas as an inviting place to love contradicts the common assumptions emphasizing the difficulties of rural living. In Finland, these negative ideas are attached to rural geography: the long distances and to lack of jobs and schools.[24] Due to the lack of services and workplaces, rural residents are compelled to travel lengthy distances each day in order to conduct daily tasks and duties. With no functioning public transportation, the only way to be mobile is a private car. My fieldwork also clearly showed how living in a rural environment was made possible by having a private car and being able to drive.[25] However, the women I discussed with did not mention this as a problem. Instead, the busy mothers with hectic schedules in their family lives made a point about the freedom that private driving affords. They had adjusted to the necessity of driving and regarded the lengthy drives as much needed time for themselves. One informant explained: "Driving is no problem for me. Actually, I rather like it. I can clear my thoughts [after the day at work] during the drive." (Interview 10.)

In a rural environment, driving by private car through the beloved countryside enables much valued solitude and becomes a part of the peacefulness of the rural environment. The remoteness turns into distance that separates one's home from the hectic city living. [26] One mother, whose family lived in remote place outside the village observed: "Sometimes I feel bored due to driving along these same, long roads. But then again, I feel gratitude for that I do not have to be around other people too often." (Interview 14.)

In addition to the solitude and peace-

24 Nieminen-Sundell 2011; Tantarimäki 2012.

25 Hämeenaho 2014, 91; Hämeenaho 2018; also Sheller 2004.

26 See also Wollin Elhouar & Hansen 2011; Rau 2012.

fulness that the remote location of home provided, the importance of natural surroundings in daily living was emphasized. This connects the 'experienced rurality' to the traditional ways of living and earning one's living: farming, animal husbandry and forestry. Those informants who lived from farming or forestry, connected rurality directly to the cultivation of land and noted, how rural areas provide food for the entire nation. Other interviewees also mentioned this when they wanted to highlight the significance of rural areas to modern living. Traditional livelihoods were specifically discussed when they told me how their home villages have emptied due to a drastic drop in the number of farms in Finland in recent decades. This disappearance of farming – and inhabitants as well – was considered the main problem in regard to the future of sparsely populated rural areas. One informant, who had witnessed the out-migration said to me: 'To my regret, I have to say this village is quite deserted nowadays. I have lived here for 20 years, people have moved out from here, or older people have died. More people have left than have moved here." (Interview 4.) Out-migration of all neighbours brings up the problems related to feelings of loneliness and may turn the peacefulness into loneliness.[27]

For those who spent most of their time in the cities due to work or school the significance to their wellbeing of a rural environment was mainly attached to the possibility to enjoy nature through leisure activities,[28] such as gardening or walking in the woods. One mother told me how she had 'just planted 25 metres of raspberry canes, 5 metres of gooseberry bushes and another 5 metres of blackcurrant bushes [in her garden]. She also said: 'It is so easy here, to do this kind of thing, to take pleasure in the wonders of nature.' (Interview 2.) Berry picking and mushrooming were common activities among my informants, and some of them had small fields they were cultivating as a hobby and as a source of extra income. For all of my informants, the rural ambience was of great value in itself, and it was also enjoyed as a landscape and scenery. One informant explained how her home provided her and her family with a chance to enjoy the beauties of the natural surroundings.

> "[We have] so much open sky, here on the top of the hill where we live. This scenery, we can watch how the clouds go by, and we can watch the sun rising and setting. My sister-in-law has a summer place just there, at the foot of the hill. So we go there, watch the sunset and when we come back here we can watch it again!" (Interview 8.)

Talk about the benefits of living in a rural environment is captured in the comment of an informant who worked as a dairy farmer: "One thing I probably enjoy the most, is this chance to observe the natural cycle. To live here, close to nature and according to its tempo rhythm." (Interview 14.)

Idyllic ideas on rurality

Besides affecting daily practices and leisure activities, a rural environment also has a greater impact on the level of lifestyle. By adjusting to challenges posed by the environment and by learning to enjoy the opportunities offered by the surrounding nature, 'rurality' becomes part of one's thinking. This was clearly expressed by those informants who had moved to countryside as adults. One mother explained how this change in living environment had affected her way of living and perceptions of an admirable

27 Oinas 2012; Hämeenaho 2014, 159–160.

28 Also Wollin Elhouar 2014, 135.

lifestyle. At the same time, she was well aware of the stereotypes attached to rural living. When talking about the times when she became a rural dweller she noted how her own thinking had been filled with ideas reminiscent of the 'rural idyll':

> "[when we moved here] it was like looking through the rose-tinted glasses. I had this, somehow nostalgic idea, that here in the countryside I would go around with a scarf tied around my head and carrying a basket on my arm. [laughs]. Even so, my life has changed a lot indeed, it is so different to live here than in an apartment block. I have started to bake bread in the oven, something I never did before. And now we are building a cellar under the yard so we can store the potatoes we grow. We have been changing our lifestyle intentionally." (Interview 11.)

The idea of being self-sufficient turned out to be an important element of rural lifestyle, which was pursued in accordance with the families' abilities. One couple I interviewed explained how they baked bread, grew vegetables in the greenhouse and filled their freezer with berries. As vegetarians they did not need any meat products, and they were proud to say that they were able to get almost all the food they consumed form their own garden and from nearby forests. One female informant explained how, due to the long distances to nearest grocery shop, the family went shopping only seldom. This had affected her views on what one really has to buy and she was highly critical towards shopping and consuming, which she associated with urban lifestyle. During the interview, she pondered:

> "No wonder [citydwellers] spend so much money, there is everything available all the time. Shops are always crowded. But here, you just realize how you can cope without buying almost anything. A month may go by, and we only need to buy toilet paper and detergents. Really, that is all." (Interview 4.)

It is noteworthy that in the interviews rurality was most often explained by contrasting it with ways of living considered urban. Besides the criticism of consumerist lifestyle attached to urban areas, other features that make rural areas better living environment were also mentioned. One mother who ran a dairy farm with her husband noted:

> "One thing which is good about living in the country is that you can accustom your children to work. Sometimes I have wondered how I would have managed at all in some apartment block with two energetic boys. Here at the farm we have been able to channel their energy into all kinds of work and activities we have here on the farm." (Interview 14.)

When the discussion focused on the best features of rural living, the mothers expressed their gratitude that they had been able to live in the country while their children were small. A will to raise one's children among rural environment had also been a decisive reason for in-migrants, who had moved to the country from urban areas. The country was considered a safe place for children, due to absence of urban problems such as heavy traffic or crime, for example. One mother, who had lived several years in a big city, told me:

> "While living in the city, I saw it all, drug addicts and all those people. Here, I can send the children to the yard and I do not have to worry that somebody will kidnap them or that they will be run over." (Interview 3.)

Rural nature was also mainly seen as positive, regardless of the dangers that 'wild nature' may pose. The mother of an 8-year-old boy pondered:

> "It is so safe here, it is different from

being in a big city. I can let my kids go out and play there by themselves. I do not believe that the wolves would come, put children in their backpacks and carry them away. This environment is also so clean; no pollution here." (Interview 10.)

All these features related to rural living are in line with the idea of 'rural idyll'.[29] On top of this, negative ideas attached to urban living were expressed by many of my informants, which reiterates the way of representing rural and urban as opposites. From the rural viewpoint, urban areas do not offer solitude, they are considered to be dangerous, polluted and they bind people to values and habits of a throwaway society[30]. In contrast to urban areas, the country offers all the features of living, which are respected.

Rural visions revisited

It is often claimed that rurality as a cultural conception carries multiple meanings that represent 'the country' from the perspective of urbanites. The idea of rurality being bound to agriculture, whether modern farming and forestry or perceiving rural areas as a living museum of the agrarian past, dissociates rurality from the urban living environment at the level of thoughts. From this it follows that the features of modern daily living in the country such as busy workers commuting to nearby cities on a daily basis or challenges caused by the lack of services, are not present in commonly shared rural visions. During the fieldwork I discovered that these common assumptions, 'the rural visions' truly have an impact on the thinking of all.[31] When asked about the most important features of their home environment, my informants gave me significantly similar answers in emphasizing the value of nature and solidity rural space. In addition, the ways they defined living in rural areas echoed the ideas of the 'peasant idyll'.

The country as a place to live is described as a peaceful environment that provides opportunities to enjoy nature and follow a lifestyle which differs from city living. Rural areas are thus represented as a place for an idyllic life in the present day. These features, the most valued elements of rural living are strikingly similar to those stereotypical ideas about the Finnish countryside being a place for nature and communal lifestyle based on lifestyles and practices related to agriculture and close connection to local nature. However, they did not base their stereotypical thinking solely on commonly shared ideas but also on their own, private life experiences. Living the daily life in rural areas had moulded their attitudes about rural – and urban. The interviews clearly show how the deeply ingrained stereotypes of the two differing environment also influence rural residents. They recognize the discourses and adjust their telling to these common ways of representing rurality. They also define 'urban' by utilizing the (negative) stereotypes attached to cities. It is arguable that the juxtaposition of the two environments should not be interpreted only as a product of the 'urban view' – rural residents also make these strong distinctions when describing their living environment.[32] On the other hand, rural residents do have their own discourses to re-represent and define their home environment. According to my study, even if the key elements of this 'local discourse' follow the culturally constructed ideas and stereotypes, the elements of rurality are given different meanings when

29 See Bell 2006, 149.

30 Hämeenaho 2014, 112; also Wollin Elhouar 2014, 166–167.

31 See Cloke 2003, 18.

32 See also Abram 2003.

observed from the perspective of daily life. The ideas that connect rural and rurality to wilderness, as opposed to the civilized, man-made environment of urban areas, did not resonate with these rural residents' thinking. On the contrary, their perceptions of rurality emphasized the significance of people and their activity in creating and maintaining 'rurality'. The study shows how rural residents represent rural first and foremost as a place for living. It is both a cultural and social space and geographical location where a certain kind of lifestyle may be followed. It is a daily living environment for those who follow and renew the lifestyle attached to the agrarian past and who respect nature and cultivate the land. Most importantly, my research shows how the idea of 'rural idyll' is not just a cultural conception with no reference to the realities of daily life. The idea also has strong roots in the lived and experienced rural, and its significance in defining rural continues as rural residents reiterate the idea about idyllic living in their talk and lifestyle choices.

Conclusions

I began my journey by reflecting the multifaceted perceptions attached to rural and rurality from the perspective that envisages the countryside from outside. Whether rural areas are seen as a place for the production of raw materials for industry and food production or as a haven for untamed nature and green tourism, the perception of rurality is connected to nature and its significance for urban dwellers. The dichotomy that distinguishes rural from urban at the level of cultural conceptualizations accentuates the idea that rural is not a living environment parallel to urban areas but emphasizes its location and lifestyle outside urban areas. In order to add another perspective on the issue, I asked *what is rural* when explored from the perspective of those who live their daily lives in this much debated environment. The analysis presented here has focused on the meanings attached to rural nature and environment during the interviews with mothers living in sparsely populated rural Finland.

As an outcome, the study clearly shows how stereotypes and especially the notion of rural as idyllic are also present among rural residents. Moreover, the idea that connects rurality to nature was present in the talk of my informants. However, the meanings given to idyll or to nature as a characteristic of rurality were different from those ideas that bound rural areas to their past and represent them as backward or only valuable as a place for nature or heritage tourists to visit. On the contrary, those who reside in rural areas today emphasized how active farming and utilizing nature for daily leisure and pleasure form the backbone of rurality and rural living. All the opportunities for enjoyment and making a living that rural environment and its natural attributes afford surpasses the daily life challenges entailed. The question *what is rural* has a simple answer: rural is cultivated land. It is a place for dwelling and an environment where one can follow a lifestyle that values nature and its local consumption.

Sources and Bibliography

Archival sources

Interviews 1–14. Central-Finland memory archives: KSMA CD 09/12:1–14.

Bibliography

Abram, Simone, 2003. "The rural gaze." In: Cloke, Paul (ed.), *Country Visions*. New York: Pearson, 31–48.

Bell, David, 2006. "Variations on the rural idyll." In: Cloke, Paul, Terry Marsden & Patrick H. Mooney (eds.), *Handbook of Rural Studies*. London: Sage, 149–160.

Bunce, Michael, 2003. "Reproducing rural idylls." In: Cloke, Paul (ed.), *Country Visions*. New York: Pearson, 14–30.

Cloke, Paul, 2003. "Knowing Ruralities?" In: Cloke, Paul (ed.), *Country Visions*. New York: Pearson, 1–13.

Cloke, Paul, 2006. "Conceptualizing Rurality." In: Cloke, Paul, Terry Marsden & Patrick H. Mooney (eds.), *Handbook of Rural Studies*. London: Sage, 18–28.

Cosgrove, Dennis E., 1998. *Social Formation and Symbolic Landscape.* Madison: University of Wisconsin Press.

Creed, Gerald W. & Barbara Ching, 1997. "Introduction. Recognizing rusticity. Identity and the power of place." In: Ching, Barbara & Gerald W. Greed (eds.), *Knowing Your Place. Rural Identity and Cultural Hierarchy*. New York: Routledge, 1–38.

Dabezies, Juan Martín & Paula Ballesteros-Arias, 2013. "Perceptions and Appropriations of Discourses in the National Park Island of Ons (Galicia, Spain)." In: Silva, Luís & Elisabete Figueiredo (eds.), *Shaping Rural Areas in Europe. Perceptions and Outcomes on the Present and the Future*. Dordrecht: Springer, 41–56.

DuPuis, E. Melanie, 2006. "Landscapes of Desires?" In: Cloke, Paul, Terry Marsden & Patrick H. Mooney (eds.), *Handbook of Rural Studies*, 124–132. London: Sage.

Fassin, Didier, 2017: "*If Truth Be Told: The Politics of Public Ethnography*." Durham: Duke University Press.

Figueiredo, Elisabete, 2008. "Imagine there's no rural. The transformation of rural spaces into places of nature Conservation in Portugal." *European Urban and Regional Studies* 15:2, 159–171.

Frykman, Jonas & Nils Gilje, 2003. "Being There. An Introduction." In: Frykman, Jonas & Nils Gilje (eds.), *Being There. New Perspectives on Phenomenology and the Analysis of Culture*. Lund: Nordic Academic Press, 7–51.

Gray, John, 2003. "Open Spaces and Dwelling Places: being at Home on Hill Farms in the Scottish Borders." In: Low, Setha M. & Denise Lawrence-Zúñiga, (eds.), *The Anthropology of Space and Place*. Oxford: Blackwell Publishing, 224–244.

Halfacree, Keith, 2006. "Rural space: constructing a three-fold architecture." In: Cloke, Paul, Terry Marsden & Patrick H. Mooney (eds.), *Handbook of Rural Studies*. London: Sage, 44–62.

Halfacree, Keith, 1993. "Locality and social representation: space, discourse and alternative definitions of the rural." *Journal of Rural Studies* 9, 1–15.

Hamilton, Lindsay, 2016. "Ethnography beyond the country and the city: Understanding the symbolic terrain of rural." *Ethnography* 17:3, 297–308.

Hangasmaa, Leena, 2007. "Maaseudun romantisointi ja nostalgisointi Suomessa." In: Knuuttila, Maarit, Tiina-Riitta Lappi, Helena Ruotsala & Elina Salminen (eds.), *Hei muistatkos…?* Helsinki: Ethnos ry.

Hansen, Kjell & Cecilia Waldenström, 2012. "'The rural' in the Rural Development Programme – Words, Realities and Power." Presentation in *Rural at the Edge*. The 2nd Nordic Conference for Rural Research. Joensuu 21.–23.5.2012.

Hompland, Andreas, 1991. "Rurbanization, Suburbia and Metropolis. Social Scenarios in Norway and Europe." In: Almås, Reidar & Nora With (eds.), *Rural Futures in an International World.* Trondheim: Centre for Rural Research.

Hämeenaho, Pilvi, 2018. "Daily life on wheels. Women's mobility and local living in rural Finland." *Journal of Finnish Studies* 22:1.

Hämeenaho, Pilvi, 2014. *Hyvinvoinnin verkostot maaseudulla asuvien äitien arjessa. Etnologinen tutkimus palvelujen käytöstä ja hyvän arjen rakentumisesta.* Helsinki: National Institute for Health and Welfare.

Hämeenaho, Pilvi, 2013. "In Search of the Rurban Idyll? Developing the Residential Rural Areas in Finland." In: Silva, Luís & Elisabete Figueiredo (eds.), *Shaping Rural Areas in Europe. Perceptions and Outcomes*

on the Present and the Future. Dordrecht: Springer, 181–196.

Ingold, Tim, 2000. *The Perception of the Environment. Essays on Livelihood, Dwelling and Skill*. London: Routledge.

Kattilakoski, Mari, 2011. *Maaseudun uudet toimijat. Tutkimus paluu- ja tulomuuttajien toimijuudesta maaseutuyhteisöissä ja kehittämisverkostoissa Keski-Pohjanmaalla.* Turku: Institute of Migration.

Knuuttila, Seppo & Pertti Rannikko, 2008. ”Sivakka ja Rasimäki tutkimuksina.” In: Knuuttila, Seppo , Pertti Rannikko, Jukka Oksa, Tapio Hämynen, Hannu Itkonen, Heidi Kilpeläinen, Mikko Simula, Sinikka Vakimo & Marjaana Väisänen (eds.), *Kylän Paikka. Uusia tulkintoja Sivakasta ja Rasimäestä*. Helsinki: Finnish Literature Society, 9–22.

Korkiakangas, Pirjo, 2010. “The romanticised countryside – ethnological research and countryside nostalgia.” In: Bata, Timea & Zsuzsa Szarvas (eds.), *Past and Present Stereotypes – Ethnological, Anthropological Perspectives*. Budapest: Hungarian Ethnographical Society, 75–86.

Lehtonen, Jussi, 2016. *Skenaarioita maaseudun palveluista. Kaupat, kirjastot, pankit ja postit historiasta tulevaisuuksiin.* Annales Universitatis Turkuensis 429. Turku: University of Turku.

Macnaghten, Phil & John Urry, 1998. *Contested Natures*. London: Sage.

Mitchell, Clare J. A., 2004. “Making Sense of Counterurbanization.” *Journal of Rural Studies* 20:1, 15–34.

Mormont, Marc, 1990. “Who is rural? Or, how to be rural: towards a sociology of the rural.” In: Marsden, Terry, Patrick Lowe & Susan Whatmore, (eds.), *Rural Restructuring: Global Processes and Their Responses*. London: David Fulton, 21–44.

Nieminen-Sundell, Riitta, 2011. *Maisema on, työ puuttuu*. Helsinki: Sitra.

Oinas, Pirjo, 2012. ”Turvallisuus maaseutuyhteisön arjessa.” In: Kattilakoski, Mari, Arja Kilpeläinen & Pirja Peltomäki (eds.), *Yhteisöllisyydellä hyvinvointia ja palveluja maaseudulle* [Welfare and Rural Services through Community Orientation]. Helsinki: Rural Policy Committee, 84–95.

Olsson, Pia & Helena Ruotsala, 2009. ”Introduction.” In: Olsson, Pia & Helena Ruotsala (eds.), *Gendered Rural Spaces*. Helsinki: Finnish Literature Society, 7–17.

Pahl, Ray E., 1968. “The Rural-Urban Continuum.” In: Pahl, Ray E. (ed.), *Readings in Urban Sociology*. Oxford: Pergamon, 263–305.

Panelli, Ruth, 2006. “Rural Society.” In: Cloke, Paul, Terry Marsden & Patrick Mooney (eds.), *Handbook of Rural Studies*. London: Sage, 63–84.

Rau, Henrike, 2012. “The Ties That Bind? Spatial (Im)mobilities and the Transformation of Rural-Urban Connections.” In: Hedberg, Charlotta & Miguel Renato do Carmo (eds.), *Translocal ruralism: mobility and connectivity in European rural spaces*. London: Springer, 35–53.

Rosenqvist, Olli, 2007. *The Cultural Turn and Finnish Rural Research.* Kokkola: University of Jyväskylä.

Schnegg, Michael, 2015. “The Nature and Validation of Knowledge.” In: Bernard, H. Russell & Clarence C. Gravlee (eds.), *Handbook of Methods in Cultural Anthropology.* 2nd ed. Lanham, Boulder, New York & Lontoo: Rowman & Littlefield.

Sheller, Mimi, 2004. “Automotive Emotions: Feeling the Car.” *Theory, Culture & Society* 21:4/5, 221–242.

Shore, Bradd, 1996. *Culture in Mind. Cognition, Culture, and the Problem of Meaning*. Oxford: Oxford University Press.

Short, John Rennie, 1991. *Imagined Country. Environment, Culture and Society.* London: Routledge.

Siivonen, Katriina, 2007. “The right to stand outside the cultural heritage. A condition for sustainable cultural development.” *Ethnologia Fennica,* 34, 6–19.

Silva, Luís & Elisabete Figueiredo, 2013. “What is shaping rural areas in Europe? Introduction.” In: Silva, Luís & Elisabete Figueiredo (eds.), *Shaping Rural Areas in Europe. Perceptions and Outcomes on the Present and the Future*. Dordrecht: Springer, 1–10.

Silvasti, Tiina, 2001. *Talonpojan elämä. Tutkimus elämäntapaa jäsentävistä kulttuurisista malleista*. Toimituksia 821. Helsinki: Finnish Literature Society.

Strauss, Claudia, 2005. “Analyzing discourse for cultural complexity.” In: Quinn, Naomi (ed.), *Finding Culture in Talk. A Collection of Methods*. New York: Palgrave MacMillan, 203–242.

Tantarimäki Sami, 2012. ”Kuinka voit, kuntaseni?” In: Kattilakoski, Mari , Arja Kilpeläinen & Pirja Peltomäki (toim.) *Yhteisöllisyydellä hyvinvointia ja palveluja maaseudulle*. Helsinki: Rural Policy Committee, 51–65.

Uusitalo, Eeva & Laura Assmuth, 2013. ”Having, Loving, Being in the periphery: Interpretations of locality in the national landscape of Koli, Eastern Finland.” In: Silva, Luís & Elisabete Figueiredo (eds.), *Shaping Rural Areas in Europe. Perceptions and Outcomes on the Present and the Future*. Dordrecht: Springer, 57–73.

Urry John, 2002. *The Tourist Gaze*. 2nd ed. London, Thousand Oaks, New Delhi: Sage.

Williams, Raymond, 1985. *The Country and the City*. London: Hogarth.

Wollin Elhouar, Elisabeth, 2014. *Tillhör vi Sveriges framtid?: En etnologisk studie av vardag och hållbarhet i norrländsk glesbygd.* Stockholm: University of Stockholm.

Wollin Elhouar, Elisabeth & Kjell Hansen, 2011. *Tidtabellens tyranny och frihetens pris.* Umeå: Umeå Universitet.

Woods, Michael, 2005. *Rural Geography. Processes, Responses and Experiences in Rural Restructuring*. London: Sage.

AUTHORS

Ethnologist Pilvi Hämeenaho works as a postdoctoral researcher at the University of Jyväskylä. She studies public service, lay knowledge and its status in relation to 'official' or professional knowledge with methods of collaborative ethnography and rural studies. See: Ethnology and public service research – article published in a book Societal Ethnology, Finnish Literature Society 2017 and Multifaceted Ethnography, Ethnos ry. 2014; In Search of the Rurban idyll? Developing the Residential Rural Areas in Finland' published in a book 'Shaping Rural Areas in Europe – Perceptions and Outcomes on the Present and the Future', Springer 2013). In her dissertation 'Everyday networks of wellbeing in sparsely populated rural Finland' (2014) Hämeenaho explored the perceptions on wellbeing and the role of services from the perspective of mothers. Her postdoctoral research project 'Bridging the cultural gaps in service chains', continues this research of public services with qualitative methods and analysis of lay knowledge. In the article 'Knowledge, power and responsibility in the health care for special needs children' (2016 in *Elore*), she studied the impact of uneven power relations between parents and professionals in negotiations related to rehabilitation of a disabled child. Hämeenaho works as a coordinator of the scientific board for LAPE -program for enhancing services for children and families (Finnish Ministry of Social Affairs and Health). She also coordinates the multidisciplinary 'Researcher network for health and wellbeing' at the University of Jyväskylä. Hämeenaho is an Editor-in-Chief of Ethnos (The Association of Finnish Ethnologists). OrcID: http://orcid.org/0000-0003-0272-3838

Erkki Laitinen, M.A., historian. He has mainly studied history of rural communities, specializing in agriculture, forestry, postwar resettlement policy and local history. His works include local histories: *Kurun historia I–II* (1988, 1992), *Hankasalmen historia I* (2004), *Kangasniemen historia III–IV* (2015); settlement history: *Rintamalta raivioille. Sodanjälkeinen asutustoiminta 50 vuotta* (Ed. with main article, 1995), history of forestry: *Luontoistaloudesta kaupalliseen metsätalouteen (1850–1950)*. In: *Ihminen ja metsä – kohtaamisia arjen historiassa 2* (2012); sports history: *Pesäpallo – kansallispeli 60 vuotta* (1983) and cultural history: *Ruumis- ja kalmasaaret – etäällä kirkkomaasta* (Ed., 2001).

Réka Marchut received PhD in Modern Hungarian History at University ELTE, Budapest. Now she is a research fellow at Hungarian Academy of Science, Centre for Social Sciences Institute for Minority Studies. Her research interests are the history of German minority in Hungary and the hun-

garian-rumanian diplomatic relationships in the interwar period. Her monograph was published in 2014 about the expulsion of German minority from Hungary after the WWII: Töréspontok. A Budapest környéki németség második világháborút követő felelősségre vonása és annak előzményei 1920-1948. Budapest: MTA TK – Magyar Történelmi Társulat – Budaörsi Passió Egyesület. [Breakpoints. The Impeachment of Germans around Budapest after the 2nd World War and its antecedents]. Recent publications include :"A román konkordátum a magyar diplomáciában 1920–1929". *Pro Minoritate* 2014/Winter 150–169. [The Rumanian Concordat in the Hungarian Diplomacy]; „Az 1921. évi erdélyi agrárreform és annak magyar fogadtatása". In: Pallai László – Varga Zsuzsanna (ed.): *Föld – parasztság – agrárium. Tanulmányok a XX. századi földkérdésről a Kárpát-medencében. Hajdúnánás, 2015*. [The Transilvanian Land Reform 1921 and its Hungarian Reception]; „Raoul Bossy naplójának magyar vonatkozásai 1940–1943". *Múltunk* 2017/1. 48–72. [The Hungarian Aspects of Raoul Bossy's Journal 1940–1943].

Ilkka Nummela, Professor emeritus in Economic History at the University of Jyväskylä, He has studied history, economics and social sciences at the University of Jyväskylä and Åbo Akademi University before he started his academic career in Jyväskylä. Nummela has been a visiting scholar at universities of Jena, Linköping and Stockholm. Key themes in his publications have been standard of living in Finland, anthropometric history, economic inequality in the long-term, economics of the war, nickel trade, urban ecology and logistics. The time span is from the Early Modern Times to the present. He has been responsible for the project Suomen talouselämän vaikuttajat (Influential Personalities in Finnish Economy) with 2300 short biographies of business leaders in Finland in the past.

Jari Ojala is a Professor of Business History at the University of Jyväskylä. In his studies he has concentrated on long-term processes of change in economic and maritime history. He is presently heading a Finnish Academy project, which aims at modelling and building series of growth for early modern Finnish economy (c. 1500–1900). Professor Ojala has published in leading scholarly journals and is the Editor-in-Chief of the *Scandinavian Economic History Review*.

István Papp studied history and political sciences graduating at Eötvös Loránd University of Budapest in 2002. He received PhD in 2008, the topic of which was the history of People's College Movement until 1944. Dr Papp has been working in the Historical Archive of the Hungarian State Security (HAHSS) since 2005 as an archivist and a reseacher. He is the Editor–in-Chief of the online periodical of HAHSS. His main research fields are the intellectual history of *népi* movement and social history of peasantry in Hungary. His main publications include: *A népi kollégiumi mozgalom története 1944-ig* (2008); *A magyar népi mozgalom története 1920–1990* (2012); *Szemek a láncban* (2015); *Fehér Lajos. Egy népi kommunista politikus pályaképe* (2017).

Péter Porkoláb, PhD. studied ethnology at the University of Debrecen Hungary (Tiszadob) and Finland (Lankamaa, Central Finland). His doctoral dissertation (Jyväskylä University, 2015) compared rural life-style and agricultural work in Hungary (Tiszadob) and Finland (Lankamaa, Central Finland) with the methods of participatory observation and by taking part in the daily work. He

has also continuously studied village life in Slovakia and Romania. Because Porkoláb himself is a small-scale famer and forrester, his research interests concentrate on countryside microhistory and ethnography.

Judit Toth works at The National Archives of Hungary. She obtained PhD (History) at the University of Debrecen in 2011. She carries out research on Hungarian agricultural history, especially in the 1950s and her main topics of research are: persecution of kulaks in Hungary and anti-kulak -propaganda and its forms. Her book on agricultural regions around the Hungarian capital (Pest County) in 1950s: *The Age of Sweeping the Attics – Compulsory Delivery in Pest County*. The last reviewed papers: *Fate of Kulaks at the Time of the Consolidation of Land Holdings in the year of 1950 in the Reports of Morale of ÁVH (State Security Authority) in Pest County.*

Tibor Toth completed his MA in History and Social Policy at the University of Debrecen. After graduation he completed a 3-year PhD course and was awarded a PhD in 2006.
He became the Principal of Facultas Grammar School for Humanities until 2010 and the Chief Director of the National Institute for Family and Social Policy between 2010 and 2014. Since 2014 he has been the Principal of Facultas Grammar School for Humanities.

In 2008 his doctorate work entitled *The History of Emigration of the Hungarist Movement* was published. He is currently studying history of social policy.

Professor Zsuzsanna Varga studied History at the Kossuth Lajos University in Debrecen (Hungary) and obtained a 3-year PhD-scholarship to start research at the Department of Economic History at the University of Economics in Budapest. She received her PhD in Economic History (Agrarian History) in 1998. Varga held seminar groups on Hungarian economic and social history of the 20th century at the University of Economics in Budapest and later at the University of Debrecen. Since September 2000 she has been teaching at the Department of Modern Hungarian History of the Eötvös Loránd University in Budapest as a Professor. Since 1st of September 2016 she has been Head of the Modern Hungarian History Department. Varga's first monograph entitled *Politika, paraszti érdekérvényesítés és szövetkezetek Magyarországon, 1956-1967* (Politics, the Assertion of Agrarian Interests and Co-Operatives In Hungary Between 1956 and 1967) was published in 2001. Her research interests and publications are focused on the history of agriculture in socialist Hungary but she conducts her research also in Central-Eastern European comparative analyses. In 2000 the Committee of Agrarian History and Sociology of the Hungarian Academy of Sciences elected Varga a member and she became its President in January 2018. She is a founding member of the European Rural History Organisation (EURHO) and has been a member of the Management Committee and a regional representative since its foundation in 2010.

Jorma Wilmi PhD, docent at the University of Jyväskylä, Department of History and Ethnology, Finland. Freelance Researcher and Entrepreneur. Wilmi's long-term research areas have been local history and identity, organizational history and social and economic history of rural Finland. At the moment he is keen on promoting students´ skills in enacting and commercializing expertise in the humanities. The focus of his research has been the strategies of the Finnish households in preparing for crises in

a long run. In doing this he is specially interested in projects combining social research, development and teaching. He also wants to use historical knowledge and know-how as a resource in firms and other organizations. Wilmi's international partners are Scandinavian researchers in the field of local history: The Norwegian Institute of Local history (http://www.lokalhistorie.no/english); The Institute of Urban History, Stockholm (http://urbanhistory.historia.su.se/eng/index.htm). His
Finnish collaborators of mine include researchers in municipal corporations: e.g. The Finnish Local Heritage Federation (http://www.kotiseutuliitto.fi/etusivu/english); rural developing organizations: e.g. ProAgria (https://proagria.fi/en/); researchers and target groups in private funding and finance: e.g. The Finnish Foundation for Share Promotion (http://www.porssisaatio.fi/en/); Suomen Osakesäästäjien Keskusliitto (The Finnish Shareholders' Association) (https://www.osakeliitto.fi). Wilmi is a research member of the European Rural History Organisation (EURHO, http://www.ruralhistory.eu/).

Holger Fischer, Professor Emeritus of Hungarian Studies at the University of Hamburg, he studied history, geography, pedagogy and finnougristics at the University of Hamburg and Eötvös Loránd University of Budapest. After his graduation in 1973 he worked for several years in the University administration as an assistant of the Dean of the Faculty of Earth Sciences and as a personal assistant of the Vice-President of the University of Hamburg. He got his PhD in 1978 with a dissertation about the nationality policy of Mihály Károlyi and Oszkár Jászi in 1918/1919. From 1987 to 2003 he was the Director of the Centre of Hungarian Studies at the Department of Finnougristics in the University of Hamburg, and after his habilitation in 2001 he got a Professorship at the same department. In 2003 he was elected Vice-President of the University of Hamburg and worked in that position until his retirement in 2014. He was a guest-Professor at the universities of Florence, Jyväskylä, Padua, Paris III, Tartu and Vienna. In his numerous books and articles he worked on topics in the field of Hungarian history and geography. He focused on topics like nationality question in Hungary in the 20th century, Hungarian historiography after World War II, scientific history of geography in Hungary and history of German-Hungarian scientific relations. Together with Anssi Halmesvirta he was the editor of the multi-media CD-ROM Geschichte Ungarns and Finnlands – Hungarian and Finnish history, published in 2002.