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The organization of agricultural activity in Bulgaria in the course of radical economic reforms

During the 1950s the Communist Party and the government of the People's Republic of Bulgaria undertook an active policy of transforming the previously private family farms into collective, cooperative ones. This policy was backed up by at least three arguments

1. The ideological preference for collectivism in agriculture ;
2. The socialist revolution received in heritage from the former regime underdeveloped productive forces, an agriculture worked mostly by primitive technologies ; the arable land was broken up into numerous small private plots : such division was now thought to be an obstacle to the introduction of modern farming technology ;
3. At the same time the government undertook a policy for accelerated industrialization of the nation. In view of this it was considered that only a collectivized agriculture would be able to spare the necessary labor force.

Collectivization was carried out comparatively quickly and in many cases through pressuring the peasants, in violation of the principle of voluntary formation of the new cooperative farms.

At first the efforts of the agrarian policy were aimed at the organizational strengthening of the now prevalent cooperative farms, satisfying their need for modern tools and technologies. A specially important point was the wide application of a centrally planned, administrative approach in the management of cooperatives. Running parallel with the process of building up cooperatives, the field of the previous market relations was gradually narrowed down and administrative control began to be exercised over the produce of the cooperative farms. During the initial period the management of production and the processing of the agricultural products at the national level is carried out by several ministries at the same time, which made for bureaucratic conflicts among them. When the process of separating industry from agriculture was completed on the whole, and when labor was increasingly divided into separate industrial branches, the preliminary conditions were created for new forms of socializing of production ; this productional integration was to be carried out, according to the then current ideology, foremost by administrative measures, as opposed to a contractual basis, which

was excluded. Under the influence of these tendencies during the 60s there began an administratively guided process towards the formation of a national integrated agro-industrial complex. First of all in 1967 a Union of Cooperative Farms was formed. Later, in 1976, the Ministry of Agriculture and Food Industry served as a basis out of which a new state economic organization was constructed entitled the National Agro-Industrial Complex which united into one single organization not only agriculture and food industry but agricultural machine-building as well. Later on the National Agro-industrial Complex was restructured into a National Agro-Industrial Union (NAPS) which is the so-called organizational form of social state management, of the complex; practically this proved to be a way of carrying to its extreme the principle of centralized state planned management of agriculture and eliminating what ever elements of democratic management there were in the early kind of cooperatives. The members of NAPS included state economic units, scientific-productional units and complexes, engineering organizations, agro-industrial complexes. The ideologists of the agro-industrial complex define it as a "large, socialist, economically powerful agricultural organization with a high degree of concentration of production and an intense specialization according to branches". By 1985 the system of agro-industrial complexes had come to include all of the earlier cooperative farms (about 3000) and the state farms, and had merged them into 320 agro-industrial complexes. The latter had become enormous economic organizations unequaled anywhere in the world in respect to size : the surface area of an average agro-industrial complex was about 130.000 decares. The motives for attaining such an extreme degree of concentration are obvious : effectiveness, greater agricultural production. The policy of building and running these complexes was energetically supported by scientific explanations, aiming to show that this concentration had begun to show its advantages over the previous cooperatives.

After the Union of Agro-Industrial Complexes (NAPS) was established in 1975, the structure of farms came to have two units of management - the AIC and the sub-units called brigades. In this way the basic organizational and production unit in AIC became the brigade.

As in all of the numerous reorganizations throughout the entire period of collective farms, the declared aim of this extreme concentration of agricultural production was to increase food production, to improve the diet of the population, to meet the needs of industry, to provide export products so as to assure the necessary import. Regardless to the reports that were constantly being made, showing that the Union of Agro-Industrial Complexes was developing in a satisfactory way, there was a growing number of facts showing that all was not well in agriculture. This made yet another reform necessary ! Two years ago the AIC Union was broken up and now the basic agricultural unit is the agricultural brigade (which approximates in volume to the initial cooperative farms). Above this unit lie the agricultural departments of the local municipal councils ; at the national level we have the newley

restored Ministry of Agriculture and Forests which recently became the Ministry of Agriculture and Food Industry.

After the major change in the leadership of our country that took place on November 10, 1989 and under the conditions of glasnost, the unsatisfactory state of agriculture in our society became obvious. It is now quite clear that the entire economy is in a critical state. At the moment the food supply for the population is unsatisfactory. In order to pay back the foreign debt the country needs to export agricultural products, but export is also decreasing.

Which are the factors that brought about the present crisis of economy and particularly of agriculture ?

In my view the main cause lies in the totalitarian political system with its characteristic system of administrative commanding in the management of an entirely nationalized agriculture. The present problems in agriculture are mainly due to the circumstance of state ownership of the means of production, and, in fact, of the land as well. The administrative bureaucratic apparatus has unlimited rights over it. The farmer under such conditions feels alienated from production. The organizational forms, structures of production, prices, payment of labor, investments are all determined "from above", i.e. by the state bureaucracy. The direct producers are actually isolated from participation in management because the main criterion of success in economic activity is the fulfilment of the plan. The product is bought from the producers through economic organizations having monopoly over the market, and the producers are cut off from openings to the foreign market.

An important factor for the poor state of agriculture and for the demographic deterioration of the rural population was the thoughtless imitation of foreign schemes of accelerated industrialization of the national economy which the Communist Party obstinately carried out. The party imposed a model of development which gave absolute advantage to heavy industry. The extremely short time limits for this industrialization were set in an arbitrary manner. The model included carrying out profound macro-structural change, transferring enormous material and human resources from villages to cities in order to develop the industrial branches. This drained the villages and the agriculture of their life force, both absolutely and relatively. I believe this process was uncalled for. It is certainly one of the important causes for the present unenviable condition of agriculture in Bulgaria.

Under the new conditions in the country, now that numerous political parties can exist and compete, there is much discussion between experts, politicians and the public at large, as to the ways of solving the extensive economic crisis, including that of agriculture.

Among the wide range of opinions on this issue there is consensus on the conviction that the previous type of administrative-command economy should be "dismantled". But differences in opinion arise

when it comes to deciding what this system should be replaced by in Bulgarian agriculture.

The present government has adopted measures for the radical restructuring of socialist society, the direct aim of which is to construct a democratic socialism. The movement toward a democratic socialism requires to do away with the system of administrative commanding and to carry out a radical economic reform aimed at achieving a mixed, market-based and socially oriented economy. The state has adopted a policy of developing a variety of forms of ownership : state, cooperative, municipal, private and mixed. All forms are equal before the law. In the new economy the mechanism of the market will be the regulator of production, distribution and consumption. Within this economy there will be a concurrent functioning of a market of commodities, of labor and of capital, free price-formation and convertible currency. An effective ecological policy will be carried out. The new government program for radical economic reform and for overcoming the crisis includes urgent measures for stabilizing the consumer's market, decreasing the harmful influence of the foreign debt and strengthening the country's finance.

The new government promises to give special attention to agriculture, because this is where the most rapid and significant results can be expected in the effort to stabilize the home market and increase the export potential. For this purpose the government plans to pursue a consistent policy of encouraging all forms of running a farm. It is becoming more and more evident that a certain amount of privatization of the land and of the means of production is necessary (how this is to be done is not so obvious yet).

The main criterion for determining our attitudes to various forms of property in future will no longer be the ideological stereotype, but the measure to which a given form of property assures efficient use of the potential of the land, the production costs for maximum agricultural production. In order to aid the individual producers a specialized agricultural bank will be created and a number of other measures will be taken to provide them with technology, fertilizers and other resources. The current system of buying up agricultural produce will stop operating, and the producer will be granted the liberty of searching by himself for channels for realizing his produce. In this respect the newly revived Bulgarian cooperative is expected to play a considerable role.

In general the conditions for carrying out the new policy in the field of agriculture in the future will depend considerably on the situation brought about by the forthcoming parliamentary elections.

