

Agricultural policy in transition countries

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Before transition – „The youth fights for happy, socialistic, Polish village”



Before transition – „We bring the yield into our national home”



Before transition - reality different than propaganda



Hopes in transition process...

But:

„Without a stable macroeconomic environment and a well-functioning institutional structure, [...] even the best designed agricultural (and other) policies are ineffective” (Trzeciak-Duval 1999).

Outline

1. Introduction to transition process
2. Agriculture in transition economies
3. Agricultural performance during transition
4. Specific issues:
 - Land reform and privatization
 - Farm restructuring
 - Credit markets

General economic indicators in CEECs in 2003

	Land area th. km2	Populati on mln	GDP per capita EUR	GDP growth	Unempl oyment rate %
Albania	29	3.2	1553	6	15
Bulgaria	111	7.8	2249	4.3	13.7
Czech Republic	79	10.2	7796	3.1	7.8
Hungary	93	10.1	7233	2.9	5.9
Poland	313	38.2	4850	3.8	19.6
Romania	238	21.7	2316	4.9	7
Slovakia	49	5.3	5358	4.2	17.4
Slovenia	20	1.9	12316	2.5	6.7

Source: EBRD and WIIW

General economic indicators in NISs in 2003

	Land area Th. km2	Population mln	GDP per capita USD	GDP growth	Unemploy- ment rate %
Russia	17075	145	2987	7.3	8.5
<i>Baltic NISs</i>					
Estonia	45	1.4	6720	5.1	10
Latvia	64	2.3	4771	7.5	10.6
Lithuania	65	3.5	5281	9	12.4
<i>Western NISs</i>					
Belarus	207	10	1767	6.8	3.1
Moldova	34	4.3	451	6.3	7.9
Ukraine	604	48.4	1024	9.4	8.6

Characteristics of centrally-planned economy

- Absence of price system and markets
- Shadow economy
- Distorted production structure
- Soft-budget constraints of enterprises
- Large-scale, vertically linked command firms

Sectoral Allocation of Labor in CEECs in 1989

	Agriculture	Industry	Services
Romania	27,9	45,1	27,0
Poland	25,3	38,0	36,0

Source: WDI

1. Transition process

Differences in the initial conditions

- Inherited ownership structures,
- Geographical situation (e.g. proximity to EU markets),
- Resource endowments,
- Historic, political, administrative and cultural legacies, etc.

Significance of policy choices

- „big bang” approach
versus
- Gradualism.

The speed and sequencing of reforms

	Political reform	Liberalization	Privatization	Restructuring	Banking reform
Bulgaria	1989	1991 (big bang)	1994 (gradual)	1991	1997
Czech R.	1989	1991 (big bang)	1992 (mass)	1993 (gradual)	1991
Hungary	1989	1968 (gradual)	1990 (gradual)	1992 (gradual)	1991
Poland	1989	1990 (big bang)	1990 (gradual)	1993 (gradual)	1993
Romania	1989	1990 (big bang)	1991 (gradual)	1993 (gradual)	-
Russia	1991	1992 (big bang)	1993 (mass)	1992 (gradual)	1992
Slovenia	1989	1965 (gradual)	1993 (gradual)	1989 (gradual)	1993
Slovakia	1989	1991 (big bang)	1992 (gradual)	1993 (gradual)	1991
Ukraine	1991	1994 (big bang)	1994 (gradual)	1995 (gradual)	1995
China	1978	1984 (dual)	1995 (gradual)	1995 (gradual)	-

Source: Roland 2000, p.15 EBRD: Transition reports

Dimensions of transition:

- # Macroeconomic stabilization
- # Structural adjustment
- # Creation and development of markets
 - Financial markets,
 - Property rights institution, etc.
- # Legal changes
- # Political changes

Outcome of transition process

Transition countries have made remarkable **progress** in:

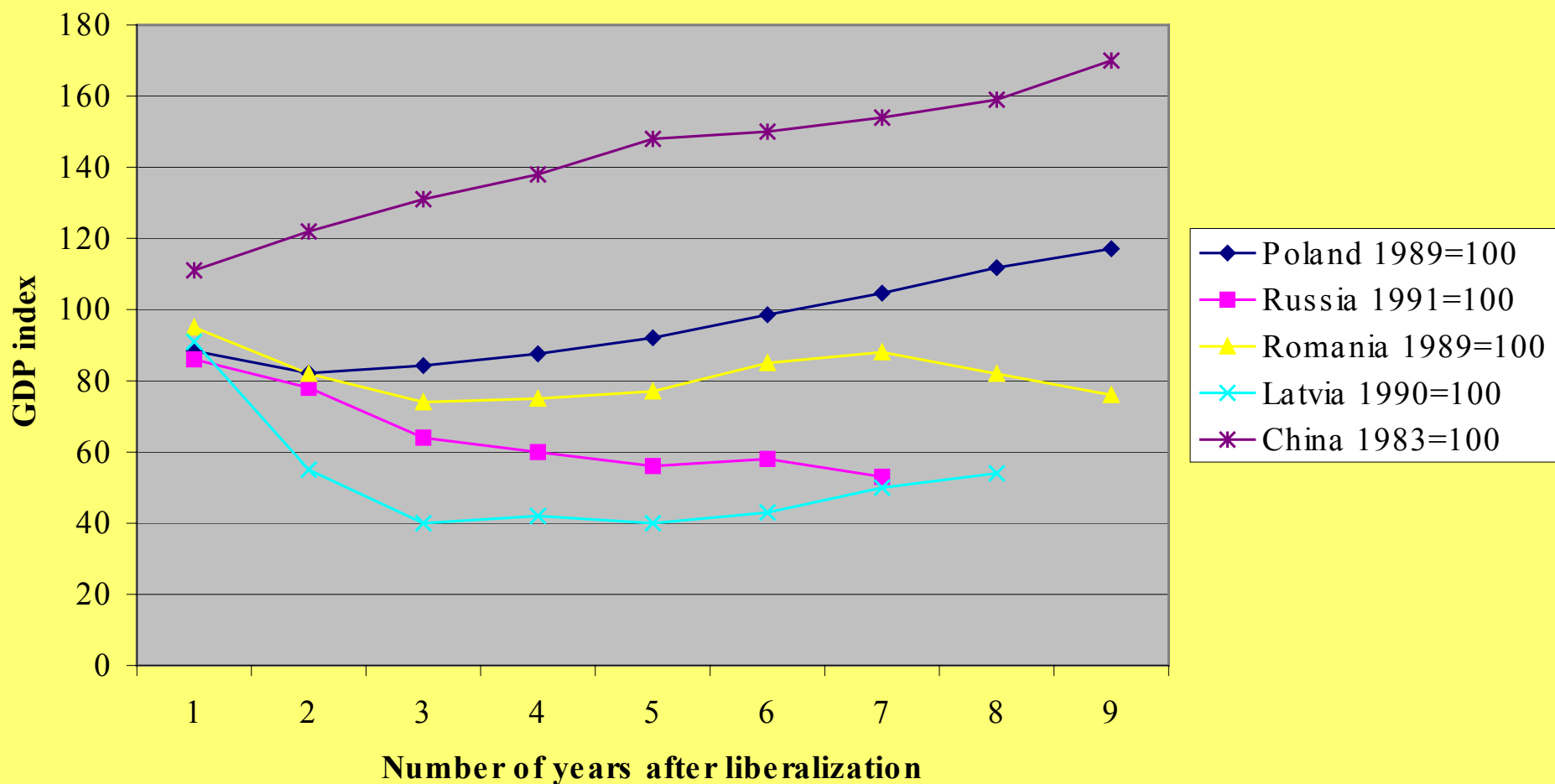
- Liberalizing prices,
- Reorienting trade,
- Introducing legal reforms,
- Establishing private product markets,
- Expanding the small-scale private sector.

Outcome of transition process

Unexpected outcomes of transition process:

- Huge output fall after price liberalization and stabilization,
- Outcome of privatization policies,
- Growth of organized crime,
- Break-up of the countries,
- Electoral backlash,
- Success of Chinese economic reforms.

Macroeconomic performance



Source: Roland 2000, p.19, see also Fisher and Sahay (2000)

Beginning of transition

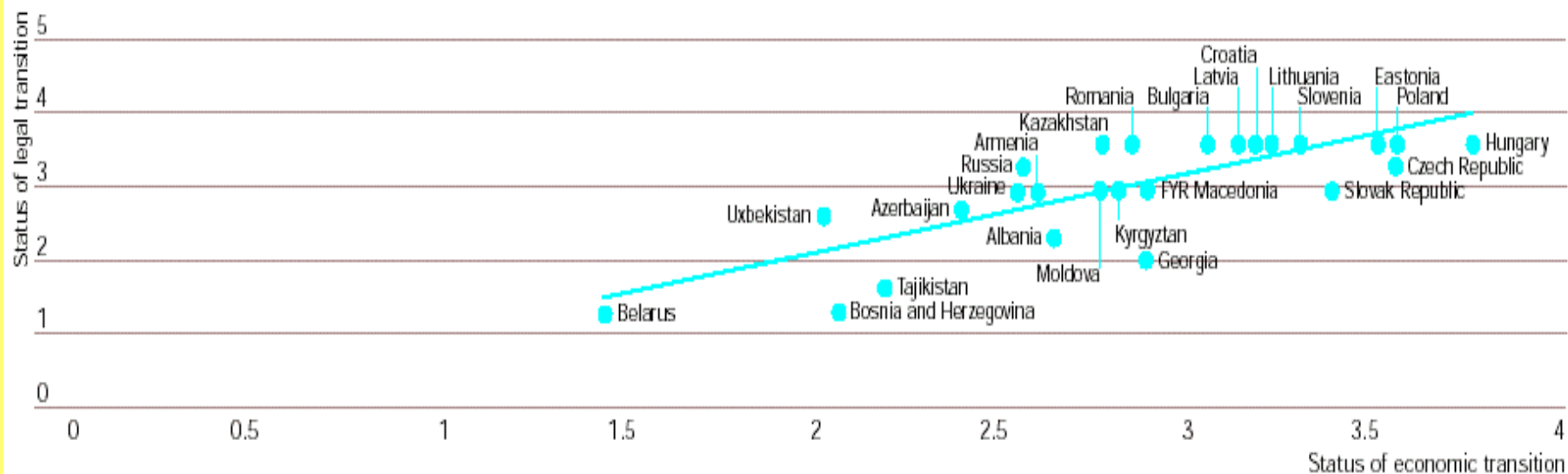


Questions:

- # What went wrong in transition process? What was underestimated?
- # Are you for 'gradual reforms' or for a 'big-bang'? Is it better to be a slow reformer or a quick one?

What went wrong?

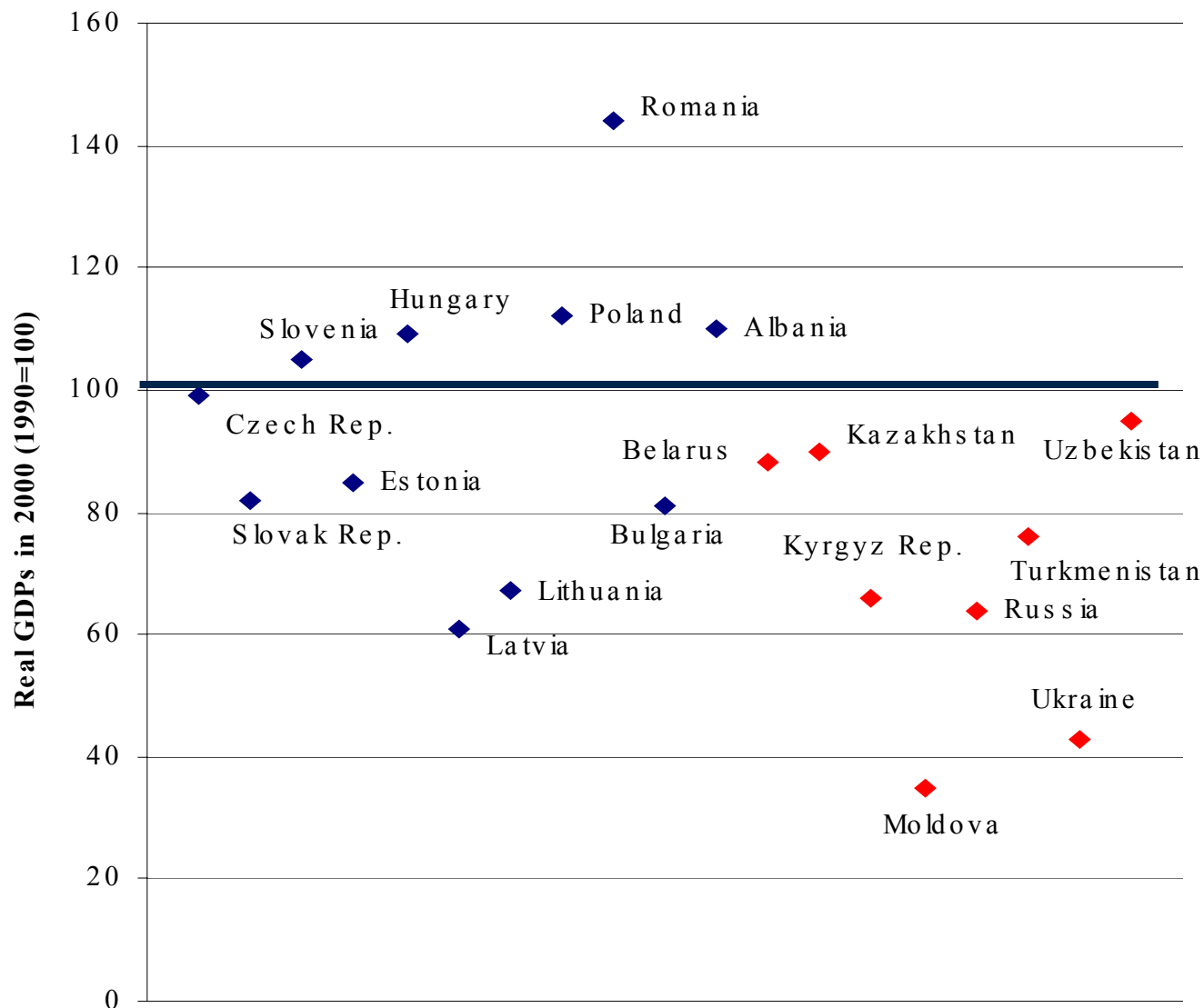
Chart 6.1 Progress in legal transition compared with status of economic transition



No data available for Turkmenistan. Source: EBRD Legal Indicator Survey 2000, *Law in transition*, EBRD *Transition Report 2000*.

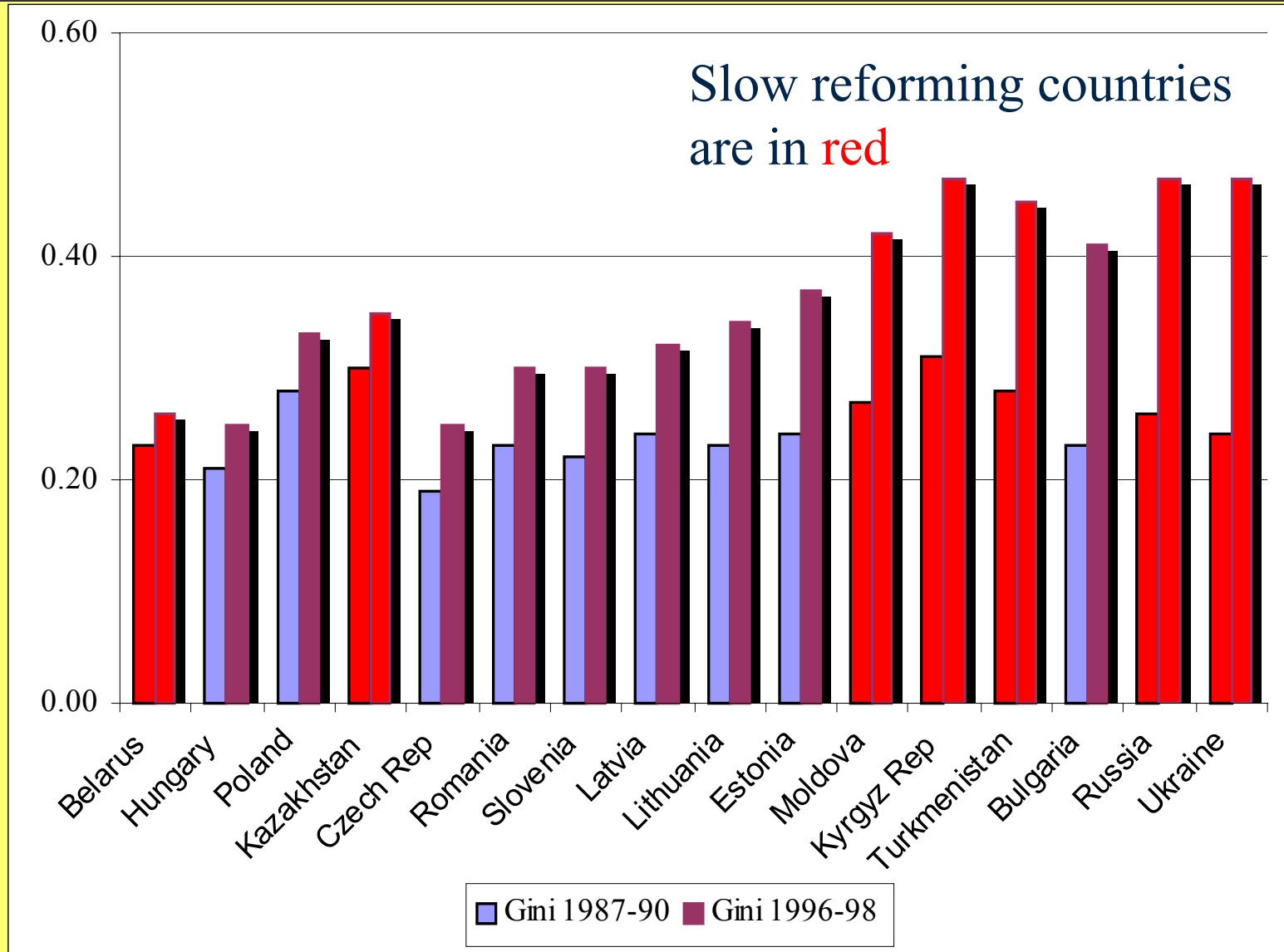
Slow reforming countries versus quick reformers: changes in income 10 years after beginning of transition

Slow reforming
countries are in red

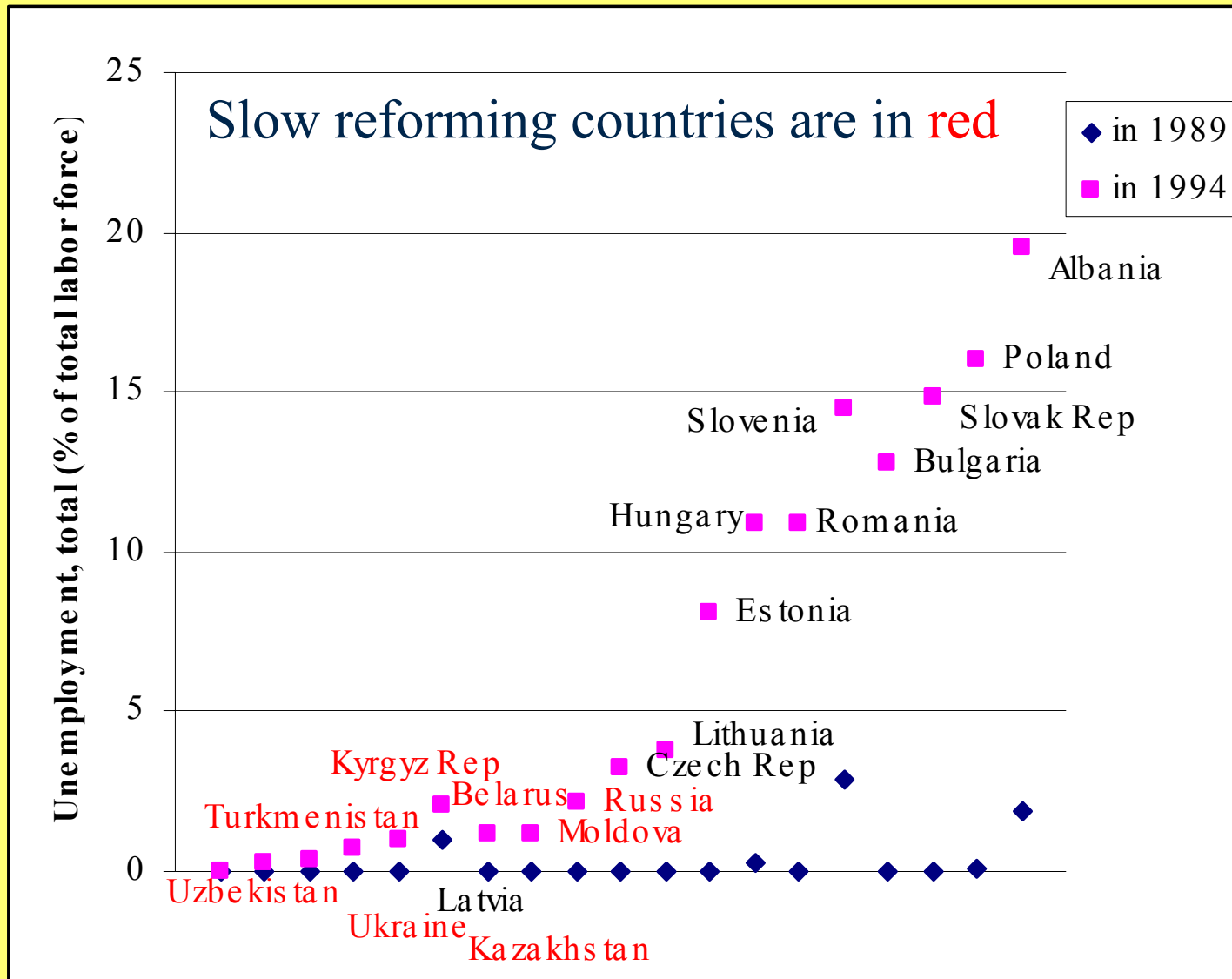


Source: Own calculations based on WDI 2002

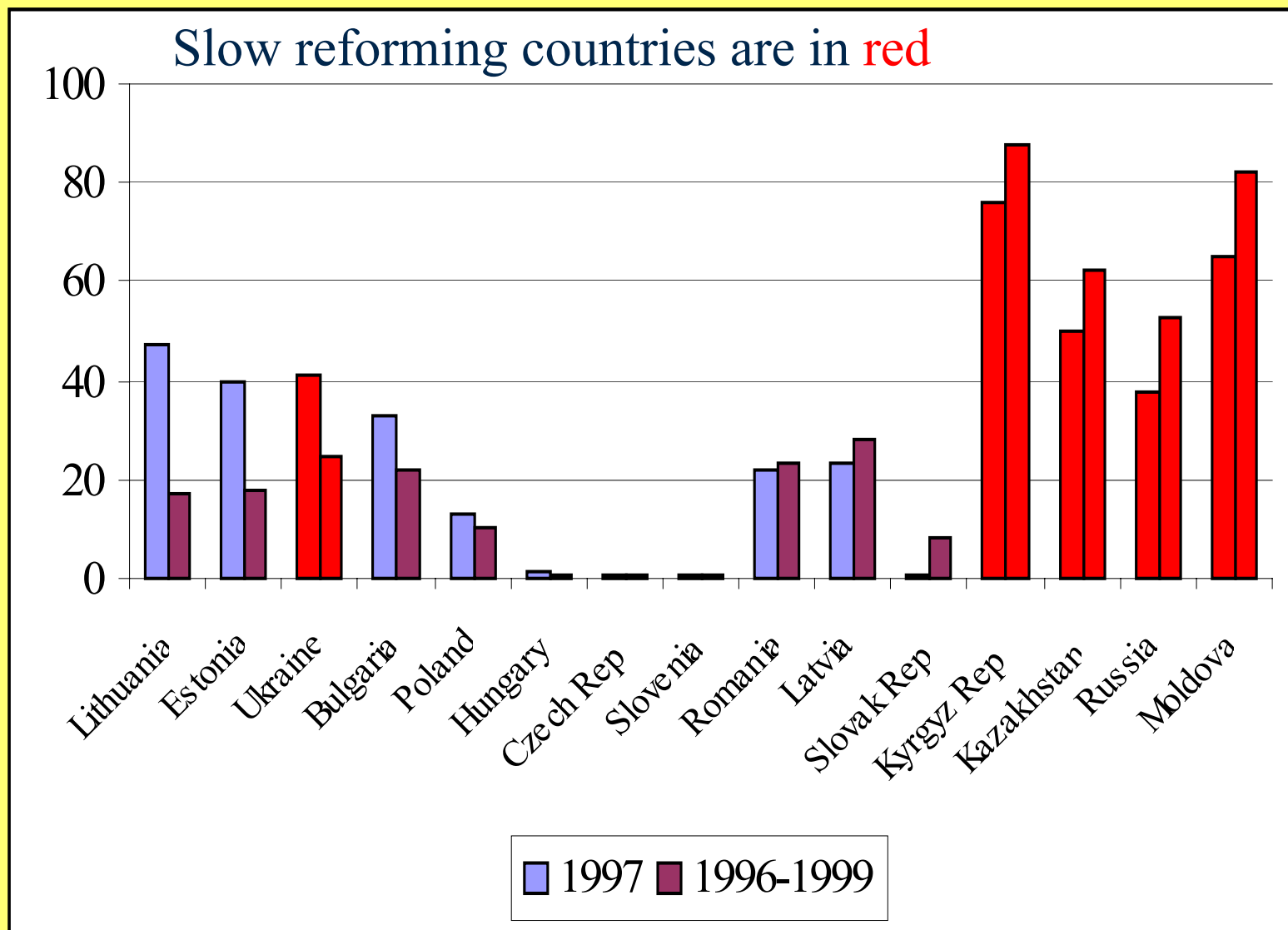
Slow reforming countries versus quick reformers- Changes in income inequalities (Gini)



Slow reforming countries versus quick reformers- Changes in unemployment



Slow reforming countries versus quick reformers- Changes in poverty



2. Agriculture in transition economies

- # It is impossible to fully understand agricultural sector in transition country without understanding the macroeconomic context in which it had to operate.

- # The fundamental changes in policies during transition influenced the agricultural sector in various ways:
 - Trade liberalization (higher competition from abroad)
 - Real appreciation of the currency (export more expensive, output/input price ratio falling, deteriorating terms of trade)
 - Fighting inflation caused high interest rates (so high costs of credits and credit rationing)

Agriculture in transition economies

Initial conditions:

- a) Importance of the agriculture in the economy;
- b) Labor intensity;
- c) Farm structure;
- d) Land ownership;
- e) Pre-reform agricultural policies;
- f) Human capital;
- g) Integration in the CMEA (Council for Mutual Economic Assistance) trade system.

Initial conditions in agricultural sector

a) Share of agriculture in GDP and employment

- Its share in GDP varied from 4.4% in Slovenia to 32% in Albania in 1989;
- Agriculture's share in total employment is relatively high.

b) Labor intensity

- The man/land ratio is quite high in Poland, Romania, Moldova, Armenia and Georgia (0.2-0.3);
- Labor intensity is much lower in the Czech Rep., Slovakia, Hungary (0.1).

Initial conditions in agricultural sector

c) Farm structure

- dominance of large-scale farms (except of Poland and Slovenia).

d) Land ownership

- nationalized in FSU and Albania;
- still legally owned by individuals in most CEECs (while effective property rights were controlled by the state or collective farms).

Share of land used by individual farms

CEECs	1989	FSU	1990
Czech Rep.	1	Estonia	4
Hungary	13	Latvia	4
Poland	76	Lithuania	9
Slovakia	2	Belarus	7
Albania	3	Russia	2
Bulgaria	14	Ukraine	6
Romania	14		
Slovenia	83		

Source: Swinnen, Dries, Macours 2003

Initial conditions in agricultural sector

e) Pre-reform agricultural policies

- In most CEECs and FSU, agricultural sector was supported with heavy subsidies.

f) Human capital

- Experience with private agriculture mostly in countries being shorter under communist rule;

g) Integration in the CMEA trade system

- NIS were fully integrated;
- Large part of CEECs' trade volume went through CMEA.

Changing role of agriculture in CEECs

- # During transition process, **agriculture's share of GDP has been reduced significantly** (excluding Albania, Bulgaria);
- # Share of agriculture in total employment remained steady or increased in several countries
 - Non-production roles of agriculture: e.g. agricultural sector has acted as an important buffer against rising unemployment.

Changing role of agriculture in CEECs:

	Share of agriculture in GDP		Share of agriculture in total employment	
	1989	2003	1989	2002
Bulgaria	14	10.0	..	
Romania	13.7	11.7	27,5	36.2
Russia	15.4	5.2	13,0	11.6
Ukraine	24.5	13.0	19.4	23.8
Czech Rep.	6.3	3.6	9,9	4.5
Hungary	15.6	4.7	17,9	5.5
Poland	11.8	3.0	26,4	26.8
EU	3.1	1.5	6,8	5

Source: OECD, WIIW, EBRD

Changing role of agriculture in CEECs

- # Declining share of agriculture in employment and a steady or increasing share of agriculture in GDP could point to significant **declines in labor productivity**. However:
 - Statistical problems with measurement of self-employed, part-time and aged farmers and measurement of output;
 - Influence of structural reforms and terms of trade developments.

Production trends during transition

- # The strongest declines in production after price liberalization and cuts in subsidies occurred in countries with the strongest support under previous system;
- # Countries with relatively favorable macroeconomic performance and not very strong affected by farm restructuring have experienced smaller falls in production (Czech Rep., Poland);
- # Countries in which agriculture was taxed under the command system and where reform eased some of the previously existing constraints have experienced smaller declines (Albania).

Production trends during transition

- # Changes in the volume of production have been highly differentiated across commodities and sectors.

For example:

- Grain production in CEECs fell most sharply in 1992 to 70% of 1989 levels;
- Production by large-scale enterprises declined severely by more than 50% and production from household plots in household plots increased by 19% in the years 1990-1997

(GAO) stopped for the CEEC region, and in 1994, the first output growth was observed in a number of

Determinants of the collapse of agricultural production:

- # Abrupt loss of traditional CMEA (Council for Mutual Economic Assistance) markets;
- # Reduced disposable household incomes and subsidies;
- # Dominance of monopoly food processors and distributors;
- # Cost-price squeeze;
- # Privatization and restructuring processes;
- # Shortage of technical and business management skills;
- # Break-down of previous linkages between farms and the up- and downstream industries;
- # Lack of agricultural finance and credit.

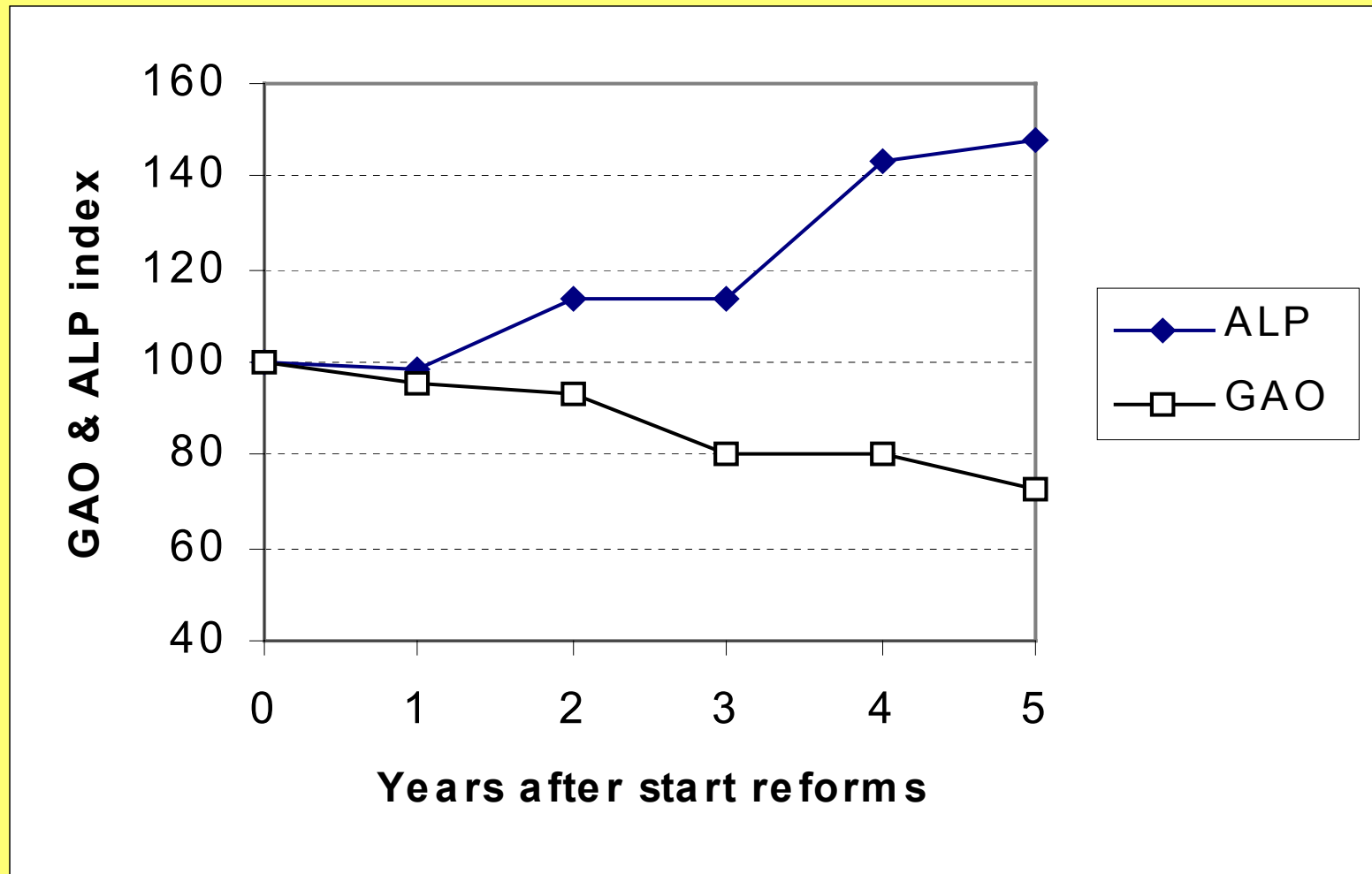
Transition patterns in agriculture

Three “extreme” transition patterns in agriculture:

- # Pattern I:** a strong decline in GAO coincides with a strong increase in ALP (e.g. Czech Republic, Slovakia and Hungary).
- # Pattern II:** a strong decline in GAO coincides with a strong decline in ALP (e.g. Russia, Ukraine, Belarus, Moldova, Kazakhstan, Kyrgyzstan, Azerbaijan).
- # Pattern III:** a strong increase in GAO coincides with a slower increase in ALP (e.g. China, Vietnam and Albania)

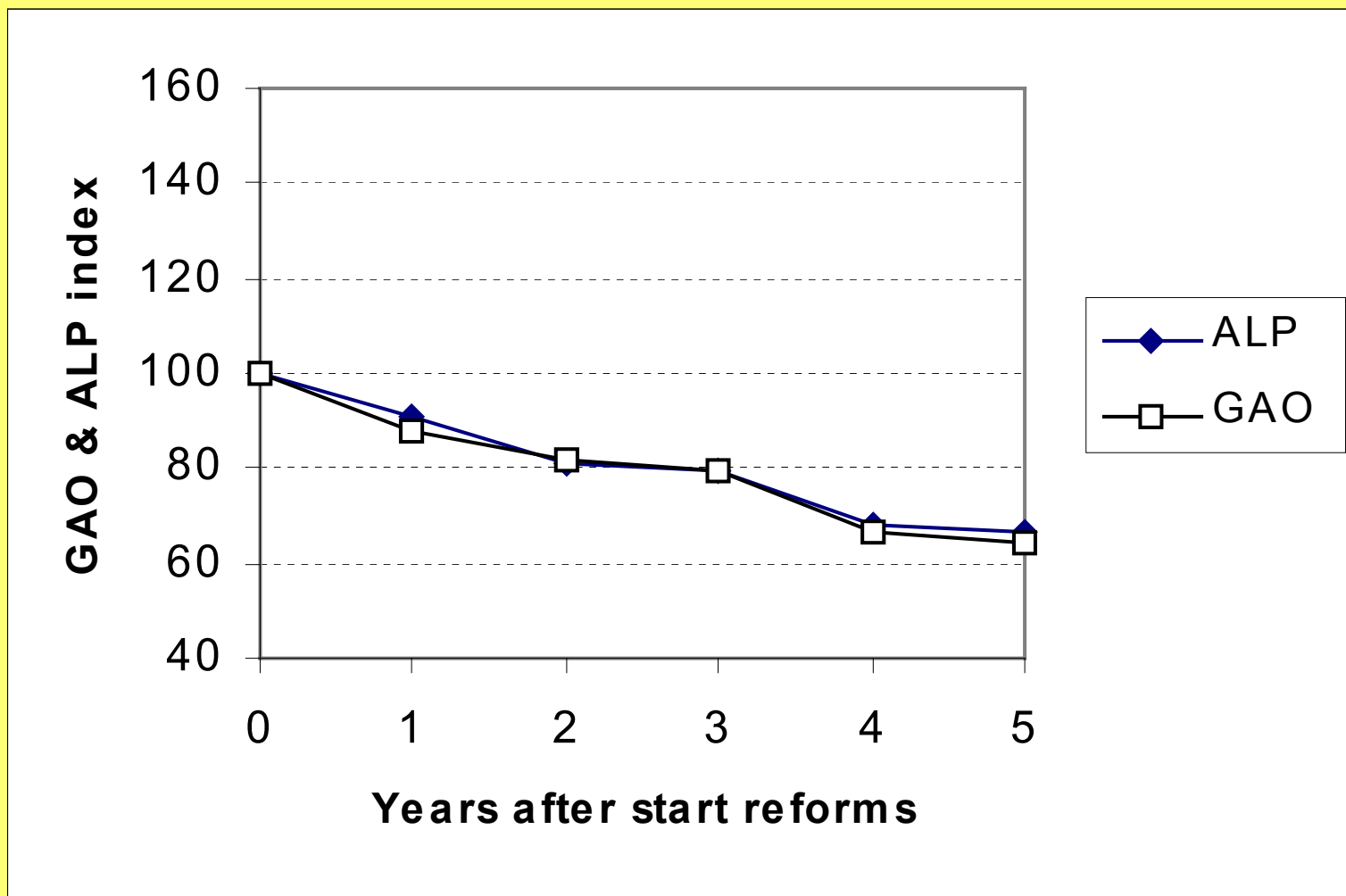
Source: Mancour and Swinnen 2000

Pattern I (Czech Republic, Slovakia and Hungary)



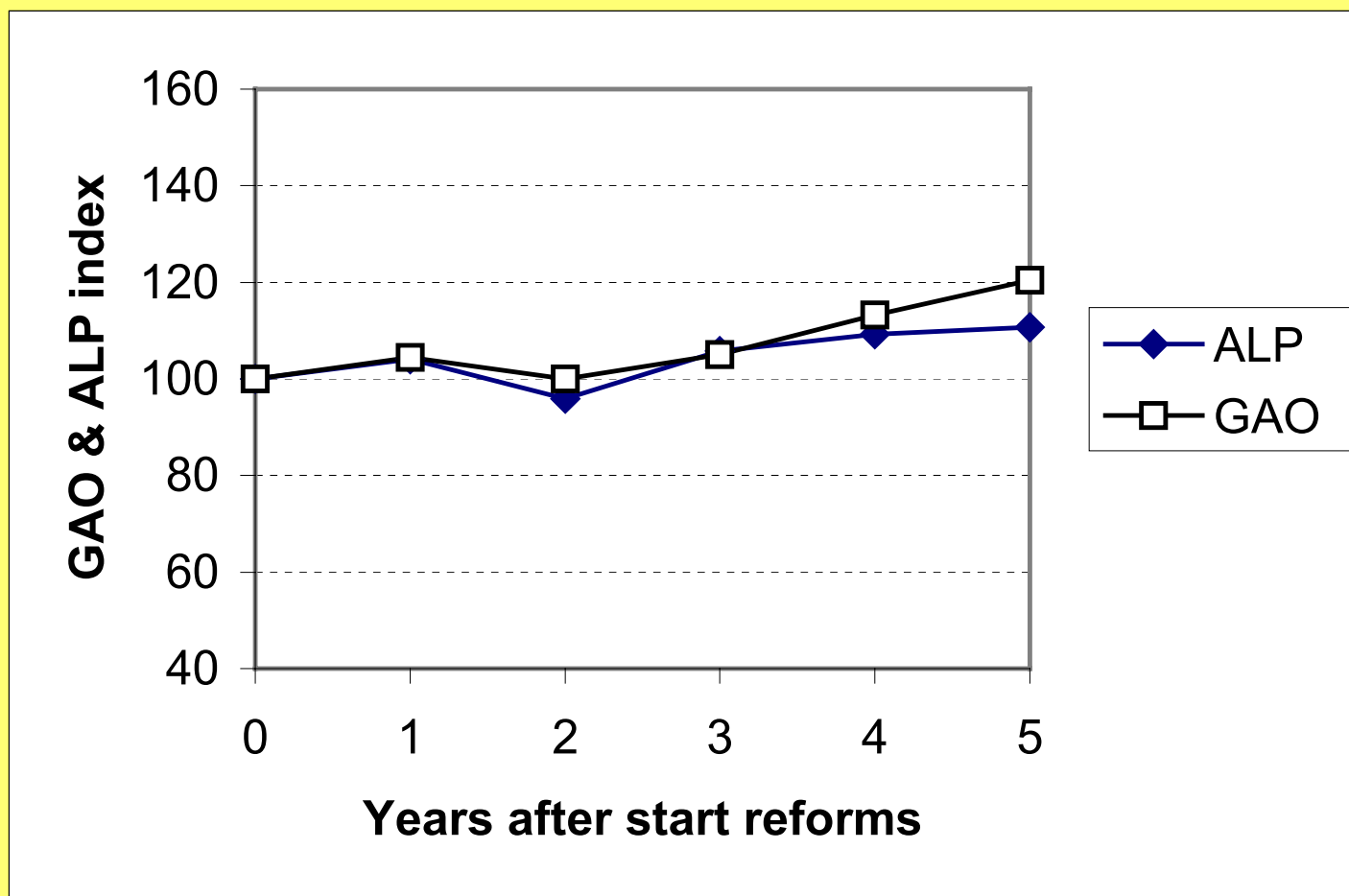
Source: Mancour and Swinnen 2000

Pattern II (Russia, Ukraine, Belarus)



Source: Mancour and Swinnen 2000

Pattern III (China, Vietnam and Albania)



Source: Mancour and Swinnen 2000

Transition patterns in agriculture

- ✦ Initial conditions and reform policies have affected the performances of the transition countries.
- ✦ Relative price developments resulting from the price and trade liberalizations are a key factor in explaining the differences in agricultural performance between transition countries.
- ✦ The key condition for productivity improvement is the allocation of strong use rights on agricultural production factors, including land, to individuals.

Transition patterns in agriculture

- # Improved productivity in agriculture is determined by improved management, rather than the shift to individual farming in itself.
- # The overall liberalization of the economy, and food and social security affect the opportunity and mobility costs for labor employed in agriculture.
- # Liberalization and the restoration of secure tenure rights stimulate factor market developments, which improves access to capital and land and enhances productivity.

ACTIVITIES - PART I

What are the DIFFERENCES between the transitions economies, what is the line of division ?

What are the DIFFERENCES in AGRICULTURAL PERFORMANCE in transition? What are the reasons?

How MACROECONOMIC POLICY CHANGES influenced the agricultural sectors in transition?

What examples of TRANSITION IN YOUR COUNTRIES you may give (privatization, liberalization, other reforms)?

EXERCISES

4. Specific issues of agriculture in transition

A. Privatization and Land reform process

B. Restructuring of farms and companies

C. Credit markets

A. Privatization and land reform process

Important questions:

- # What is the best privatization procedure?
- # Which procedures have been chosen in transition economies and why?
- # What are distributional outcomes of the chosen procedures?

Privatization process

Ex-ante debate:

- ✦ against restitution for efficiency reasons

„Few economists would have advised restituting land to former owners...” (Swinnen 1999, p.62).

Empirical evidence :

- ✦ productivity has increased (more) in countries which have restituted land
- ✦ nature of property rights (HOW) more important than distribution (WHO)
- ✦ transaction costs in reallocating land less important than unclear property rights

Share of total agricultural land

	<i>Collective farmland</i> <i>% of TAL</i>	<i>State farmland</i> <i>% of TAL</i>
Albania	76	24
Bulgaria	72	9
Czech Rep.	61	25
East Germany	82	7
Hungary	70	12
Latvia	57	38
Lithuania	62	30
Poland	4	19
Romania	58	28
Russia	40	58
Slovakia	71	15
Slovenia	0	17

Privatization and land reform procedures

The following de-collectivization and privatization policies (or their mix) have been used:

- Restitution to former owners (e.g. Bulgaria);
- Voucher privatisation (Hungary);
- Sales of assets (in Poland);
- Free distribution to rural population - equal per capita (Albania);
- Leasing (East Germany);
- Usufruct distribution (Baltic countries before 1991).

Most important privatization procedures

	<i>Collective farmland</i>	<i>State farmland</i>
Albania	Distribution (physical)	Distribution (physical)
Bulgaria	Restitution	Miscellaneous
Czech Rep.	Restitution	Sale (leasing)
East Germany	Restitution	Sale (leasing)
Hungary	Restitution + distribution + sale for compensation bonds	Sale for compensation bonds+ sale (leasing)
Latvia	Restitution	Restitution
Lithuania	Restitution	Restitution
Poland	-	Sale (leasing)
Romania	Restitution + distribution	Undecided + Restitution
Russia	Distribution in shares	Distribution in shares
Slovakia	Restitution	Sale (leasing)
Slovenia	-	Restitution
Ukraine	Distribution in shares	Distribution in shares

Outcome of privatization in CEECs

- # Collective farmland is mostly restituted to former owners. Exceptions:
 - Hungary: one third is auctioned for compensation bonds, and another third is distributed among farm workers.
 - Albania: distributes its collective farm land among rural households.
- # State farmland is leased, pending sale of the land. (except Slovenia, Albania)

Outcome of privatization in FSU

- # Land is restituted to former owners in the Baltic countries only.
- # Collective and state farmland are treated the same
- # In Russia and Ukraine, the most important form is the distribution of farmland to collective farm members or state farm employees in the form of paper shares or certificates.

Non-land assets

Non-land asset privatization:

- restituted in some countries,
- mostly through vouchers for capital shares in the new cooperative farm or for purchasing non-land assets for private use.

Distribution of vouchers : to contributors (or heirs) of land, labor, or other assets to the cooperative.

Determinants of land reform choices:

are political, institutional and historical factors, rather than economic.

Institutional determinants:

- formal ownership-status of the land before the beginning of transformation,
- distribution of assets ownership among ethnic groups before collectivization,
- equality or inequality of assets distribution, mainly land distribution, before collectivization, and
- attitudes of the population towards collectivized and state agriculture, the equality of pre-collectivization asset distribution

Legal assets ownership

All agricultural assets which were still legally privately owned in 1989 have been restituted in all transition economies.

	Former owners		Workers
	Who always kept legal title to the land	Who lost their legal title to the land	(Who are not former owners)
East Germany	yes	No	No
Czech Republic	yes	No	no
Slovakia	yes	No	no
Hungary	yes	partial and indirect	yes
Bulgaria	yes	-	no
Romania	yes	yes	yes
Slovenia	yes	-	no

Legal ownership explains

- # Differences between transition countries: non-restituted land was state-owned.
- # Differences within transition countries: where part of the land is restituted (e.g. Hungary)
- # Difference between collective and state farm land
- # Base for land restitution is the ownership after Communist land reform(s)
- # Difference between land and non-land assets.

Ethnicity

Assets are not restituted to **foreigners**.

Domestic ethnic groups:

- privatization benefits ethnic minorities : Bulgaria
- privatization against ethnic minorities: Baltics

Length of communist rule

- # lack of *demand* for land restitution: no traces of former land ownership and little tradition of private land ownership remains in most of the FSU;
- # only in the Baltics, in Western Ukraine, Moldova and Western Belarus: areas where collectivization was imposed only after World War II.

Equality of pre-collectivization ownership

- # (potential) conflict between ‘equity’ and ‘historical justice’.
- # when social equity conflicts with historical justice, as was the case in Albania, equity (and originally efficiency) prevailed in the government’s choice.

Albania's Radical Reform

- # Half of the population in agriculture;
- # Unequal pre-reform land distribution;
- # Restitution would transfer most of the fertile land to a small group, leaving the bulk of rural households without land;
- # The government chose distribution of land to rural households over restitution

Importance of land for many rural voters was more important than large vested interests and lower collective action costs of former landlords.

Privatization process in Poland

- Most of state land has been leased;
- Privatization resulted in the extended polarization of private farms structure in Poland;
- Privatization resulted in economic and social exclusion for a large part of population;
- Privatization allowed for creation of “a new class” of land owners which could be the largest beneficiary of Common Agricultural Policy after the accession of Poland to the European Union.

Reform and Property rights

- # Property rights of individuals over assets include the rights, or the powers:
 - to consume (USER rights),
 - to obtain income from (INCOME rights),
 - to alienate these assets (TRANSFER rights).
- # Legal rights are neither necessary nor sufficient for the economic rights

Privatization and property rights

- ✦ Privatization does not necessarily transfer all property rights
- ✦ Some privatization schemes are inherently imperfect in transferring property rights (e.g. transfer of user rights).
- ✦ Property rights may be restricted in implementation: The most radical reform policies on paper result in little effective change unless fully and well implemented.

Implementation Problems

- # Technical problems: complexity of reforms
- # Decentralized implementation provides opportunity for local manipulation
- # Timing and government credibility: the possibility of government change may slow down implementation
- # Legal amendments limit the property rights of new (former) owners

Land Reform and Compensation

		<u>Compensation to former owners</u>
Albania	Distribution	Financial (partial) and urban real estate
Hungary	Distribution	Compensation bonds (land)
		<u>Compensation to farm workers</u>
Romania	Restitution	- Land in-kind - Non-land assets (60%)
Bulgaria	Restitution	- Non-land assets (50%) - Property rights restrictions
Lithuania	Restitution	- Non-land assets (100%) - Property rights restrictions (*)
Slovakia	Restitution	- Property rights restrictions
Slovenia	Restitution	- Property rights restrictions

ACTIVITY: PART II

EXERCISE: The ECONOMICS of LAND REFORM
Relationship between Farm Size and Productivity in Transition Countries:
(Sadoulet and Janvry, 1995)

Please refer to 2 documents:
Exercise on Land Reform.doc
Exercise on Land Reform.xls

It is recommended to bring calculators

B. Farm Restructuring

Important questions:

- # Which farm structure would evolve?
- # Which farm structure is most efficient?

At the beginning of transition – two extreme views:

- # Collective and state farms were so inefficient that they would collapse after removal of government control
- # Individual farming would not emerge since farm workers in CEECs had no experience in running private, market-oriented farms.

New Farm Structures in CEEC and FSU

- # There is a wide difference between CEECs;
- # Companies and co-operatives still dominate in Slovakia, Czech R. and NIS but disappeared in Latvia and Albania;
- # Individual farming continues to grow;
- # Cooperatives continue to decline;
- # Fragmented ownership has not necessarily turned into fragmented operation (Hungary);

New Farm Structures in CEEC and FSU

- ✦ Corporate governance problems prevail in large-scale NIS farms;
- ✦ In number of CEECs many of the large-scale farms work like market-driven corporations (Czech Rep., Estonia, Hungary, Lithuania);
- ✦ A bimodal farming structure (both large- and small-scale farms) plays an important role in Bulgaria, Estonia, Hungary and Romania;
- ✦ Countries with a significant small and medium-sized farming structure are Latvia, Lithuania, Poland and Slovenia.

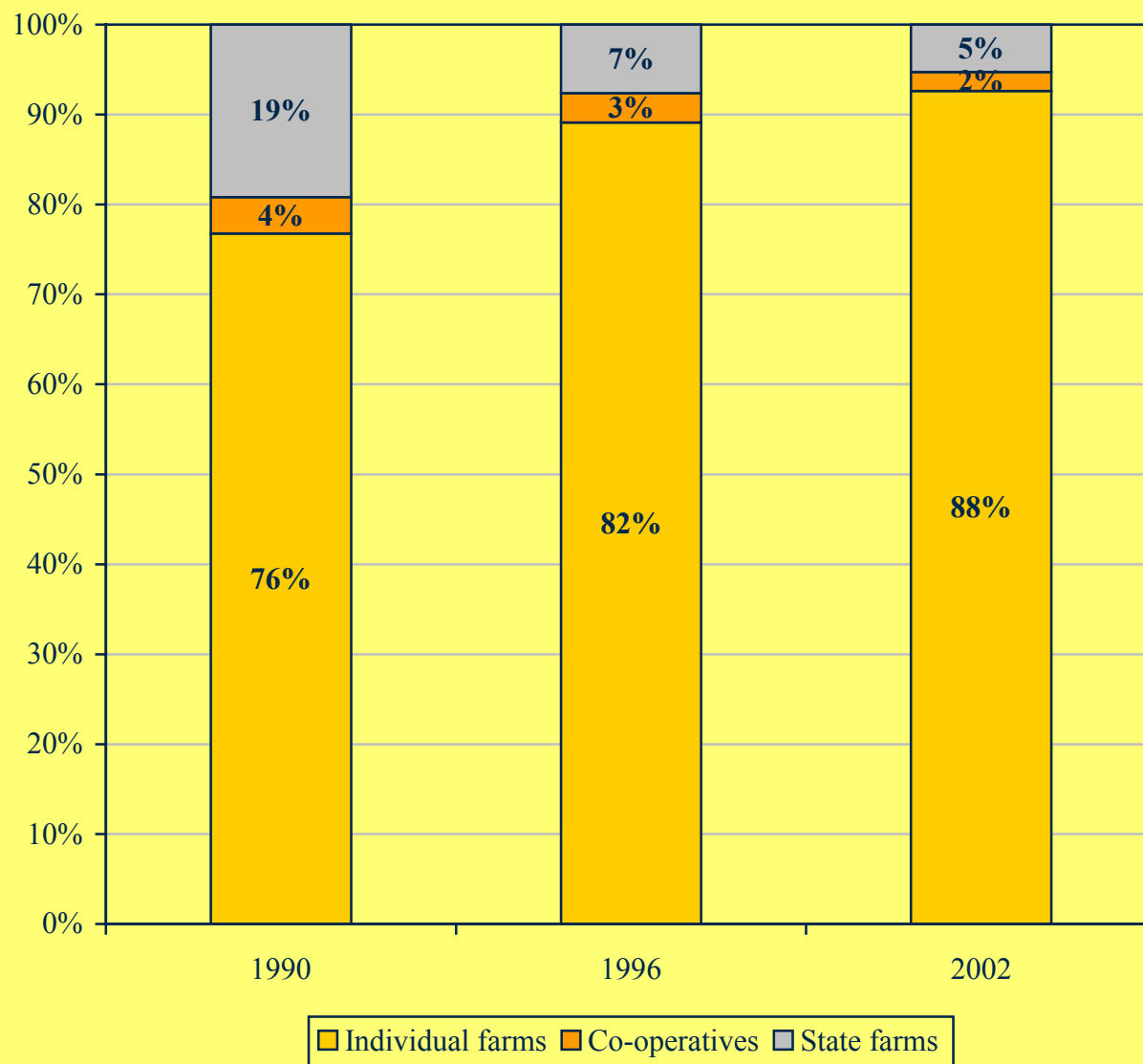
Share of different farm types

in total agricultural land (TAL) – in %

	<i>Individual farms</i>	<i>Companies</i>	<i>Cooperatives</i>	<i>State farms</i>
Poland (1996)	82	8	3	7
Hungary (1996)	28	14	28	4
Czech Rep. (1998)	24	41	34	1
Slovenia (1997)	96	-	-	4
Estonia (1997)	63	37	-	-
Romania (1998)	65	-	18	17
Bulgaria (1995/6)	52	-	42	6
Slovakia (1998)	8	25	54	1
Lithuania (1996)	67	-	-	33
Latvia (1997)	95	4	-	1

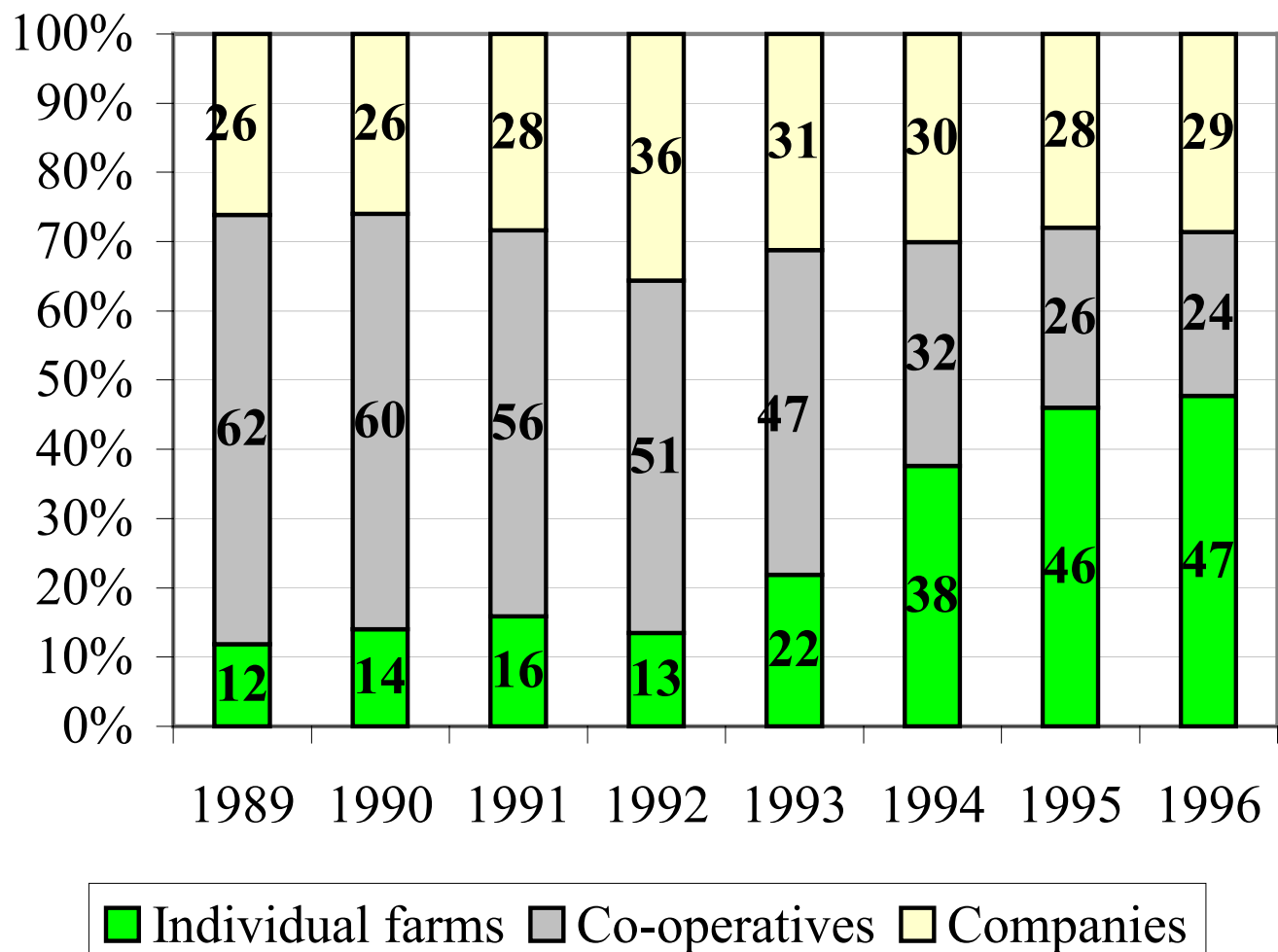
Source: Swinnen 1997

Land use by different farm types in Poland



% of total agricultural land (TAL)
Source: Statistical Yearbooks, Warsaw.

Land use by different farm types in Hungary

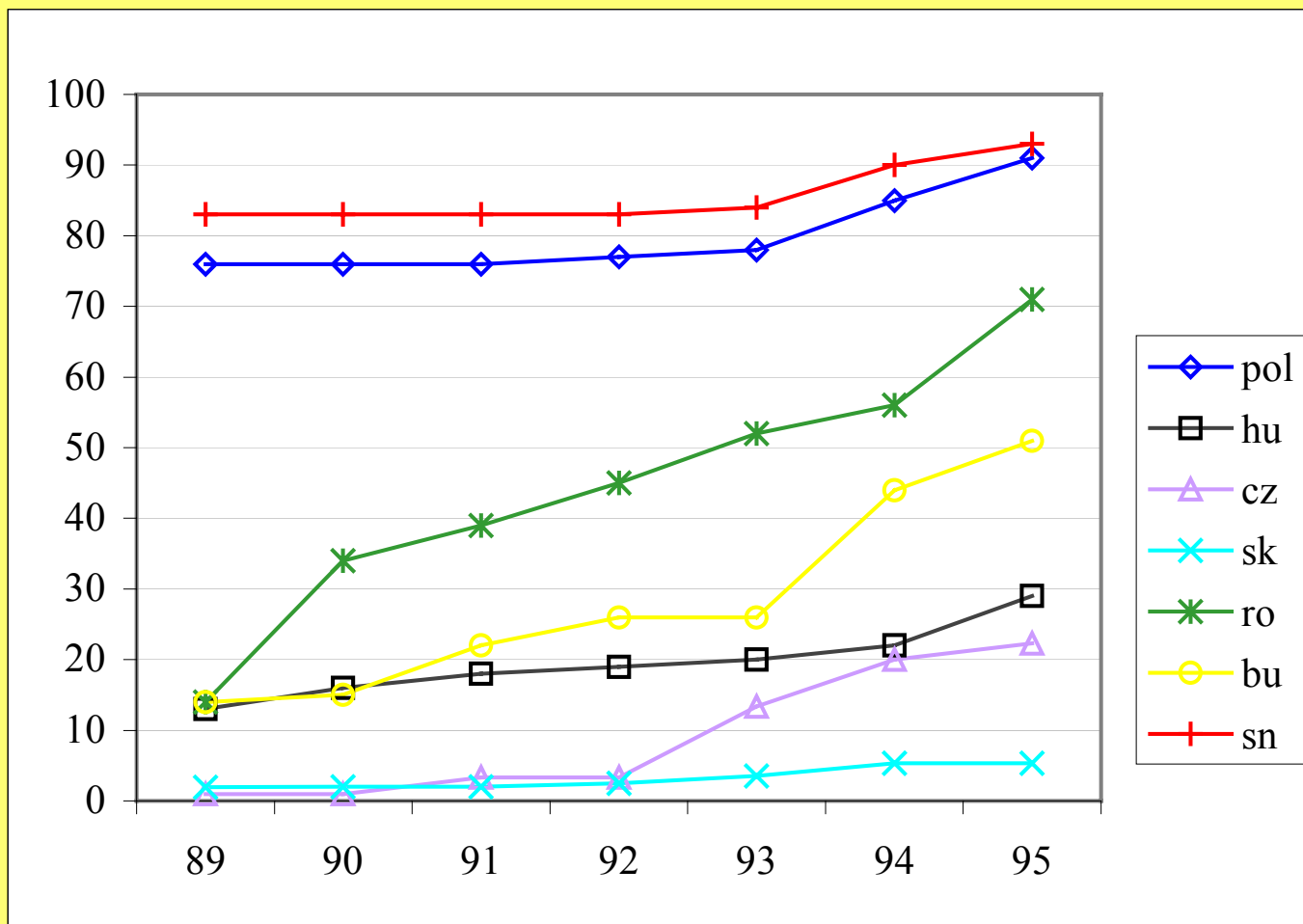


% of total agricultural land (TAL)

Farm Individualization Index (FII)

Country	FII	Year
Latvia	94.7	1997
Albania	94.2	1995
Lithuania	60.4	1996
Romania	60.2	1998
Hungary	51.1	1996
Slovenia	50.0	1997
Bulgaria	44.8	1995/6
Czech Republic	24.0	1998
Ukraine	14.1	1995
Russia	12.1	1995
Slovakia	3.2	1998

Share of land use by individual farms



% of total
agricultural
land

Individual farming

is affected by:

- # characteristics of old farm (technology, productivity);
- # government policies (land reform);
- # farm household characteristics.

Individual farming

is most important for households:

- # with younger and better educated heads;
- # with some farming experience;
- # but beyond a certain education, off-farm employment becomes more attractive;
- # which have direct access to land and capital inputs;
- # which have access to external income sources (pensions, off-farm wages, etc.).

Individual farming - implications

- # Removing constraints by improving functioning of factor markets should be policy priority to stimulate individual farming and private entrepreneurship
- # Investment in human capital (education, training, etc.) is important, not only for agriculture but for overall rural development

Farm restructuring and efficiency

The most efficient farms (in CEECs):

- # have few workers, preferably family related,
- # operate on a scale which captures most important scale economies, such as larger family farms and some farming companies,
- # cooperatives are least efficient farms.

Average profits by farm organizations

in Czech agriculture 1996/1997

	Cooperatives	Companies	Individual farms 10-50 ha	Individual farms 51-200 ha	Individual farms >200 ha
Profit/loss in CZK/ha	-717	-185	-334	205	309
Number of ha	1897	1352	30	101	421

Source: Swinnen 1997

Farm restructuring and overall efficiency

- # There is no simple relationship between the shift to individual farms and overall productivity growth in agriculture;
- # For productivity improvements, farm restructuring needs to be complemented by institutional reforms to improve access to land, credit, technology, and information, and to allow improved labor and capital allocation.

C. Credit to rural areas

- ✦ Intervention on credit markets is one of the most important agricultural policy instruments (for example in Poland).
- ✦ However, in general, credit flow to rural areas is very low.

What are the factors influencing credit to private sector in rural areas in transition economies?

Constraints to rural financial markets

Specific transition-related factors:

- ✘ credit system under central planning,
- ✘ banking system reforms,
- ✘ lack of clear property rights and incomplete land reforms,
- ✘ problems with collateralisation of the loans,
- ✘ increased transaction costs for monitoring and screening loans,
- ✘ indebtedness of the producers,
- ✘ depressed farm income,
- ✘ producer price index and inflation level.

(Swinnen and Gow 1999)

Supply constraints to credit market:

- # Insufficient availability of collateral;
- # Risk aversion of bankers;
- # Information asymmetries between lender and borrower
> very high indirect costs of credits, excessive bureaucracy and too demanding requirements of banks;
- # Lack of experience and skills of banking officials.

(Kulawik 2001, Petrick 2002, Milczarek 2002)

Demand constraints to credit market:

- # Attitudes of farmers who are unwilling to take out loans and make long-term and capital-intensive investment projects;
- # A general unwillingness of farmers to secure loans with land as collateral;
- # Low level of education in rural areas as well as lack of managerial experience.

(Bukowska 2002, Kulawik 2000, Swinnen and Gow 1999)

Several conclusions

- # The general reforms have strongly affected agricultural transition and performance;
- # Output changes in transition economies are similar in the initial stages of transition but diverge strongly in the second half of the 1990s;
- # The initial decline in GDP is primarily caused by institutional disruptions;
- # The transition countries that have implemented reforms fastest and more thoroughly have performed best;

Several conclusions

- # The differences in adjustments in transition economies are due to a combination of differences in initial conditions and reform policies;
- # The importance of initial conditions declines relative to that of reform policies as transition progresses;
- # The key reforms specific to agriculture were land reform and farm restructuring;
- # An essential ingredient in recovery and productivity increases is the development of institutions for contract enforcement and access to capital.

Literature

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Discussion – suggested topics

- # What are socio-economic results of transformation (for example in the former GDR, Ukraine, Poland)?
- # What are advantages and disadvantages of different transformation strategies?
- # What are the most important problems in agricultural sector in transition economies?
- # Why has Poland chosen leasing and selling of state assets, instead of restitution as in most other Central and Eastern European countries?
- # What kind of policy recommendations for a development of credit markets in transition economies could be provided?

ACTIVITY - PART III

CASE STUDIES