

ORIGINAL ARTICLE

**BEHAVIOUR PATTERNS OF FARM-MANAGING HOUSEHOLDS AFTER THE
RESTRUCTURING OF AGRICULTURE – A SOCIO-ECONOMIC ANALYSIS**
**A CSALÁDI GAZDASÁGOKAT MŰKÖDTETŐ HÁZTARTÁSOK
MEZŐGAZDASÁGI SZERKEZETVÁLTÁSRA REAGÁLÓ
VISELKEDÉSMINTÁINAK SZOCIO - ÖKONÓMIAI ELEMZÉSE**

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ÖSSZEFOGLALÁS

A mezőgazdasági tevékenységet folytató háztartások gazdálkodásáról kevés információval rendelkezünk. Vizsgálatuk és elemzésük nélkül azonban életviteli- és gazdálkodási stratégiájukat csak nehezen ismerhetjük meg, pl. hogy a család mely erőforrásokra alapozva igyekszik szükségleteit kielégíteni. A vidéki társadalom vizsgálatának egyik eszköze lehet a vidéki háztartások gazdálkodásának elemzése. Az általunk elkészített tanulmány egy Heves megyei felmérésre alapozva kategorizálja a családi gazdaságot működtető háztartások viselkedési mintáit és szocioökonómiai összefüggésekre mutat rá a háztartás és az üzem összefonódásával kapcsolatban.

KULCSSZAVAK: családi gazdaság, háztartás, mezőgazdaság, viselkedés, átalakítás, adaptáció

ABSTRACT

There is only little information about the management of households pursuing agricultural activities. Without their examination and analysis, however, it is difficult to learn about their life style and farming strategy, and about the resources they use in order to fulfill family needs. One of the approaches of examining the rural society is the analysis of rural household management. Our study groups the behaviour patterns of farming households and explores inherent relationships between household and farming activities on the basis of a survey carried out in Heves County.

KEY WORDS: family farm, household, agriculture, behaviour patterns, restructuring, adaptation

DETAILED ABSTRACT

Restructuring in Hungarian agriculture – and in the whole national economy in general – is much more complicated than the widely mentioned "growing or giving up" problem. The analysis and systematization of development processes within family farms is a very demanding task from the aspect of economics and very useful from the aspect of economic policy. The subject of our research is the world of individuals as it appears through the specific sensing of details and coherences. The objective of the study was to introduce collective, that is family or group specific behaviour patterns, and to provide feedback about the behaviour in the actual decision-making situations. As the method for our research we have chosen the techniques of qualitative social research, the exploratory depth interview because it enables the moderated debate and guarantees the comparability of interviews. The data processed within the present study have been collected in Heves county. The depth interviews were made in January and February 2002, with 89 households pursuing agricultural production. The criteria of sampling were as follows: the families have at least one million HUF income from agriculture; the proportion of income from agriculture is at least 50% of the total income of the given household; the head of the family farm is maximum 65 years old. Three general development tendencies can be seen from the results of the survey: professionalization, stabilization and resignation. These adaptation forms can be divided into further categories. The professional farms, for example, have two categories: modernizers or updaters, and innovators. On the basis of adaptation patterns of families the stabilization methods of farms can also be divided into two parts: laggards (those waiting out), and the acceptors. The resignation from agricultural production as a life style is basically the same as the submissive behaviour.

INTRODUCTION

The changes in the Hungarian political, economic and social systems and subsystems have ignited significant restructuring in the agricultural sphere and led to attitude changes within agricultural production plants. Within restructuring the following points are highlighted: multiplication of farms; at first diminishing, later – as the result of "rational" economic regularities – growing average farm sizes; the increased specialisation of farming branches which are based primarily on regional potentials; and the socio-economic differentiation process.

Restructuring of the agriculture in Hungary – and in the whole national economy in general – is much more complicated than the widely mentioned "growing or giving up" problem. Almost all the agricultural households that were interviewed have pursued several different activities. In spite of this multifunctionality, the households find themselves under a kind of balancing pressure as regards the short-, medium- or long-term allocation of their resources. The development dynamics of family farms is directly connected with the changes of resource use [1].

The complexity of development process within each farm – and ultimately the agricultural restructuring going on in the given region – can be understood through the multifold employment. These multifold job activities reflect the different and constantly changing functions of tasks of household members and the whole household in general [2].

The analysis and systematization of development processes within family farms is a very demanding task from the aspect of economics and very useful from the aspect of economic policy. Gasson compares the system of the farming with a bulb: "The outer skin might represent values upheld by society and publicly expressed for social approval, the next layer values held by members of the sub-group-fellow workers, the village, the farming community... Beneath this might be values shared only with members of the family and deeper still those which the individual admitted only to himself" [3]. When choosing the most effective analysing method, first of all the number of family farms to be analysed should be considered and then, of course, the given objective of analysis [4]. Thus the qualitative methods from the means of empirical social research enable the intensive study of

behaviour and development. Their use, however, and the practical implementation of regulations, is limited just by their intensity in case of bigger groups. This problem can be avoided by the use of quantitative data, although it can be argued that the quantitative information itself will not enable the exploration of development processes within the individual family farms.

MATERIALS AND METHODS

In order to carry out the typization of behaviour and adaptation patterns, it is important to learn about the family farms and, behind them, their household management and basic frames of life. Therefore the subject of our study is the world of individuals as it appears through the specific sensing of details and coherences. The objective of the research was to identify collective, that is, family or group specific behaviour patterns, and to provide feedback about the behaviour in the actual decision-making situations.

Since every action of human beings is determined by individual life experiences, features of personality, social ties and subjective perceptions, it is reasonable to use a method which easily recognizes individual problems. Since behaviours and motives are rarely articulated and accepted as action-orienting criteria, these cannot be regarded as objects of examination.

Considering the above, we chose the techniques of qualitative social research, the exploratory depth interview as tool of survey because it enables the moderated debate and guarantees the comparability of interviews.

So the research aimed at the examination of behaviour of households pursuing agricultural production in the form of family farms under changing political, economic and social conditions. In case of crisis caused by overproduction these families will be endangered because they can lose the original food producing function (at macro level) and their traditional job and role distribution is broken up (at micro level).

The data processed within the present study have been collected in Heves county. We selected the farmers randomly. The depth interviews were made

in January and February 2002, with 89 households pursuing agricultural production. Most of these farming households comply with the current legal concepts. When selecting the farming families it was not a condition that the farm should comply with the appropriate legal criteria, partly due to the variety of farming forms (the given family can pursue farming in the frames of an economic venture if it meets the conditions of family farms because the re-qualification is not compulsory), partly because the registration of family farms was not started at the date of survey. [5]. The criteria of sampling were as follows:

1. The families have at least one million HUF income from agriculture.-The proportion of income from agriculture is at least 50% of the total income of the given household. The database for sampling was provided by the Heves County Office of Ministry of Agriculture and Rural Development. As regards the place of living the random geographical dispersion was considered
2. Since the interviewed heads of households were not eager to answer to questions connected with income, we built some consumption-related questions into the questionnaire in order to control the data in the records and to estimate total income. On the basis of consumption, the income of the given family can be estimated rather precisely
3. The head of the family farm is maximum 65 years old. This person is usually the head of the household (householder)

When selecting the samples and at the first evaluation of the data after the survey we tried to correct – we leave e.g. the incomplete questionnaires out of consideration – the disproportionate values arising from seemingly over- or underrepresented groups which could lead to faulty conclusions and to bring closer the structure of population under survey to the structure of the agricultural sector as described by the published the statistical data of Heves county.

Altogether 89 families have been evaluated. They pursued farming on lands from 6 to 410 hectares, 56 families made farming as full-time job activity. The income of these farms from agriculture was between 1 million and 38 million HUF per year. 36% of the farms dealt with horticulture, viticulture and

viniculture, 40% of them with crop production, 16% with animal husbandry and 8% with other agricultural activities.

At the time of the interviews, the heads of the farms were between 21 and 65, most of them married. Among the older ones, 29 had already appointed the successor, who would undertake the management of the farm following the resignation of the head. It is very interesting, and reflects the Hungarian social conditions and the family role function of rural women, that 93% of the farms were led by men.

The basis of depth interviews were the open questionnaires which were completed by the inquired individually or together with the family. In our method those inquired received a copy from the questionnaire in order to help the understanding of long and sometimes complicated questions.

The following criteria helped the tematization of the interviews:

- life conditions, conditions of work and social environment;
- interfamily and social networks (including all kinds of state subsidies and transfers);
- attitudes and opinions about agriculture and wage earning activities
- organization of the farm from the viewpoint of the family and from economic aspects;
- role of politics and agricultural market regulations, utilisation of agricultural and regional policy measures.

During the evaluation high priority was given to the exploration of individual and collective values, attitudes and behaviour patterns of families pursuing farming activities, with special regard to the inheritance of farms.

The questioners were processed with Microsoft Excel 2000, using its filter and other functions. The evaluation was made in the following steps:

- case studies and their comparison;
- structuring of information and comparison by categories;
- typization, and
- verification of outcomes.

RESULTS AND DISCUSSION

Families pursuing agricultural activities should be regarded as units, where the scene of family and agricultural plant, the work and life is more closely interrelated than in the case of families who do not have such kind of production function.

The typization of different behaviour patterns (considering the handling of problems caused by restructuring) is based on some specific, recurring, therefore typical patterns. The following typization and grouping is different from the traditional plant or socio-economic classification because it also considers some subjective decision-making criteria. During the differentiation of behaviour and adaptation patterns the following determinant factors were found to be efficient:

- a) Structural features regarding the farm
 - relative size of the farm
 - internal organizational structure of the farm
 - place of farm
- b) Features of family structure
 - family situation
 - emotional connection to agriculture
 - traditional attitudes.

The emotional connection to agriculture means an emotional and not necessarily rational commitment to the life and work style determined by agriculture.

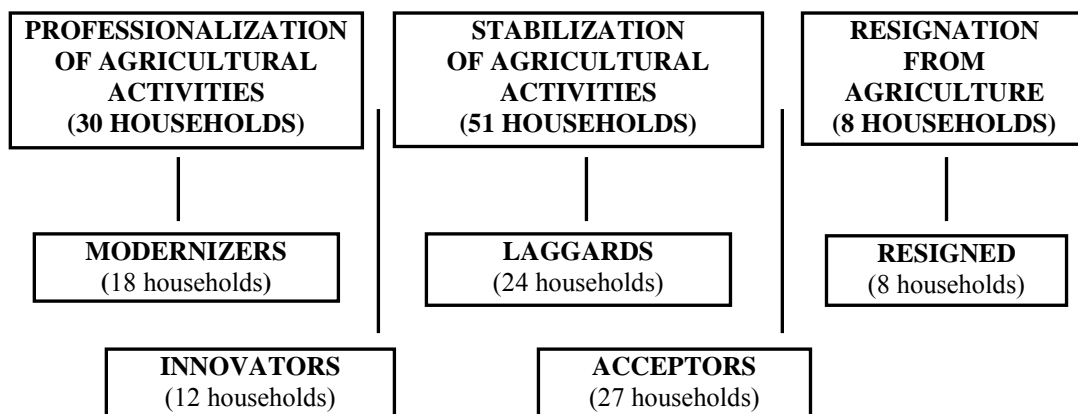
Traditional attitude means the long-term commitment to tried and well-established cultural forms and life content. The degree of traditional attitude determines the development and implementation of alternatives, innovation and individual problem-solving within this group.

Three general development tendencies can be seen from the results of the survey (Figure 1): professionalization, stabilization and resignation. These adaptation forms can be divided into further categories. The professional farms for example have two categories: modernizers or updaters and the innovators. On the basis of adaptation patterns of families the methods of stabilization of farms can also be divided into two parts: those waiting out and the acceptors. Families are called acceptors who reconcile themselves to their situation and do not pursue bigger objectives.

Resignation from agricultural production as a life style is basically the same as the submissive behaviour.

In the following sections these above mentioned five groups are introduced in detail on the basis of the outcomes of our research.

Figure 1: Classification of behaviour and adaptation patterns of households running family farms and the size of groups



Modernizers

According to our classification 18 of the surveyed 89 families can be ranked in this group. Their farms have relatively large agricultural lands (36 to 410 ha) and their income from agriculture is higher than the average (12 million to 38 million HUF). These family farms work mostly in regions of the county where the conditions for farming are more favourable than elsewhere. The heads of farms are young couples or older farmers whose heirs who will carry on farming are already appointed. The members of the farming family are monoactive that is they work either in their own or in their parents' farm or household. The heads of the farm have agricultural qualifications of various levels. It is typical, however, that the successors have higher qualifications than the currently farming generation.

As regards the trend of professionalization, two facts should be underlined:

- a) family farms in this group regard agricultural activity as the primary source of income in the medium and long run. This attitude is reflected, for example, in the intensity of investments.
- b) the quality of farm management is above the average level.

In order to lead farming toward professionalization, the medium and long-term objectives must be outlined and appropriate measures must be implemented, with the necessary resources at hand. A professional farm depends mostly on the modern means and equipment. In addition to this, the opportunities for development should also be recognized and utilized. The basic attitude, receptivity to the new, the high level of information supply and the adaptative ability and mentality of the farming family are very important factors in these processes.

Innovators

The "innovator" group consisted of 12 families. As regards the farm structure the professionalism of this group is only a little different from the previous group. These family farms are also considered big (17 to 267 ha of land) and their income (11 million to 24 million) is also very nice. Those family farms belong to this group, which also means that several

members of the family participate in farming activities. The younger generation spend more time with studying than their parents, just like in the "modernizer" families. The older generation is often missing from the farm. The reasons for this should be found in the agricultural history of the last 50 years and especially in the consequences of social transition. [6]. The families in this group have changed the system, structure and organization of their farm many times and were entrepreneurial enough to take the risk through regional flexibility and mobility. The implementation of innovative ideas is possible for them even if the farming conditions are rather disadvantageous or the markets are far. They have the ability to put their ideas into practice. So these farmers combine farming with other related or farm-based secondary activities (e.g. rural tourism or ecological farming), which is often due to other than financial reasons

The above features help to understand that the features of family structure - especially the relatively low level of traditional attitude and the capability of coping with the need for agricultural restructuring - do not have an important role in the case of these farms.

Laggards

The group of "laggards", (those waiting out) include 24 family farms. These families run medium or large-scale farms. The size of their farms is between 12 and 95 hectares and it is important to note that they have reached the size which can be regarded as optimal - especially considering the labour force capacity. Their income from farming is between 9 million and 25 million HUF. A part of the farm heads have pursued agricultural studies, another part comes from traditional farming families. Most of the couples are monoactive, but in most cases farming is combined with agricultural services provided to others. Farms in this group are remarkable for their stability of their organizational structure and the method of farming applied.

Farm development does not seem appropriate without ensuring or subsistence. Using labour from outside - which is absolutely normal in plants or farms pursuing other than agricultural activity - is not considered because it does not seem to be profitable. The tasks on the farm should be completed with the available family work force,

which also means that the farm development depends significantly on factors within the family, e.g. the labour force capacity. The future of these farms therefore depends on the job orientation of the successors. Choice of a job or a career is influenced not only by internal factors but also by some external factors (e.g. agricultural policy indications and actual measures taken by the government). The family farms within this group work efficiently and thus can be regarded stable. This stability, however, is very fragile in case of unfavourable family conditions. The families lack the capacity for decision-making (the impact of which can last for a couple of years). The decisions and prospective future aptitudes are formed by the behaviour patterns of the family, the close connection to agriculture, the degree of traditional attitude.

Acceptors

27 of the examined families can be described as “acceptors”. They have small or medium-size farms (with 6 to 42 hectare land and 1 million to 8 million HUF income). The income from agriculture, however, is not the only source of revenue in their case. Six families can be regarded “monoactive” – not considering the casual work made for others – but they also have some other income from e.g. leasing or renting. The other families of this group are “pluri-active”, that is they have further revenues from some wage-earning activity of the farmer or the housewife coming from outside. The stability of these farms is limited and can be ensured relying on the mixed income. In general, the group of “acceptors are engaged in several activities or they adapt to the given circumstances by lowering their needs, that is, they accept their situation and do not want to change it.

Resigned farmers

Resignation means the retirement from farming as way of life. During the survey, the 8 families within this group indicated their intent to give up agricultural production or they had already done so.

The farms within this group have an area of 4 to 15 hectares, their income from agricultural production is one million to 4 million HUF. These figures, of course do not reveal the former prosperity of these farms, because the phase of retirement has already started.

Those inquired seemed resigned or reluctant primarily in the decision-making situations connected with the farm and in the field of agricultural developments. They were especially keen on resigning if they had found the relatively advantageous form of giving up farm production. The existence or lack of successor(s) can have greater influence on business objectives and farming performance than the age of the farmer. The family heads with successors have a generation interest, too, which permanently inspires for planning and expansion. In their case the stabilization phase of the older family replaces the first organization phase of the younger generation. Farmers not having successors, do not have the inspiring force, so at an older age they start to cut down the farm, live up their capital or reduce production. So, during the farmer’s whole life there is a permanent feedback to the decision made at the early phase of the family cycle concerning the timeliness of succession. It has a constant limiting effect on the decision made at the later phases of life.

In addition to the above, the families in this group often withdraw resources from agricultural production and other farm activities. More precisely it means the following:

- reducing the capacity and intensity of agricultural production activities,
- shift to more labour extensive methods
- cutting the investments in the farm,
- sale, leasing or other utilisation of production factors (land, buildings, machinery, etc.)

Parallel with the described processes, the significance of revenue coming from other, non-agricultural fields is increasing. It is not possible to give a unified and homogenous characterisation of the “resigned”. Not only those households are put in this category which had definitely decided to give up farming as a way of life, but also those who would be glad to continue farming but they are uncertain about the prospective external condition or can calculate with relatively small state subsidies.

CONCLUSIONS

The outcomes of the survey support the theory of Hildebrand et al. [7] which states that these are four structural levels with the help of which the action

and decision-making problems can be highlighted in the farming families. These four levels are:

1. General social structure (including the economic aspects)
2. Special regional features
3. The works structure of the farm, and
4. the subjective action orientation of the household members.

The comparison of different groups definitely proved, that the behaviour patterns depend as much on family factors – like family situation, traditional attitudes and affection for farming – as on farm works factors, like estate size, site of farm and farm

structure. First the entrepreneurial philosophy and the ideas of the family should be learned in order to draw conclusions on farm development. It is well demonstrated by the group of “innovators” especially compared to the group of “modernizers”. That is the reason why it is important to learn the family’s value and behaviour patterns. The relatively wide-spread phenomenon of manifold wage-earning activities can be explained with the emotional attachment to agriculture, since the existence is usually ensured by activities out of the farm and the maintenance of farming is of secondary importance from economic aspects. The group of “acceptors” is a good example for this.

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