



Contribution from Bystre



Ladies and gentlemen, dear friends,

First of all, I would like to give you my hearty greetings and deliver best regards from my colleagues, fellow-citizens and many friends in the Czech Republic. Today I have this hard task of speaking about the most difficult and problematic branch of our national economy - our agriculture.

With my heart and soul, I am a country woman. I grew up on an agricultural estate and my original occupation was as an agronomist. Nevertheless, I had to have many consultations with the farmers before I could even try to present an objective picture of agriculture in the CR here, at this conference. The countryside is the most important and sensitive domain which composes the essence of the country and our society. This is inseparably formed by the village, its inhabitants, landscape, small private investors and farmers. The 19th and 20th centuries were probably the worst period for our landscape and the whole environment. There were gradual changes in the landscape, caused by its ruthless misuse, unsuitable agricultural techniques, changes in water regulations, erosion and pollution in the atmosphere. In this light, our charter's preamble appears even more true to me. From this I took the following: "We believe that village life is very important for the future and prosperity of Europe, and that everything possible should be done to promote that objective."

The Czech Republic has approximately 11 million inhabitants.

Of this number, 2.5 million live in the country. The area of the CR is 76,866 square kilometers, 42,840 square kilometers of that is agricultural area, 26,338 square kilometers are forests and 12,000 square kilometers are nationally protected areas and parks.

The conditions of agricultural operations in our area are determined by the economical regulations in marginal areas and stem from the agrarian politics of our country. However, it is necessary to state that 10 years after the "velvet revolution" the situation of our agriculturists and farmers ranges from bad to critical, regardless of the economical level. The transformation of the agricultural corporations began in the year 1992 based on imperfect laws and, in some places, they still have not resolved fair compensation for property owners.

It looks like our government, in the initial period, underestimated the influence of supply and importation of cheap food to our country, (without any preventative customs barriers), creating conditions so unprofitable for our farmers that many are forced to liquidate.

Our farmers themselves are not united (or is it the market's law?) and it looks as if they, in this unpleasant situation for them, don't mutually support themselves and this gives the medial impression that the farmers don't, in fact, know what they really want. That's why it is easier for our statesmen to deal with the protests of our farmers than it is in the EU countries. Maybe I won't be able to explain the problems of our farmers in their whole dimension to you in a way in which you

could understand them. In the 40 years of the communist government and effort to "industrialize agriculture", the continuity of our rural clans was interrupted. In many places, the love for their land and pride of rural status were lost.

At the present time, with some exceptions, it is hard to continue with old rural traditions and rites, and it seems that this problem is more noticeable in so called wealthier agriculture areas. Nevertheless, the healthy essence of the countryside didn't get lost and even now in our situation, where the proverb: "More stones than bread" still applies, people are loyal to the countryside and agriculture, though obviously at variance with the commercial disposition of our society. Today and everyday they show a practical relationship and love for their land and countryside through their personal courage, bravery and most especially, their hard work.

In our region - the Czechmoravian highlands - as well as in other foothills and mountain areas, the agriculture production is unprofitable and the promotional programs are still unable to solve the problems, especially in the marginal areas. The first reason for this is partly the lack of necessary financial resources and the second reason is that the rules for getting donations change from year to year.

Up to now there exist no quotas for production, limiting quantity and the minimal purchase prices. The farmer is not able to make definite plans at the start of the year and he can't estimate the price development on the market. The prices of the agricultural commodities sway remarkably and we can't guess the final effect in the farmer's whole year's work. Of course, the fundamental role this action is played by the low (dumping) prices of imported commodities from the EU countries, Poland, etc.

Along with this, there is a huge pressure created by the international grocery market chains. All of this and other factors lead us to great restrictions, as well as the apprehension of the liquidation of our home production.

Before the 2nd World War there was a fixed place for trade-, sale- and producing agricultural cooperatives in our country, where the owners were mostly the primary producers and then the farmers. Their nationalization after the year 1948 and then socialism in agricultural production led to their extinction. In 1990, farmers expected their properties to be returned to them, but it never came to that. Now, new sale- and functioning cooperatives are being formed, but it is a very complicated and slow process.-

Our region of Policka and Bystre, as I already said, is a part of the Czechmoravian highlands, which forms the water-shed between the Black Sea and the North Sea. According to climatic conditions, the average yearly rainfall is between 650-700mm, the average yearly temperature at 400-730m above sea level is 6-7 degrees C. Of the whole area, 35-40% is forest, and about 30% is meadows and grazing land.

In this region the protected areas and national parks convene under special regulations. There is the protected scenic area of the Zdarske hills and the national parks "Udoli Kretinky a Svratecka hornatina".

The average price of land in the surrounding area of Bystre is approximately 4Kc per square meter.

The population density of the area surrounding Policka and Bystre is approximately 70 people per square kilometer, the unemployment rate is ~21. This rate could be much higher but it has been reduced by the fact that our people work for very low wages. The average wage in this area is far below the state average. The tax return from the government, in our region, fluctuates between 2

and 3 thousand Kc per citizen and this is also one of the lowest. The subsidized grants for villages are minimal. The lawmakers are preparing new tax rules which should reduce the acute difference between rich and poor villages. Of course, the village economics and the possibility of communal investment are inseparably connected with this situation. In the last ten years there has been a big decline of agricultural production in our area. Presently about 8-10 % of the inhabitants of this formally mostly agricultural area are working in this sphere.

This last year, 1999, was the worst of the post-revolutionary years, especially for agriculture. The base prices of petrol, fertilizers, biological-protective materials increased 3 to 5 times. By comparison, the price of wheat is now 3000Kc per ton, which is the same rate as before the year 1989.

The most important factor for the evaluation of income is the common prices, which sank remarkably during the last year. According to the Czech statistic office, the yearly decline in our agriculture is 89.2%. According to the investigation of the agricultural cooperatives and corporation unions the sales of the most important commodities sank by 13 billion, which, compared to the year 1998, is decline of 17.1%.

In the last while, by accrediting our state budget, some of the communication mediums are concerned about the rate of subventions in to our agriculture. To give a complete picture, it is necessary to say that EPS or OPP, according to the new methods of the OECD, is 17% in the CR, 45% in the EU, and 37% in the OECD countries. The subventions and further grants in the CR are 71 USD per ha, in the EU they are 895 USD. (Quotation from the papers of the union of agricultural cooperatives and corporations.)

Directly in Bystre are a few small private farms, the biggest consists of 50 ha. The corporation Agro, which hires land from private owners, consists of approximately 1800 ha. 1200 of that are made up of cultivated soil. The crop yield per ha: cereals (mostly wheat, barley) average 48q. It controls the animal production, and because of that, the fodder crops. The utilization of dairy cows: 5,100 per 1 year. The increment of pigs: 0,78 kg per day. And of cattle: 0,93 kg per day. To complete this, here is an example. The farmer receives 7,18Kc per liter of milk and the cost of producing a liter of milk is 7,66Kc, which means a loss of 0,48Kc. The consumer purchase price of milk is around 11Kc. Due to these facts, the farmers have a low standard of living. They can hardly secure simple reproduction, not to mention investments.

The future of Czech agriculture depends on many ways in the ability of our government, what conditions they can negotiate for our farmers between the countries of the European union.

Of course, our farmers have to help themselves out of this unpleasant situation. (Their love for the country and agriculture helps them cope with the economical and other problems.) One of the positive sides of living in the country is the rural tourism. It is well known that in the cities there is an evident, bigger deflection from the massive tourism to a more peaceful form of holiday and rest. This well known "green tourism", agricultural tourism, doesn't destroy nature, on the contrary, nature is the object of more intensive care for the landscape, creation, and the maintenance of it. These private activities, as they are known in other European countries, help to stabilize the villages. The Czech Republic has really conditions for this. There are attractive natural and scenic areas, wealthy cultural monuments, (castles, monestaries, chateaus, churches, pilgrimage sites, as well as well-preserved exhibits of old crafts, mills, breweries, etc.) The hearty and hospitable nature of our rural citizens belong among our treasures.

There are also interesting local traditions, folk- and ethnographical celebrations, for example harvest-home (celebrating the end of harvest), vintage, eastern customs and other traditions.

We are just starting to learn to profit from this potential. We are lacking the legislative rules and financial support in this sphere. This work should represent the close cooperation between the village, farmers and other, especially small and medium, entrepreneurs in given regions. The role of the village: the elaboration of territorial plans, basic marketing projects, infrastructures, giving good attention to the appearance of the village and its maintenance. In this way, a lot of work has already been done, especially through the government program "Renewal of the countryside", which works under the ministry for local development. From a total number of 6,300 villages, there are 4,000 which take part in this program.

The final result should be provincial tourism which should, in turn, have a positive influence on the development of the region.

In comparison, just a brief look at different agricultural areas: In the warmer region of South Moravia, the natural conditions for agricultural activities are better than in higher situated areas. There it is possible to grow products which are suitable for colder climates, for example, cereals, potatoes, turnips, sugarbeets, rape and fodder crops. You can gain higher yields, due to the warmer climate and better soil conditions. The yields of those commodities are: wheat 6.0 ton per ha, barley 5.5 ton per ha, rape 3.5 per ha. However, the purchase prices are the same as in colder regions. The cost for one ton of produce is 20-30 t lower than in the foothill areas. The grants which these farmers are receiving don't cover the difference in cost. The present gain doesn't cover the costs that are expended by growing these commodities. The bad morale of the customers, concerning payment, contributes to all this. It is not uncommon to withhold payment for as long as 12 months. The growing of some commodities has become ineffective because of these reasons. (This situation concerns all areas.)

The warmer areas of South Moravia have the advantage of a warmer climate, which is suitable for growing special commodities. Here it is possible to grow vegetables and fruits, cucumbers, cabbage, strawberries, raspberries, apricots, peaches and other products requiring a warmer climate. It is also a very good area for growing wine. The gains for these commodities are higher than the expended costs, so growing them becomes economically profitable. Growing these products requires huge initial investments (construction of vineyards, orchards, plantations) which only capital-strong companies can afford. Nevertheless, we can say that the prosperity in these areas is much higher.

All of these statements produce the assurance that our agriculturists, small farmers, and the bigger agricultural companies are able to compete with pride with the countries of the European union. The Czech country and our agricultural system, together with the intentions of the EU, which knows what the countryside means for the future of Europe, are prepared to do everything within their power for the lasting and maintainable life and landscape of our countryside.