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THE AGRICULTURAL REFORM OF 1981 AND THE COMPETITION FOR RESOURCES BETWEEN PEASANT FARMS AND STATE-OWNED FARMS IN THE 1980S

Abstract: In the economy of the Polish People's Republic in the field of agriculture, the key resources which were a subject of competition included: land; production assets (machines, devices, tools for agricultural production, fertilizers, plant protection chemicals) and people necessary to work on farms and for farms. The command economy of the times of the People's Republic of Poland was an example of an economy of permanent shortages, which increased in times of crises of the entire system. The collapse of 1979-1982 was such a socio-economic crisis. The Trade Union of Independent Farmers' "Solidarity", which was part of the great social protest movement in 1980-1981, forced a change in the communist regime's approach to the peasantry and, together with other pressure groups, contributed to the implementation of the agricultural reform covering the entire sphere of agriculture and not only its state farm segment. The reform of 1981, initiated by the Rzeszów-Ustrzyki agreements, gradually changed the living situation of farmers and, above all, led to changes in the profitability of agricultural production and the legalization of trade in meat products at marketplaces as well as the release of prices for food products in 1989. Peasant farms won the competition with state-owned farms for capital resources – new production factors, and they expanded their land acreage (land factor). Farmers, however, were losing competition for workers in confrontation with industry and services in cities and state-owned farms, where farm workers could count on very generous social benefits.

Keywords: agriculture reform, competition, productive resources, productivity

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INTRODUCTION

The reform of agriculture, designed at the beginning of the 1980s, as part of the wide-ranging economic transformations intended to lead the economy of the People's Republic of Poland out of a crisis of scale and reaction from society never before seen in a communist state, was a significant solution to the expectations of individual farmers.

This study will outline the reasons for agricultural reforms, the main directions of changes in the agri-food sector, then the problem of competition and cooperation in the process of using resources for agricultural production on private farms and state-owned farms (PGR). In the study, the author looks for answers to the question of measurable statistical evidence of winning the competition for the most valuable resources for agricultural production in the 1980s between peasant farms, private and state-owned farms, and other organizations controlled by the communist state. Therefore, what is being sought is how the main producers managed in acquiring and using scarce resources to satisfy unlimited social needs. The issue is studied according to ownership in the agricultural sector of the People's Republic of Poland in the years 1981-1989. It is an outline of a problem that can certainly be realized in an extensive dissertation.

THE CONCEPT AND SIGNIFICANCE OF RESOURCES IN ECONOMY

In economics, the concept of resources denotes all material and non-material components of the production process that are necessary for the production of goods. A resource is a quantity of a certain asset at a given time. This concept can be used in the context of assets owned by the company or assets in the scale of the entire economy of a given country [Beksiak J. 2001: 112]. For an enterprise, a resource is the number of factors involved in the production process at a given time. In the economy of the Polish People's Republic in the field of agriculture, the key resources for which they were competed were: land; production assets (machines, devices, tools for agricultural production, fertilizers and plant protection products) and people necessary to work on farms and for farms. According to economists, one of the most important economic problems is the contradiction between unlimited human needs in terms of goods and services and the limited resources necessary to produce them [Nasiłowski M. 1996: 17-8].

In a command-and-control economy, a typical phenomenon was the political mechanism of allocation and waste of resources, as J. Kornai proved it, while in a market economy there is, under the condition of a limited government function, a market allocation of resources based on their prices determined on an ongoing basis using the market mechanism, which results in their distribution and application similar to social needs and expected profits of producers and donors of these resources, although there are surpluses of goods in individual markets anyway [Nutti D. 2018: 86-95]. It is a certain metafact that the command economy of the times of the Polish People's Republic was an example of an economy of permanent shortages that increased in times of crises of the entire system. Such a socio-economic crisis was the collapse of 1979-1982, during which the financial bankruptcy of the People's Republic of Poland occurred [Grala D.T. 2003: 91-4].

ECONOMIC AND FINANCIAL SYSTEM BEFORE THE IMPLEMENTATION OF THE ECONOMIC REFORMS OF 1982

The system in which the state-owned farms operated at the beginning of the 1980s was introduced into use from the beginning of the 1971/1972 marketing year. It was based on the experience from the 1960s and on the solutions used in specialized farms. State-owned farms arranged in the Soviet style (there were even cases of bilateral cooperation in order to create a showcase state farm) were to be the food base of the country. While the state authority, i.e. the central planner, was not able to control agricultural production on peasant farms, such control had a chance of success in state-owned farms [Woś A. 1985: 305-6]. In private dwarf farms, attempts to force a change in the production profile were doomed to failure in advance, because the farmers worked in them in a traditional way, continuing the manner of crops inherited from their fathers and mainly for their family needs. In the 1970s, over 18% of the agricultural land of the People's Republic of Poland was under state control, which allowed to shape a significant part of agricultural production according to the needs of the central planner. In the old economic system of the 1970s, the emphasis was placed on [Dzun W. 1991: 27]: 1) the use of economic instruments in order to integrate agricultural production into the planned economy, i.e. the needs of the state industry, agri-food processing in particular; 2) increas-

ing the independence of enterprises, especially in terms of investments and use of the production assets owned; 3) creating a basis for the comparability of management results in individual farms; 4) linking the system of material incentives with farm development and the improvement of management efficiency.

The system from the 1970s introduced several types of subsidies:

- general, e.g. for the production of concentrated feed and to cover the maintenance costs of social institutions;
- for the implementation of special tasks, e.g. plant and animal breeding, development of PFZ (state land fund) lands;
- stimulating the growth of agricultural production, granted depending on the level and increase in net final production.

In addition, in the 1970s, changes were made in the economic and financial system in the functioning of the company's funds, e.g. a change in the calculation of the bonus fund stimulating the improvement of the financial result and the increase in agricultural production (it was calculated on the profit for the increase in net final production compared to the base of 3 initial years, for particularly important economic tasks and for improving the financial result); increasing the role of the renovation and investment fund and changes in the method of its calculation (it was created from depreciation write-offs, part of profits and the union reserve fund); increasing the rank of the remaining funds, i.e. the reserve union (accumulating all free resources of enterprises) and the technical and economic progress fund [Dzun W. 1991: 27-8].

Changes introduced in management as part of the so-called economic maneuver of the second half of 1970s encouraged state farms to act to increase commercial production (regardless of the cost level) and reduced the interest of the crews in improving productivity (efficiency). The economic center burdened state-owned farms with an increasing number of directive indicators, imposed the acquisition of land for development or the development of livestock production in isolation from its own forage capabilities (pig breeding also detached from the native herd). Most often, breeding in state-owned enterprises was based on purchasing animals from private farmers and concentrated on breeding farms - on farms focused on meat production. In 1979, apart from financial tasks, state-owned farms received 22 quantitatively expressed production tasks and 15 various economic and financial limits [Dzun W. 1991: 28].

THE ECONOMIC CRISIS OF 1979-1982 IN AGRICULTURE AND THE REGULATIONS OF THE REFORM PROGRAM FOR THE AGRICULTURAL SECTOR

The workers' protests, which developed throughout the country in the summer of 1980, were accompanied by much less spectacular ones, taking place initially on the periphery of the people's state in the voivodeship. In Rzeszów, protests of individual peasants (according to the official nomenclature of the Polish People's Republic) disappointed with the government policy towards the agricultural sector [*Solidarność Rolników...* 2010: 22-30]¹.

The Trade Union of Independent Farmers "Solidarity", part of the great social protest movement in 1980-1981, in a sense forced a change in the communist regime's approach to the peasantry and, together with other pressure groups, contributed to the implementation of the entire agricultural reform encompassing entire agriculture, and not only its segment of state-owned farms. The reform of 1981 initiated by the Rzeszów-Ustrzyki agreements (forced by mass protests of farmers at the beginning of 1981) gradually changed the living situation of farmers and, above all, led to changes in the profitability of agricultural production and the legalization of trade in meat products at marketplaces and the release of prices for food products in 1989.

The deep recession that hit People's Poland in the second half of the 1970s had many causes that had already been thoroughly identified and described [Grala D.T. 2005: 27-32; Kurowski S. 1990]. With regard to agriculture, where production in state-owned state farms was intensified throughout the decade of the 1970s, according to government plans, the "cramming" of funds and means of production took place with enormous waste and decision errors in the field of production and sales management. From 1973, in the agriculture of the People's Republic of Poland, there were symptoms of stagnation in the area of land productivity and a decrease in net production. Plant production of state-owned farms decreased from PLN 51,238 million in 1970 to PLN 51,038 million in 1980. On the other

¹ In this study, we do not consider the protests of peasants and the reasons for this dynamic and very emotional rebellion, which exploded for a seemingly insignificant cause of the robbery economy of one of the state-owned enterprises in the Bieszczady Mountains, and in fact spread the negative emotions and the assessment of the economic situation of peasant farms in the poor regions of the Polish People's Republic suppressed for years.

hand, livestock production increased from PLN 75,550 million in 1970 to PLN 156,612 million in 1980. The pure production index for state-owned farms was on average, in the years 1971 – 1975, 16.7 thousand PLN, while in the period 1976-1980 only 7.6 thousand PLN/ 1 ha of agricultural land [Rocznik Statystyczny Rolnictwa... 1986: 208-9]. The increase in meat production, a strategic commodity from the point of view of working families in cities, was achieved not as a result of improving forage production and pig rearing, but as a result of large-scale imports of cereals and protein feeds from the second payment area. The dependence on capitalist countries in the import of food and materials for its production reached almost 80% in 1979 [Gospodarka w procesie... 1986: 178]. At the time of depletion of foreign currencies and bad harvest of agricultural produce in the years 1979-1980, the level of pig and cattle production collapsed rapidly. Imports of materials for food production from capitalist countries in relation to the level in 1979 (assuming 1979 as 100) amounted to 56.7 in 1982 and in 1983 only 43.7% of the 1979 level. The communist authorities tried to compensate for the decrease in supplies in the second area of payments, in the area of materials for food production increased in imports from socialist countries, but little results were achieved (an increase of 17.1% in 1982 as compared to the level in 1979) [Gospodarka w procesie... 1986: 145]. Rather, it was necessary to rationalize agricultural production, i.e. the production of those goods for the production of which domestic raw material resources could be used. The level of material costs (without depreciation) in state-owned farms increased very high from 64.2 thousand PLN in 1971-75 to the level of 79.6 thousand PLN / 1 ha of agricultural land in the years 1976-80 (increase by 24%) [Rocznik Statystyczny Rolnictwa... 1986: 209]².

Following the cessation of imported feed and fertilizer supplies with loans from capitalist states (1978-1980), government-controlled agricultural production collapsed between 1980 and 1982. In state trade, which had never before balanced supply with demand for food products, gigantic shortages in many assortments of food products occurred. Already in the second half of 1980, it was necessary to introduce rationing of basic food-stuffs to prevent panic and spontaneous incidents of rebellions by a revolted society. State rationing of food sales was introduced on January 1, 1981 and covered the sale of 12 food items "on cards" in the years 1981-1982 [Ciechomski W. et al. 1991: 9]. Moreover, in the face of serious shortages on the food market (except for a few products such as vinegar, mus-

² In fixed prices of 1982.

tard, lard) and the fixed increase in subsidies for the production of food for state-owned enterprises, the government of General W. Jaruzelski introduced a radical price increase from January 1982. In 1982 it was 100.8% and in 1983 22.1% [*Wskaźniki cen...* 2014]. However, official activities “under the cover” of martial law did not eliminate the shortages. The improvement of the supply in the state trade took place in 1984. It was then that the supply of most food products covered the card allowances, although without taking into account the adequate quality of the goods. The standard for sale were chocolate-like products in the case of sweets, low-quality sausages and meat products of poor quality and low-quality dairy products [Beskid L. et al. 1985: 48; Jarosz D. 2006: 227-8]. The aforementioned problems had little or no effect on products from private butchers and slaughterhouses of individual farmers, sold in second circulation and in bazaars in cities. The second economic circuit at the turn of the 1970s and 1980s developed on an enormous scale, filling the gap in the poorly functioning state production and trade. On the periphery of the collapsing state economy, the private sector in agriculture stood out as an extremely profitable branch of the national economy in these difficult times [Bednarski 1987: 20-1; *Prywaciarze...* 2006: 97-100; 105-13].

THE CONCEPT OF REFORM IN THE AGRICULTURAL SECTOR FROM 1981

Communist government advisers formulated numerous warnings and proposals for radical changes as early as the late 1970s, when the crisis in the production sphere was growing and the state retail trade suffered from shortages of many food products. It was emphasized that state-owned farms are accounted for the implementation of the plan, and not for economic results, “which is conducive to increasing production often regardless of social costs” [*Raporty dla Edwarda Gierka* 1988: 158-9]. Experts admitted that the economic system of the late 1970s tolerated the waste of means of production. A fundamental change in the design of the incentives was proposed. Well, instead of the measure of net final production, it was proposed to introduce the profit or added production ratio into the assessment of state-owned farms’ economic activity. The measure of net final production was questioned for not taking into account the level of material and financial inputs. The legitimacy of providing subsidies for incurring inputs was also questioned and it was openly admitted that the

subsidy system in the state-owned farms makes the economic calculation and rationalization of the use of resources extremely difficult. The advisers' recommendations against the background of the common practice of subsidies were shocking: *"the company is not interested in improving its economy, because the resulting deficit is covered by state subsidies. Its management's responsibility for economic performance then diminishes"*. It was pointed out that prices have no economic significance, first of all the ability to inform about the value of products, because they are "embedded" in subsidies, which makes it difficult to assess own production costs and to conduct rational allocation of resources. In the end, government advisers concluded that it was necessary to gradually abandon subsidies and replace them with active instruments such as contractual prices, loans, taxes, profits, bonuses. This was to be the basis for the application of economic calculus in the whole of agriculture. Finally, it was postulated to increase the responsibility of enterprise managers for the rational and effective use of the social assets entrusted to them.

The essence of the agricultural reform enacted in 1981 was the introduction of parametric control based on the new state-owned farms economic and financial system. The overriding goal of the reform was to aim at maximizing profit by using the economic calculation and making choices within the decision-making autonomy granted by legal acts by the state [Kozłowska M. 1994: 53-4]. The solutions to the reform were based on the resolution of the Council of Ministers of June 17, 1981 and entered into force at an express pace on July 1, 1981, so that they would apply to the economic year 1981/1982. The key point of this resolution were the principles of financial and economic management as well as settlement and evaluation of agricultural enterprises over a 5-year period. Despite earlier announcements, apart from the possibility of reorganization and dismissal of the director by the supervisory authority, there was no possibility of bankruptcy and liquidation of an unprofitable entity [M.P. 1981 nr 16 poz. 126].

On the other hand, with regard to private peasant farms, the communist state guaranteed them the inviolability of property in March 1982 in the so-called agricultural laws (for the first time since the end of World War II) and theoretically equal rights in relation to other economic entities of the national economy [Budzinowski 1983: 1-2]³. Moreover, as part of the

³ The case concerned change of several Laws: the Law on change of the Law – Civil Code and on Cancellation of the Law on regulation of ownership of agricultural farms

reform, the government introduced a taxation system for agricultural production (including the Agricultural Tax Act of 1984) and a new contracting of agricultural produce [Kozłowska 1994: 53-6]. In 1983, an unprecedented thing in the history of the People's Republic of Poland happened, i.e. the amendment to the Constitution of the People's Republic of Poland passed by the parliament and signed by the President of the State Council on the guarantee of the durability and inviolability of peasant property and the right to inherit land by farmers [M.P. 1981 nr 16 poz. 126: art. 15, point 1-5; Gorzelak 1987: 392-3]. With this act, the political authorities of the People's Republic of Poland in some way destroyed one of the foundations of the Soviet-type command economy implemented in Poland after World War II, concerning the superiority and domination of socialized property in the Polish economy. The provision in the Constitution of the People's Republic of Poland from Art. 15 points 3 *"The Polish People's Republic, for the sake of nourishing the nation, takes care of individual family farms of working peasants, guarantees the durability of these farms, provides them with help in increasing production and increasing the technical and agricultural level, supports the development of agricultural self-government, especially agricultural circles and cooperatives, supports the development of cooperation, production specialization, expands the links between individual farms and the socialist national economy"* [Dz.U. 1952 nr 33 poz. 232; see: Gorzelak 1987: 393]. In the process of implementing the agricultural reform, state offices tried to link the contracting of supplies of agricultural produce by individual farms with access to scarce means of production, such as machinery, equipment and chemicals for agriculture [Ostromęcki A. 1988: 63-4]. The food economy gained the highest rank in the government's policy in the first half of the 1980s (General W. Jaruzelski's cabinet). The key expenses were investments in construction and assembly works, new fixed assets as well as materials and chemicals for agricultural production. The government allocated funds from the state budget for investments in agriculture in 1984, reaching 16.8%, and in the following years, despite the announcement of a change in investment proportions, investment expenditure on agriculture fell to 15.5% (1986) and 14% of total in-

[Dz.U. 1982 nr 11 poz. 81], the Law on land consolidation [Dz.U. 1982 nr 11 poz. 80], the Law on change of the Law - Code of Civil Procedure [Dz. U. 1982, nr 11, poz. 82], the Law on the protection of agricultural and forest areas [Dz.U. 1982 nr 11 poz. 79]. The issues discussed in the article are also related to the Act of 6 July 1982 on land and mortgage registers and mortgage [Dz.U. 1982 nr 19 poz. 147] and the Act of October 8, 1982 on socio-professional organizations of farmers [Dz.U. 1982 nr 32 poz. 217].

vestment outlays (budget for 1989) [*Rocznik Statystyczny Województw* 1985: 144-60; 1987: 94-7; 1990: 174]. Agriculture was also financed through the mechanism of contracting agricultural products, financing the purchase of agricultural machinery and equipment, support in the supply of fertilizers, fodder and plant protection products, and purchase of farm animals. The main goal of the agricultural policy was to maximize agricultural production with the greatest possible use of the available agricultural land area. The scope of contracting agricultural production in the 1980s was examined by A. Ostromęcki [1988]. The survey conducted for the entire country and the south-eastern Poland macro-region shows that contracted agricultural production for peasant farms in the whole country accounted for as much as 48.0% in 1980 and 44.5% in 1985. However, in the case of the south-eastern region with a very fragmented agrarian structure and domination of dwarf farms, the scope of contracting agricultural production was smaller and amounted to – 44.3% (1980) and 32.1% (1985). Peasants with small farms, which they themselves admitted in the surveys, were not a suitable partner for the state in terms of purchasing and preferred to sell their slight production surpluses with greater profit in the marketplaces. The state contracted the production of selected agricultural products, i.e. sugar beets, tobacco, grains, potatoes, fruit and vegetables, beef and pork livestock, poultry, eggs and milk [Ostromęcki A. 1988: 63-4]. The research showed that the least willingness to contract production was observed in farms with a size of less than 3.4 ha of arable land [Ostromęcki A. 1988: 66].

In 1983, the Sejm of the People's Republic of Poland adopted a long-term special program for the development of agriculture and food economy for the years 1984-1990, the main goal of which was to gradually achieve the country's food self-sufficiency by changing the proportions in terms of investments for the agricultural sector and stimulating agri-food production, because self-sufficiency could not be achieved without a significant increase in agri-food processing products [M.P. 1983 nr 22 poz. 123]. This program of 1983 was the result of an agreement and a joint resolution of the United People's Party and the Central Committee of the Polish United Workers' Party on the development of rural areas and agriculture. In the resolution of the Sejm, the priority was to increase plant production, and therefore, for the purposes of this, higher production of mineral fertilizers, in particular nitrogen fertilizers. Unfortunately, the analyzed program resolution does not include any specific numerical values as to how many fertilizers and plant protection products would be pro-

duced and in which plants. On the other hand, there were enigmatic and insignificant statements that there will be tensions in the designed 5-year plan for socio-economic development and that the expected agricultural production will have a shortage of fertilizers, plant protection chemicals, feed additives, tires for agricultural vehicles and agricultural machinery. The Sejm obliged the government to present an additional program in 1984 for the development of agricultural chemistry after 1990. In general, the entire resolution was of a wishful nature and did not contain any specific calculations regarding the aforementioned proportions and the growth rate of the advertised production, about which the government program treated. This act should be assessed as strictly propaganda about the pleasing of the rural population in the upcoming elections to the Sejm [M.P. 1983 nr 22 poz. 123].

After the elections of November 1985, the government of Zbigniew Messner reoriented the structure of investment expenditure, changing the financial proportions in terms of tangible investments, structurally reducing the share of agriculture in total investments and preferring to subsidize production on state farms, but analyzes of the food market in the Polish People's Republic left no illusions that the under-invested countryside will not meet the supply needs generated by the increasing population of cities (the increasing process of emigration of rural population to cities), around which the processing industry was concentrated [Straszak-Chandoha S. 2010: 385-6]. Therefore, in the draft program of the second stage of the economic reform, the need to support the development of individual farming in the Polish countryside as a necessary link in food supply was once again recognized. This program was attempted to be implemented without success in 1988 through a price-income operation ended with a wave of strikes and an increase in money inflation in 1988 and 1989 [Grala D.T. 2008: 227-8].

The agricultural development program for 1984-1990 became a component of the great and final plan for the national economy for the years 1986-1990 (hereinafter NPSG). In the field of agriculture, the NPSG 1986-1990 contained the following provisions [Dz.U. 1986 nr 45 poz. 224]:

- drainage of at least 700 thousand ha of agricultural land, i.e. about 56% more than in the years 1981-1985,
- expansion of the water supply network in the countryside, limiting the improvement of working and living conditions of people in the countryside, and increasing the concentration and specialization of animal production. Investment outlays for supplying rural areas

- and agriculture with water would be increased from PLN 62 billion in 1981-1985 to PLN 95 billion in 1986-1990,
- increasing the level of mineral fertilization from 175 kg of NPK per 1 ha in 1985 to 212 kg of NPK in 1990, with an increase in the share of nitrogen fertilizers, concentrated and multi-component and granular fertilizers,
 - solving the problem of calcium fertilizers by increasing their supplies from 2.82 million tons in 1985 to 3.8-4.0 million tons in 1990. Deliveries of calcium and magnesium fertilizers were to be doubled,
 - increasing the supply of plant protection products from 12.4 thousand tons in 1985 to about 25.0 thousand tons in 1990, with an improvement in their quality: the working area of treatments will increase from 14.4 million ha in 1985 to 26 million ha in 1990, i.e. by 80.5%,
 - increasing the supply of concentrate feed from state resources from 4.9 million tons in 1985 to 5.3 million tons in 1990, including high-protein concentrates from 0.9 million tons to 1.9 million tons respectively, with a decrease in 1990. import of cereals up to 2.2 million tons and increasing the import of high-protein feed to 2.0 million tons,
 - increasing the supply of tractors and agricultural equipment from PLN 120 billion in 1985 to at least PLN 136 billion in 1990 (in prices from 1984), with a significant improvement in their quality, and solving the problem of spare parts,
 - making significant progress in the re-electrification of villages by increasing the expenditure for this purpose from PLN 14.0 billion in 1981-1985 to PLN 25.0 billion in 1986-1990.

All the above actions included in the plan for the intensification of agricultural production, even if they were 100% implemented, according to the calculations of the Planning Commission, it would anyway be possible to ensure an increase in clean production in the agricultural sector on average annually at a maximum of 0.5-0.7% y / y, while the entire economy was calculated to increase the value of clean production in the socialized industry at the level of approx. 4.5-4.7 % annually in the years 1986-1990 [Dz.U. 1986 nr 45 poz. 224]. The presented differences in the rate of growth between industry and agriculture are shocking, considering the shortages of agri-food products in the state retail trade as early as 1985. The planners pointed to the existence of raw material and supply barriers in machin-

ery, equipment, chemicals as well as fertilizers and feed for agriculture, which makes it impossible to achieve a growth rate similar to the growth of industrial production⁴. The only place where in the People's Republic of Poland you could easily buy fresh vegetables and fruits, and in large quantities and assortment, were private shops and city bazaars, the same fruit and vegetables by name, which were present in the state trade, as a rule, cost 2 or 3 times more for the same weight amounts [Szulce H., Mruk H. 1984: 43-6].

It was a big surprise that in the Plan for the years 1986-1990 in the chapter *small production*, tasks for field plants, including a very large consent from the communists for the development of private entrepreneurship in the countryside, were expressed in the following words: "*Small production should play a role that activates employment, with the benefit for the overall balance of the country's workforce. Thus, it is expected that against the background of the general increase in material production, the development of small-scale economic activity will be relatively faster. The increase in the value of sold production should amount to at least 25% in five years*" [Dz.U. 1986 nr 45 poz. 224]. On the surface, it seems that the analyzed five-year plan was a breakthrough in the doctrine and the preference for all ownership sectors in the economy, however, in relation to the situation in other socialist countries of the decade, it can be said that the doctrinal drive towards autarky was still upheld in the People's Republic of Poland, and this time it was firmly declared by planners in the scope of supplying the country with agri-food products [Dz.U. 1986 nr 45 poz. 224]⁵. On the other hand, the promotion of multi-sectoral ownership in production was already copying the solutions used in Hungary or in the distant People's Republic of China, where small private enterprise in crafts and services was also allowed, and large private enterprises were allowed in special

⁴ For example, according to Wiesław Chwiejda from the Agency for Development and Modernization of Agriculture in the 1980s, despite the enormous efforts of state research institutes for seed research, it was not possible to grow Polish varieties of maize or other cereals on the basis of which it could be possible to produce poultry feed, and the import of which was blocked due to the embargo economic and financial issues from the USA in 1982 [interview from the author's archives; compare: Dz.U. 1986 nr 45 poz. 224: *Prognoza tworzenia i podziału dochodu narodowego*, 7-8].

⁵ According to the resolution of the Sejm of the People's Republic of Poland of December 18, 1986 on the national socio-economic plan for 1986-1990, "Structural changes in the food economy will be subordinated to the main goal, which is to improve the nutrition of the society. It will be achieved in the conditions of self-sufficiency in food" [Dz.U. 1986 nr 45 poz. 224: par. 4].

economic zones [Grala D.T. 2019: 80-2]. It should also be borne in mind that in 1986 the postulates of perestroika under the leadership of the First Secretary of the Central Committee of the CPSU, Mikhail Gorbachev, began to be implemented in the USSR.

COMPETITION FOR PRODUCTION RESOURCES

The last decade of state socialism in Poland was a period of competition for resources such as work, machinery and equipment, financial resources and land. In the previous decade, i.e. the 1970s, the communist authorities forced the development of state forms of farming, providing them with a stream of financial support and new fixed assets for production. The average annual growth rate of investment outlays in state agriculture in the years 1971-1975 was as much as 16.1%, and in the years 1976-1980 it was negative - 1.1% [*Rocznik Statystyczny* 1983: 156]. Despite significant investment outlays on state-owned farms in the 1970s, the gross value of production of fixed assets in socialized agriculture increased compared to the base 1970 by as much as 147.8% at the end of 1980 (only in construction there was a higher progression by 284% in relation to 1970), but the degree of consumption of these fixed assets in 1981 was 26.9%. The situation in private agriculture was much worse in the Gierek decade. Compared to 1970, the increase in the production value of fixed assets in private farming amounted to only 42.6% at the end of 1980. At the end of the crisis in 1981, however, the consumption level of fixed assets in private agriculture was as much as 49.1% [*Rocznik Statystyczny* 1983: 162-4]⁶.

In the decade of the 1980s, high investment outlays were necessary to restore the state of production means in farms. Table 1 shows the calculations in relation to investment outlays actually incurred by state-owned farms and farms of individual farmers in three periods: 1980, 1985 and 1989. While in 1980 the investment outlays of peasant farms in relation to total investment outlays in agriculture constituted only 36.5%, already in 1985 it was more than half, i.e. 52.5%, and in 1989 it was 47.5% in general investment outlays in agriculture.

In terms of expenditure on machinery and equipment, peasant farms made a huge investment effort and overtook state-owned farms in terms

⁶ The gross value of fixed assets was calculated by the CSO in constant prices from the selected base year.

Table 1. Investment outlays in agriculture in 1980-1989

Specification	Investment outlays in agriculture			Share in total investments		
	1980	1985	1989	1980	1985	1989
	[current prices in million PLN]			[%]		
Total	97 701.5	346 484	2 409 699	100.0	100.0	100.0
Mechanization	41 132.6	146 665	947 012	42.1	42.3	39.3
Economic construction	46 349.8	135 473	951 444	47.4	39.1	39.5
In it:						
Peasants' farms	[current prices in million PLN]			share of peasants' farms in total investments [%]		
Total	35 684.4	182 072	1 144 894	36.5	52.5	47.5
Mechanization	17 241.5	100 736	610 448	41.9	68.7	64.5
Economic construction	18 442.9	76 903	491 648	39.8	56.8	51.7

Source: Author's study based on: *Rocznik Statystyczny Rolnictwa...*[1982: 114-5]; *Rolnicza produkcja...*[1991: 11-20].

of financial outlays on machinery and equipment. The share of expenditure on mechanization on farms of individual farmers was 41.9% for 1980, 68.7% (1985) and 64.5% in 1989 in relation to the total expenditure on agricultural mechanization in the country. In terms of economic construction, in the 1980s, peasant farms also gained an advantage. Initially, peasant farms spent 39.8% (1980) on farm buildings, then 56.8% (1985) and 51.7% (1989) of the entire pool of total funds invested in farm construction.

Competition for resources and subsidizing agricultural production by the state resulted in a significant increase in the value of agricultural production, both in the state and private sector (the increase also concerned the production volume), although the implemented reform was most beneficial to individual farmers who invested in crops and livestock farming, most awaited by the „market” showing numerous shortages of food products (especially meat and its products)⁷.

In terms of farm construction for the needs of agricultural production, we again compare three historical moments – the years 1980, 1985 and 1989. We note at the beginning that in terms of newly commissioned farm

⁷ This is indicated for example by the number of newly commissioned piggeries and barns on peasant farms in the early 1980s [cf. Table 2].

Table 2. Outbuildings commissioned in 1980-1989

Specification	Commissioned outbuildings			Economic construction in total		
	1980	1985	1989	1980	1985	1989
	[current prices in million PLN]			[%]		
Total	45 226	40 112	31 252	100.0	100.0	100.0
Livestock buildings, in it:	27 290	19 959	14 331	60.3	49.8	45.9
Barns and drying rooms	6 819	7 275	4 433	15.1	18.1	14.2
Other (cowsheds, warehouses)	11 117	12 878	12 488	24.6	32.1	40.0
In it:						
Peasants' farms	[current prices in million PLN]			Share of peasants' farms in economic construction [%]		
Total	42 518	38 655	29 972	94.0	96.4	95.9
Livestock buildings, in it:	26 126	19 812	14 180	95.7	99.3	98.9
Cowsheds	3 196	1 479	986	53.7		
Piggeries	2 774	985	679			
Warehouses, granaries and sheds	9 600	11 598	11 390			
Barns and drying rooms	6 792	7 245	4 402	99.6	99.6	99.3

Source: Author's study based on: *Rocznik Statystyczny Rolnictwa...*[1982: 114-5]; *Rolnicza produkcja...*[1991: 11-20].

buildings for use, the overwhelming majority of farm buildings in individual years: 94% (1980), 96.4% (1985) and 95.9% (1989) [cf. Table 2]. In detail, peasants put into use the most in the 1980s, such as warehouses, granaries, barns and drying rooms. Typically, overall there were over 95% of buildings completed in the agricultural sector. State farms on the level of farm buildings experienced a regression, and even if an investment dating back to the beginning of the Gierek decade was completed, it was finally like in the state-owned farm in Stara Dąbrowa (Szczecin Province), as a result of poorly performed development investments of the conglomerate, 400 places for cattle were created in 1985, but due to the lack of funds to finance the entire complex of the new cattle breeding, not a single apartment block was built for the workers necessary for the new production

plant [*Informacje z kraju* 1985: 2]. So there was a problem with starting the breeding.

Summarizing, in terms of equipment with fixed production assets, state-owned farms retained their advantage in terms of work equipment, despite a much greater growth rate in the value of new fixed assets put into use on peasant farms. Table 3 synthetically shows the saturation with fixed assets in farms and the growth rate of newly released capital funds in state and private farms, calculated at fixed prices from the base year 1982.

Table 3. Outlays on fixed assets in the years 1976-1985

Years	Gross value of production fixed assets per 1 ha of agricultural land and 1 worker in PLN thousand, fixed prices from 1982			
	state-owned farms		private farms	
	GVFA/1ha	GVFA/ 1 worker	GVFA/1ha	GVFA/ 1 worker
1976-1980 (t_1)	376	3195	178	619
1981-1985 (t_2)	459	4103	265	950
rate of increased $((t_2 - t_1)/t_1)$ [%]	22.07	28.42	48.88	53.47
quantitative advantage 1981/1985	1.73	4.32	0.58	0.23
quantitative advantage 1976/1981	2.11	5.16	0.47	0.19

Source: Author's study based on: *Rolnicza produkcja...*[1991: 11-20].

When interpreting the data from the decade of 1976-1985, it can be noticed that in terms of equipment with fixed assets per 1 ha of land, state-owned farms had more than twice as many means of production in the period 1976-1980, while in relation to equipment per one worker on a farm, state-owned farms had more than five-fold advantage in fixed assets for 1976-1980. On the other hand, in the first half of the 1980s, the advantage of state-owned farms was offset by the high dynamics of investment outlays of private farms. Calculated per 1 ha of the area of state-owned farms for the years 1981-1985, they had an advantage of 73% in relation to private farmers, and the advantage in terms of equipment per one worker in means of production was more than four times. Statistically, per hectare and per employee, the advantage of state farms in terms of equipment with fixed assets was overwhelming and resulted from equipping these

state farms with huge areas of land at the time of their creation (like old *latifundia*), where too few agricultural workers were delegated to work, and the second factor was the government's preference in expenditure, from the beginning of the collectivization action, on socialized farms in each successive plan of socio-economic development.

Agriculture during the rule of General Jaruzelski had the highest priority in terms of financing its needs [Dzun W. 2005: 29-30]. It seems that the communist authorities, after years of experience, realized that in agriculture there is a need for profound changes, it is unacceptable to lead to significant shortages in the supply of food and that high increases in the prices of food products, especially meat products, are poorly perceived.

Preserved statistical data and quantitative analyzes indicate that the communist state in the 1980s intensively supported the development of state-owned farms as the target form of farming. "Aid" for state-owned farms was manifested primarily by budget subsidies and the provision of land for new farms and the expansion of existing farms from the State Land Fund. Support for better equipment with the capital factor, i.e. fixed assets for production, was limited by currency shortages and the size of the nationwide economic crisis of 1979-1982. State farms received production subsidies despite reporting huge losses in the reports for many economic years. Despite the provisions in the documents of the economic reform on the liquidation of permanently indebted enterprises, they still received the so-called soft financing and land and, to a limited extent, equipment and materials for agricultural production. The use of significant productive assets as well as labor and land resources on state-owned farms, despite some improvement in the middle of the decade, was at a weak level in relation to peasant farms, especially farms developing their production on more than a few hectares of land. In the light of many surviving interviews and memories of both state-owned farm workers and peasants, the abundance of which we observe after 1990, it appears that peasants who had a very primitive machinery park and largely decapitalized (in 1981, the consumption of fixed assets in private farming amounted to over 49%) used, with the consent of state farm workers, machines and equipment of state farms, and often rented each other's means of production for field and farm work. Such "support" with state machines took place especially in the period of spring plowing and harvest. However, the basic source of renting machines were agricultural circles, in which the machinery park was highly developed in the Gierek period, but the technical condition of especially tractors and combine harvesters deteriorated drastically in the

1980s (decapitalisation and lack of regular repairs of machines) [Kusiak F. 2007: 490-1]. For example, before the 1985 harvest, as many as approx. 4 thousand of the harvesters in the stock of agricultural circles were technically inoperative [*Informacje z kraju* 1985: 2]. In the 1980s, there was a huge desire of private farms to acquire new land (a significant increase in the area in the years 1981-1984), machinery and equipment as well as care for finding successors to develop farms and heirs in the patrimony⁸.

Sociological research from the 1980s reveals the aspirations of young farmers in Poland. The goals and life aspirations of farmers revealed in the sociological research conducted by the Institute of Philosophy and Sociology of the Polish Academy of Sciences in 1982 and 1986 indicate, above all, an attitude to improving material conditions related to housing and farm equipment. In particular, low-income households prioritized investment in buildings and machinery at the expense of consumption.

With regard to poor households, the gradation of aspirations was as follows [Mistuna M. 1989: 95-7]:

1. Farm, buildings, machines 57.1%,
2. Building or buying a house 28.6%;
3. Buying a car 14.3%;

Medium farms:

1. Family, personal life 35.2%;
2. Buildings, machinery, investments 23.5%;
3. Purchase of a car 11.8%

Wealthy farms:

1. Buildings, machinery, investments to increase efficiency 26.4%;
2. Family, personal life 24.5%,
3. Car, holidays abroad 13.2%

In 1980, there were, in Poland, 2,390 thousand peasant farms with approx. 9.5 million inhabitants, of which only slightly more than 3 million lived off agricultural production (approx. 30%), the greater part was a group of peasant workers, of which only approx. 37 thousand lived from sources outside of agriculture. Two-profession workers were cheap labor for the state-owned industry, and they were simply forced to look for

⁸ In this regard, there are no statistical materials in historical accounting documents in business units. I have not found in the archives of the Agricultural Museum in Szreniawa quantitative data on such legal or illegal cooperation with peasants. On the other hand, I received a testimony about the use of farm equipment in state-owned farms for the benefit of individual farmers from workers of former state-owned farms, with whom I talked about this sensitive topic.

work in the city because of the poverty on the farm. In 1989, there were approx. 1.6 million farms below 1 ha per total 3.8 million peasant farms and approx. 10 million people. Thus, the number of farms in the decade of the 1980s almost doubled [Straszak-Chandoha S. 2010: 382-3].

Throughout the 1980s, peasants built their advantage in acquiring production resources, especially machinery and equipment for plant production. The table 4 shows the intensive purchases and ownership of tractors for individual farms. In terms of the equipment with Ursus C - 330 tractors (design based on the C-325 tractor from 1960), peasant farms did not have any competition. The "workhorse" of the national tractor C-330 was appreciated and respected by farmers. It was fought in various ways, often illegally obtaining the allocation of vouchers for purchase in the state-owned sales centers of the Agroma company.

The number of tractors used in Polish agriculture increased from 1980 to 1989 by 533 thousand i.e. by over 80%, with most of these new machines purchased by individual farmers [source: *Roczniki Statystyki Międzynarodowej* 1984, 1991]. The number of tractors in private farms increased by 611 thousand in the years 1980-1989, when the number of

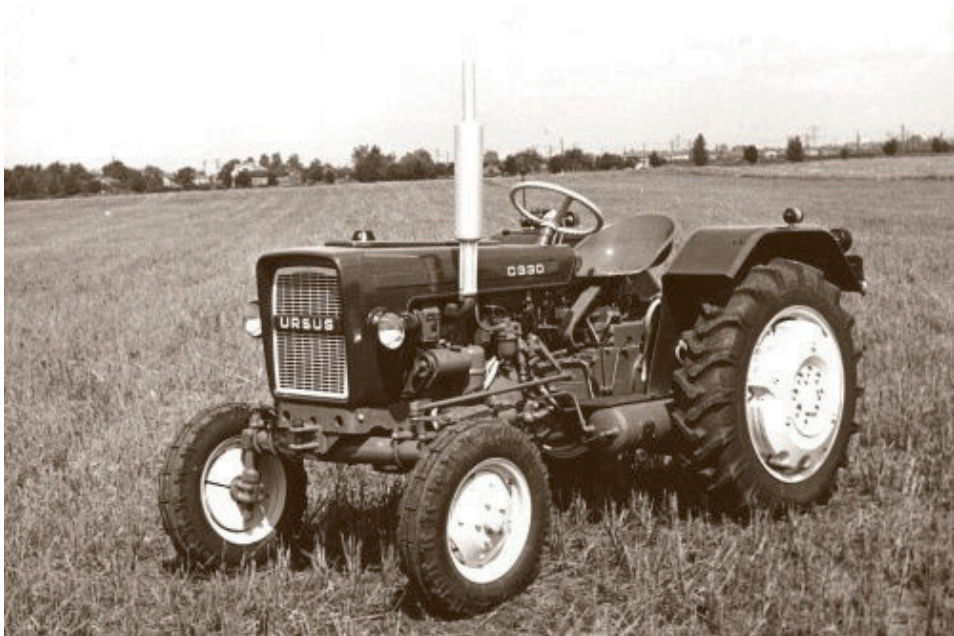


Figure 1. Ursus C-330 basic tractive machine in a farm

Source: Krugielka H. [2018]

Table 4. Resources of draft force in agriculture in the years 1980-1989

Specification	Years			Increase	
	1980	1985	1989	1985/1980	1989/1985
	[thousands of draft units]			[%]	
All farms					
In total	5759	7807	8890	35,6	13,9
Living	1468	1265	907	-13,8	-28,3
Mechanical	4291	6542	7963	52,5	21,7
State-owned farms					
In total	898	899	898	0,1	-0,1
Living	22	16	12	-27,3	-25,0
Mechanical	876	883	886	0,8	0,3
Peasant farms					
In total	4547	6581	7685	44,7	16,8
Living	1437	1243	889	-13,5	-28,5
Mechanical	3110	5338	6796	71,6	27,3
Production cooperatives					
In total	236	251	252	6,4	0,4
Living	4	2	2	-50,0	0,0
Mechanical	232	249	250	7,3	0,4
Comparison for 100 ha of agricultural areas in draft units					
All farms					
In total	30.4	41.4	47.4	36.2	14.5
Living	7.7	6.7	4.9	-13.0	-26.9
Mechanical	22.7	34.7	42.5	52.9	22.5
State-owned farms					
In total	25.6	26.8	26.9	4.7	0.4
Living	0.6	0.5	0.4	-16.7	-20.0
Mechanical	25	26.3	26.5	5.2	0.8
Peasant farms					
In total	31.6	45.6	53.8	44.3	18.0
Living	10	8.6	6.2	-14.0	-27.9
Mechanical	21.6	37	47.6	71.3	28.6
Production cooperatives					
In total	31.2	36.1	35.7	15.7	-1.1
Living	0.5	0.3	0.2	-40.0	-33.3
Mechanical	30.7	35.8	35.5	16.6	-0.8

Source: author's study based on: *Rolnicza produkcja...*[1991: 15-24].

tractors used in Agricultural Circles decreased more than twice [*Rocznik Statystyczny Rolnictwa*.... 1990: 105].

Despite the great efforts of the people's government, the amount of agricultural land owned by the state decreased (the stock decreased by 159 thousand ha at the end of 1988 as compared to 1980). However, it should be emphasized that this loss was only 3.6% in relation to the total agricultural land of the state-owned farms at the end of 1988. Thus, the structural changes were superficial [Straszak-Chandoha S. 2010: 382, 387]. To sum up, in terms of the land factor, in the 1980s the balance was disturbed in favor of peasants, who dynamically increased the acreage of their plots in the years 1981-1985. In the entire decade of the 1980s, almost exclusively new farm buildings were put into use in private farms, and the state farms struggled with a gigantic loan debt created in the 1970s. According to the recollections of one of the managers of a large state farm in Pomerania, the reasons for the collapse of this management formula in the 1980s were as follows: *"the problems started already in the 1980s. Many state-owned farms fell into the credit trap – obligated by the authorities to build more housing estates and invest, they had to take out loans which they were unable to pay back later. The most insane idea was giant bull farms – an idea brought from Italy, which at that time did not work for us at all, and cost millions"* [Willma A. 2011]. Statistical evidence of higher costs in state-owned farms is the data contained in Table 5 concerning changes in material costs per one hectare. In peasant farms they amounted to 79.3 thousand PLN in the years 1979-1985, and in the period 1986-1990 = 87.88 thousand PLN, calculated in regular prices in 1984. However, in the same periods for state-owned farms, material costs were respectively 92.9 thousand PLN and 104.28 thousand PLN (1985-1990).

A telling example of winning competition with state-owned enterprises were horticultural farms growing like "mushrooms after rain" not only in the countryside, but also in the suburbs of large cities. The demand for vegetables, fruit and flowers, never adequately met by state units, was almost fully met by the so-called "badylarze" (marker gardeners), as the state press called them. The description of the "golden times" for private gardening is revealed not so much by the CSO statistics as by the preserved memories of greenhouse owners [Cecot A. 2005: 3].

An important feature of the 1980s were the migrations of people, i.e. a huge over 900,000 exodus of young people from the People's Republic of Poland to the West as a result of the martial law and the outflow of young people from the countryside to cities where young people saw

Table 5. Material costs of agricultural production per 1 ha of agricultural lands (fixed prices 1984)

Specification	1981-1985 ^a	1985	1986	1987	1988	1989	1986-1990 ^b
	[in thousand PLN]						
Material costs total							
Total	81.9	85.0	88.4	90.9	92.4	94.2	90.92
Individual farms	79.3	82.3	85.2	88.2	89.8	91.2	87.88
Other farms including:	92.9	96.6	101.9	102.6	104.7	107.8	104.28
State farms	92.1	95.1	99.8	99.9	102.1	105.6	102.14
Production cooperatives	95.9	103.2	111.5	115.3	117.1	119.9	116.80
Final production per 1 PLN of material outlays from purchase							
Total	2.8	3.0	3.0	2.7	2.6	2.6	2.82
Individual farms	3.7	3.8	3.8	3.4	3.2	3.2	3.56
Other farms including:	1.5	1.7	1.7	1.7	1.7	1.7	1.72
State farms	1.6	1.7	1.8	1.8	1.7	1.7	1.78
Production cooperatives	1.6	1.6	1.6	1.6	1.6	1.6	1.62

^{a,b} global production value calculated in fixed prices over a long period, annual average

Source: *Rolnicza produkcja towarowa...* [1991: 24-5].

greater prospects for profitable work and career development. Therefore, the shortages of people to work in agriculture and the lack of heirs – successors on farms were emphasized very often in the interviews given by peasants and in reports from the Polish countryside. However, when we confront the opinions of farmers with the population statistics, we notice that nearly 20% of the country's population worked only in the agricultural sector, which means that agriculture was extremely labor-intensive and inefficient and the share of rural population in the general structure decreased by approx. 2% in the 1980s.

In the case of the labor factor (L), state-owned farms, especially in the 1970s and also in the 1980s, were able to attract people to work with numerous professional social and living benefits. Private hosts had no chance to create a social base for their potential farm workers, therefore the workforce in private farms was made up of family members and neighborly help, or other peasants' work on a modest basis, e.g. for borrowed money.

Table 6. Global, final, commodity and clean agricultural production* per 1 ha of agricultural lands (fixed prices 1984)

Specification	1981-1985 ^a	1985	1986	1987	1988	1989
	[in thousand PLN]					
Global production						
Total	123.9	130.6	137.3	134.3	136.2	138.4
Individual farms	129.4	134.6	141.3	137.4	139.9	141.5
Other farms including:	109.6	120.7	128.2	128.1	129.1	133.4
State farms	109.6	120.6	127.7	127.0	127.9	132.8
Production cooperatives	115.8	125.4	134.6	137.7	139.1	142.2
Net final production						
Total	66.5	71.5	76.3	72.5	74.7	77.0
Individual farms	72.3	75.9	81.1	76.3	79.6	81.9
Other farms including:	49.7	58.8	62.7	62.0	61.3	63.8
State farms	51.8	61.1	65.2	64.1	63.4	66.4
Production cooperatives	45.2	51.1	54.2	55.5	55.0	55.8
Commodity production						
Total	64.1	70.0	74.5	72.7	74.9	73.9
Individual farms	62.2	67.8	72.2	69.9	72.6	71.6
Other farms including:	72.0	79.2	84.3	84.5	85.6	84.8
State farms	71.6	79.2	84.0	83.9	84.8	84.0
Production cooperatives	75.6	81.2	88.0	89.1	91.1	91.8
Clean production						
Total	42.0	45.6	48.9	43.4	43.8	44.2
Individual farms	50.1	52.3	56.1	49.2	50.1	50.3
Other farms including:	16.7	24.1	26.3	25.5	24.4	25.6
State farms	17.5	25.5	27.9	27.1	25.8	27.2
Production cooperatives	19.9	22.2	23.1	22.4	22.0	22.3

* newly created value

^a annual averageSource: *Rolnicza produkcja towarowa...* [1991: 11-21].

In 1981, 490.3 thousand people were employed in state-owned farms. people. At the end of 1989, state-owned farms' employees constituted as many as 435 thousand (441.9 thousand people, with 330.6 thousand people in agricultural production alone, according to W. Dzun, and with their families about 1.6-2 million people, some of whom also had dwarf farms and gardens [Dzun W. 2010: 261]. Thus, the labor resources of state farms gradually decreased by slightly more than 11% for 10 years. In permanently under-invested farms, especially dwarf farms (less than 5 ha of arable land), most of the work was done manually with the use of primitive tools, often several dozen years old. Private farms lost the competition for human resources both with state-owned farms and with cities, especially provincial ones, where there was an outflow of surplus population from the countryside in order to settle and find a stable job in services and industry. Many farms lacked successors and young, educated farmers to work in agriculture. Work in agriculture was perceived by young people as a difficult, time-consuming and low-paid occupation [Grudzień S. 1985: 5-6]. However, when we analyze the population statistics, we see that the farm population did not decline in the decade of the 1980s⁹.

In the 1980s, the tax rules and rates were changed many times. These fiscal changes also affected agriculture and influenced the increase or decrease in profitability of agricultural activity and the costs of acquiring fixed assets. For example, the turnover tax on the purchase of agricultural machinery until 1984 was 10% of the net price, and from 1985 already 17% of the producer's price. Indirect taxes were not, however, a barrier to the high demand for the purchase of new machinery and equipment and the intensive growth of final and commercial production in private farms (Table 6).

SUMMARY

The Trade Union of Independent Farmers' "Solidarity", which was part of the great social protest movement in 1980-1981, forced the communist authorities to change their approach to the peasantry and, together with other pressure groups, contributed to the implementation of the agricultural reform already in the economic year 1981 / 1982 covering the entire sphere of agriculture, and not only its segment of state-owned farms.

⁹ Cf. *Podstawowe informacje...*[2014: 2].

The reform of 1981, initiated by the Rzeszów-Ustrzyki agreements, gradually changed the systemic and living situation of farmers. From 1983, peasants, as the only social group in People's Poland, received a constitutional guarantee of the inviolability of their private property and equal rights in relation to other economic entities of the national economy, as well as the right to inherit land by farmers. The communist rule in the 1980s led to an increase in profitability and certainty of sales (multiple price operations involved, in principle, abrupt increases in prices for agri-food products starting in 1982). Firstly, mass contracting of agricultural crops by the state provided peasants with farms of more than 3 ha even half of their annual income. Secondly, peasants could legally sell surplus products at marketplaces, as well as various fixed assets that were sold to them on their farms; finally, it was the agri-food market that was the first in the People's Republic of Poland to have the first price liberalization, full legalization of trade in meat products and the possibility of free contract sales on the market already in August 1989. During the implementation of the regulations of the agricultural reform of 1981 and the program for the development of agriculture and food economy of 1983, with a horizon until 1990, considerable material aid was directed to the countryside, which the thrifty peasants eagerly took advantage of by consolidating land, developing the most profitable and contracted in advance cultivation [Ostromięcki A. 1988: 65-70]. Horticultural market and breeding production was also initiated in dwarf farms. Individual farmers, as shown in the analyzes of the purchase of various fixed assets, were leaders in terms of the purchase of tractors, machinery and equipment for the needs of sowing and harvesting, and the construction of any facilities for farm needs. In short, peasants were the main investors in the Polish countryside in the last decade of the Polish People's Republic. Sociological studies in relation to the second half of the 1980s reveal a significant material improvement in the living conditions of the rural population and in equipping private farms with the production potential. The share of agricultural land owned by private farms increased from 69.3% in 1980 to 71.7% in 1989, despite the fact that the authorities transferred plots from liquidated peasant farms (most often without heirs) to state farms and production cooperatives. There was a significant reduction in the share of dwarf farms to 5 ha, which are most often owned by peasant workers (double professionals), from 55.7% (1980) to 52.8% (1989). Another piece of information confirming a certain success of peasants in competition for resources was the increased share in the overall structure of farms above 10 ha from 14.3% (1980) to 17.4% (1989).

The peasants became the main investors in rural areas, winning the competition with state-owned farms, production cooperatives and agricultural circles, as they were not burdened with debts from the Gierek period and obligations resulting from central plans. The regime's political concessions to the peasants, combined with the easier access to the market, made it possible to develop farms without fear of losing them due to the outdated doctrine of collectivization of the countryside. The period of 1988-1989 was extremely financially attractive for peasants due to the absorptive nature of the internal market and when the prices of food products were also released (August 1989). For the time being, agricultural production was a very attractive business in the People's Republic of Poland. It was only the systemic changes of the end of 1989, implemented by the government of T. Mazowiecki, that drastically interrupted the period of prosperity, and the farmers who took out investment loans for the development of their commercial farms before the fall of the Polish People's Republic became one of the first victims of the capitalist system of the new independent Poland in the last decade of the 20th century.

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