TRANSFORMATIONS OF THE SPATIAL STRUCTURE OF PEASANT FARMS IN POLAND AFTER 1918

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Abstract

One of the crucial elements of ‘longue durée’ in the Polish economy is the spatial structure of peasant farms. Observations from the last century prove its limited transformations, despite the dramatic political and economic events so abundant in the 20th century. The share of the smallest farms in the total number did not change, which is vividly illustrated by the fact that both in 1921 and in 2015 there was an identical percentage (nearly 33%) of small farms (2–5 ha). Over that time the percentage of small holdings (up to 2 ha) decreased by 11 percentage points and stood at 18%. As a result, small farms and small holdings still accounted for 51% of all the farms. However, positive, though admittedly limited, changes occurred in the group of peasant farms of over 20 ha. Their percentage in 1921 was 2.5%, and in 1960 – only 1%, but by 2015 it had reached 9.5%. It was a result of the policy of acceptance for larger farms in the final two decades of the Polish People’s Republic and the new system and economic conditions after 1989. However, the concentration of land – so crucial for an increase in the agricultural production efficiency – was happening in too slow a manner.

Keywords: Poland 1918–2015, agriculture, spatial structure of farms

Introduction

One of the crucial elements of ‘longue durée’ in the Polish economy is the spatial structure of peasant farms. Observations from the last century prove its limited transformations, despite the dramatic political and economic events so abundant in the 20th century. It is worth taking a closer look at the circumstances that ossified the

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spatial structure of farms, thus strengthening the peasant sector in Poland, which is a unique phenomenon on a European scale.¹

1. The evolution of the spatial structure of peasant farms until 1944

In 1918 the newly reborn Polish state saw a number of economic disparities, including a highly diversified spatial layout of farms. On the one hand, there were great latifundia, possessing the core part of all the arable land, and on the other, small peasant plots, chronically land hungry. In 1921, 45% of agricultural land belonged to 18,900 farms with an area of over 100 ha, 1,964 of which exceeded 1000 ha. Meanwhile, 1 million peasant farms, with an area not exceeding 2 ha, occupied merely 2.8% of the land. Income from these farms did not guarantee maintenance for peasant families and forced them to look for additional earnings, mainly from seasonal work.²

In addition, small farms, even those up to 5 ha, usually did not allow for full use of the peasant families’ workforce. There were a lot of people who did not have full employment on the farm and thus posed a burden for the rest of the rural community. The number of people settled in the countryside yet redundant for agricultural production was estimated at 2.5–4.5 million.³ Neither could these individuals be employed in industry or services due to the low level of industrialization and urbanization in the country. Moreover, the issue of ‘redundant people’ could not be solved by large emigration, especially until the time of the Great Depression. As a result, hidden unemployment in the countryside, limiting the demand for industrial goods, constituted a factor hampering the country’s economic growth.

The measure which aimed to improve the agrarian structure was the agrarian reform, inaugurated by the regulations of 1919 and 1920, and – effectively – by the Act of 1925. It boiled down to the subdivision of public and private farmland with an area exceeding 180 ha. In the eastern voivodships, where the largest latifundia were located, a limit of 300 ha was adopted; while in industrialized estates, with breweries, distilleries, etc. – 700 ha. It was assumed that the annual parcelling will cover 200,000 ha of land.⁴

In reality, the norm adopted in the Act was rarely carried out. Until 1938, 2.6 million ha of land was parcelled out, which meant that the estates of landowners decreased by 16%, while the peasant land increased by 13%. The agrarian reform enabled the creation of 154,000 of new farms and expansion of 503,000 of the existing farms. The average area of newly created peasant plots was 9.8 ha, while old farms expanded by 2.1 ha.

Changes in the structure of peasant farms in the interwar period, especially under the influence of the agrarian reform, are presented in Table 1. It proves that, contrary to the expectations, there was an increase in the number of the smallest farms (up to 5 ha) and a decrease in the number of the big and large ones (10 ha and more).

### Table 1. The spatial structure of peasant farms between 1921 and 1938 (%)

<table>
<thead>
<tr>
<th>Type of farms</th>
<th>1921</th>
<th>1938</th>
</tr>
</thead>
<tbody>
<tr>
<td>below 2 ha</td>
<td>29.3</td>
<td>30.7</td>
</tr>
<tr>
<td>2–5 ha</td>
<td>32.9</td>
<td>33.8</td>
</tr>
<tr>
<td>5–10 ha</td>
<td>24.9</td>
<td>23.9</td>
</tr>
<tr>
<td>10–15 ha</td>
<td>10.4</td>
<td>9.5</td>
</tr>
<tr>
<td>20 ha and more</td>
<td>2.5</td>
<td>2.1</td>
</tr>
<tr>
<td>Total</td>
<td>100.0</td>
<td>100.0</td>
</tr>
</tbody>
</table>


In 1938 there were 1.4 million farms with an area of up to 2 ha; 1.5 million – with an area between 2 and 5 ha and 1.1 million with an area of 5–10 ha. Only 0.4 million of farms had an average land area extending from 10 to 50 ha. Moreover, there were still 1,264 farms which had an average area exceeding 1,000 ha.

Admittedly, the agrarian reform contributed to some decrease in land hunger among the peasantry, but it did not improve the spatial structure of their farms. The process of shredding peasant ownership, with all negative economic and social consequences, had not been stopped. The increasing agrarian overpopulation and unprofitability of production in small-scale farms were especially onerous for the countryside. The interwar Polish governments noticed these problems and tried, especially after the Great Depression, to create better conditions for farmers. Their aim was to reduce the fiscal burden of agriculture, improve the relation between crops prices and industrial products and create new industrial jobs in the regions of large labour surpluses. Until 1939, these measures had not brought about any noticeable improvements.

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improvement in the situation of agriculture, and, consequently, hampered Poland’s economic growth among European countries.

Therefore, during WWII the emigration centres related to the Polish government in London proclaimed the need for structural changes in agriculture as an indispensable factor for modernizing the economy. They were in favour of continuing agricultural reform to generate full family farms and planned further subdivision of public farms, properties belonging to Germans and traitors of the nation, or Polish arable farms exceeding 50 ha of arable land. The land obtained from the parcels was intended to be used to create farms between 8 and 15 ha and to enlarge the smallest farms to this standard. It was believed that this would contribute to improving the profitability and intensification of agricultural production, and – indirectly – to increasing the demand for industrial goods from the countryside. The process of the country’s industrialization begun in such a way to modernize its economic and social structure.

Communists staying in the Soviet Union also demanded the elimination of land hunger by parcelling out latifundia and creating small peasant farms. They were guided not so much by the need to rationalize the agrarian structure, but rather by the desire to recruit the poorest part of the countryside for the future collectivization of agriculture.6

The time of occupation was also marked by actual changes in the structure of agriculture. Germans, especially on Polish territories incorporated into the Reich, expelled Poles, merged their farms of less than 5 ha into larger economic units and handed them over to German settlers. In this way, by 1942, the Nazis had confiscated 897,000 Polish farms with an area exceeding 8 million ha.

The consolidation in the General Government had a smaller scale. The staggering actions of the Nazi occupant included displacement of the population of the Zamość region, in which 12,000 farms were taken and, after being merged, given to German settlers. In other areas, the consolidation was the result of the occupant’s sanctions or economic ruin of the smallest farms, unable to cope with high taxes and contingents.7 In general, the policy of agricultural rationalization implemented by the Nazi occupant resulted in some reduction in the number of the smallest farms.

The policy of the Soviet occupying power initially enabled peasant committees to take over land estates and divide them between peasants. With time, legal acts were issued confiscating the land of landowners, monasteries and state officials of

the Second Republic of Poland as well as nationalizing land and forests. The decisions of the Soviet authorities paved the way for the creation of state-owned farms (sovkhozes) and cooperative farms (kolkhozes).

2. Transformations in the first decade of the People’s Republic of Poland

The fact that the communists took to power led to the implementation of their political and socio-economic concepts. One of the first acts imposed on Poland by the authorities was the decree of 1944 on the implementation of land reform, supplemented in 1946 by a decree on the agricultural system and settlement in the Recovered Territories and the former Free City of Danzig. The land which had belonged to Germans and traitors of the nation as well as arable farms over 50 ha (in the pre-war western Polish voivodeships over 100 ha) were transformed into the State Fund for the Land (Państwowy Fundusz Ziemi – PFZ). Its basic resources were distributed among small peasants, lessees and agricultural workers in order to create new farms or complement the existing farms, in accordance with the standard of 5 ha of arable land for an average large family. Higher norms of fodder were adopted in the west and north of the country, where there was a larger reserve of land.

As a result of implementing the agrarian reform on the territories belonging to the Polish state before 1939, by the end of 1949 2.4 million ha of land, mainly from landowners, had been parcelled out, leading to the creation of 347,000 farms and enlargement of 254,000. The average area of a new farm was 5.4 ha, and of the plot expanding the existing farms – 1.9 ha. In the lands annexed to Poland in 1945, 3.7 million ha of land were allocated for agricultural settlement purposes. 467,000 farms were created, with an average area of 7.9 ha, among which parcels of between 7 and 15 ha prevailed. In total, 6.1 million hectares of land were divided between 1.1 million families across the entire country.

The consequence of the subdivision and settlement was a significantly changed spatial structure of farms. In relation to the interwar period, the number of small holdings (below 2 ha) and, to a lesser extent, farms of between 2 and 5 ha, decreased

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significantly. An unquestionable achievement was the increase in the number and area of medium-sized and large farms (5–20 ha) yet overshadowed by a smaller percentage of the largest farms of over 20 ha, a consequence of, among others, post-war parcelling.\textsuperscript{11}

Table 2. The spatial structure of peasant farms of 0.5 ha and more in 1938, 1950 and 1954 (%)

<table>
<thead>
<tr>
<th>Types of farms</th>
<th>1938</th>
<th>1950</th>
<th>1954</th>
</tr>
</thead>
<tbody>
<tr>
<td>below 2 ha</td>
<td>30.7</td>
<td>21.0</td>
<td>23.4</td>
</tr>
<tr>
<td>2–5 ha</td>
<td>33.8</td>
<td>33.4</td>
<td>35.8</td>
</tr>
<tr>
<td>5–10 ha</td>
<td>23.9</td>
<td>32.9</td>
<td>30.7</td>
</tr>
<tr>
<td>10–20 ha</td>
<td>9.5</td>
<td>11.4</td>
<td>9.1</td>
</tr>
<tr>
<td>20 ha and more</td>
<td>2.1</td>
<td>1.3</td>
<td>1.0</td>
</tr>
<tr>
<td>Total</td>
<td>100.0</td>
<td>100.0</td>
<td>100.0</td>
</tr>
</tbody>
</table>


Officially, the results of the agrarian reform were assessed positively, pointing to the favourable phenomenon of ‘averaging’ the countryside, which was understood as reducing the role of the smallest and the largest farms. Some economists, like Józef Poniatowski, believed that it was a mistake to limit the subdivision of land to 6 million hectares when it was possible to allocate further 3 million hectares for this purpose, given to state farms or left for PFZ.\textsuperscript{12} According to these opinions, the land reserve should supply the existing farms in order to expand their area, which would bring better economic results rather than create new, dependent farms. The adopted method of subdivision, not without reason, was seen as preparatory steps to the socialization of agriculture.

The agrarian reform, despite positive tendencies, did not change the unfavorable spatial structure of family farms. In 1949, there were 41,300 individual farms of over 20 ha, which accounted for only 1.2% of all the farmland. They included 1.4 million hectares of land, which constituted 7.8% of the total area. Meanwhile, the same as before the war, small holdings (up to 2 ha) possessed 1.0 million ha, and small farms (from 2 to 5 ha) – 3.8 million ha.\textsuperscript{13}

\textsuperscript{13} Rocznik Statystyczny 1949, GUS (Central Statistical Office), Warszawa 1950, p. 53.
Leaving, as a result of the agrarian reform, over 57% of small holdings and small farms utilizing a quarter of the total agricultural area meant consent for low commodity of Polish agriculture and its extensive development based on rural labour force reserves. The communist authorities thought a radical improvement of the situation in agriculture was to be influenced by further changes in the size of farms through nationalization and socialization, in accordance with the political principles and the emigration of labour surpluses from the countryside to the city.

The structure of agricultural farms shaped until 1949 proved the dominance of the political goals of the agrarian reform of 1944. It led to the demise of Polish landowners as a bastion of the previous system. Dealing land to the poorer part of the peasant population influenced its neutralization in the uneven struggle for a democratic Poland that continued until the end of the 1940s. From an economic point of view, the effects of the reform are difficult to assess as entirely positive, since leaving a large number of small farms posed serious problems for the future concerning the need to intensify agricultural production. However, one cannot overlook the fact that in difficult post-war conditions, in the absence of capital, small farms tended to quickly increase production, using reserves of their own labour force.

The persistent domination of the private sector in agriculture could not in the long run correspond to the communist systemic doctrine. Despite some resistance on the part of the leadership of the Polish Workers’ Party concerning the starting moment of transformations, at the end of 1948, the collectivization of agriculture began simultaneously with other countries of the Soviet bloc. Contrary to the initial assurances that collectivization would be voluntary and without unnecessary acceleration, it soon turned out that it took on the forms similar to those previously adopted in the Soviet Union. However, the effects, due to social resistance, turned out to be very different. By the end of 1955, a total of 9,076 cooperatives had been established, covering the area of 1.9 million ha, which constituted only 9.2% of the agricultural land in the country.\footnote{J. Kaliński, Forsowna kolektywizacja rolnictwa (1948–1956), “Kwartalnik Historyczny” 1984, 1, pp. 111–136; Rocznik Statystyczny 1957, GUS (Central Statistical Office), Warszawa 1958, pp. 123 and 137. Warszawa 1957.}

In parallel with the strong support for collectivization, from 1949, the process of weakening and elimination of private property continued. The class agrarian policy undermined the existence of mainly larger farms (kulaks), whose owners were accused of trying to rebuild capitalism. Family farms were refused loans or purchase of resources for production, but at the same time they were burdened with compulsory material and financial fees for the industrialization of the country. Land transfer
was practically made impossible. It led to the collapse of thousands of peasant farms, compounded by the rural exodus of young people, lacking the perspective of individual farming.

The consequence of the policy of forced collectivization and ousting the richer peasants from production was a sharp deterioration of the agrarian structure of private farms in the first half of the 1950s. The share of small holdings increased by 11%, and of small farms by 7%. At the same time, the percentage of average farms (5–20 ha) and large farms (20–50 ha) decreased. In the mid-1950s, there were only 29,300 private farms exceeding 20 ha of land. This fact clearly identified the reasons for the decline of agricultural production in the first half of the 1950s.

3. Shaping the spatial structure of peasant farms in the years 1956–1989

The communist authorities, indirectly acknowledging the failure of the agrarian policy implemented after 1948, in 1957 announced the ‘New Agricultural Policy’ programme proclaiming unhampered development of family farms. The new agrarian policy initially had a positive impact on the peasants’ attitudes towards individual farming. Hopes for stabilization and acceptance by the authorities of family farms increased. Better prospects were also created by a reduction of farmers’ economic burden on the state. Compulsory benefits in kind were reduced as were the taxes, whereas loans for individual farmers increased, with peasants owning more than 12 ha of land granted the right to take them. Farms clearly increased their investment not only into construction and livestock but also into land. In the period between the autumn of 1956 and the end of 1958, peasants bought 465,000 ha and leased 846,000 ha of land from PFZ resources only.

The New Agricultural Policy was preceded by a hectic shutdown of unpopular production cooperatives, associated with the political thaw in the autumn of 1956. At the end of that year, the number of cooperatives did not exceed 16% of the number recorded in December 1955, and the land of dissolved farms was again put into the hands of individual farmers. Increased land mobility moderately affected the spatial

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16 A. Woś, Nowa polityka rolna z perspektywy trzydziestolecia, "Wieś Współczesna" 1987, 1, pp. 7–16.
17 Rocznik Statystyczny 1959, GUS (Central Statistical Office), Warszawa 1959, p. 188.
structure of family farms. By 1960, the share of medium-large (10–20 ha) and large farms had increased slightly. At the same time, also the percentage of small holdings had increased as a consequence of the subdivision of small farms and medium-sized farms, under the influence of the liberalization of land trade.\(^{19}\)

A small number of private large-scale farms and systematically ill-functioning state farms limited the productivity of Polish agriculture. The problem of grain deficit limiting farming and supply of food was growing.\(^{20}\) Difficulties in the grain market, forcing costly imports, were, after 1965, the premise of the state support for larger farms producing the sought-after grains and specializing in industrial crops. They were distinguished by a better economic location, entitlement to land purchase as well as livestock and living investment. However, these measures failed to boost the intensity of farming since the overall size of agricultural production of the country was still heavily dependent on the results of fragmented and insufficiently equipped with capital small holdings and small farms owned by peasants.

The change of the Polish government in 1970 resulted in a correction of economic policy towards a noticeable improvement in the standard of living of the population. In agriculture, an effort was made to boost production, especially in breeding, moving away from the preference for socialized farms. The purchase prices determined by the state were raised, mandatory benefits in kind were abolished, taxes were reduced, land trade was facilitated, ownership relations were regulated and more opportunities for PFZ land renting were established.\(^{21}\) These activities positively influenced the situation of peasant farms, especially larger ones. The polarization of farms intensified, with economically richer peasants turning to specialized production, leading to a further collapse of self-supplied small holdings.\(^{22}\)

Meanwhile, the demographic situation in the countryside deteriorated due to the exodus of young people to cities. The aging process of the countryside was clearly visible, and an increasing number of households did not have successors. The supply of land increased on the part of farmers with no prospects, which was partially absorbed by larger family farms. The number of the two-occupational individuals was on the increase, as insufficiently sized farms did not guarantee a living in the country, whereas housing difficulties did not allow for full affiliation with the city.\(^{23}\)

\(^{19}\) Historia Polski w liczbach..., op.cit., p. 194.

\(^{20}\) H. Olszewski, Problemy równowagi bilansu zbożowego w Polsce, PWRiL, Warszawa 1964, p. 249.


\(^{22}\) E. Mazurkiewicz, Podstawowe problemy polityki rolnej w PRL, KiW, Warszawa 1979, p. 77.

The beginning of the 1970s brought about a clear increase in agricultural production, mainly in farming. This was determined by the use of reserves of larger private farms and the supply of state-owned farms with fodder imported on credit. A favourable production situation in agriculture, especially socialized, prompted the government to make yet another attempt to implement the idea of full socialization of agriculture. This time, the creation of production cooperatives was to be favoured by the collapse of small holdings and farms deprived of successors as well as the pension system introduced in 1977, which aimed to prompt farmers to hand the land to the state in return for maintenance payments. This land could not be purchased by peasants as it served to expand the area of cooperatives and state-owned farms, even though its management efficiency was systematically lower than that obtained in the private sector.24

This pointless economic policy of restructuring agriculture already as early as in the second half of the 1970s resulted in the re-breakdown of agricultural production, escalated during the martial law period, due to, among others, economic sanctions of Western countries, preventing import of fodder on credit. It became necessary to introduce a general rationing of food, which, however, did not hinder the growth of its prices, and contributed to the activation of the 'black market'. It was also the basis for a growing wealth of part of the rural community and for intensifying the polarization of farms.25

Richer peasant families extended the area of their farms, which was favoured by the repeal of the Act of 1971 on the regulation of farm ownership, enabling the takeover of peasant farms by the state; and by the changes in the Civil Code and the Code of Civil Procedure.26 Legal actions resulted in peasants taking over the land of PFZ. Consequently, a significant part of the land which in the 1970s was included in socialized farms ‘returned’ to the peasantry.

The processes discussed above had a significant impact on the structure of peasant farms after 1970 (see Table 3). For the first time since the agrarian reform, the share of farms with an area of up to 10 ha, particularly small holdings, decreased. This was caused by the general decline in the number of farms (in the years 1970–1987 of 16%) related to the reduction of the area of agricultural land in the country, and above all, the acceleration of the process of land takeover by the socialized sector. This phenomenon could be evaluated positively if it had not been for the great social and economic cost of the bankruptcy of some peasant farms. On the other hand, the quantitative and spatial increase of private farms with an area exceeding 10 ha can undoubtedly be perceived as positive. In Polish conditions, they constituted a group of big and large family farms, relatively well equipped with capital and labour, focused on specialized commodity production.27

Table 3. Spatial structure of peasant farms with an area above 1 ha of agricultural land in the years 1960, 1970, 1980 and 1989 (%)

<table>
<thead>
<tr>
<th>Types of farms</th>
<th>1960</th>
<th>1970</th>
<th>1980(^a)</th>
<th>1989(^b)</th>
</tr>
</thead>
<tbody>
<tr>
<td>below 2 ha</td>
<td>32.8</td>
<td>33.4</td>
<td>18.7</td>
<td>17.9</td>
</tr>
<tr>
<td>2–5 ha</td>
<td>30.4</td>
<td>28.4</td>
<td>37.0</td>
<td>34.9</td>
</tr>
<tr>
<td>5–10 ha</td>
<td>26.1</td>
<td>26.1</td>
<td>30.0</td>
<td>29.8</td>
</tr>
<tr>
<td>10–15 ha</td>
<td>7.9</td>
<td>8.7</td>
<td>10.0</td>
<td>11.3</td>
</tr>
<tr>
<td>15–20 ha</td>
<td>1.8</td>
<td>2.3</td>
<td>.</td>
<td>.</td>
</tr>
<tr>
<td>20 ha and more</td>
<td>1.0</td>
<td>1.1</td>
<td>4.3(^b)</td>
<td>6.1(^b)</td>
</tr>
<tr>
<td>Total</td>
<td>100.0</td>
<td>100.0</td>
<td>100.0</td>
<td>100.0</td>
</tr>
</tbody>
</table>

\(^a\) Farms with more than 1 ha of arable land
\(^b\) 15 ha and more.


As a result of multidirectional changes in the agrarian policy, the average size of the peasant farm in 1978 was analogous to that in 1950 (5.2 ha). By the end of the 1980s, it had increased to 7.2 ha, and over the same time also the share of family farms in the total area of agricultural land had increased. In the last year of the communist rule, private farms covered 76.2% of land, i.e. 14.3 million hectares of land, yet subdivided between 2.1 million family farms, 53% of which had less than 5 ha. A positive change in policy towards larger individual farms in the 1970s and 1980s.

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led to the situation where the number of holdings with more than 15 ha of agricultural land reached 131,000 (6.1% of the total).²⁸

Peasant farms, mostly insufficiently equipped with agricultural machinery and tools, using obsolete agro-zootechnical methods, without proper commercial and service facilities, did not manage to meet the country’s food requirements. The fragmentation of private farms in the times of the Polish People’s Republic was one of the basic internal factors behind insufficient growth in agricultural production. According to Walenty Poczta: ‘Polish agriculture found itself at the point where the faulty agrarian structure becomes the main factor hampering the production and social progress of the Polish countryside.’²⁹

4. Transformations of the spatial structure of peasant farms in the years of systemic transformation (1990–2004)

Inaugurated in 1989, the system transformation programme set the agrarian policy a complex task of adapting the ownership and area structure of agriculture to the conditions of the market economy. The task was extremely difficult and alongside economic and legal actions required a successful solution to complicated social issues.³⁰

As early as in 1990, the remains of the regulation of agricultural property trade during the period of the People’s Republic of Poland were abolished. This was reflected in the amendment of the Civil Code, which introduced free access to land for Polish citizens.³¹ However, the realignment of land trade was dependent on the privatization of inefficient public farms. Meanwhile, ownership changes turned out to be extremely complicated, despite the fact that the socialization of agriculture in Poland took on a smaller scope than in other countries of Central and Eastern Europe.

The transformation of production co-operatives was formal in nature, as, according to the law, they were becoming part of the private sector. The privatization of

²⁹ W. Poczta, Rolnictwo polskie a rolnictwo EWG (Studium komparatywne), Akademia Rolnicza, Poznań 1994, p. 80.
state-owned farms, especially the largest ones, located in the western and northern territories, was hindered by a lack of domestic capital and low interest of the employees in purchasing, oftentimes indebted enterprises. Their division into smaller farms was hampered by a lack of infrastructure, mainly in the form of appropriate farm buildings.

The legal framework for privatization was created by the Act of 1991 on the management of agricultural property of the State Treasury. The state lands and those transferred by private owners for pensions were found in the State Treasury Agricultural Property Stock (Zasób Własności Rolnej Skarbu Państwa – ZWRSP) managed by the State Treasury Agricultural Property Agency (Agencja Własności Rolnej Skarbu Państwa – AWRSP). Until 2004, 4.7 million ha of land had been taken over by ZWRSP, 1.5 million ha of which had been sold, i.e. only 31% of the land taken over. In addition, small plots of land with an average of 7.6 ha were usually sold. The majority of ZWRSP land was leased, which initiated the process of establishing private, large-area farms. As a result of insufficient sales results in 2004, 12.3% of arable land was in public ownership (state owned, self-government and mixed ownership). However, in comparison with 1989, the share of individual property in the total amount of agricultural land increased from 76.2% to 87.7% in 2004.

In addition to ownership changes, it was necessary to rationalize the spatial structure of family farms, which in Polish conditions meant increasing the average size of farms. Agricultural specialists tended to prove that it was necessary to create 400–600,000 modern peasant farms with an average area of over 30 ha as the driving force of Polish agriculture. Meanwhile, the experience of 1990–1994 indicated very slow progress in creating this type of economic units. The average size of newly created farms was only 4 ha and was the consequence of the poor financial condition of farmers. The favourable situation in the spatial structure of farms was also hampered by the situation on the labour market. High unemployment in cities stopped the migration from rural areas and caused the loss of employment by its residents. There was an increase in hidden unemployment in agriculture – a factor considered dangerous for the entire economy.

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34 L. Ostrowski, Nie ma urodzaju na farmerów, "Rzeczpospolita" July 13, 1992, p. 2.

The factor stimulating changes in the spatial structure of farms was the sustainable market. Access of richer farmers to the means of production was significantly facilitated and shaping of production techniques became possible. Enrichment of some of the classes in the city and the countryside enabled them to purchase land in an unrestricted way.\textsuperscript{36} From the mid-1990s, the number of farms over 20 ha was growing, including the ones of over 50 ha. The data of the Central Statistical Office for 2005 confirmed the existence of: 13,500 farms of 50–100 ha, 3,300 – between 100 and 200 ha, 1,000 – between 200 and 300 ha, 576 – between 300 and 500 ha, 299 – between 500 and 1000 ha and 72 farms with an area of over 1000 ha.\textsuperscript{37}

This phenomenon was met with the reluctance on the part of some politicians who were in favour of limiting the possession of the rich landowners. However, it is worth noting that in 2005 the number of farms with an area of over 30 ha was 53,200, i.e. only 10\% of the size suggested by economists.\textsuperscript{38} However, they were distinguished by modern agricultural production and adaptation to the growing market requirements, as well as constantly increasing share in domestic agricultural production.

Table 4. Spatial structure of individual farms with an area above 1 ha of agricultural land in 1990, 1995, 2000 and 2004 (%)

<table>
<thead>
<tr>
<th>Type of farms</th>
<th>1990</th>
<th>1995</th>
<th>2000</th>
<th>2004</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.01–1.99 ha</td>
<td>17.7</td>
<td>20.9</td>
<td>23.8</td>
<td>26.1</td>
</tr>
<tr>
<td>2.00–4.99 ha</td>
<td>35.1</td>
<td>33.7</td>
<td>32.6</td>
<td>32.1</td>
</tr>
<tr>
<td>5.00–9.99 ha</td>
<td>29.8</td>
<td>26.7</td>
<td>23.8</td>
<td>21.8</td>
</tr>
<tr>
<td>10.00–14.99 ha</td>
<td>11.3</td>
<td>10.7</td>
<td>9.9</td>
<td>9.6</td>
</tr>
<tr>
<td>15.00–19.99 ha</td>
<td>6.1\textsuperscript{a}</td>
<td>4.4</td>
<td>4.5</td>
<td>4.3</td>
</tr>
<tr>
<td>20.00 ha and more</td>
<td>x</td>
<td>3.6</td>
<td>5.4</td>
<td>6.1</td>
</tr>
<tr>
<td>total</td>
<td>100.0</td>
<td>100.0</td>
<td>100.0</td>
<td>100.0</td>
</tr>
</tbody>
</table>

\textsuperscript{a} 15 ha and more.


The increase in the number of the largest farms took place at the expense of further polarization of the spatial structure. On the one hand, the share of farms within

\textsuperscript{36} W. Herer, W. Sadowski, Zmiany struktury agrarnej na tle zmian struktury i wielkości zatrudnienia w całej gospodarce, GUS (Central Statistical Office), Warszawa 1993, pp. 47–48.

\textsuperscript{37} Ibidem.

the ranges of 2–5, 5–10 and 10–15 ha decreased (by 28%), and the share of the smallest parcels occupying an area of 1–2 ha of arable land increased (by 10%)\textsuperscript{39}. However, the spatial structure of individual farms was systematically dominated by small holdings of between less than 1 and 2 ha. According to the data from 2005, they constituted over half of individual holdings (51%).\textsuperscript{40} After 1989, the percentage of farms ranging from 2 to 20 ha fell from 82.3% in 1990 to 67.8% in 2004 (see Table 4). This phenomenon was called ‘leaching’ of medium-sized farms.\textsuperscript{41}

In conclusion, in the years 1990–2004, despite multi-directional tendencies in the spatial structure of farms, the process of land concentration was taking place. The total number of farms decreased from 2.1 million to 1.8 million, i.e. by 13%, and their average size increased from 7.1 ha to 8.4 ha (by 18%). Farms of above 50 ha, which had been scarce before 1995, in 2005 had already covered 22% of agricultural land – more than quantitatively dominant farms of up to 5 ha (18% of arable land).\textsuperscript{42}

From 1990 to 2004, the number of larger individual farms in the north and west of Poland rose (Pomeranian, Warmian-Masurian, West Pomeranian, Northern Mazovian Voivodships, western and northern parts of Podlasie Voivodship, Western part of Kuyavian-Pomeranian and Eastern Voivodship and the eastern part of Greater Poland Voivodeship). As Jerzy Bański wrote: ‘This is mainly the result of taking over land by individual farms from the public sector and, to a lesser extent, the eradication of smaller farms (their land is generally leased)’.\textsuperscript{43}

One should concur with the opinion of Anna Szemberg that two trends clashed in agriculture: for fragmentation and concentration. The first was a consequence of growing unemployment and the second was a consequence of enlarging the existing farms, less often newly established ones, on the land previously owned by the state.\textsuperscript{44} Concentration was the basis for transforming some peasant farms into companies of capitalist type.

Summing up, before 2004, changes in the spatial structure of farms, essential to boost and rationalize agricultural production had still been at the initial stage.

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\textsuperscript{39} D. Bogacz et al., \textit{Statystyczne studium struktury agrarnej w Polsce}, Wydawnictwo Naukowe PWN, Warszawa 2010, p. 100.

\textsuperscript{40} \textit{Charakterystyka gospodarstw...}, op.cit., p. 159.


\textsuperscript{44} A. Szemberg, \textit{Przemiany agrarne i ludność w indywidualnym rolnictwie}, in \textit{Analiza produkcyjno-ekonomicznej sytuacji rolnictwa i gospodarki żywnościowej w 1997 r.}, IERiGŻ, Warszawa 1998, p. 188 and ff.
They required multidirectional activities in the sphere of financing, developing services and trade in the countryside, strengthening rural self-government and adjusting the industrial production to new production needs of agriculture and processing of agricultural products. Political decisions regarding the future shape of Polish agriculture were also necessary. It should be added that the success of the restructuring of agriculture depended not only on the proper economic policy of the Polish government but also on external conditions, mainly related to Poland’s accession to the European Union.


As part of the preparations for Poland’s accession to the European Union, many legal acts were adopted or amended. With regard to agriculture and its structure, the Act of 2003 on shaping the agricultural system was of fundamental importance. Its aim was to improve the spatial structure of agricultural holdings in line with the EU’s directives and counteract excessive concentration of agricultural property, which had been permitted by legal regulations from the early 1990s. Generally, the Act limited the maximum area of an agricultural holding to 300 ha, leaving a few exceptions. By virtue of the Act, AWRSP (Agricultural Agency of the State Treasury) was closed down, and Agricultural Property Agency (Agencja Właściwości Rolnej – ANR) was established, with the task of creating and expanding family farms. ANR was equipped with the right of pre-emption, enabling it to exercise control over part of agricultural property market. This move was intended to lead to the expansion of developing farms as well as holdings which were in the hands of young, educated farmers.

The tendency to increase the number of large individual farms, using the privatization process of state-owned land, was strengthened by the Act of 2011 on amending the Act of 1991 on managing agricultural property in the hands of the State Treasury. The Act aimed to limit the size of the leased land by its buy-out by the tenants or sale to individual farmers willing to enlarge the area of their farms.

46 B. Mickiewicz, op.cit., p. 144.
47 Ustawa z dnia 16 września 2011 r. o zmianie ustawy o gospodarowaniu nieruchomościami rolnymi Skarbu Państwa oraz o zmianie niektórych innych ustaw, DzU 2011, nr 233, poz. 1382 (Act of 16 September
The sale of agricultural land by the Agricultural Property Agency after the accession of Poland to the EU did not accelerate substantially and amounted to 1.2 million hectares (until 2004–1.5 million hectares). It accounted for 57% of the land taken over as part of the state resource. Small plots were usually sold, for individuals with an average of 5.8 ha.\textsuperscript{48}

The creation of a legal framework was a crucial step towards optimizing the spatial structure of agriculture, but the economic conditions that clearly inhibited this process in the 1990s played a decisive role. Even before joining the European Union, Polish agriculture had seen an improvement in the economic conditions thanks to the inflow of external financial resources. Their source was the Special Accession Programme for Agriculture and Rural Development (SAPARD), serving the processes of structural transformation in rural areas in the candidate countries. Until the end of 2005, Polish farms had received nearly billion PLN 4 from SAPARD.\textsuperscript{49}

Upon Poland’s accession to the EU, the food economy and rural areas got under the EU support system until 2006. Funds worth about 21 billion PLN served to improve the competitiveness of the food economy and support a sustainable development of agriculture and rural areas. In 2007, this system was extended until 2013. Poland, already as an EU member, was coincluded in the Common Agricultural Policy, which significantly increased the subsidy stream, which in 2005–2010 amounted to nearly 79 billion PLN, reaching 52% of the share in the total income of farmers (agricultural entrepreneurs).\textsuperscript{50}

According to Mirosława Kozłowska-Burdziak, the structural benefits and uniform area payments had the greatest impact on the transformation of the spatial structure. Fairly high (1181–2475 PLN) structural benefits encouraged farmers at the pre-retirement age to transfer farms to successors or to expand the existing units. Area payments were granted to farmers who, along maintaining land in a good agricultural condition, followed the regulations of environmental protection. In 2009–2015, their value reached 64.5 billion PLN. Kozłowska-Burdziak expresses the view that area payments influenced structural changes in agriculture in a variety of ways. Larger farms were able to expand their area, while farms with low economic strength

\footnotesize{\textsuperscript{48} W. Humiecki, B. Podgórski, Kierunki gospodarowania zasobami własności rolnej skarbu państwa i realizacji ustawy o kształtowaniu ustroju rolnego, “Wieś i Rolnictwo” 2016, 3, pp. 188–191.}
\footnotesize{\textsuperscript{49} http://www.arimr.gov.pl/pomoc-unijna-i-krajowa/inne-formy-pomocy/sapard.html [retrieved on 28.08.2017].}
\footnotesize{\textsuperscript{50} W. Józwiak, op.cit., pp. 11–12.}
could improve the income situation of the owners, which was the premise to keep the unit only for self-supply purposes.\textsuperscript{51}

After 2004, apart from EU funds, the improvement of the economic situation of Polish agriculture was influenced by: subsidizing some investment activities, greater access to loans, and, most of all, beneficial ‘price scissors’ of products sold and purchased by farmers. The improvement of economic conditions of agricultural production took place against the backdrop of its clear growth (between 2005 and 2015 by over 14%), which had a positive impact on farmers’ income and their investment activity.\textsuperscript{52} However, attention should be paid to the rapid increase in the prices of arable land. In 2005, in the market turnover, one hectare could be bought for 8,244 PLN, and in 2015 for 38,579, giving a nearly five-fold price increase.\textsuperscript{53} It undoubtedly had an impact on the possibility of buying land, especially by smaller farms.

Despite the complex situation, positive changes in the spatial structure of farms intensified. Their manifestation was an increase in the average area of an individual farm between 2005 and 2015 from 7.6 ha to 9.6 ha of agricultural land.\textsuperscript{54} This was determined by: a systematic decrease in the percentage of small holdings (1.01–1.99 ha); in spite of fluctuations, a stable share of small farms (2.00–4.99 ha); increase in the percentage of farms in other area groups, particularly sharp in the group of farms with 50 ha and more. As a result, the share of small holdings and small-scale farms (with an area of 1.01 to 4.99 ha), which in 2005 amounted to 57.9%, by 2015 decreased to 51.3% of the total (see Table 5). On the other hand, in the discussed period, the share of farms over 15 ha, classified as large, increased from 10.9% to 14.7%.

Changes in the spatial structure were even more noticeable when taking into account the number of farms and the amount of arable land. In 2005, there were over 1 million farms in Poland with an area not exceeding 5 hectares while by 2015 their number had decreased by nearly a third. Over the same period, the area of small holdings and small farms decreased from 2.5 million hectares to 1.8 million hectares (or over 27%), while the number of farms with over 15 hectares increased from 195,000 hectares up to 203,000 (at 4%). In 2005, farms above 15 ha had an area of 6.3 million ha, while in 2015–7.3 million ha, i.e. 17% more.\textsuperscript{55}

\textsuperscript{52} \textit{Rolnictwo w 2015 r.}, p. 42 [retrieved on 28.08.2017].
\textsuperscript{53} \textit{Rolnictwo w 2012 r.}, p. 133; \textit{Rolnictwo w 2015 r.}, op.cit., p. 124.
\textsuperscript{54} \textit{Rolnictwo w 2012 r.}, op.cit., p. 133; \textit{Rolnictwo w 2015 r.}, op.cit., p. 124.
\textsuperscript{55} \textit{Rolnictwo w 2012 r.}, op.cit., p. 123; \textit{Rolnictwo w 2015 r.}, op.cit., p. 124.
Table 5. Spatial structure of individual farms with an area above 1 ha of agricultural land in 2005, 2010 and 2015 (%)

<table>
<thead>
<tr>
<th>Types of farms</th>
<th>2005</th>
<th>2010</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.01–1.99 ha</td>
<td>25.1</td>
<td>20.3</td>
<td>18.4</td>
</tr>
<tr>
<td>2.00–4.99 ha</td>
<td>32.8</td>
<td>33.1</td>
<td>32.9</td>
</tr>
<tr>
<td>5.00–9.99 ha</td>
<td>21.8</td>
<td>23.4</td>
<td>23.4</td>
</tr>
<tr>
<td>10.00–14.99 ha</td>
<td>9.4</td>
<td>10.2</td>
<td>10.6</td>
</tr>
<tr>
<td>15.00–19.99 ha</td>
<td>4.3</td>
<td>4.9</td>
<td>5.1</td>
</tr>
<tr>
<td>20.00 ha and more</td>
<td>6.6</td>
<td>8.1</td>
<td>9.6</td>
</tr>
<tr>
<td>Total</td>
<td>100.0</td>
<td>100.0</td>
<td>100.0</td>
</tr>
</tbody>
</table>


Conclusion

The analysis of the area structure of peasant farms over the period of 100 years of functioning of various systems demonstrates quite limited changes in the size of their area. During the Second Polish Republic, contrary to the intentions of the authorities, the number of small holdings and small-scale farms increased. The process of shredding peasant ownership with negative economic and social consequences had not been stopped. The land reform carried out after the war by the communist authorities reduced the number of small holdings and small-scale farms, but they still accounted for 54% of all farms.

In the mid-1950s, due to the policy of eliminating larger peasant farms, their share went up to nearly 60% of all farms. Limited liberalization of the policy towards the peasant economy after 1956, contrary to expectations, resulted in an increase in the percentage of small holdings and small farms to over 63% in 1960. At the same time, the share of farms over 10 ha rose to a very limited extent. In the 1960s, a period characterized by inconsistent agrarian policy, the share of small farms dropped slightly, but the share of small holdings increased, exceeding 33% of the farmland. This meant returning to, or even exceeding the very negatively assessed state from 1921 (29%), with a lower percentage of farms over 10 ha. The Policy on the Countryside, implemented in the 1970s and 1980s, favouring larger peasant farms, radically reduced the percentage of small holdings to 18% in 1989 and increased the percentage of farms with over 5 ha, in particular 15 ha and more. During the period of systemic transformation, there was a clear polarization of the spatial structure. Until 2004, the share of
small holdings had increased again to over 26%, while at the same time farms above 10 ha increased to 20% (against 17% in 1989). It was only after Poland’s accession to the EU that the share of small holdings declined (to 18% in 2015) and the farms above 10 ha increased (to 25% in 2015). As a consequence of multidirectional processes in the years 1990–2015, the effects of the communist agrarian policy in the field of the area structure of agriculture could be reversed to a limited extent. The problem of agricultural fragmentation was not eliminated or even significantly reduced.

The share of the smallest households in their total number did not change in the whole, over nearly a hundred-year long period of observation. This is vividly illustrated by the fact that in 1921 and 2015 there was an identical percentage of small farms (2–5 ha), amounting to almost 33%. Over this time, the percentage of small holdings (up to 2 ha) decreased by 11 percentage point but reached 18%. As a result, still over 51% of the total utilized agricultural land was occupied by small holdings and small-scale farms. According to analysts from the Institute of Agricultural Economics and Food Economy, they did not have ‘the ability to reproduce and modernize their production potential, or to achieve sufficiently high yields of arable crops’.

However, positive, though limited, changes occurred in the group of peasant farms over 20 ha. Their percentage in 1921 was 2.5%, and in 1960 only 1%. In contrast, by 2015 it had soared to 9.5%. This trend was the result of a policy of acceptance for larger farms in the final two decades of the existence of the Polish People’s Republic, as well as new system and economic conditions after 1989. However, the concentration of land in large farms was too slow to increase the productivity of agriculture. After 1989, initially, it was hampered by a lack of a wider interest in taking over the lands of former state-owned farms, and later by a rapid increase in land prices that prevented purchase of land by smaller farms.

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