

IAMO GRADUATE SCHOOL 2007-2011

PROSPECTS FOR SMALL-SCALE FARM STRUCTURES IN THE NEW MEMBER STATES OF THE EUROPEAN UNION

Following the accession of Bulgaria and Romania to the European Union on 1 January 2007, the number of farmers in the EU more than doubled: from 6.2m in the EU 15 to 15m in the EU 27. According to Eurostat figures, in 2003 about 11m of these agricultural enterprises farmed less than 5 ha. By comparison, an average farm in the EU 27 cultivates 28 ha. The highest proportion of small farms is to be found in the newest Member States, Romania and Bulgaria. In countries with small-scale farm structures, labour productivity in agriculture is many times lower than in other sectors of the economy. According to European Commission figures, in 2004 the c. 33% of the workforce employed in agriculture generated only 12% of the gross domestic product of Romania. In Poland, the relation was 18% to 3%; in Bulgaria, 11% to 8%. For this reason, incomes in small-scale farm sectors are usually far lower than those from other sectors of the economy. This situation gives rise to a number of questions. What prospects for development do small farms have? How likely is it that, over time, they will develop into larger and more productive units? How can their revenue opportunities be improved?

In order to work on these issues, IAMO secured funds from the 2006 "Pakt für Innovation und Forschung des Bundes und der Länder" (State and *Länder* Pact for Innovation and Research) for the IAMO Graduate School **Prospects for small-scale farm structures in the new Member States of the European Union**. With the substantial involvement of several young IAMO post-doctoral researchers, it is focusing on questions of sectoral change in Central and East European agriculture, analysing enterprise and inter-enterprise adjustment strategies, up- and downstream arrangements, and exploring the institutional parameters of change and its implications for agricultural and regional policy. Several PhD projects have been initiated to carry out research in this area from 2007 to 2010. The country focus is on Poland and Bulgaria. Individual and group research activities are complemented by training sessions and workshops with internationally distinct research scholars. The IAMO Graduate School is a Leibniz Graduate School. A summary of the research topics is given below.

<i>Name of researcher</i>	<i>Topic</i>	<i>Supervision</i>
Amersdorffer, Florian	Financial deepening and efficiency of rural financial intermediation in Bulgaria	Bokusheva, Raushan
Boenning, Kinga	Local development partnerships in rural Poland	Petrick, Martin
Jungklaus, Oliver	Adoption of conservation tillage technology in the Black Sea region	Happe, Kathrin
Laze, Kuenda	Land use change in Albania and Kosovo: Patterns, processes, and future developments	Müller, Daniel
Möller, Lioudmila	Biogas production as an investment decision in the integrated energy and agricultural markets in the EU: A real options approach	Larsèn, Karin
Renner, Svetlana	Flexibility of Polish family farms during transition	Hockmann, Heinrich; Glauben, Thomas
Schnicke, Hauke	Structural change and household dynamics in dualistic farm structures – Analyses with the agent-based model AgriPoliS	Balman, Alfons
Jung, Timea	The role of co-operatives in supply chain networks, and the resulting strategic implications	Karin Larsèn; Sun, Zhanli
Traikova, Diana	Social networks and non-farm rural employment in Bulgaria	Möllers, Judith