

Social security from a plot of land

After seven years of "reforms", life on the land in the former Soviet Union countries is hard. Fife farmer Dr. DUNCAN PICKARD toured farms in Belarus and Russia to assess conditions for *Land & Liberty*

MY WIFE and I were invited to stay in Belarus by the families of two children who had been affected by radiation from Chernobyl. They had stayed with us on our farm for one month. Their two villages were not far from Minsk and represented two of the three that formed a local collective of 40,000 hectares. Approximately 1,000 people worked on the farm, a similar workforce per unit area to that which prevailed in Scotland 40 to 50 years ago.

All the people in the villages – even the schoolteachers – had their own plot of land, mostly from 600 to 1000 square metres, on which they grew potatoes, tomatoes, cucumbers and beetroots. Most kept a cow, pig and chickens. The "private" cows grazed designated areas during the day. Hay was also made for winter feed, from roadside verges and from open land. Each plot was very well fenced and was very productive: a lot of time was diligently devoted to its cultivation.

The contrast between these plots and the collective farm was startling. No fences existed between fields and the collective farm cows had to be tended by two or three people to stop them from wandering into the areas of wheat, barley or rye or from being lost in the forests. The lack of fences prevented effective management of the grassland, which was generally full of weeds. The cows had to be kept indoors at night, which probably contributed to the low level of milk production. Despite three times per day milking, average yields were only 15 litres per day, about half the yields of cows in Britain.

The farm machinery was old – no money has been available in recent years to buy anything new. With such a large workforce it was not surprising that many tasks were performed manually and the farm's 40 horses were kept busy, but a lot of the work did not appear to be very productive.

Though the people in the villages were poor by our standards and many were affected by Chernobyl radiation, they appeared to be fit and healthy. Few had flush toilets and some had no running water in their houses, but there was no sign of obesity and the quality of their home-produced food was good. Many aspects of their life were enviable – small children could roam freely for hours without parental anxiety, the degree of neighbourly co-operation, including barter, was high, everyone had free access to forests for mushrooms and berries and to rivers and lakes for fishing.



■ Duncan Pickard checks out the land of Russia

The decline in the value of wages in recent years was the most common cause for complaint, as a result of the massive increase in the price of fuel which has to be imported from Russia. The people were, however, unforgettably generous and hospitable – their parties consisted of masses of food, innumerable toasts and abundant quantities of vodka and laughter.

WE WERE invited to Russia by Vyachislav Petrovich Zvolinsky, a deputy in the Duma until the election last December. He is director of the Institute of Arid Agriculture Research, which is located 100 miles south of Volgograd.

Rural Russia showed marked contrasts between the privately cultivated plots of land and the collective farms, although Zvolinsky's collective farm had obviously been, in previous years, one of the most productive. Its irrigated land produced rice, tomatoes and water melons. Such had been the output from the collective farm that wage bonuses had been paid, television sets and cars became common and there had been migration into the area. The research institute had been earmarked for expansion, with a start made on the construction of new houses for the expected increase in staff.

The "new" houses now stand derelict. Since 1991 everything has been in decline with

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output of cereals expected to be down from 7,000 tonnes to 700 tonnes. Fuel prices had increased one thousandfold in recent years and the fuel for irrigation pumps could not be afforded. Not a single tractor on the farm had a battery and they all had to be parked on slopes so that they could be bump-started.

The villagers were very busy looking after their plots and gathering hay from the common land alongside the Volga river. It was obvious that the importance of the produce from their own plots had increased considerably as the value of their earnings from paid employment had declined. Concern was expressed that the televisions which had so easily been afforded 10 years ago would not be replaced when they broke down.

If what happened on Zvolinsky's collective farm was typical, it is not difficult to believe that total agricultural production in Russia has declined by at least 30% since 1992. The "command" system of organising agriculture was far from perfect but total neglect is much worse. The effects of such a massive rise in fuel prices in such a short time would have crippled any farm that depended on mechanisation. Our own farm would soon look very different if fuel suddenly became 1,000 times dearer.

OUR SHORT stays in Moscow and St Petersburg were sufficient to show us that it was more difficult for those without well-paid employment to avoid total poverty in the cities than in the rural villages.

We were told, however, that about 80% of families in Moscow had access to a dacha, which was a piece of land, 600 square metres, previously known as a "collective garden" which was given for the purpose of growing the family's food. Early regulations governed what had to be grown, but since 1991 all rules have lapsed. We visited a dacha outside St Petersburg and saw the enterprise and initiative that was capable of turning quite poor land into the means of producing all the fruit and vegetables for a family of four. Every weekend in the summer was spent on the dacha and it was evident that the dacha system was the Russian form of social security. Given access to land, the willingness to work hard and the ability to keep all the products of their labour, the people could not only avoid starvation but could, in fact, eat rather well.

We left for home with feelings of high regard for the people we had met, whose capacity to make the most of very difficult conditions was admirable. It is regrettable that the old order was destroyed without a plan for anything better. This has led to a few becoming very rich indeed by plundering the natural wealth that should be available to improve the lives of all the people. One Russian told us: "at least the previous rulers appeared to care for the country and the people - those in the present government care only for themselves".

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Dr. Pickard was a lecturer in animal nutrition at the University of Leeds, and he farmed in West Yorkshire before moving to Scotland to work full-time on the land.

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■ Hoarding promoting the new Hong Kong International Airport

Hong Kong: will pragmatism win?

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price of real estate, especially for residential property, without causing chaos in financial markets. Nobody seems to dispute (says Brooke) that the development value of land ought to be retained by the community, as it is (generally) now.

I met Brown and Loh in her office to explore the prospects for their ideas. "Government here is very segmented," explained Loh. "Nobody is looking at the whole impact of land policies - or at alternatives to current HK land policy that might have wide public benefits." The government still has large reserves, so that concern over a short-term budget situation is dulled by the knowledge that these reserves will see it through to the next boom.

Loh's reputation is built upon a concern that economic prosperity should be widely shared, that it must be sustainable and that it can only continue if markets are free. In the case of land, she realizes that a "free" market means one that puts the natural monopoly powers over land in the hands of the community - through ownership of land rent and open, democratic planning laws - rather than lease-holders: those who own 19th century leases of 999 years are, in effect, exempt all contributions to revenue from the huge unearned gains received from occupation of some of the most valuable sites on the planet.

But in political terms it may not be these "hongs" who will cause land reform to fail. A recent but little known government-funded report indicated that

- 13% of those in public housing ought not to be;
- many households earn far more than they declare on their tax forms;
- market prices for rented housing are affordable for many who now benefit unfairly while contributing to the massive distortion of the land market that public housing creates.

These not-so-poor voters could block any

plans to remove subsidies.

Brown thinks that pragmatism will win. "Income and profits are only taxable here when they derive from economic activity in our territorial area. With so much of our wealth coming from offshore activity and with the internet inevitably going to increase this massively, we have to look to land values more - not less - in the future. Luckily we only need a restructuring of our land revenue system, not a massive tax shift like other places. I look to a convergence of our land markets - rented housing and all forms of leasehold - over a 50-year period. Anything too quick could wipe out the banking system here."

The new airport development has lifted the lid - literally in the case of Kowloon - on development values in large areas where height restrictions due to flight safety are no longer needed. Yet, says Loh: "Look at properties around any subway station, where you'd expect to see redevelopment beginning. The present system is holding back redevelopment where it's needed, creating slums where we should have prosperity."

Proof that the debate started by Loh and Brown has reached main-stream in Hong Kong came with a feature article by Brown himself, a week after Brooke's but in the main section of the same leading English language daily. "A fluid and flexible land market is the key to curing economic and social ills, argues Stephen Brown" ran the front-page box.

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