

Possibilities of the Development of Agri-management Education and Science

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Introduction

At the end of the twentieth century Serbia was faced with great economic and social problems. Those problems particularly affected the rural regions and agriculture. At the beginning of the twenty-first century the developmental environment is much more favourable. But the results of the development, especially in agriculture and rural development are not satisfactory. Besides, both in the adjacent and distant environment, the significance and role of agriculture in the rural development are being changed. Food prices, in spite of the interventions, are hard to be kept under control. The agricultural resources are more and more used for non- agricultural purposes, i.e. for energy production and services. The conserved agricultural capacities are being re-activated so as to increase the agricultural production, due to the increased demand for agricultural raw materials to be used for food and energy production.

In the higher education of Europe and Serbia a new education concept is being introduced intensively. The so-called Bologna process is carried out.

All the mentioned changes present challenges both to agroeconomic science and education. The aim of this paper is exactly that one, to point at the new opportunities for research and education in agroeconomics.

Possibilities in Science Development

If rural development once meant the development of agriculture, or predominantly agriculture, nowadays it implies the development of the so called multi-functional

agriculture. Such a concept means that the rural resources are only partly used in traditional agricultural production and partly in other areas (catering industry, tourism, sports activities, geothermal and wind energy production, handicrafts...).

The specific feature of Serbia lies in a grave stagnation at the end of the last century. Serbia underwent the sanctions, war, embargo and bombardment. It greatly affected the agriculture. In all those years the social security was provided by two economic entities: agriculture and energy supply. Afterwards, at the beginning of this millennium, a lot was invested in energy supply and much was recovered as it was attractive for privatization. The agriculture did not get the appropriate compensation for the social burden which it had to carry during all those years. The privatization of agricultural companies was carried out without re-establishing the agriculture and rural development in their adequate position in the economic system. The state paid no "debt" to the agriculture. It means that the agricultural sector was impoverished and that it has no financial means to regain its previous position. The current yields are at the level of those from the 70s of the last century. They are slightly higher than during the 90s. Far less is invested into the input production, in value and quantity, than it was the case during the mid-80s.

There is no prosperity of the society without the development of the secondary and particularly the tertiary (service) sector. However the fact is that the prices of food and agricultural products are growing. The prognoses suggest the further increase. The raw materials of agricultural origin are increasingly used for energy production. These are the renewable energy sources. Their profitability is based on the direct influence of the state and its incentive policy. The present situation in agriculture is such that the production is limited by natural resources and that the demand for agricultural products is constantly rising. It results in the price increase of the agricultural products. Until recently the developed EU countries kept particular agricultural resources conserved. The farmers

received considerable financial means in order not to produce anything. Now, these capacities have been re-activated. They, still, are not enough to meet a far higher demand for these products, so the question has been raised about the active role of the state. Not only in the EU but particularly with us. The state needs to create the conditions so to satisfy the farmers, to allow the price increase but not at the expense of the processors, i.e. energy producers. In that case the energy would be extremely expensive. The state must narrow the gap between the expensive raw materials and the need for the relatively low –priced energy by introducing certain concrete measures of fiscal policy.

The transition of agriculture in Serbia not only could but also had to be more balanced and more just. The transition implies not only the privatization (though it is identified with it in practice), but also the change of the atmosphere of doing business. Under the present conditions, the marketing conditions cannot be absolutely on their own, but subtly regulated by the state aiming at the creation of equal conditions for all economic entities. In such a system of values, the rural communities should even have particular advantages, as the infrastructure in Serbia does not offer enough motives to potential investors to implement their “green-fields” investments in rural regions (which is cheaper), so as to bring the qualified labour from towns, if necessary. It points at the significance of local authorities and their capability. They can provide free land and other benefits which will incite the capital inflow. It raises the employment and the taxation scope once the company starts doing business. The benefits are great at relatively low costs.

The fact is that there was not a good state privatization concept in agriculture. There were two paradoxes. One was the fact that the state sold agricultural companies without the agricultural land. The reason was that the state land, as such, could not be privatized. That status of the state land has not been resolved yet. In fact, it was resolved but only through the lease of land for the limited period. We are witnesses to a great number of problems

regarding taking the land on lease, including fights. But even without it, taking the land on lease is the most dubious way of the land utilization.” Land needs a servant not a master”. Whoever takes the land on lease for only a couple of years will not be interested in improving and developing that land but only in exploiting it. The other paradox is that the privatization was carried out before the restitution process (return) of agricultural land to the previous owners from whom it was taken without or with an unjust compensation.

There is a false dilemma whether to enlarge or to divide the holdings-production units? The Japanese say “small is nice”. This saying does not apply to the agricultural resources but is true of other spheres of social life. Another dilemma is whether the land should be sold to foreigners? In that case obviously there should not be any limitations as there are none anywhere in Europe. However, there are a few “catches” which make buying land somewhere in Europe impossible, although the formal conditions exist. It is not the issue. In essence the manner of land exploitation should be regulated. There should be laws which say that the land should be cultivated in a certain way and which do not allow the land to end up neglected. In Europe there are regulations (unfortunately we are far from it) on keeping the limited number of head of cattle on a certain parcel. The dense concentration of cattle causes the environment pollution.

To sell or not sell the agricultural land? We are of the opinion that the land will gain value due to the higher demand for agricultural products to be used as food and in energy production. In foreseeable future the demand for agricultural products as raw materials will be more dominant, not used in food processing, but in energy production. A village is only declaratively spoken of. Everybody praises the country but lives in a city. Even in Vojvodina, in Banat, there are villages which are practically devastated, although they have almost all the social conditions and amenities of life. The villages have roads, electricity, water system, telecommunications but people are still not interested in living

there. The reasons are to be found in job opportunities. If there are enough resources the agriculture can be very profitable. But it is basically arduous work. If they can choose, people tend to do something else. In addition, other economic facilities which make profit are as a rule situated in towns. The centralization has contributed to it. That is why people prefer living in cities which can be a problem in future. Does the state have a notion of the position of villages in future? We think that there is only a declarative support given to villages, but the real assistance and real policy of the rural development have not been put to practice. Perhaps there are no specific measures which would be taken to channel it. Those measures should be primarily directed at the investment incentives in rural areas. This is the most efficient measure for accelerating the rural development.

In principal it is never too late. It is political marketing to say that the situation is “to be or not to be”. It is never “to be or not to be”, it has always been like that. But it is certain that the issues can be resolved more efficiently. The overall rural development requires the state to create a specific environment. It implies that the ecological problems must come first. The ecological situation, generally observed in Serbia is very bad. The second issue is pollution. The state has to be extremely rigorous. In accordance with the principle “a polluter should pay”, all the polluters have to be compelled, by taxation system and other forms of compensations, to take measures in the environment protection or for the removal of pollution consequences. If it is not done there will be no rural development. There will be no agriculture, no organic production. The third issue is building the infrastructure (road network, communication lines, telecommunications lines). The rural development in the European Union has been regarded as multifunctional, i.e. the development of the traditional agriculture, organic agriculture, tourism, catering industry, electricity production, handicrafts and further on the production through primary processing. And not only in processing but in the extension services as well. It is a so-

called “export within the country”. You produce your own wine, your own beer, you produce them in accordance with the given standards, and afterwards you sell them to tourists through catering.

CAP (Common Agricultural Policy) is something that is subject to changes. If one looks at the genesis, one will realize that the starting point was the protection of the European market, followed by the protection of ecological production and lately the concept of so-called sustainable agricultural development which is at present jeopardized due to the additional needs for energy. Serbia, as a genuine aspirant to the membership in the EU, has to observe those rules. But she must also observe them for herself. When joining the EU a country accepts their rules. They require a strict standardization of products and imply records keeping of everything. For instance, the way certain maize is produced, whether it ends up in some forage, meat or in some ready-made food. It is so-called product monitoring. The other issue is quotas. Quotas are the fixed quantities of particular products which Serbia will offer to the EU market. Exceeding those quotas will not be possible. The problem lies in establishing the quotas. As a rule, they are established based on the average production in the past few years, which has been rather low in our country.

In order to keep up with the agricultural development in the EU, Serbia needs to face the following requirements. First of all it is necessary to carry out the regionalization and to use the comparative, above all natural, but not only natural, advantages of particular regions. In Vojvodina cereal and industrial crops are predominantly grown at the expense of the proportion of vegetables, fruits, grapes and cattle. That differs from the other regions of Serbia. This production needs to be incited by specific state measures. The second issue is functioning and development of agriculture and villages managed by state institutions. It should be the task for advisory services in agriculture. Advisory services need not be state institutions, they may be organized within the farmers’

associations and at faculties. But they need to be financed by the state, as it is the case all over the world.. In Vojvodina there are acceptable regional advisory services. It is very good, but the strategic decisions are made not at the level of Vojvodina but at the level of Serbia. Serbia should do what Vojvodina has already done.

At the same time, there should be a certain quantitative model, a model of production optimization, which should suggest the available possibilities and where they exist. It has repeatedly been elaborated at our Faculty but has not been done for the whole country. The agrarian policy should be formulated based on these parameters and on advisory service institutions, which should make the implementation of the development policy in practice possible, by gathering the information on real agricultural problems. In our country, whenever the government is changed a new agrarian policy is established. Unfortunately it is decided by politicians and not by experts. As long as it is the case, the agriculture will face difficulties. The agrarian policy measures should be short-term so as to raise the level of agricultural production as soon as possible, particularly in animal husbandry, as the production in that branch is rather low in Serbia; perhaps at the lowest level in the second half of the twentieth and the beginning of the twenty-first century. Nevertheless the whole agriculture should be raised after the catastrophic decline of the nineties. Then a long term policy which would either be taken from the EU or to a great extent in accordance with it and adapted to our conditions can be considered.

The solution concerning the rural development lies in the broad and interdependent concept of development. Such a concept is a multifunctional rural development. It means that the traditional agriculture should be developed together with the organic production. Besides, the agricultural recourses should also be used for non-agricultural purposes (tourism, catering industry, handicrafts, energy production...). Kosava, the south-east wind, which blows in the Danube region, cleans up the air in big cities from time to time

and has no other purpose. The production of eolian energy is highly developed in the northern and other windy parts of Europe. There is a great number of private windmills which produce electricity for the electric power companies. They are built on the farmer's property. In our country they do not exist although they would probably be profitable for farmers.

The rural development entails the necessary infrastructure in order to make the functioning of all the activities, in the proper way, possible. And, we repeat, it means the defined level of ecological protection. Tourists are attracted to cycling in rural areas as well as to the other activities such as old crafts and farmstead tourism. It is already popular in Vojvodina but could be developed to a greater extent. The rural development has to be a tripod on at least three footholds. It should be based on the development of traditional agriculture, energy supply development within agricultural natural resources and the development of service industries (tourism, catering and hotel business). More or less it is typical of rural development all over Europe.

The state is a political, economic, social, cultural and ethnic system. Generally, the management of such a system involves a certain hierarchy. This valid principle has been neglected in our country. If it is possible to make a decision at a lower level it makes no sense to transfer it to the higher one. A minimum of central decisions is needed to keep the system going. All the other decisions that are of no concern to either the Republic or the Province should be made at the local level. And not only the decisions but the jurisdictions as well, without which it is impossible to create material conditions in order to carry out the decisions.

The fact is that the adequate regionalization and the jurisdiction decentralization should be accepted. Above all for the sake of the regional development itself. It would incite the

peoples' creativity at the local level aimed at obtaining the foreign investments without being obliged to depend on decision-making at the central level.

It has already been mentioned that one of the elements of rural development is regionalization. The regionalization does not only mean the regionalization within a country. It practically means that the same area can belong to various functional regions if there is an interest. There are interests which overlap among a number of countries. Particularly in Vojvodina which is a region bordering the EU and which already has some very interesting projects. Serbia and Vojvodina have become attractive for investments as they have a special status in their relations with the EU and Russia. That status enables the non-tariff sales both in the Union and Russia which is a great comparative advantage over the other countries.

Possibilities in Education Development

The Bologna process started in Serbia even before the Law on Higher Education was changed in 2004. The new concept of education involves the interactive and consistent approach to education in contrast to the conventional "ex-cathedra" lectures and unsystematic studying for the exam. Such a concept requires far more educated lecturers, campuses and equipment and accordingly far more financial resources for higher education. In such a system of education it is necessary to transform the education of agro-economists as well. The issue is not whether they should carry the title of economists, engineers or managers or whether the Bachelor studies should last three to four years and Master studies one or two years. These differences are actually positive and enable the students fluctuation and diversity of curricula. It is essential to provide transparency so that the students can transfer their credits from one institution to the other without difficulty.

The need for the education of agroeconomists is now significantly greater due to the mentioned challenges in science and changes in practice. The main occupation of an agroeconomist has practically been transformed into a manager of rural development. It means the necessity to broaden his knowledge with the knowledge of technology, organization, management and economics in all the aspects of rural development, not only of agricultural production. It does not necessarily mean that all the agroeconomists should be knowledgeable in such a broad and diverse field. It means that the students should have a range of options in acquiring the knowledge in the field of rural development and that, within this broad framework, they will be able to specialize in particular segments of agrarian economics and rural development through the selection of related subjects, particularly at Master studies.

The Bologna system of education includes the obligation of regular attendance both at lectures and practical work and a permanent studying. That, in fact, means that part-time studies are not possible. The system is not quite good, as there are a lot of young people who are employed and who at the same time need to acquire additional knowledge of agroeconomics i.e. of rural development. It further means that it is necessary to organize such educational process which will meet their needs. It can be done through so-called MBA (Master of Business Administration) programme. These programmes are carried out at a slow pace for the employed students. The lectures and other activities are only on Saturdays and Sundays, very rarely on weekdays. It significantly extends the duration of studies. The major problem is that such programmes have not been regulated by the current Law on Higher Education which causes difficulties in their application. Therefore it is necessary to urgently change the current law regarding the precise definition of the MBA programme which practically is a bond to the European Union.

Besides, the MBA programme, at the Faculty of Agriculture in Novi Sad, there are two other Master curricula. In 2006 the Master in Agroecomics was started, and the Master programme in Management of Regional Development has been started in 2008.

Conclusions

The changes in the economic and social conditions in Serbia, the global changes in the immediate environment, the change in the importance of villages and agriculture lead to the emphasis of the significance of the research work and vocational education of managers, primarily in the field of agroecology. The range of the research in agroecology is significantly broadening. It imposes the need for further specializations and sub specializations in the education and research work in agroecology and rural development. The agroecologists in Serbia have observed these changes in the environment, agriculture and education system in good time and have faced up to the new challenges with all the available resources.

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