

Hunger stalks the Hungarian countryside

Hungary went from breadbasket to economic basket case in one generation

RICHARD FIELD

European Union membership has been a mixed blessing for Hungary. While certain sectors of the economy have thrived, agriculture has been dying a slow, painful death. Farmers find themselves no better able to compete with their Western counterparts today than when the import tariffs were first lifted seven years ago. Small farmers who traditionally grew produce and raised livestock for local consumption have been particularly hard hit.

For example it is significantly cheaper for a Hungarian supermarket chain to buy onions from Holland than from Makó, once considered to be the national onion-growing capital. The supermarket chains offer "oven-ready" chickens for less than what it costs to raise a chicken in this country. For nearly a decade Hungary's world-famous Pick salami has been made from pigs imported from Romania, Slovakia and Poland.

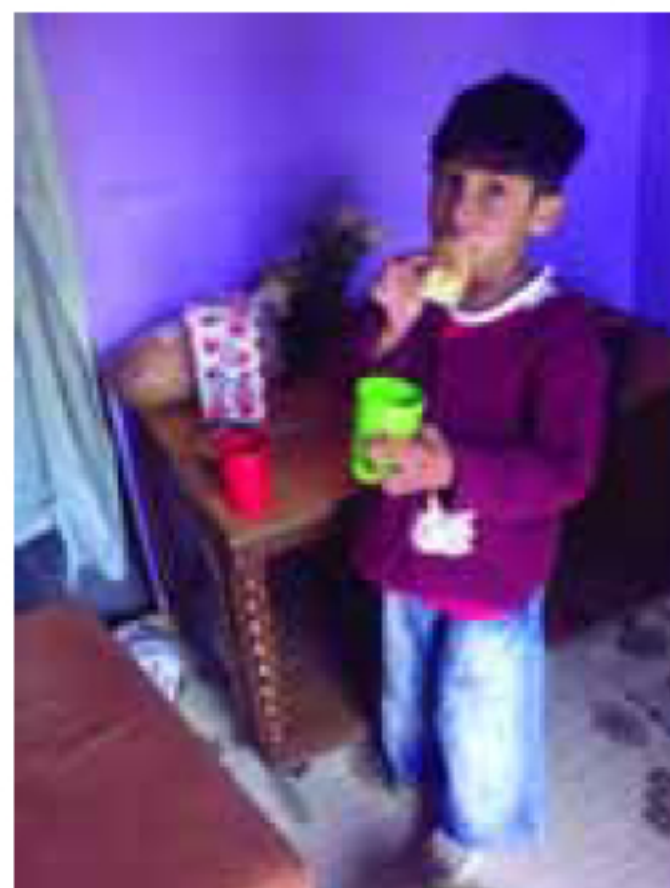
Living off the land

When I first arrived in Hungary 20 years ago nearly everybody kept a small vegetable garden or orchard. Most families living in small towns and villages kept chickens and pigs. What they didn't consume they either bartered for other foodstuff or sold at the local market. Even today my wife's cousin, an EU agricultural policy specialist by day, spends his summer evenings and weekends growing and selling potatoes. The pig he slaughters once a year yields an impressive quantity of sausages and meat. In addition to providing his family with a regular source of fresh food, he gains a sense of pride by raising potatoes, chickens and pigs. It is an important part of who he is.

Until recently the same could be said of millions of Hungarians living in the countryside. But something has gone terribly wrong.

Smallholders are gone

Small-scale agriculture has collapsed with devastating effect on the countryside. Formerly prosperous agricultural regions have been laid waste. Not only have smallholders ceased producing for local consumers they've stopped producing for themselves as well, preferring to work in factories, on construction sites or simply collect welfare. Now that the



Pictured is a five-year-old Roma boy in Újszáz who is one of the beneficiaries of the daily food aid program the American House Foundation set up with the Hungarian Red Cross last year to distribute bread and food to 200 families in nine settlements in the region between Jászberény and Szolnok. A similar program was launched in the Encs region of Borsod-Abaúj-Zemplén county last week.

factories have closed, the construction industry has collapsed and welfare benefits been slashed, many smallholders and former agricultural workers are threatened with starvation. And if anybody doubts that this is the case I encourage them to tour the region between Jászberény and Szolnok. Gorgeous fin-de-siecle buildings and large single-family homes built during the last 20 years of communism attest to the former prosperity of this region.

Dire poverty

Today the Jász region is a wasteland. You can drive from Jászberény to Újszáz and back via Jaszapáti, Jászkisér, Jászsószygyörgy, Alattyán and Jásztelek – a distance of 120 kilometres – and not see a single chicken or milk cow by the side of the road. You won't see them in people's backyards either. They were either eaten, stolen or sold off a long time ago.

Poverty has reached such levels that people must resort to burning fence ties and even their own roof timbers because they can't afford firewood. In the case of one family I visited the only food in the house was half a head of cabbage.

End of an era

The reasons for the collapse of small-scale agriculture and animal husbandry in the Hungarian countryside are complex. The agricultural

cooperatives organised under communism employing hundreds of thousands (including many Roma) were wound up in the early 1990s. Many former agricultural workers managed to find work in manufacturing and construction, often commuting daily by bus to factories and construction sites in neighbouring counties.

Because of the commuting distances involved, many chose to work double shifts - rising early in the morning and returning late at night - leaving them with neither the time nor the energy to grow crops, tend orchards, raise animals or keep gardens.

Western way to ruin

The last two decades witnessed the gradual adoption of Western lifestyles and the emergence of nuclear families. Without at least one live-in grandparent to water the garden and feed the animals when the parents and children were away, it was no longer practical to grow crops or keep animals.

In economic terms, in the two decades following the collapse of communism hundreds of thousands of Hungarians went from producing much of what they consumed and selling surpluses at local markets to being industrial wage earners. Previously they were relatively insulated from the vagaries of the marketplace – what they couldn't sell they could always eat. Now they can only eat what they can afford to buy.

Part of the problem is that there has been a fundamental breakdown in the system by which smallholders can store and sell their produce and livestock.

In the years following EU accession scores of non-EU-compliant milk-collection facilities were forced to close down, depriving smallholders of the means by which to store and sell their milk.

Malicious middlemen

In a country where virtually anybody can set up a limited-liability company, bankrupt companies take years to liquidate and there are no punitive damages, rapacious middlemen bought up entire harvests and flocks without bothering to pay for them, instilling fear and distrust among producers.

In 2004 one company, Hajdú-Bét, single-handedly destroyed the national goose-farming industry by lending its majority shareholder the money it owed 550 geese farmers

shortly before it declared bankruptcy. Facing financial ruin, nine geese farmers committed suicide. (Five years later the former CEO of the majority shareholder was made prime minister for a year. Go figure.)

Planting a seed

Recently there has been some talk about establishing a network of purchasing cooperatives much like those set up in the late 1890s to buy from smallholders and sell to grocery stores and supermarkets.

This system of distribution worked well until the end of the Second World War by which time there were some 700,000 members. But if most smallholders have stopped producing, what exactly are the new cooperatives to purchase and from whom?

Clearly, in order for Hungary to get back on its feet it is not enough to "create one million jobs over the next ten years" - one of the avowed goals of the government.

Some degree of agricultural self-sufficiency must be restored to the countryside. People living there must be persuaded to support themselves in part by growing crops and raising animals.

In 2010 the central town of Jászkisér provided 80 individuals each with HUF 1,000 (EUR 3.71) worth of vegetable seed on the condition they agree to plant a 40-square-metre garden at home.

The local government organised a competition to see which of the 33 participating families grew the nicest gardens.

Participants received nothing in the way of fertiliser, pesticide or tools. Their only incentive was the prospect of growing fresh vegetables for themselves and their families and winning the respect of their community.

The results were extraordinary. Unfortunately, heavy rain and high groundwater destroyed some 30 gardens. (Poor people tend to live in lower-lying areas).

But 50 gardens were successful, so successful in fact that a number of participants were able to either barter surplus vegetables for other foodstuff or take them to market.

All program participants were Roma. Apparently Roma households and communities living in agricultural areas still possess the knowledge, skills and tools necessary to plant and cultivate gardens.

All they need is the seed. And to the extent they have forgotten how to grow vegetables, as Ferenc Nemes, agricultural specialist with the Foreign Agricultural Service of the United

States Department of Agriculture, points out, there is no shortage of garden clubs or retired agronomists living in the countryside prepared to advise and assist them.

Five thousand gardens

I have asked Ferenc Nemes to figure out a way to replicate this experiment in 50 towns and villages this year. Our goal should be to distribute \$5 worth of seed each to 8,000 individuals. The planting season starts in the second half of March and lasts until the middle of May, so that gives us a month to organise it.

If 8,000 gardens can be planted in this manner and only 5/8ths of the gardens succeed, as in the case of Jászkisér, the program should yield 5,000 vegetable gardens.

Assuming administrative costs do not exceed the value of the seed to be distributed, the cost per participant should be around \$10.

If a 40-square-metre garden produces just \$300 worth of fresh vegetables over the course of a summer, an investment of \$80,000 should yield at least \$1,500,000 worth of vegetables. That's a return of nearly 20 to one.

Perhaps successful participants should be required to turn over \$10 worth of produce for sale or distribution to local schools.

This money, in turn, can be used to finance the next year's seed and administrative costs. The following year we might expand this to 10,000 or 20,000 individuals and throw some chickens into the mix.

Nemes points out that once 5,000 individuals in a given region are growing vegetables on a regular basis we can persuade local grocery stores and restaurants to buy their produce. We might even persuade the large supermarket chains to set aside part of their shelf and freezer space for fruits, vegetables and poultry produced in this way.

The planting season begins in six weeks. I look forward to receiving Nemes' recommendations this week and to working out the details with the Hungarian Red Cross and local experts next week so that we can roll out the program at the beginning of March.

- Richard Field is the founder and chairman of the American House Foundation, a US-registered private foundation that is working with the Hungarian Red Cross and other Hungarian non-government organisations on issues of poverty, homelessness and social exclusion. www.americanhousefoundation.com.