p-ISSN 0044-1600 e-ISSN 2392-3458

Zagadnienia Ekonomiki Rolnej Problems of Agricultural Economics

www.zer.waw.pl 4(365) 2020, 5-7

SPEECH BY JAN KRZYSZTOF ARDANOWSKI, THE MINISTER FOR AGRICULTURE AND RURAL DEVELOPMENT

Dear Mr. Director, Ms. Doctor, representing the Head of State, all Ladies and Gentlemen!

I am very happy to meet you. It is particularly touching for me. I have relied on your materials and analyses many times, also as a farmer who, rather unexpectedly, became a minister. Thank you very much for being able to use your knowledge. The Institute of Agricultural and Food Economics is a special institution, although I show great respect to all representatives of specialized research institutes. Everyone tries to do their best to support agriculture. The same applies to the universities represented here. All these institutions have assumed responsibility for Polish agriculture and its operation in the changing world that continuously brings new challenges, as: tempora mutantur, et nos mutamur in illis (times change, and we change with them). People in charge of Polish agriculture try to take advantage of its all opportunities, resources, industriousness of people, and development opportunities to benefit our homeland. The Institute has played an important role in this respect, perhaps even a special one, as its recommendations, analyses, and assessments are and will always be needed by everyone who has to make economic decisions in agriculture. Decisions both at the farm or enterprise level and – I am saying this very humbly – those concerning the entire agriculture, its particular sectors, which is the responsibility of the Minister for Agriculture.

I do realize that agriculture is affected by various external factors, various constraints that we are not even able to fully describe, but we must always make decisions that are the most optimal at a given moment. Sometimes life brutally verifies them after a certain period, a shorter or longer one, but decisions have to be made. I am aware of the great expectations of various authorities that are even pushing for a certain direction of research and work, and thus conclusions and suggestions formulated in the world of science, in particular as regards economic sciences. An example of pathology in this respect was the demand of the totalitarian communist authorities for a scientific justification of the superiority of communist, socialist agriculture over capitalist agriculture. Many of the scientists of that time surrendered to dictatorship, and – whether out of fear or life opportunism – were able to justify

any nonsense of the authorities. This period, symbolized by the career of Trofim Lysenka, an ignorant and mountebank, a member of the USSR Academy of Sciences, cast a shadow on economic sciences in agriculture also in Poland. However, it is also worth remembering that we should do everything possible to maintain the autonomy of science, so as not to be just a simple tool for giving legitimacy to politicians' decisions. Some people will say that I am doing it against myself. However, this results from my deep conviction that responsibility for decisions made rests on the decision-maker, who should rely on objective knowledge.

Agriculture undergoes many changes. Poland's accession to the European Union determined this situation, perhaps it was the major factor in this century. However, after all, the EU policy, that we are obliged to copy, changes as well. The Treaties of Rome, then the MacSharry reform, an attempt to match supply with demand, supply reduction, and then the Fischler reform that began to link agriculture with multifunctional rural development to a greater extent. Subsequent changes that are taking place before our very eyes, in particular, link agriculture with sustainable development, whatever that means, because everyone understands this concept differently. However, also in this respect it is necessary to find optimal economic solutions that will make us see all its participants "From Farm to Fork", as particular stages of the food chain are executed, noticing what was very often overlooked. As a minister and one of farmers, I want to and will emphasize the role of agricultural producers in this chain. It is unacceptable that the share of farmers in the final price paid by the consumer is negligible, with significant profits made by intermediaries, processors, and traders. I am absolutely convinced that this structure of the food system is faulty and requires change. Each of us, working and practicing any profession, wants to take pride in it and be satisfied with it while earning money. In the case of agriculture, farmers should be able to sell what they produce on a well-organized market at a fair price.

I think that in the coming years the entire food chain should be modified and the position of farmers should be strengthened. This obviously requires changes in the approach of stronger market players, especially in trade and distribution. There should also be a change in the minds of consumers, people who are more and more affluent and want to fully enjoy the benefits of the world and civilization, including those looking for more and more attractive food. Unfortunately, it has become a paradigm to say that food must be cheap. This, in turn, implies the occurrence of food adulteration or attempts to obtain unauthorized benefits, which forces farmers and processors to adopt certain negative behaviors. We want to compete with the world, above all with the quality of our food. We are not a global agricultural power, but an important agricultural country in Europe. Hence, we must understand that we should set other goals as our chances and advantages. I am convinced that it is Polish agriculture, offering the highest quality products that may be our chance.

Our agriculture is extremely diversified, also in terms of the structure and size of farms. This structure evokes strong social emotions, but I believe that it is the diversity and complexity of our agriculture that make it strong. This applies also

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to smaller farms that make part of their profit on agricultural production intended only for local markets, or very specialized activities carried out on a small area. It is a simplification, or even an abuse, to claim that small farms have no production and service significance, and the support to maintain their operation is unjustified or, at best, has a social nature. I do not agree with a term like "social farm". Perhaps the beginning of the transformation in the 1990s justified defining these farms as a social element of state policy, being a buffer against the poverty and misery of millions of people dismissed from work in cities. Currently, however, these farms must regain their significance. I am convinced that it is possible. Indeed, many economists echo Clinton's words: "It's the economy, stupid!", convinced that the economy and economics justify everything. In my opinion, the dilemma - economics vs. human - remains. People in rural areas deal not only with food production. If we were to focus only on food production, then the analyses from many years ago, showing that a much smaller number of farms would be sufficient in Poland, would be legitimate. Large mechanized farms with a small number of employees are more effective and efficient. Yet, agriculture is also a complex system of dependencies in rural areas, it is care about what the country is all about. It is meeting various social needs of the farm and the inhabitants of rural areas, that can be met precisely because of the existence of these smaller farms. Finally, it is the existence of local communities whose members have the right to pursue their passions and dreams there. It also seems to me that the coming years, within the framework of the new EU policy that may be a big nuisance for all European agriculture, may be at the same time a unique opportunity for Poland. A unique opportunity due to this complexity, the diversified structure of Polish agriculture and a certain backwardness that we have been ashamed of for many years.

Therefore, economic sciences, in particular those related to agricultural economics, have a great future. I am absolutely convinced of it. The role of politicians, especially the wiser ones who have a reasonable distance to their knowledge and competences, is to use the knowledge of others. At the same time, and I will finish at this point, wishing you good luck, each minister needs access to economic knowledge, analyses of economic processes, assessment of the changing world, forecasts of what may happen, and not only analyses of what has already happened. The sense of economic sciences is to present, based on gained knowledge, solutions for the future. And I would like to ask Mr. Director (the Institute is in good hands) and each of you for such cooperation. Thank you very much for inviting me. I wish you all the best. The Institute of Agricultural and Food Economics plays a very important role in the Polish agriculture and it has served it well. All the best. God bless.

Jan Krzysztof Ardanowski Minister