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THE DEVELOPMENT OF AN EXTENSION SERVICE FOR HUNGARIAN AGRICULTURE  
by  
PETER FINLAYSON

Major Dilemmas and Future of Agriculture in Eastern Europe

Csaba CSAKI, World Bank

This paper will be distributed as hand  
out during the congress

Agricultural Restructuring

The agriculture sector, including agriculture, forestry and fishing, is a vital part of the Hungarian economy and social fabric of the country. It provides a source of income for 13% of the active population, although only 10% of the population are employed in agriculture.

The sector is undergoing a fundamental restructuring of the type that has been undertaken in other countries. The restructuring is necessary because of the low productivity of the sector and the need to improve the living standards of the rural population. The restructuring is a complex and long-term process that will require significant investment and policy support.

In the process of restructuring the former (1989) agricultural cooperatives will be transformed into private farms. This process is being supported by the government through various measures, including land redistribution, credit support, and technical assistance. The government is also providing support for the development of rural infrastructure and services. The restructuring is expected to lead to a more efficient and competitive agricultural sector.

To achieve the economic objectives of the restructuring, the government has implemented a series of measures. These include the privatization of agricultural land, the introduction of a new agricultural tax system, and the provision of technical assistance to farmers. The government is also supporting the development of rural infrastructure and services. The restructuring is expected to lead to a more efficient and competitive agricultural sector.

A higher proportion of the rural population is now employed in agriculture than in the cooperatives. This is due to the restructuring process, which has created new jobs in the sector. The government is also providing support for the development of rural infrastructure and services.