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**THE ROLE OF PROFESSIONAL AGRICULTURAL  
ECONOMICS ASSOCIATIONS IN SHAPING  
NATIONAL AGRICULTURAL POLICY:  
THE CASE OF SERIA**

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**Agricultural Economics and Transition:  
„What was expected, what we observed,  
the lessons learned."**

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## **ABSTRACT**

This paper describes the establishment of the professional organization of agricultural economists in Poland as the response of the profession to uncertainties associated with the transition to a market economy and the demand for socio-emotional goods. This demand and the accumulated social capital were essential for the successful functioning of the SERiA. The example of establishing a similar organization can be repeated if adequate social capital and the desire for distinction, self-regard and validation coincide.

**Keywords:** agricultural university, research, teaching, extension, international agricultural associations

## **1 INTRODUCTION**

The collapse of the centrally planned economic and socio-political system and the adoption of the free market as the resource allocation mechanism created demand for economic analysis at macro- and micro-economic level based on capitalist economic theory. The demand for market and marketing studies including consumer studies developed rapidly following the privatization of the wholesale and retail trade, the sector where privatization of assets took place at a faster pace than in manufacturing in Poland. After the initial transition period, the so called shock therapy implemented in Poland, and the emergence of the private food production and distribution system, the next step was the development of the professional economic organizations needed to support the system's requests for advice, expertise, and qualified employees. In response to the emerging demand signaled by the private sector, the existing institutions and individual university faculty, especially at agricultural universities and universities of economics, responded by adjusting the curricular of undergraduate and graduate studies, creating consulting firms, and establishing private university-level schools. Major changes were undertaken in reforming the extension system in Poland. Demand for economic analysis was also great on the part of the public sector, other than extension system, for studies in the area of policy impact, feasibility studies, trade policy, rural development, and public agricultural secondary schools (e.g., by the Ministry of Food and Agriculture).

## **2 OBJECTIVE**

The purpose of this paper is to present a summary of the emergence of the Polish Association of Agricultural Economics and Agribusiness (known by its Polish acronym SERiA, Stowarzyszenie Ekonomistów Rolnictwa i Agrobiznesu), its activities and its role in research, teaching, advising and consulting. In particular, I describe the initial role of contacts with professional associations outside Poland in stimulating the development of a modern domestic organization, the growth of the organization and the variety of activities, and the needs for improvements including the possible role of other national organizations and international associations in advancing the quality and quantity of professional activities of Polish agricultural economists. The discussion refers to the role of social capital and various forms in which it demonstrates itself as the causes of the establishment of SERiA and its continued existence.

### **3 THE EMERGENCE OF SERiA**

Developments in the agricultural economics profession in Poland are a vivid illustration of the institutional adjustments in a transition economy. The creation of the professional association outside the institutional framework inherited from a centrally planned economy demonstrates the ability of human capital improvement outside the government owned system and a necessary development strengthening the transformation to a market economy emphasizing individualism. Moreover, the professional association represents social capital necessary for the efficient functioning of modern economies (FUKUYAMA 1999). In case of SERiA, it enhances the education system and applied research, and encourages the participatory democracy required for the sustained economic growth and societal well being.

Prior to the establishment of SERiA, agricultural economists were organized as a section of the Polish Economics Society (Polskie Towarzystwo Ekonomiczne, PTE). The section functioned well in Warsaw, where it served as focal point for those working at universities or government agencies. Given the central nature of the decision-making process and limits on public activism, such an approach was consistent with the previous system. The profession outside the capital seldom participated in the meetings of the agricultural economics section and did not benefit from the exchange of ideas, access to information and knowledge, or opportunities for advancement. SERiA emphasized at the onset of its existence that the goals of the organization were not competing with the functioning of the agricultural economics section within the PTE.

SERiA emerged as the economy and the food and fiber sector suffered consequences of the collapse of the central budget supporting consumption, processing and distribution of food, cuts in teaching and research budgets, fundamental changes in the political system and the reassessment of basic values. Agriculture, which in 'socialist' Poland was important for political reasons, lost its relative importance after the food imports were liberalized, price controls removed and direct foreign investment was permitted and encouraged. The agriculture and agribusiness and their surrounding institutions including agricultural research, education and outreach have become 'unpopular.' The agricultural economists faced difficulties in coordinating their professional activities as the competition for funding intensified. Agricultural education focused on producing managers for the state and cooperative farms had difficulties in finding new students and jobs for the graduates. The profession became fragmented and polarized with individual schools and faculty pursuing own teaching, research, outreach and consulting projects. For a while, relationships built on the commonality of fairly equal inability to pursue opportunities under the previous system were being replaced by the rush to exploit the emerging conditions for an individual gain. The establishment of SERiA offered a platform for the exchange of socio-emotional goods including mutual validation and self-regard (ROBINSON AND FLORA 2003). These are basic human needs superseding physiological needs (ROGERS 1961). Within the professional organization members are being treated with distinction and validated through active participation, for example, presentation of papers.

In November of 1993 a group of agricultural economists organized the funding congress and collected 73 signatures, enough to begin the court supervised registration process of a

new organization, SERiA. Since the 1st Congress of SERiA held in Poznan in December 1994, about 250 agricultural economists meet at annual conferences presenting a wide array of papers from all subject matters of agricultural economics, consumer studies, agribusiness and policy.

### **3.1 Professional solidarity**

The historic transformation in Central and Eastern Europe caught attention of the general public across the world, but also of individual professional groups. Many, including agricultural economists, choose to reach out to colleagues in the CEE in an attempt to assist in the transition by sharing knowledge and experience.

The presence of social capital as defined by FUKUYAMA (1999) led to the initiative within the American Agricultural Economics Association (AAEA) to create a committee focused on cooperation with professionals from Central and Eastern Europe. The first chair of this committee, Joseph Havlicek, guided activities of the committee, which included, among others, the participation of invited agricultural economists from the CEE in the AAEA annual meetings. The first group of participants joined the AAEA meeting in Manhattan, Kansas, in 1991, and included participants from Czechoslovakia, Poland, and Hungary.

The participation in the AAEA meetings included presentations at Organized Symposia. Discussions, which were an inherent part of each Symposium focused on restructuring agriculture, trade, and policy, but also offered an unobstructed view of how a professional organization provided a platform for a public debate. The invited colleagues from the CEE also attended other sessions, from the Presidential address to the Business Meeting gaining insights about the whole array of activities and the organization of the meeting's program.

The participation in the AAEA annual meetings and other interaction with agricultural economists abroad facilitated the establishment of SERiA. Foremost, it created an understanding of benefits stemming from a professional organization and suggested forms of activities that could be undertaken within it.

### **3.2 SERiA goals**

The purpose of establishing a professional organization of agricultural economists was to create a framework for the exchange of information and ideas. Because the membership is open to anybody who pays the dues (and the dues have not changed since the inception), the barrier to entry is virtually non-existent. Therefore, the organization offered an earlier non-existent platform for the exchange of ideas, information and knowledge on an unprecedented scale. It made the accumulated social capital work with increased efficiency meeting the demand for new or updated knowledge in the area of agricultural economics, agribusiness and outreach.

### **3.3 Forms of activities**

The annual congress is the primary activity of SERiA. From time to time additional conferences are being held in-between congresses. The analysis of the number and subject matter of papers selected for presentation at the congresses illustrates the scope and achievements of the profession. Participation in the meetings includes paper presentations

and the interaction of all generations of agricultural economists and it is a recognized annual event Publication of papers in the SERiA Journal is valued in the process of professional advancement and promotion in Poland. The proposed paper will provide a summary of the paper number and topic category providing insights into areas emphasized in research and those areas that have been inadequately addressed give the developments in the Polish economy and policy and trends in the EU and the world.

Every year, since its inception, among congress participants are agricultural economists from other countries. Their participation expands the variety of topics and perspectives presented at the meetings. In recent years, one section of the selected papers includes only presentations in English by authors from Poland and other countries. In the first SERiA congress, two presentations were made by the President of the AAEA and the President of GEWISOLA. At the second congress in Cracow, the AAEA President participated. The visitors shared their experience in organizing and the functioning of their professional organizations.

The annual congress of SERiA involves a study tour. Participants visit a variety of farms and agribusinesses, and infrequently, national parks or historic sites. On several occasions, congress participants visited professional colleagues and agribusinesses in neighboring countries. The first visit was to Kaliningrad, Russia, during the meeting in Olsztyn in 1996, but later tours included Sweden and Denmark, Agricultural University in Prague, the Czech Republic, a tour of agribusinesses in Slovakia, a session at the Dublany Agricultural University in Ukraine, and trip to Bornholm, Denmark. In years, when a foreign tour is not feasible, participants tour domestic farms, agribusinesses and institutions.

The tours update the knowledge of issues in farm economy and agribusiness and strengthen relationships among members. They also build trust and cooperation with expectations of contributing to higher quality research and teaching than without such simple events like a tour.

Table 1 shows the total number of papers presented at selected SERiA meetings and the number of papers presented by authors from institutions outside Poland. First, there has been a significant increase in the number of the total papers presented, while the number of papers from other institutions fluctuates, but shows a growing tendency. The number of papers is an indirect measure of expanding social capital as more professionals become involved in SERiA activities. Civic involvement in general leads to improvements of the performance of the education system (KNACK AND KEEFER 1999).

**Table 1: The list of SERiA congresses and the total number of papers selected for publication<sup>a</sup> and the number of papers authored or co-authored by economists from foreign institutions**

<b>Congress venue and year</b>	<b>Total number of papers</b>	<b>Number of papers from foreign institutions</b>
Szczecin 1997	84	1
Wroclaw 1998	133	24
Rzeszow 1999	109	5
Zaniaść 2000	242	15

Bialystok 2001	195	5
Bydgoszcz 2002	247	11
Koszalin 2003	259	12
Pulawy 2004	259	12
Warszawa 2005	276	20

<sup>a</sup> SERiA started the publication of proceedings at the III<sup>rd</sup> Congress in Olsztyn, in 1996 and the publication of the journal, “Zeszyty Naukowe SERiA” in 1999 at the VI<sup>th</sup> Congress in Rzeszow.

Source: Own calculations based on SERiA proceedings for years 1997 and 1998, and “Zeszyty Naukowe SERiA” from 1999 to 2005.

#### 4 CAUSES OF SERiA SUCCESS

The voluntary cooperation was a pre-requisite for SERiA establishment. Members must have engaged in an activity perceived as one of mutual gain and benefits. Such voluntary cooperation is easier in a community or society which “inherited a substantial stock of social capital in the form of norms of reciprocity” (PUTNAM et al. 1993). Despite years of functioning in the system where the trust, cooperation and reciprocity were systematically undermined by the authorities, who viewed them as a potential threat to the control over the “state-owned” resources, the volume of social capital was sufficient to permit the establishment and functioning of the professional organization. Societies that experience difficulties in institution building including professional organizations like one serving agricultural economics profession are characterized by continuing deep divisions and distrust consistent with the expected outcomes from game theory. Economic growth in those societies may be slower than under conditions of increase voluntary cooperation associated with trust and reciprocity.

Members of SERiA enjoy the same status without restrictions on running for positions of officers, expressing their views at the business meetings, submitting papers for presentation, or voting. By reducing the asymmetry of hierarchy within a professional organization, the cost of information exchange and access to knowledge is also reduced. Moreover, there a spillover effects because the benefits of cooperation extend to activities and relations outside SERiA. Through contacts established at the SERiA meetings, members have opportunities to engage in common research projects or teaching exchanges. These opportunities could materialize without the existence of SERiA but, likely, at a higher cost to society.

Moreover, the basic rules of SERiA, defined in the court approved statute, and its activities limit opportunistic behavior. The likelihood of discover of opportunistic behavior is high because the primary activity is the annual congress, while the term served by officers last two years. The review process and the subsequent public presentation of papers and their publication assure that each member can make personal evaluation of others conduct. OSTROM (1992) noted that well crafted institutions reduce opportunism. If some SERiA members engage in the opportunistic behavior they create short-term costs for others and some worthwhile activities may be forgone. Consequently, in the long run, the professional organization may be weakened and, under extreme conditions, ceased to function. It is,

therefore, a prerogative to assure that the exchange of socio-emotional goods and services offered by SERiA's annual meetings so the social capital may be sustained.

## **5 CONCLUDING REMARKS**

The paper offered a brief description of the emergence of the professional organization of agricultural economists, SERiA, in Poland. The organization was established in the early 1990s, a period of an unprecedented proliferation of civic, commercial and industrial associations. The rise in the number of organizations is necessary "to make democracy work" (TOCQUEVILLE as cited by PUTNAM 1995)

The sustained functioning of SERiA (and other similar professional organizations) implies that the utility function of each member is modified. Individuals maximize their utility, which includes a measure of self and the others (COLLARD 1975). The utility function also accounts for the benefits derived from the participation in SERiA outside the organization's activities. For example, presentations at SERiA's congresses and the subsequent publication of referred papers are viewed positively in the process of periodic evaluations and consideration for promotion. These tangible long-term benefits strengthen the link to the organization and add to other non-tangible gains such as the provision of socio-emotional goods.

The threat to the existence of organizations like SERiA is the occurrence of inequality. Such an inequality may result from a shift of power, but the shift of power is to some extent controlled by each member having one vote, terms of holding offices, and the periodic business meetings approving the performance of the board.

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To repeat SERiA's success in different environments it is necessary to gauge the available social capital and the desire to engage in the exchange of socio-emotional goods. Otherwise, individual efforts are isolated and lost because the 'market is too thin' and the critical mass of those willing to engage in exchange is too small.

It is possible that some perceive the emergence of a new professional organization as the invalidation of their existing relationships. To overcome the resistance, it is worthwhile to consider in what form the new organization represents the continuity of past activities and goals. However, if the emerging organization had no predecessors, this issue is of lesser importance.

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