

The role of personal values in the emergence of collective marketing initiatives

The case of the ASF Cooperative in Izsák

Boldizsár Megyesi

Institute for Political Sciences, Hungarian Academy of Sciences

Faculty of Social Sciences – Eötvös Loránd University,
Budapest

XXIIst Congress of the ESRS

Wageningen, August 2007



Outline

- Theoretical background:
 - Interrupted Embourgeoisement in (rural) Hungary.
- Hypothesis:
 - The interconnections among peasant habitus, economic rationality collective action and vine cultivation.
- The town of Izsák
- The case of the ASF Cooperative
- Conclusions

Theoretical background I.

- Erdei (1940): independent peasant farms may become bourgeois enterprises
- Collectivization interrupted this process of embourgeoisement.
- As several authors (Szelényi, Juhász, etc.) argued the structure of socialist agriculture (collectives, state farms and house-hold farms) recreated the previous capitalist structure of agriculture (huge estates and small plots for self provisioning).
- The re-emergence of self-provisioning (temporary phenomena, post-peasantry – (Márkus – Mendras, or the theory of Interrupted Embourgeoisement)

Theoretical background II.

- Interrupted Embourgeoisement (Szelényi):
 - 4 typical course of life: the cadre, the workers (both without house hold farming), the peasant-workers and the entrepreneurs.
 - The peasant-workers produce for self-provisioning, have a wide-range of products, keeps the whole production chain together do not risk and do not trust in the market (These are typical features of a peasant farm).
 - The entrepreneur specialize its farm, take the necessary risk and sells most part of its production on the market.
- Factors influencing farmers to become entrepreneurs:
 - Course of life: did not left the settlement for work and joined the socialist type cooperative only in the sixties.
 - Origin (entrepreneurs were born in rich peasant families or in peasant families with middle size land).



- How does entrepreneurial spirit inherited?
- Peasant habitus, inheritance of norms and values?

The role of Peasant Habitus

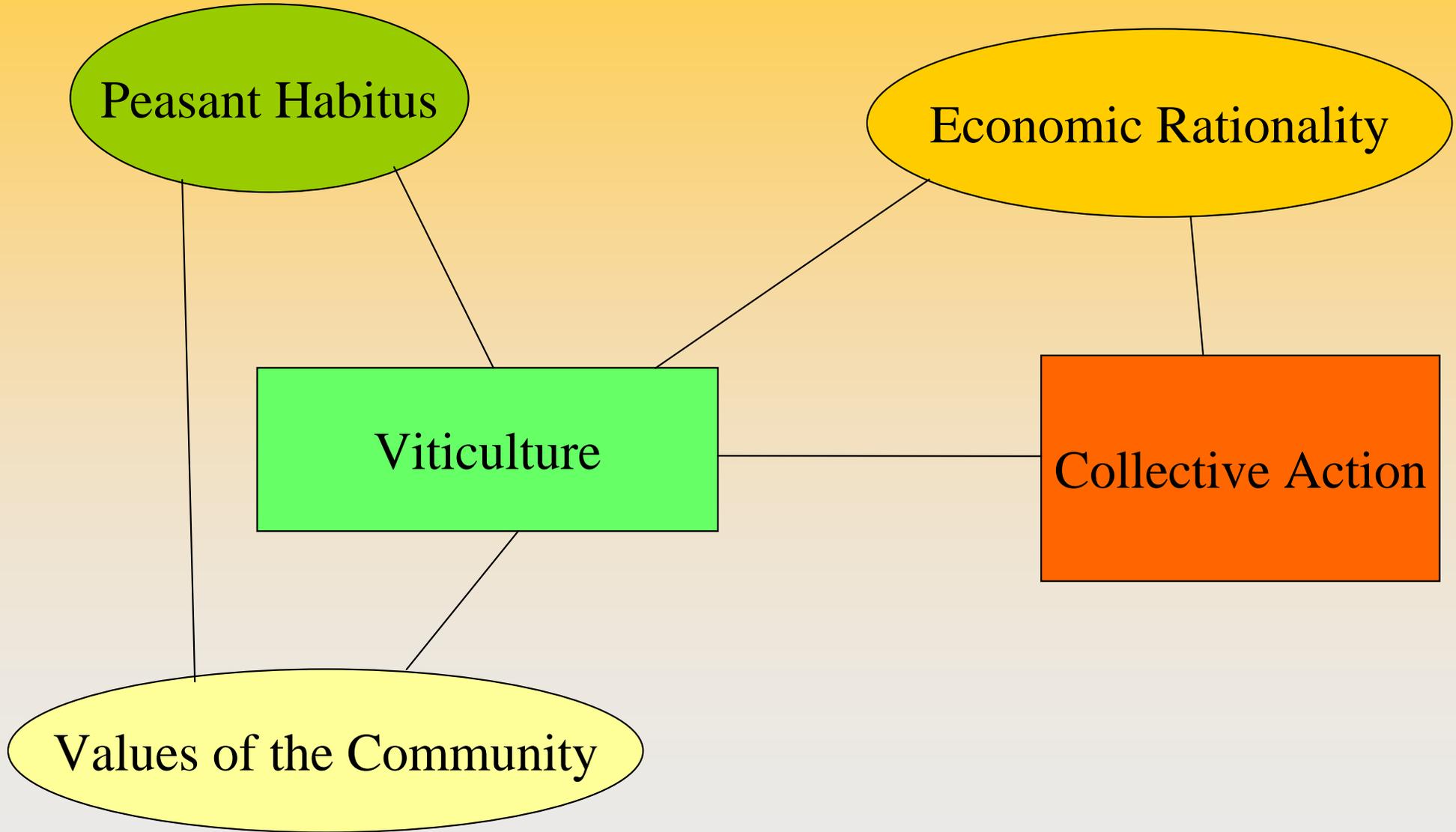
- Peasant habitus (high prestige in the community; it admits the time-consuming and tiring work with the grape),
- Converted to Human capital (trust in future and endurance),
- Results in Economic benefits.

“...because it was a really hard work, first to cut it, to select it, to pick it up. Long ago they put the clusters on the furrow ... gently to the sand, and then the others came to pick the clusters and with tiny little scissors they took out the wrong berries and put the clusters into a nice basket.” (interview with a farmer)

Hypothesis

- *Hypothesis I:* There is a connection among peasant habit, local values, embourgeoisement, vine-production and economic interest.
- *Hypothesis II:* Local values and peasant habit has decisive role in embourgeoisement and on collective action. (According to Juhász, even the most successful entrepreneur of the community does not wish to become much more rich then the average, because egalitarianism became ruling norm.)

Hypothesis



The town of Izsák

- Before WW II.:
 - Different shops, trades and craftsmen,
 - Traditional (wine-)grape and fruit cultivation (Traditional agricultural methods, small plots. Independent peasant farms).
 - Sales at the national and international markets as fruit,
 - As wine or fruit brandy (local distillery produced fruit brandy)
- After WW II.:
 - Collectivization, State farm, modernized agricultural methods, (Champagne Factory) and small farms for self-provisioning.
 - Commute to the county centre.
- After the nineties:
 - The processing companies were producing less and less,
 - Privatization and compensation,
 - The role of the town, as administrative centre is growing again.

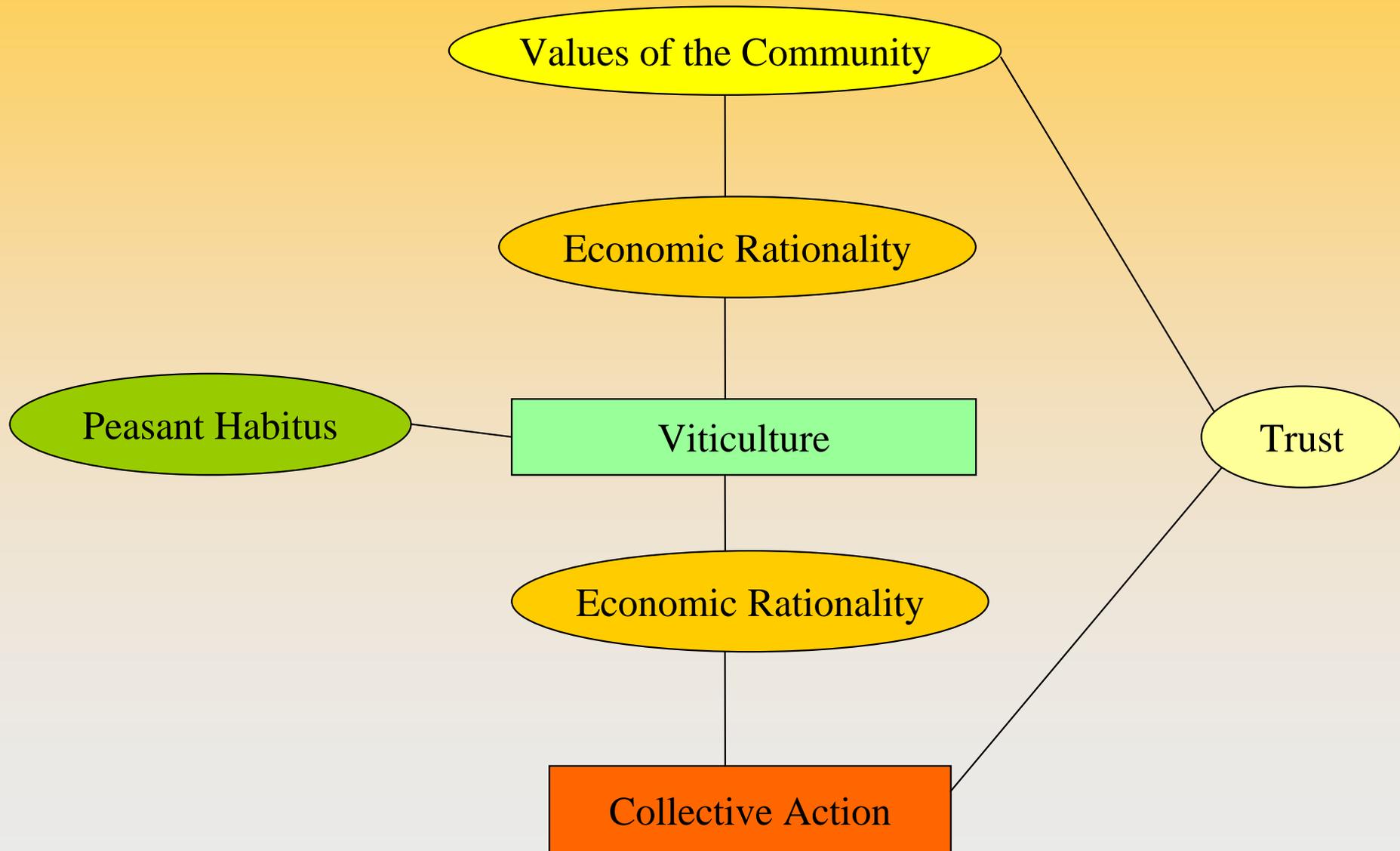
The ASF Cooperative

- 2003: The ASF Cooperative (Gold Mudwhite Grape and Wine producing Cooperative) was established.
 - Aims:
 - Collective marketing,
 - Maintain the typical grape variety,
 - Assistance in grape production,
 - Proceession: wine and champagne production.
 - Capitals:
 - Human resources (different type of knowledge),
 - Social relations, networks,
 - Agricultural methods, processing capacities.

The analysis

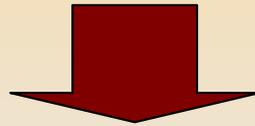
- *Relationship of viticulture and local economy:*
- *“... so the major, by supporting cooperation, would like to secure (...) by the help of viticulture would like to create working-places, working possibilities (to make Izsák more favourable among young employees).” (clerk of the ASF Cooperative)*
- *Economic reasons of collective action:*
- *„... although we knew the manager (of the former state farm), when one had to bargain on the prices, they paid the less, they could.” (one of the farmers)*
- *Trust:*
- *“How to say, during the production we were in touch, we knew each other, the leaders, the members, we trusted each other, and we started cooperation to be able to buy up the champagne Factory” (one of the farmers))*
- *On grape:*
- *“there were all over vineyards... it was beautiful”*
- *“but it likes that how, that the roots are in the water (...) and then it can produce a lot, beautiful big clusters, golden berries, that are really nice” (one of the farmers).*

Structure according to the analysis



Conclusions

- Minor role of peasant habitus,
- Trust appeared in the analysis (similar course of life, working places),
- Major role of economic rationality (economic environment, aim of the collective action)



- Although economic factors have decisive role in collective action, habitus (personal values) and trust (social capital) proved to be important.