

## Editors' Note

This special issue collects selected papers presented at the 160<sup>th</sup> Seminar of the European Association of Agricultural Economics on Rural Jobs and the CAP which was held in December 2016 in Warsaw. The seminar gathered 48 scholars from 13 countries including non-EU countries such as Japan and the USA. In addition, 14 policy makers attended the Policy Panel ("Prospects for Rural Jobs") which followed the scientific debate. The seminar was organized in cooperation with the Centre for European Agri-Environmental Studies (CEAS), Kent University (UK) and the Institute of Rural and Agricultural Development of the Polish Academy of Sciences (Poland).

The maintenance and creation of jobs is a central concern of economics, and currently a primary EU objective, as reflected in the Europe 2020 strategy with a target to raise the employment rate of the population aged 20–64 to at least 75%. However, job creation or maintenance is not one of the CAP's original objectives which have remained unchanged since the Treaty of Rome came into force. The first objective – to increase productivity by promoting technical progress and ensuring the optimum use of the factors of production, in particular labour – has been achieved to a large degree thanks to the substitution of capital for labour. This process seems likely to continue and implies fewer jobs in the EU agri-food sector. Therefore, more jobs and increased productivity appear to conflict. However, job creation, or at least job maintenance, is now – implicitly if not explicitly – an aim of the current CAP, adding to a list of "new objectives" including environmental conservation, climatic change mitigation, and energy security. Such an example is an own-initiative report "How Can the CAP Improve Job Creation in Rural Areas?" prepared by the European Parliament's Committee on Agriculture and Rural Development (COMAGRI) (Davidova, Thomson, Hennessy 2016).

The main objective of the seminar was therefore to bring together European agricultural economists with an interest in the employment aspects of agricultural, agri-environment and rural policy. The scientists discussed implications of the current CAP for farm, farm-related and rural jobs. An important goal of the seminar was also to review concepts and methodologies for the analysis of farm and rural labour. The papers included in this special issue of the *Village and Agriculture* cover several issues debated in the seminar.

The first paper *Importance of Improving Incentives and Employment Opportunities for Farm Households in Poland* by David Freshwater investigates labour market in rural areas in Poland. The author focuses on the situation of small farms and

analyses incentives for these farm families to engage in formal off-farm employment. The paper discusses policy implications of the slow decline in farm numbers and employment and offers several policy recommendations to improve agricultural labour utilization.

The second paper *How Have the CAP Reforms Contributed to Structural Development in Agriculture?* was written by Kyösti Arovuori. The study aims to analyse the impact of the Common Agricultural Policy and its reforms on the development of agricultural structures. The results show that agricultural policies have, in general, reduced the pace of structural development and kept more farms in the sector compared to a situation without such policies. However, the implementation of CAP reforms in 1992, 2000 and 2007 has led to more rapid structural development.

Bazyli Czyżewski and Agnieszka Poczta-Wajda – authors of the third paper titled *Effects of Policy and Market on Relative Income Deprivation of Agricultural Labour* – verify whether EU membership and utilization of CAP funds help to reduce relative income gap of farmers. The authors conclude that the social goals of the CAP support are not being achieved in the EU-15; however, they are achieved under the SAPS in the EU-12.

The fourth paper *Labour in Polish Farms from the Perspective of Agricultural Worker Cooperatives* written by Małgorzata Matyja compares the size of the labour force between cooperatives and other legal forms of enterprises in agricultural sector. The paper brings answers to the following research questions: Do the agricultural cooperatives provide more employment than other farming entities? What was the level of employment in agricultural cooperatives and other farming entities and what will it be? How does the level of employment influence the profitability of agricultural cooperatives and other farming entities?

The last paper presented at the seminar – *The Role of Local Action Groups in the Process of Multifunctional Development of Peripheral Region. A Case Study of Lublin Region (Poland)* by Danuta Guzal-Dec and Magdalena Zwolińska-Ligaj aims to describe the role of Local Action Groups (LAGs) under the Leader Programme in fostering entrepreneurship and employment in Lubelskie voivodeship in Poland. In conclusion the authors assess the overall role of LAGs in creating jobs as marginal and call for paying more attention to the postulates of diversification assumptions resulting from the strategic development documents drafted for the region, including the Regional Innovation Strategy.

The last paper included in this special issue deals implicitly with rural jobs. In their paper titled *Renewable Energy – Implications for Agriculture and Rural Development in Poland* Katarzyna Bańkowska and Piotr Gradziuk identify factors determining the development of the renewable energy market, with particular focus on agriculture and rural areas. The authors show that the use of renewable

energy has a favourable impact on local and regional development. They also point out that renewable energy contributes to the creation of sustainable jobs outside urban centres.

Jerzy Wilkin and Dominika Milczarek-Andrzejewska – Editors

## **Bibliography**

Davidova S., Thomson K., Hennessy T. (2016). Rural Jobs and the CAP: Spitting into the Wind? Paper presented at the 160<sup>th</sup> EAAE Seminar *Rural Jobs and the CAP*, 1–2 December 2016, Warsaw.