

THE TRANSFORMATION OF AGRICULTURAL PRODUCTION COOPERATIVES IN EAST GERMANY AND THEIR FUTURE

by

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Abstract

With the break-down of the socialist regime in East Germany in 1989/90 the collective farms had to be transformed or to be dissolved. At that time, it had been anticipated by (mostly West German) politicians and agricultural economists alike that collective farms would soon wither away and be replaced by family farms. However, even more than 15 years after transition, transformed agricultural production cooperatives (APCs) and other corporate farms dominate agricultural production. Based on literature review, statistics and an empirical survey among farm managers, the major reasons for their popularity will be analyzed. These seem to be not only economic, but also social ones. Finally, their future development will be looked at. Their number is gradually declining over time which might be called a “second wave of transformation”.