

The Functions of Land in Times of Change: Environmental, Social, and Economic Perspectives

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Land productivity, environment, and competitiveness of farms: how to balance agricultural policy in transition countries? Case of Serbia

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Abstract

Serbian agriculture is in the European integration process, which implies harmonizing agricultural policy with the EU's Common Agricultural Policy. For several decades, the CAP was an extremely productivist policy, as evidenced by the press release about the CAP, published on the 50th anniversary of the Treaty of Rome, where its productivist conception was again at the forefront: the CAP enables production, ensures the stability of markets, strengthens the European economy, and secures and creates jobs (Erjavec & Erjavec, 2009). However, in the last few years, there has been an environmental radicalization of European policies, which is best reflected in the European Green Deal, Farm to Fork Strategy, and the new Common Agricultural Policy 2023-27. These strategies affect the food market and require rapid adjustments by all participants in the food supply chain, especially farms.

Serbia's position on this issue is exciting. The productivity and efficiency of agriculture are at a lower level than the EU, as evidenced by numerous studies (Horvat et al., 2020; Đokić et al., 2022). The biggest challenge for agricultural policy creators is balancing productivism and environmentalism or determining the pace of the turn towards environmentalism, which is becoming increasingly present in the EU. In the search for this balance, land productivity is crucial.

In modern policies, special attention is focused on the effects of chemical inputs (pesticides and mineral fertilizers), which directly influence land productivity but have environmental consequences. The importance of this topic is evidenced by the EU goals expressed in the Farm to Fork Strategy (2020):

- The Commission will reduce nutrient losses by at least 50% while ensuring no deterioration in soil fertility.
- This will reduce the use of fertilizers by at least 20% by 2030. The Commission will take additional action to reduce the overall use and risk of chemical pesticides by 50% and the use of more hazardous pesticides by 50%.

This statement is also presented in research conducted by Đokić et al. (2022). Their results showed that using mineral fertilizers is an essential source of growth in land productivity in transition countries. Also, it is vital to investigate how land productivity affects the competitiveness of farms. Today, it is possible to do a more detailed analysis of land productivity, environmental performance, and competitiveness of farms thanks to the FADN database. This database includes microeconomic data from 1,772 farms.

Based on all the above, the proposed session aligns with the theme of the IAMO Forum 2024: Tradeoffs between social, ecological, and economic functions of land. Five members of the project team (*Potentials for improving the competitiveness of the agri-food sector in the function of sustainable economic development - POT4food*) are expected to participate in the session. The topics that will be in focus are closely related to the contemporary problems of the use of agricultural land and the competitiveness of the Serbian agricultural sector in European integration.

List of speakers and topics:

Bojan Matkovski – Agricultural policy and competitiveness of Serbia in the EU integration process

Danilo Đokić – Influence of chemical inputs on land productivity in different types of agricultural production

Teodora Ilić – How strong is the correlation between land productivity and farm profitability?

Sanja Džever – Organic agriculture as an environmentally friendly use of land in Serbia

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