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Separating Barriers to Open Markets for Smallholder Farms in Moldova

If you did not have access to the natural resources you need on an average day, how would you support your family for a month? In Moldova, most families do not have enough natural resources to heat their homes, cannot put food on their tables, and most of all, do not have enough money to buy what is necessary to keep their farms in working conditions. With 3,604,000 people in Moldova in 2009, natural resources are hard to come by when they are needed most (MOLDOVA). Iowa's population according to the 2010 census was about 3 million. Moldova is nearly 3,384,338 hectares, which is equal to 13,067 square miles. This is roughly the size of Maryland. In 1991, 1.7 million hectares, about 50 percent of Moldova's land, was used for farming, and on the other hand, within Moldova roughly 36 percent of the labor force is involved in agriculture (AGRICULTURE). In Iowa, over 90% of land is used for agriculture. In general, Moldova struggles to provide its population with basic resources even though the land is arable and agriculture is a strong industry.

In the Moldavian Soviet Socialist Republic (Moldavian SSR), the Soviet power had been restored. Prior to being part of the SSR, Moldova was associated with Romania. Following that restoration, the government wanted to cut all ties that the Moldavian SSR had with Romania (Moldova – World). Before Moldova gained independence, most people worked on a collective farm. Collective farms produced many products and everyone had a specific job. After Moldova gained independence from the Soviet Union in 1991, they completed land privatization. Land privatization gave everyone their own small farm. The collective farm land was split based on who worked in what position. The land was not returned to its original land owners. Facilities and equipment were also divided from the collective farms during privatization. People received shares of the facilities or equipment based on their position on the collective farms and how well they worked. Most of the facilities were destroyed in the process of privatization. People took the part of the building they were allocated, for example some people got a window while others got a door. Most of the private farms keep their products for the family to consume and use for such things as heating their homes in the winter. After privatization most Moldovan people became farmers. Alcohol regulations and a lack of financial resources cause many farmers to have their problems ignored. At the same time, land owners are reluctant to rent land to progressive farmers or land developers (Schoenian).

The currency is known as Moldovan leu and one United State's dollar is equal to 12.37 leu (Moldova). One leu is equal to 100 bani (Moldova). There are coins of 1, 5, 10, 25, and 50 bani, and notes of 1, 5, 10, 20, 50, 100, and 200 lei (Moldova). Moldova is a unitary parliamentary republic with one legislative body. The head of state is a president and the head of government is the prime minister. Independence was declared by Moldova from the Soviet Union in 1991. Moldova abandoned its semi-presidential form of government to become a parliamentary republic. The president is elected by Parliament instead of by popular vote (Travel.State.Gov). In 2001 slightly over half of Moldova's voters cast their ballots for the Communist Party (Travel.State.Gov). In May of 1991 the country changed its name from the Moldavian SSR to the Republic of Moldova. In short, the country is known as Moldova. Moldova sought to distance itself from Russia in 1990 (Moldova History Index). Still in Moldova many people wish to return to the days of the Soviet Union because of problems with the economy among others (Moldova History Index). Many people in Moldova wish to have free market economies. A free market economy has been embedded in the Soviet economy, and has special sectors, primarily for agricultural products and consumer goods (Moldova History Index). Being a small farming country, sometimes as a whole they must rely on other places to provide the things you do not have. Moldova is very reliant on Russia for

inexpensive fuels (Moldova History Index). Moldova has changing laws to make the economy more compatible with a free market and friendlier toward foreign investment and business overall (Moldova History Index). Free markets would be very supportive to the agriculture industry in Moldova.

The main agricultural products in Moldova are grapes and wine (AGRICULTURE). Tobacco products are also exported (Moldova). Grapes are sold in fresh markets as well as made into wine that is exported to neighboring countries. There are open air markets and growing fresh markets (Schoenian). In 1999, Moldova produced 300,000 tons of grapes and 184,000 tons of wine (Moldova). The black soil in Moldova is good for producing agricultural crops. Most of the soils in Iowa are also black and very fertile. In the past few years fertilizer has not been added to the soil in Moldova and the total production has decreased. There are no major mineral deposits in the soil in Moldova. Equipment can be bought but many people cannot afford it, so some associations rent it out when it is needed, but most labor is still done by people. They use horses and wagons to transport their product. Most people in Moldova grow their own grapes and press their own wines. From growing up on a farm I know that, working and doing everything on a farm can be difficult. It can get very stressful and confusing at times. If you always keep the end goal in sight it makes running a farm more manageable.

Imagine living and farming on only five acres. How would you split up the land you had, would you use the majority of it to farm or would you purchase a large enough house for your family? According to the World Food Prize Foundation, there are 2 billion people in the world that are undernourished, and the majority of those people are living in poverty. There are 450 million people that have five or less acres to live off of. Ways to fix many of these problems will have to be adapted to the circumstances. From living on a farm, I have learned it's not an easy life. You have to work for what you want, and you will reach the goals you set. Living and working on my family's small farm, I have learned that working for what you want has to be one of the more important goals in your life. I've grown up buying, raising and selling my own cattle. I have learned many lessons, one being to set goals and work hard to reach them. Being a small holder farmer would be difficult but if they set small goals to begin with and stuck with them, they will become successful. For example, within Moldova a simple goal to start with could be, make one acre a vineyard and develop the rest into production land. In Moldova many people would believe it was a hard goal and not worth working towards. But if one person could accomplish this goal they could set higher goals and produce more and help the undernourished become nourished.

Moldova is one of the poorest countries in Europe and they do not have enough natural resources to build a decent, modern economy (Schoenian). Having many energy shortages throughout Moldova contributed to a sudden decrease in production while becoming independent from the Soviet Union (Moldova History Index). In 1998 Russia, Moldova's leading trade partner, was having economic trouble, while Moldova was trying to reform. Moldova introduced a convertible currency and removed export controls (Moldova Travel Index). This problem made the overall export numbers drop (Moldova Travel Index). The economy in Moldova was highly dependent on the Soviet Union for energy and raw materials. Moldova has made a lot of progress with the economy since becoming independent in 1991. Around half of Moldova's agricultural food production is sold to former Soviet Republics (AGRICULTURE). The agriculture and processing industry represents the main branches of the national economy (Moldova Agriculture – General). In 2007 the foreign trade in agriculture products covered more than 100 countries (Moldovan Agriculture – General). Also in 2007 agriculture products were exported to 80 countries valuing around 507.8 million U.S. dollars. Many public transportation methods in Moldova are old and often break down making it hard to transport goods to where they are needed (Travel.State.Gov). There are usually pedestrians, livestock and tractors on the roadways and the lighting on the roads is poor (Travel.State.Gov). Problems in the roadways make it very difficult to transport any goods. If roads and transportation were improved the economy would also improve.

In June of 1940 eastern Moldova was occupied by Soviet forces as a consequence of a secret protocol attached to the 1939 Nazi-Soviet Nonaggression Pact. On August 2, 1940, the Soviet government created the Moldavian SSR (Moldova – World). With the Soviet Union in control of everything, the conditions imposed during the reestablishment of Soviet rule became the basis of deep resentment toward Soviet authorities (Moldova – World). With elections in December of 1991 in the Soviet Union, tension increased because many people wanted Moldova to actually be independent, but they didn't have all the necessary things to do that (Moldova – World).

In 1991 Moldova became independent from the Soviet Union. They privatized all the land used for agriculture. They have a somewhat stable economy and market for products. Most of the products are used to keep the family going and excess is sold in an open air or fresh market. If it is good enough it can be exported to another country. In October of 1991, Moldova began to organize military forces, while the Soviet Union was quickly falling apart (Moldova – World). With the armed forces, Moldova was trying to prevent the spread of violence from the past spreading to the rest of the country (Moldova- World).

Moldova should continue to use military forces when needed. They should also continue to stabilize the economy further and expand their markets. While expanding their markets they could increase their production and farm land. If a few farmers worked together to produce more crops from one growing season, it would help a few undernourished people become nourished. This would also be a good way to help them keep food on the table and heat their homes in the winters. By increasing their production they could help lower the number of undernourished people throughout Moldova and the world. Also by increasing their farm land they would be able to sell more of their products and purchase more land to use for agriculture. If only 30 people did this, it would increase production and show others what they do does have an affect on other people. By setting small goals and working towards them slowly, it is easier to accomplish them, and achieve a bigger goal.

Moldova may be known as the poorest country in Europe, but they have very rich farming land and produce many good products. They export to many countries while saving enough to support themselves, and their families. People in Moldova do their best to support their families as well as give some of their products to be exported or sold if they have enough to survive. They are still known as a struggling country but with time and help from others they will be able to help others as well as keep themselves healthy.

Moldova will continue to improve their economy and over time will be a very productive country. With a better economy, trading and exporting will become more efficient and available to everyone. As time moves forward more farmers in Moldova will start producing more and exporting more. With a demand for wine and tobacco products coming from Moldova, this should help them see that they are needed and they have good products. If the people in Moldova had more motivation to set higher goals to produce a little more each growing season they would be better off with their markets and exporting. The economy greatly depends on producing agricultural products. Moldova imports all of the oil, coal, and natural gases they need. These three resources usually come from Russia. If they could get these resources from other countries, it might be a better opportunity.

Having a military in Moldova will help decrease things repeating themselves from the past, and improve on the future. A military could also improve everyone's safety, and make things better for the country as a whole. The military in Moldova consists of the Ground Force and Air Defense Forces. Military age in Moldova is 18, the same as the United States. On October 30, 1992 Moldova signed the Treaty on Conventional Armed Forces In Europe. Moldova does not have chemical, nuclear or biological weapons. By 2006 the military army had around 5,700 people fighting.

Many people in this world are undernourished, but with all the farmers in the world, that problem will be solved along with many others. Having rich black soil is an advantage in Moldova. If the farmers work together farming techniques will improve. The economy will also improve as farming techniques improve and production increases. Moldova is improving in all aspects of agriculture.

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