

# The land price and the land rent

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## **ABSTRACT**

Agriculture is responsible for significant progress leaps in the history of humankind. Although for a long period of time these leaps are strongly related with technological progress, the modern history of agriculture could be understood only within the playground of economic systems. The price of land became an important parameter that influences both the welfare of farmers and the performance of agriculture. Nevertheless, this economic factor has a particular behavior, which cannot be explained by models used for other economic activities. The theories developed and applied for highlighting the source of these deviations will be presented and analyzed by revealing the conceptual and empirical underpinning of the land rent theory and how its application could be integrated in policy design for supporting one of the most important economic activities.