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1
The 'agrarian question' in Europe

The debate about capitalist penetration of agriculture in the less developed countries echoes an earlier discussion. The focus of much of this earlier debate was Europe, including Russia, and, although the conditions described may have been more historically specific than was recognized at the time, this debate has influenced the development of Marxist theory towards agriculture in important ways.

In this chapter we discuss the 'agrarian question' as it was posed in nineteenth- and early twentieth-century European Marxism. The relevance of this discussion goes beyond the need to identify the historical roots of ideas, however. Many of the problems which emerged during the earlier debate have re-emerged in recent years. As we discuss in chapters 2 and 3, contemporary development theory, in all its various Marxist versions, continues to grapple with the vexed question of the peasantry's identity, its place within a social formation dominated by the capitalist mode of production, and its susceptibility to transformation. The discussion of structural processes as witnessed by Marxist writers in the last century has served to influence contemporary interpretations of empirical changes in agrarian structure.

In a later section of this chapter we consider the evidence that the processes referred to by earlier Marxist writers have taken the form that they predicted. A discussion of the 'agrarian question' would be seriously deficient if it did not draw parallels between the development of Marxist theory and empirical changes in modern Europe. As Europe is the historically most advanced case of transformation it is important to establish the extent to which agriculture has been transformed there. This is not to say that the development of agricultural capitalism in regions which have no experience of a peasantry – such as most of North America, Australasia and

Argentina – is not of intrinsic interest. These are areas in which capitalist agriculture established itself either in competition with a class of family farmers or in association with it, usually when the extermination of indigenous groups, which were neither peasant nor capitalist, was quite advanced. This process opened up possibilities that were not available in Europe, as Weber was quick to note (Gerth and Mills, 1970). However, our focus is the interaction of capitalist and peasant economies within the context provided by industrialization, and the sources of variation in the structure this has produced, rather than the development of agricultural capitalism *per se*.

Much of the contemporary interest in the 'agrarian question' stems from the very different position occupied by the peasantry in the class structure of peripheral capitalist economies. It has been suggested that the inability of the urban bourgeoisie to completely dominate the contemporary Egyptian state, for example, has meant that: 'the posited "agrarian transition" is in doubt. In this case, the contradiction between the interest of urban capital and the traditional rural society has been altered by the assertion of new class interests on the part of a rich peasantry' (Byres, 1977, 273). Diaz-Polanco, the Mexican anthropologist, emphasizes that: 'The development [of the peasant economy] will depend upon, and be conditioned by, the particular historical circumstances in which it unfolds' (Diaz-Polanco, 1977, 105). In his view: 'it is not legitimate to convert Marx's description of the process through which capitalism developed . . . in Europe, into a philosophical historical theory' (Diaz-Polanco, 1977, 197).

Other writers have sought to explain the persistence of structural problems in rural areas in terms of 'urban bias' rather than blockages caused by the agrarian sector (Lipton, 1977). This concern to establish the mechanisms through which peripheral rural (and urban) economies are transformed has raised one question in a particularly vivid form. Since contemporary industrial capitalism is so different in peripheral countries, and indeed in the 'metropolitan states' of Western Europe, North America and Japan from that of nineteenth-century England, why should it be assumed that the agrarian structures of less developed countries (LDCs) will be transformed in much the same way? Indeed, as some writers argue, the development of capitalism in peripheral economies might well be contingent upon the retention of peasant agriculture.

THE 'AGRARIAN QUESTION' IN NINETEENTH-CENTURY EUROPE

In a much quoted passage from *The eighteenth Brumaire*, Marx identified the process that marked the dissolution of the European peasantry, as capital tightened its grip on family producers and feudal dues were replaced by even more onerous forms of indebtedness (Marx and Engels, 1968, 173). The peasantry was left to exploit its own labour force, its family members, in the cause of increased capital accumulation for the industrial sector. Marx believed that the fate of the European peasant was sealed; he would be 'squeezed' so hard that he would ultimately disappear, and join the ranks of the burgeoning urban working class.

Although this is a rather bald statement of Marxist theory, which later passed through numerous processes of redefinition and revision in the hands of other writers, it does represent the starting point and principal tradition of Marxist scholarship. Marx took the contemporary French scene, with all its peculiarities, as representative of wider historical processes. Furthermore, the general trajectory of capitalism's advance was clearly visible in France's neighbour, England, where the peasantry had been dispatched at an earlier date.

In continental Europe the transition process occupied the minds of many of those who inherited the intellectual legacy of Marx, as well as the political convictions with which it was indissolubly linked. Before his apostasy, Karl Kautsky expressed his doubts about the ultimate demise of the German peasant, and in his book *The agrarian question* drew attention to the pecularities of agriculture in the face of capitalist forces (1974). This tradition of Marxist thought was also developed by Lenin (1972). The full development of capitalist forces required the resolution of the 'agrarian question' in Europe – first, agriculture had to generate a surplus to make industrial development possible; second, it had to contribute towards the development of a 'home market' for the goods being produced by the industrial sector. The 'agrarian question' would only be resolved when these processes were completed.

The central contention of Marx's own writing on the peasantry was that there was a contradiction between the dynamic growth of industrial capitalism and the persistence of a system of land ownership that was pre-capitalist in form. Marx's own position was that capitalist society had replaced one form of exaction with another;

the peasant family was now subjected to taxes and increased rents in place of feudal dues. Ultimately, the peasantry would disappear because it could not accommodate to the market, and the market did not need to maintain peasant producers. Thus, although both the means of surplus appropriation, and the use to which it was put, had changed under the impact of industry, the ultimate fate of the peasant production unit was like that of all other intermediate groups (Marx and Engels, 1968, 42).

It has been suggested that Marx's analysis of the ambiguity of the peasant's position was never made fully explicit, or given the attention it deserves within his theoretical work, because 'understanding a social group whose place was not to be of any importance in present and future historical events was low on his list of priorities' (Duggett, 1975, 161). Peasants were interesting for Marx when they held no promise of survival. Instead, Marx emphasizes their relations with other classes in society, which altered 'radically' in the course of the nineteenth century, and which provided evidence of their imminent demise (Marx and Engels, 1968, 173).

This is clear from Marx's treatment of the French case, which is particularly interesting because Marx himself was a witness of this particular transformation process. In contrast to the situation under the first Napoleon, Marx argued that the impoverished French peasantry in the 1850s shared common ground with the other classes opposed to the bourgeoisie (1968, 173). Stronger government had meant increased taxation, which sapped the industry of the peasant and turned him against church, army and state. However, by 1869 Marx had revised his belief in the revolutionary capacity of the French peasantry, omitting any reference to his earlier assertion that: 'the entire state edifice erected on [his] smallholding [would] fall to the ground and the proletarian revolution [would] obtain that chorus without which its sole song becomes a swan song in all peasant countries' (175).

The disappearance of the peasantry had been foretold in the English experience of land enclosure and improved agricultural methods, changes which had undermined the yeoman class and dealt an even more severe blow to the independent cottager. On the basis of this particular historical experience, Marx concluded that technological advances stimulated increased productivity in agriculture much as it has done in industry. In the first volume of

Capital, this was stated with confidence: 'the irrational, old fashioned methods of agriculture are replaced by scientific ones' (Marx, 1976, 505). The English experience proved that machines would make capitalist farming possible. As Mitrany (1951, 27) has observed: 'The core of Marx's economic analysis, as of his theory was an elemental belief in the superiority, and hence in the necessity, of large scale production. This was perfectly clear in industry and could not but be true also in other fields of production'. Marx observed a similar process at work in continental Europe, where there had been a fall in rural population and an increase in the size of large estates during the eighteenth and nineteenth centuries. Proletarianization was thus not only the outcome of realignments between social classes, but a process with its roots in the material conditions of production.

In later writings, particularly *The peasant question in France and Germany*, Engels reiterated the sentiments of Marx in *The eighteenth Brumaire*. In opposition to the pressures of agrarian populists within the French socialist movement Engels insisted that: 'possession of the means of production by the individual . . . no longer grants these producers real freedom' (Marx and Engels, 1968, 629). The peasant, 'like every other survival of a past mode of production, is hopelessly doomed: He is a future proletarian' (626). Since the breakdown of 'natural economy', when rural society had been self-sufficient to a large extent, the peasant family had been unable to produce even its own means of subsistence. The penetration of the money economy had meant that the few 'capital goods' employed by the peasantry were produced industrially. The peasant family was increasingly indebted while ceasing to reproduce its own means of subsistence (623).

We must conclude, then, that both Marx and Engels believed that the fate of the peasant economy was sealed, as a consequence of increased indebtedness and technological change, and that pauperization was only the prelude to proletarianization. It is a measure, perhaps, of their confidence in the correctness of their analysis that Marx and Engels did not need to take account, theoretically, of situations in which the peasantry would survive.

In *The development of capitalism in Russia*, Lenin reformulated Marx's argument in the context of Russian economic development and the specific circumstances of early twentieth-century Russian

rural society. Like Marx he saw a contradiction between capitalist industry, which was 'highly developed', capitalist agriculture ('considerably developed') and 'the system of land ownership which remains medieval, feudal' (Lenin, 1965, 17). Lenin's own contribution to the evolution of Marxist theory, however, lay in emphasizing the part played by the differentiation of the peasantry in helping to enlarge the 'home market'. He recognized his debt to Marx in quoting from *Capital* the passages in which Marx describes the 'freeing' of agricultural labour for industry, and the stimulation this gives industrial production (Lenin, 1972, 42). In Lenin's analysis, however, this latter process has added significance.

The development of capitalism in Russia begins with the assertion that: 'in order to examine basic theoretical propositions concerning the home market we must proceed from simple commodity economy and trace its gradual transformation into capitalist economy' (37). Lenin's work addresses itself to the process given least emphasis by Marx; the part played by the transformation of the peasantry in 'freeing' labour, increasing commodity exchange and market expansion. The differentiation of the peasantry is the process without which the urban capitalist market cannot develop. In this form, the Leninist thesis has often appeared more relevant to contemporary circumstances in Latin America than many of Marx's admonitions about the effect of capitalist industry on the peasantry.

The mechanisms of social differentiation to which Lenin drew attention focus on the part played by hired labour in supplementing family production. Some households come to place more reliance on employing non-family labour, while others are forced to sell more of their own labour on the market:

> It appears . . . that about one-fifth of the peasants have already reached a position where their 'chief occupation' is that of wage-labour for rich peasants and landlords. We see here the first group of the entrepreneurs who present a demand for the labour power of the rural proletariat. These are the rural entrepreneurs, who employ about half of the bottom group of the peasantry. Thus, there is to be observed a complete interdependence between the formation of a class of rural entrepreneurs and the expansion of the bottom groups of the 'peasantry', i.e., the increase in the number of rural proletarians. (241)

Lenin's analysis thus suggests that the part played in the prole-

organization process by the 'peasant' enterprise which seeks to introduce more capitalistic social relations is at least as important as the creation of an agricultural proletariat on large capitalist properties. Furthermore: 'social differences between these two groups of agricultural proletarians diminish in parallel with the development of capitalist relations' (Galeski, 1972, 111).

Lenin's account of the transformation process raises a number of important questions which deserve consideration. First, we can note that it led him to consider the feasibility, at a later date, of a political alliance between some peasant groups and the industrial proletariat. He was at great pains, in a number of his speeches, to leave the impression that such an alliance was not only feasible but necessary (Lenin, 1965, 85).

Second, and of more immediate relevance to our argument, this view of the transformation process implies that some rural strata have the capacity to resist proletarianization better than others. A recent attempt to provide theoretical substance to this empirical process is that of de Janvry and Deere (1978). Indeed, the part played by rents and rural financiers is given rather less weight in Lenin's analysis than the processes of capital accumulation within agriculture and the organization of the rural labour market (Lenin, 1972, 183–5). Increasing market penetration of the countryside does not impoverish agriculture as a whole. Instead it tends to distribute 'life chances' more unevenly. Since Lenin's analysis, interested scholars have been concerned to elaborate more fully the implications of the peasant economy's relations with the market. In doing so they have drawn on the work of non-Marxist writers, at least one of whom deserves closer attention, notably Chayanov (Chayanov, 1925).

It is important to remember that Chayanov's work, like that of other similarly-minded agricultural economists of the time, sought to emphasize the vitality of the peasant economy within a national context. The level of analysis, however, was that of the farm unit. The peasant enterprise was distinguished from capitalist enterprises by the fact that the production and consumption unit were identical. Thus: 'the peasant producer would make an increased effort only if he had reason to believe it would yield a greater output . . . but, he does not push the drudgery beyond the point where the possible increase in output is outweighed by the irksomeness of the

extra work' (Kerblay, 1971, 153). As the family's composition changes, of course, the ratio of 'workers' to 'consumers' also changes, bringing about new patterns of behaviour which maintain the labour–consumer balance. Vergopoulos (1978, 451), whose work draws on Chayanov as well as Marxist writers, points to the difference between capitalist and peasant farming in these terms:

> According to the model of the capitalist mode of production the rise of the rate of wages stimulates entrepreneurs to substitute advanced technical equipment for hiring labour. In the framework of the family economy, the *opposite* is true; the falling rate in the remuneration of labour leads both to the development of technical progress, and to the intensification of the family's labour.

According to Chayanov the peasant's capacity to accommodate to new circumstances made it likely that he would adapt well to various forms of vertical integration, through forming cooperatives for example. The implication was that the peasant would neither be retained as an incipient 'petty commodity producer', nor would he fall prey to the scale-economies which had transformed industrial production.

Chayanov's work had a further implication for Marxist thinking on the peasantry. The weight attached to demographic factors in dictating the 'success' of the enterprise was significantly different from the 'classic' Marxist view of class differentiation. The 'enterprise' regarded as typically 'peasant' by Chayanov was one which relied solely on family labour in which labour was neither 'hired in' nor 'hired out'. According to Chayanov the fortunes of family enterprises followed changes in the development of the 'family cycle'. This emphasis on demographic factors has, in our own day, been re-examined by Teodor Shanin (1972), who has written of 'multi-directional mobility', in which families are alternately upwardly and downwardly mobile, in accounting for the failure of poor peasants to oppose richer peasants in the Russian countryside during the Revolution. He argued that in the absence of the polarization predicted by most Marxists, and the 'class consciousness' to which it was expected to give rise, the peasantry occupied a much more secure place in agrarian societies than had previously been thought (1976, 234).

One major reformulation of the transformation theory of Marx,

Engels and Lenin is that of Karl Kautsky (Kautsky, 1974; Banaji, 1976). Marx had emphasized the fact that the development of capitalism was consistent with a variety of different property forms, but it was Kautsky who paid most explicit attention to capitalism's development in agriculture. Kautsky was interested in explaining the increase in peasant holdings, which appeared to challenge Marx's analysis of capitalist concentration in agriculture. His approach was pragmatic – this increase in numbers: 'invites us to continue our research on [the tendencies of capitalist development in agriculture]' (1974, 149). He argued that what distinguished industry from agriculture was that land was the principal means of production in agriculture and, unlike capital, it was not reproducible. Thus it was possible for capitalism to penetrate agriculture while preserving existing property forms (154). Indeed, as Marx and Lenin had suggested, this penetration could take place without land consolidation; it usually began with the industrial production of craft goods, and the use of cash in rental arrangements: 'The economic evolution of the town had totally transformed the economic situation of the countryside and prepared the ground for a transformation in the conditions of rural property' (Banaji, 1976, 7).

However, Kautsky was much less insistent than Marx had been that economies of scale in capitalist production favoured the large agriculturists. He argued that in agriculture: 'the expansion of a given enterprise . . . amounts to a mere extension of the area under cultivation, and thus entails a greater loss of material, a greater deployment of effort, resources, time . . . ' (Kautsky, 1974, 155). Thus: 'a small holding cultivated on an intensive basis can constitute a larger enterprise than a bigger farm that is exploited extensively' (Banaji, 1976, 32). Kautsky sought to explain why land concentration characterizes some regions of Europe and not others, and believed that we should focus on the form that centralization takes. In some areas, where renting predominated, the extension of landed property did not lead to fewer and larger agricultural enterprises; in others centralization occurred through the direct acquisition of new properties (Banaji, 1976, 33). In the latter case the number of enterprises decreased. Where smaller properties survived it was because they ceased to compete with neighbouring larger properties by selling the same goods, but provided labour for large farms

which could not be recruited in other ways (Kautsky, 1974, 167). At times a 'second feudalism' developed, when shortages of labour compelled large farmers to concede smallholdings to their labour force. Such processes were only a prelude to increased capital penetration, however, as worsening conditions drew even 'the children of the middle peasantry . . . into the vortex of migration' (Banaji, 1976, 40).

Kautsky's contribution to the debate about the agrarian question was to provide reasons for believing that the transformation of the peasantry could be delayed, and to make refinements in Marx's analysis of the role capital played in agriculture. However, Kautsky considered that the doubts he expressed about Marxist analysis of agriculture strengthened rather than weakened his faith in the ultimate correctness of that analysis (Kautsky, 1974, 5). It is also important to note that Kautsky was arguing in a context very different from that of today. Mechanization had not yet developed the flexibility that it was later to obtain, enabling large areas to be cultivated more effectively than small.

OBSTACLES TO THE DEVELOPMENT OF CAPITALIST PRODUCTION RELATIONS IN AGRICULTURE

In considering the evolution of Marxist theory concerning the peasantry we have emphasized the ultimate effect of capitalist industrialization on agriculture, and the belief, held by Marxist writers, that the European peasantry would not be able to withstand the development of capitalist market relations. Much of the discussion of Latin America in the pages that follow will take up this argument, by presenting and criticizing the view that in peripheral capitalist economies peasant agriculture may be essential to the generation of capitalist production relations in industry. It is important to clarify at the outset, then, that most European Marxist writers expressed a number of doubts concerning the likelihood that capitalist production relations would characterize agriculture, as they did industry. These doubts point to the peculiarities of agricultural production, which make it much more likely that capitalism will develop in the industrial than in the agrarian sector (Contreras, 1977; Mann and Dickinson, 1978).

It is remarkable that capitalist production relations in agriculture have established themselves in so few parts of the world, at least in

the clear form that they have usually manifested in industry. Indeed, some writers have even suggested that, at least in North America, family farm production expanded at the expense of capitalist production during the first three decades of this century (Friedmann, 1978). It is important to consider these questions before examining the changes in agrarian structure which have characterized twentieth-century Europe.

The characterization of capitalist agriculture within industrial societies has largely been undertaken by agricultural economists (Papi and Nunn, 1969; Fox and Johnson, 1969; Ball and Heady, 1972). Broadly, we can distinguish several related processes through which capitalist agriculture becomes established. First, production becomes increasingly specialized, bringing changes in the social division of labour and the greater use of technology in production. Production becomes, in effect, more differentiated than under pre-capitalist conditions. Second, although the production processes become more specialized, the application of advanced technology, and the closer articulation with the market, bring about a concentration of production in fewer and larger enterprises. The size of farms increases but, paradoxically in the light of the way industrial enterprises develop in the early stages of capitalism, the number of workers employed by these farms declines. Concentration of ownership and control in agriculture is often associated with greater regional specialization and the geographical dispersal of production units – again, a tendency that is often reversed in manufacturing industry.

A case can be made for considering agriculture as less susceptible to the rules that govern industrial development. According to this position, the common factor which underlies the relatively weak development of capitalist relations in agriculture is the dependence of agricultural production on nature. It is usually suggested that when machinery assumes a larger part in the productive process, as it does in industry, there is a greater freedom from this constraint. However, the importance of natural resources in agriculture, especially land and water supplies, reduces many of the technological benefits which normally flow from utilizing machinery. We have already noted Kautsky's reference to the different importance of scale in agricultural and industrial production. Both the scale and the rhythm of production in agriculture are largely determined by

the natural resource endowment of an area, and the reliability of climatic conditions. Of course, some large-scale agricultural activities, notably cattle-rearing, avoid many of the risks attendant upon capital investment in industry.

Those who argue for the *sui generis* nature of agriculture also refer to other factors. The products of agriculture have a shorter life than those of industry; most of them are subject to natural decay, and even the effects of refrigeration have only modified the conditions under which they can be kept. Thus the risks implied by production surpluses in agriculture are much greater than in industry. Although it is possible to hoard crop surpluses and preserve livestock, the costs of doing so are much greater, and the likelihood that one abundant harvest will be followed by another is beyond the capacity of man to influence.

Another aspect of the much greater dependence on nature in agricultural production is the time which can fairly be counted production time, in agriculture, without constituting working time. One effect of this is that it takes longer to produce agricultural products than industrial goods, although in temporal terms the investment of work and time might be the same. 'As long as there are natural objective constraints on the social manipulation of production time, capitalism will regard these as high risk and high loss areas of production' (Mann and Dickinson, 1978, 478). Contreras refers to this fact in suggesting that surplus value is produced more slowly in agriculture than in industry for the same expenditures of time and effort (Contreras, 1977, 890). Marx was referring to this characteristic when he suggested that: 'natural conditions interfere directly with the value of work in agriculture' (Marx, 1970, 244).

Another characteristic of agricultural production that is referred to by Marx himself is the very different effect that technology has in agriculture, where specialization is not necessarily advantageous. Specialization has proved essential to industrial progress, and this has been acknowledged at least since the writing of Adam Smith. However, industrial specialization does not normally bring about a decline in the productive potential of the factors of production. In agriculture, on the other hand, too great a specialization in terms of the crops produced, and the methods employed to produce them, commonly leads to a lack of nutrients in the soil, erosion, and the destruction of natural habitats on which the human population

depends. Crop rotation has been a guiding principle of most agricultural systems, among technologically developed farming communities as well as primitive cultivators. However, the very fact that benefits can be derived from limiting specialization, and returning to the soil some of the elements which are extracted from it, provides clear evidence of qualitative differences between agriculture and industry.[1]

The disadvantages which can accompany excessive specialization in agriculture are vividly described in Iszaevich's (1979) study of a rural Catalan village. In this wine-growing region the effects of a vineyard insect pest (phylloxera) and the depression stimulated by the Spanish-American war of 1898 combined to erode the position of the commercial farmers growing vines: 'the farmer, lacking the economy of scale in a shrinking market, gave up the land. But, better equipped to confront crisis, the small peasant producer increased his self-exploitation, thereby obtaining additional income that permitted him to buy land from bankrupt farmers' (Iszaevich, 1979, 6). Similar situations have been documented in other parts of the world, such as the Ecuadorian cocoa zone, where the slump induced by changes on the world market served to undercut the power and economic position of the cocoa producers, ultimately to the benefit of some of their own tenants (Chiriboga, 1978; Redclift, 1978).

Each of these factors influences the likelihood that capital will be attracted to agriculture, where natural conditions play a much greater part. They are in no way taken to imply that capital is rarely invested in agricultural production, nor that within economies dominated by a capitalist mode of production agriculture is somehow immune from other effects of the penetration of capital. What these considerations do imply is that the preservation of non-capitalist forms of agricultural production, notably the peasant economy, can be explained not only in terms of the positive contributions such forms make to the expansion of urban markets and an industrial sector, but in terms of the relative disadvantages that

[1] The orthodox Marxist position is stated by Contreras: 'The extension of specialization through the advance of technology, which is the condition for the increase in relative surplus value, is without doubt more evident in the industrial sector, and contributes another reason why the reproduction of capital is preferentially in industry rather than agriculture' (1977, 890).

agriculture possesses from the point of view of capital investment.[2] A fundamentalist view of agriculture's non-industrial characteristic ignores those examples that do exist of successful agro-industry. The extent to which agriculture can be 'industrialized' provides part of the explanation for variation in agrarian structure.

If we consider the historical and structural development of agriculture together with that of industry we must also note a number of further obstacles to the complete penetration of capitalist production relations in agriculture. The unequal exchange mechanisms to which we refer in chapter 3 below are an example of the structural circumstances which have grown up around the dominance of industrial capital. Neo-Marxist writers usually regard unequal exchanges as a manifestation of the inevitable transference of value between one sector in which the organic composition of capital is relatively low (agriculture), and another in which it is relatively high (industry). In neo-classical language, the resulting terms of trade in agricultural and industrial products are favourable to industry rather than agriculture.

Another structural-historical factor with clear implications for the development of capitalism in agriculture concerns the central place that the availability of land plays in agriculture.[3] We have already noted that Kautsky laid great emphasis on the fact that land is not reproducible in the same way as capital. In agriculture the costs of capital investment in machinery are reduced, in relation to the costs of labour, the greater the land area that is exploited. Thus economies of scale in agriculture do not reflect the market advantages of the large unit alone; they also reflect the relatively high cost of machinery to labour on production units below a certain size.

When capital is implanted in a non-capitalist environment, such as that represented by peasant farming, the effect of the penetration of capital is to break up existing systems of production, but not necessarily to destroy the systems of property relations with which these production systems are associated. In industry, the systems of

[2] See also Mann and Dickinson's reservation: 'an explanation based on nature alone does not explain why some spheres of agriculture become capitalistic relatively rapidly while other spheres are characterized by non-capitalist forms' (1978, 478).

[3] The effect of variations in the quality of land available, is not our main concern here, although it is an essential element in the Marxist treatment of ground-rent, and should certainly be considered among the peculiarities of agriculture.

property relations are destroyed along with the production system itself. The preservation or destruction of property relations in agriculture is determined by a number of factors, acting cumulatively. They include: population growth, low labour absorption in industry and the strength of the various rural social classes. As we shall see below, apparently anachronistic forms of land title and tenure are sometimes maintained while the structural relationship with the capitalist market is substantially altered, and the purposes and functioning of the unit of production are dramatically transformed. On other occasions changes in property relations are the harbingers of changes in land and labour markets.

THE TRANSFORMATION PROCESS IN EUROPE

It is beyond the scope of this chapter to provide an historical treatment of changes in European agrarian structure. This has been the theme of detailed historical monographs on particular regions, as well as more comparative studies beginning with Weber's celebrated essay discussing the differences between the agrarian structures of Western and Eastern Europe (Gerth and Mills, 1970; Bloch, 1962; Cole and Wolf, 1974; Forster, 1960; Le Roy Ladurie, 1974; Seers *et al.*, 1979; Barrington Moore, 1969). However, recent empirical changes in the agrarian structure of Europe deserve our attention in any discussion of the heuristic value of the theoretical debates about the peasantry. Consideration of the way in which agrarian structure has changed in Europe since 1945 should force us to reconsider some of the more apocalyptic visions of the peasantry's demise, and provides a valuable vantage point from which to consider transformations in Latin America.

During the 1920s and the 1930s 'Europe's farm problem' occupied the minds of scholars and politicians alike. In Eastern and Southern Europe 'dwarf' holdings coexisted with large *latifundia*, many of which were owned by absentee landlords. Systems of land tenure survived which had their roots in the *Gutsherrschaft* system of the previous five centuries. Large estates were farmed directly by agricultural workers, who only achieved a measure of political freedom during the nineteenth century, and were still subject to economic coercion and the arbitrariness of landlords (Kay, 1971; Gerth and Mills, 1970). Land hunger persisted and social relations between autocratic landlords and labourers still bore the imprint of

feudal society. In the West the 'farm problem' was no less real, even if it was less acute. Agriculture had been stimulated by the growth of towns and, during the nineteenth century, industry. Most family farming was seriously undercapitalized, however, and 'self-provisioning' remained the principal objective of many households.

After 1945 this agrarian structure, which had already been irrevocably changed by the demands of war, became the object of 'specific agricultural policies . . . at a regional and national level' (Jansen, 1975, 11). The agricultural crises which had absorbed the previous generation gradually gave way to a deliberate policy of restructuring rural society.[4] In Western Europe farmers' groups sought to protect their incomes and livelihoods, while the industrial cartels that emerged from the ruins of postwar Europe pressed for an agricultural sector which would meet their own needs for an expanded internal market. In Eastern Europe political objectives were sought from collectivization, although in some countries, notably Poland, peasant agriculture survived for a variety of reasons (Galeski, 1972, 148).

During the 1950s and 1960s the attempt to design 'European' agricultural policies in the countries of the European Economic Community, although a political stumbling block, was also in some respects a *sine qua non* for re-establishing a viable industrial economy, as well as a means of gaining the tacit support of much of the rural population for supranational planning. Without increases in agricultural production, largely effected through price supports and subsidy mechanisms, it would have proved more difficult to finance industrialization. It was also important to provide a 'breathing space' in which population shifts could occur, and without which industry would be starved of manpower. The size of the rural population has fallen markedly in the postwar period. In 1950 the number of people 'economically active' in agriculture in the countries which subsequently comprised the EEC stood at 42 million (31 per cent of the total 'economically active' population); by 1970 it had plummeted to 25 million (17 per cent of the 'economically active' population). It is one of the central paradoxes of postwar

[4] In the United Kingdom the policy of government intervention and protection for agriculture had occupied the interwar years. The politics of agriculture in this period are well documented in Self and Storing, 1962.

Europe that the political importance of the agricultural population has increased as its numerical importance has declined.

Although it would be seriously misleading to suggest that a 'peasant economy' characterizes the agriculture of Western Europe, a glance at table 1 will help to establish the persistence of small family production units. The United Kingdom has the smallest percentage of farms under 20 hectares in size, but even here over half the farms fall into this category. Furthermore, in countries where the farm population has shrunk to less than 10 per cent of the economically active population, such as the Netherlands, Belgium or West Germany, the great bulk of farms are small in size. The implications of these statistics need to be explored further if we are to obtain an accurate picture of the transformation of peasant agriculture.

Table 1
Economically active population in agriculture and farm size structure (1970)

	Percentage of total economically active population in agriculture	Farm size structure		
		Less than 20 ha.	20–50 ha.	More than 50 ha.
	%	%	%	%
Denmark	10.9	62.1	31.7	6.2
United Kingdom	2.7	52.4	24.3	23.3
Ireland	24.9	68.2	24.3	7.5
Netherlands	6.9	81.5	17.0	1.5
Belgium	4.4	84.9	13.1	2.0
West Germany	8.3	83.7	14.5	1.8
France	13.2	65.5	26.0	8.5
Italy	18.9	94.6	3.7	1.7
Spain (1972)	31.1	86.9	8.3	4.8

(Source: Jansen, 1975, Appendix 2).

National data on farm structure disguise important variations within countries, which reflect different degrees of market insertion and demographic imbalance. However, the characteristic of European family farming that is most marked in almost every region and locality is the difficulty that family farmers experience in achieving incomes comparable to those in non-agricultural employment. Evidence exists that farm families employ their resources in order to maximize total family income by combining farm with non-farm employment (Smit, 1978). However, there is probably considerable underemployment of labour on British farms, although these are often considered to be least like the Chayanovian model of the peasant holding (Britton and Hill, 1978).

One of the distinguishing features of peasant farming, as we have seen, is the equilibrium that is sought between consumption and production at a given time. A number of factors have undermined this equilibrium in contemporary Europe. On the one hand income expectations are higher than they were, as the rewards of industrial employment have improved. On the other hand, family farmers have often been unable to benefit fully from improvements in technology and marketing which have established the margins within which larger farms have operated. Smallholdings often support a reduced population. In the more depressed agricultural areas this is at a relatively poor standard of living. One result has been that, in the words of the French Young Farmers' organization, it is not the exploitation of the land which characterizes marginal farming but the exploitation of the family.

The extent to which peasant farmers have been able to accommodate to changes in market conditions has varied widely. In countries such as Belgium and the Netherlands many have become 'market gardeners', providing specialized horticultural products for the urban market. Already 70 per cent of all Dutch farms are one-man enterprises (Jansen, 1975, 13). Vertical integration of the small producer has not been achieved without some cost, however, and there are many parts of Europe where geographical inaccessibility and the high proportion of elderly people, especially women, in the farm population, make this kind of accommodation difficult. In these areas we observe a family farming system which, in its ideal form, approximates much more closely to the 'mixed farming' eulogized by Mendras (1970, 54): 'the whole art of the good peasant

consisted in operating within as wide a range of cultivation and animal rearing as possible, integrating these into a system in which the byproducts of each could be utilised to the maximum'. Here 'self provisioning' or 'autoconsumption' plays a much bigger part in agriculture. The main goal of family farmers may not be to provide for their own consumption, but the extent to which they continue to do so should not be underestimated (Galeski, 1972, 113).

Another major change that has been effected in family farming concerns the destruction of craft production, referred to earlier by Marx. The binary character of peasant production, in which craft activities complemented agriculture, no longer survives in the European countryside. However, as Franklin (1969, 4) suggests, it has often been replaced by an increased reliance on manufacturing of other sorts and, in the last twenty years or so, on employment in the tertiary sector of towns and villages. Indeed, in areas where the competitive disadvantages of peasant agriculture have not led to rapid migration and rural depopulation, we see the evolution of a new form of accommodation to capitalist industrialization in the form of the 'worker-peasant' phenomenon. It has been calculated that in 1960 only about half of the six and a half million people in West German agriculture gained most of their income from farms (Franklin, 1969, 36). Whether we look upon 'worker-peasants' as a successful adaptation to new conditions or an uneasy compromise forced on the farming population by declining living standards, there can be little doubt that it is the most widespread feature of European agrarian structure (Gasson, 1978).

It is important to emphasize the differences, as well as the similarities, between peasant farming in Europe and the less developed countries. There is structural continuity between the rural sectors of the more developed countries of Europe and the employment problems of the countries on Europe's periphery. Although many farmers have forsaken agriculture for employment in industry, most of the poorly paid jobs in the tertiary sector, as well as many in manufacturing, have been filled by immigrant workers from North Africa, Turkey and Southern Europe (Castles and Kosak, 1973). The existence of these 'guest workers' suggests that, unlike the situation in most underdeveloped countries, the 'rural labour reserve [in Europe] . . . does not any longer stand in a positive

relation to the factual demand for labour, neither in terms of its quantity nor its quality' (Jansen, 1975, 13). Although the social structure of the rural periphery in Europe resembles that in many underdeveloped countries, it would therefore be misleading to equate European family farmers in general with the 'marginal' population of LDCs. However, the situation in some largely agrarian economies in Southern Europe certainly bears comparison of this sort. Here the low reproduction costs of peasant agriculture have been used to explain the apparent persistence of an impoverished rural population in countries such as Greece (Amin and Vergopoulos, 1977).[5]

In drawing an accurate picture of the persistence of peasant farming in Europe we should clearly differentiate patterns of landholding and social organization. For example, it is important to distinguish between regions such as the Alps and the Pyrenees, where seignorial control was never important and the national state had little authority, from lowland areas where large landholding groups were well established and the national state came to exert its authority with relative ease. In the former case communal land ownership has persisted, and local interests have contended with national and urban groups for control over the resource base (Bailey, 1973; Nanneke Redclift, 1978). In the latter case capital has penetrated the agricultural economy with more success, large landholding groups have assisted this penetration process, and corporate social institutions have long since disappeared (Hansen, 1977).

The uneven process of agrarian development in Europe, which has led to the persistence of family production in some regions and its total transformation in others, should not lead us to conclude that rural society in Europe has reached a 'transitional' stage, and that the 'backward regions' will one day resemble the 'developed poles'. On the contrary, the unequal development of European agrarian structure may be a persistent feature, suggesting that the social and economic structure of a locality or region may be more permanent than we at first imagine. Thus, the transformation

[5] Vergopoulos states that: 'the agriculture of Southern European countries (Greece, Spain, Portugal) does not threaten French or Italian agriculture because of any superior capitalist organization of production, but because of its low social costs of production, blocked at *abnormally low* levels' (Vergopoulos, 1978, 458).

process, if it takes place at all, will be very much delayed. Weingrod and Morin argue along these lines in their study of Sardinia (1971, 301):

> These tiny, fragmented landholding units are in many respects the pivotal element in the rural economy and society. The income from their own production plus remittance from emigrant family members, government pensions and perhaps non-agricultural employment, allow these small units to persist. The point that should be stressed is that these shepherds and agriculturists – and they comprise the majority of the rural population – appear to be firmly rooted in the present-day economic and social structure. Indeed . . . a modern consumer economy as well as an expanding government bureaucracy can be built around this rural population. . .

This kind of interpretation clearly distinguishes writers like Weingrod and Morin, or Wade (in Seers *et al.*, 1979), from those who argue that agrarian capitalism is the likely beneficiary of agricultural decline. These authors, such as Berthoud, see proletarianization as the inevitable result of both the incursion of capital into agriculture and the breakdown of the peasant economy brought about by emigration from rural areas and the consolidation of holdings (Berthoud, 1972). This rather more dramatic scenario is not only advocated by Marxists, moreover, but finds expression in many of the policies being implemented by the EEC. These measures take as their premise the inability of small family farms to meet the social and economic demands of the nation state, without considerable consolidation of holdings, retraining and the displacement of the agricultural population.[6]

In Eastern Europe the collectivization of agriculture has by no means eradicated peasant farming, and in countries such as Poland and Yugoslavia family production continues to be important. Galeski (1972, 143) shows that in 1960 there were 370,000 people employed in the socialized sector of Polish agriculture, compared with 6,108,000 in the private, 'family farming' sector. Many of

[6] EEC Council Direction 72/159/EEC, for example, on the modernization of farms; Directive 72/160/EEC, which encourages the cessation of farming and the reallocation of utilized agricultural area for 'structural development'; and Directive 72/161/EEC, which provides for socio-economic guidance for, and acquisition of, occupational skills by persons engaged in agriculture. Security of tenure for agricultural tenants is also an important factor in discouraging farm amalgamation. Such security exists in France, Italy, the Netherlands and Belgium.

those who continued to gain their livelihoods from privately owned land also worked in the service sector or the ancillary industries owned by the state. This close association between family farming and the socialized sector has led some Polish commentators to argue that the peasantry in Poland is qualitatively different from that in capitalist countries. Galeski argues that the maintenance of a peasantry, apparently in defiance of Lenin's prognosis, can be attributed to 'socialist industrialization'. Augustyn Wos (1976, 4) elaborates on the view that the survival of peasant agriculture in no way suggests a lack of commitment to socialist principles:

> A peasant farm is, first of all, a place of work and source of income from work rather than the mere ownership of the farm. The individual ownership of the means of production slowly begins to be no longer a value in itself; the younger generation of farmers rely on their work rather than on ownership as a form of material security.

Another Polish social scientist, Galaj, emphasizes that: 'although peasant families display many features of durability and routine, they are influenced . . . by various factors and adapt themselves to the general conditions of development' (1976, 72). Peasant agriculture survives because it no longer impedes socialist planning. The peasantry is not seen as the repository of individualistic and reactionary values which threaten the successful dissemination of Marxist principles of organization.

It would be disingenuous to accept this view of peasant agriculture in Poland, without considering other explanations for the survival of peasant farming. It has been argued that in much of Eastern Europe collectivization of agriculture has met political rather than economic needs, whatever the original design of the economic planners. In many of the countries of Eastern Europe there was considerable popular support for collectivizing a system of estate agriculture which had exploited the farm population for centuries. It is unlikely that this collectivization programme has enabled the state to mobilize an 'agricultural surplus'; indeed it is more likely that the socialized sector of agriculture has received considerable subsidies from the industrial sector under communist governments. The maintenance of peasant farming has served to meet many of the social security functions of the agricultural population which would otherwise be a cost to the state, and has also

guaranteed production of staple crops and, more particularly, livestock products.

It is clear from this very brief review of changes in Europe that peasant farming is far from dead. There has been considerable variation in the degree to which capitalism has 'penetrated' rural society, and the form that this penetration has taken. Government policies, in Western Europe as well as in communist countries, have influenced the way in which family farmers have become economically integrated, both as farmers and as 'part-time' workers in other spheres of employment. Some regions, particularly the southern and western fringes of Europe, have suffered from depopulation and migration to urban centres, but much of the new industrial labour force in Europe has been made up of migrant workers from adjacent countries. In the rural periphery family farming survives only in combination with other activities; indeed, the growth of recreational land uses and tourist development sometimes threatens to transform farmers into Franklin's 'park-keepers' (1969, 218). The physical and social infrastructure of these poorer regions reflects the fact of agricultural decline, but it has certainly not led to the disappearance of family farming.

The problems of Europe's rural areas, and geographical periphery, are also intimately related to the capacity of the industrial and service sectors to absorb the surplus rural population. The economic development of Western Europe since the Second World War was based, in large measure, on this absorption; but the creation of urban shantytowns and inner city slums, as well as high levels of unemployment, suggest that labour absorption is by no means unproblematic in Europe.

Several of the processes we have mentioned in this section will be referred to again in the very different context of Latin America. For the present it is enough to be reminded that 'centre-periphery relations', the provision of surplus labour by the peasant economy, and the direction that 'state-induced' changes in agriculture have taken, are each of critical importance in Europe, where theoretical insights into the transformation of the peasantry were first developed. An awareness of this fact should serve to deepen our understanding of the particular circumstances of the Latin American transition.