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*Teaching Marxist Economics to Agricultural Economics  
Students in non-Marxist Countries*

The relevance of Marxism to economics as a discipline remains unfortunately a very controversial subject. Marx himself asserted that his main task was to transform the world and not to interpret it. According to Lenin, "Marx' contribution, materialism and scientific socialism, constitutes the theory and the programme of the workers' movement in all civilized countries".<sup>1</sup> Many economists, more or less consciously influenced by positivism, as a philosophy of science, adamantly reject such a position, asserting that the purpose of scientific investigation is to seek truth, i.e. to understand the world, whereas changing it would belong to the realm of action. Personally, while I can see the advantages of distinguishing between thinking and doing, I am also conscious of the limits of this distinction which implies, *inter alia*, two untenable positions: on the one hand, a complete division of labour between scientists and decision-makers and, on the other hand, the idea that it is possible to draw a line between what economists say as scientists and what they say as citizens. Whatever one may think about these philosophical positions, the essential point is that even to non-Marxists wanting to understand the world, Marx has something important to offer. This is the fundamental point which justifies this paper. Those who are not convinced might consider that Marxist economists are a fact of life and that we have to live with them.

It should be clear that I do not consider myself to be a Marxist<sup>2</sup> and, as a result, I am not a specialist of Marx. However, I have accepted the invitation to present a paper on teaching Marxist economics to agricultural economics students because I am convinced that Marxism is important for all economists. In particular, in countries where Marxism is not the official doctrine of the State (the definition which I give to the expression non-Marxist countries in the title of this paper), teaching Marxist economics is a very effective pedagogical method to make students conscious of the limits of the neoclassical approach which remains, in my view, a very useful tool of analysis. The words neoclassical approach should be taken here as describing a general intellectual attitude, *vis-à-vis* economic problems, belonging to the analytical tradi-

tion illustrated by economists since Alfred Marshall and Leon Walras, including Keynes and the post Keynesians and today all the Nobel prize winners. In addition, teaching Marxist economics has the advantage of helping students understand better the theoretical basis of the ideological conflicts so apparent in many societies. Very often students having a very limited training in economics are full of prejudices, of one sort or another, dictated by a sentimental adherence to some vague ideology. It is essential that future economists subject these prejudices to rigorous tests of internal logical consistency and consistency with experience. The purpose is not to preach a doctrine to them but to develop their positive critical mind.

Of course the paper draws on our experience of more than ten years of teaching at ENSSAA<sup>3</sup> where Marxism has always been part of the curriculum. However, given the specific nature of ENSSAA students (agricultural graduates with limited background in economics who are trained to become civil servants of the Ministry of Agriculture, mainly involved in technical agricultural education), our experience is not directly transferable to most university situations. However, I have tried to derive lessons of somewhat general validity. First, we will discuss how a presentation of Marxist economics as a general economic development theory can clearly point out either the main limitations of the neoclassical theories or the partial nature of the analyses usually conducted by economists belonging to the neoclassical tradition. In the second part of the paper, the emphasis will be placed on a few specific problems in agricultural economics. Here again it will be pointed out that Marxist contributions can be viewed as very complementary to neoclassical analyses.

## 1 PRESENTING MARXIST ECONOMICS AS A GENERAL THEORY OF ECONOMIC DEVELOPMENT

Marx' main contribution to economics is the theory of the capitalist mode of production and, more generally, the analysis of historical economic development in terms of modes of production.

In this perspective, Marxist authors often point out what they call the "apologetic nature of bourgeois economics". The thrust of the criticism was already expressed by Marx when he wrote: "By saying that the present relationships – the bourgeois production relationships – are natural, economists imply that these are the relationships within which wealth is created and productive forces develop themselves according to the laws of nature. Thus . . . these relationships must always regulate society".<sup>4</sup> Is it not true that many agricultural economists trained in the neoclassical tradition, relying on a theoretical framework where models of individual behaviour occupy a privileged position, tend to point out the advantages of market adjustments without giving sufficient attention to the specific conditions under which markets operate and develop? The

common expression “market imperfections” is itself revealing; it does suggest that a little intelligence, plus perhaps a little political courage, will suffice to “correct” the imperfections. The Marxist contribution here is to raise relevant questions relative to the causes of the development of these imperfections, causes which should be fully investigated before prescribing any correction.

Taking institutions as given (as we too often do), is also related to a common slant, among agricultural economists towards *production at the expense of distribution*. Marx’ theory is useful to warn the students against that slant. Placing class struggle at the centre of human history has the advantage of calling attention to the many conflicts of interest raised by any economic development process. Of course the positive contribution of the neoclassical income distribution theory must be emphasized. Relating the returns to factors of production to their marginal productivity is certainly very useful in empirical analyses. But Marx’ differential treatment of labour and capital, with his concepts of labour value and exploitation on which production relationships and then modes of production are constructed, provides a very interesting point of view for the investigation of the relationship between economic growth and income distribution. With such a reference framework in the back of one’s mind, considering that the welfare of the poor can only be increased through economic growth and looking only afterwards at income distribution is not tenable. Emphasizing social classes as the essential categories to be taken into account in the analysis of income distribution has the advantage of providing a clue for linking economic and social or political analyses. In that sense the concept is superior to the neoclassical approach which is expressed in terms of returns to factors of production. But the advantage is only limited, as Marx’ main classes in the capitalist mode of production, the workers and the capitalists, are precisely defined in terms of the factors of production, i.e. labour and capital, which they supply. The other classes are always sources of difficulties in empirical analysis. In spite of these difficulties, the concepts of social classes and social production relationships can be taken as sources of interesting questions regarding the relationships between growth of production, income distribution and the dynamics of social change.

Beyond thus calling our attention to clearly important aspects of economic phenomena which economists trained in the neoclassical tradition tend to overlook, even though neoclassical economics has something to say about them, the Marxist approach has two other general merits: its treatment of the relationships among social sciences and its reliance on dialectics as contrasted to analytical logic. The expression “Marxist approach” is used here to describe a general intellectual attitude with respect to social phenomena. All economists agree that their discipline deals only with partial aspects of human behaviour. Thanks in particular to the new household economics,<sup>5</sup> we know that *the domain of economic investigation* can be broader than that which traditional text books indicate. Yet even the tentatives of the “Chicago school” cannot give us full

satisfaction. *Clearly human phenomena have a unity. Other social sciences have made contributions to their understanding* and we do not know how to relate together their bodies of knowledge. This failure can perhaps best be illustrated with an example. The adoption of innovations is an important question for agricultural economists both from a theoretical and from a practical standpoint. Rural sociologists have done considerable work on this subject.<sup>6</sup> Much econometric work has also been done on it, a pioneer in the field being Zvi Griliches.<sup>7</sup> At one point a controversy opposed economists and sociologists; Griliches argued that the major determinants of the rate of technical change were economic variables, sociological variables being only important in determining who will be the first or the last to adopt a new practice in a given area. Under pressure from sociologists pointing out that if economic reasons were the only basis for adoption improved practices would be adopted as soon as their economic advantages could be demonstrated, Griliches relented, writing that there was no point in opposing one factor to another in order to explain the speed of adoption. The controversy abated then but one must confess that, if it had the advantage of pointing out the relevance of both economics and sociology for studying the adoption of innovations, very little knowledge was gained regarding the relationship between these two social sciences. It is now my conviction that this sterility comes from viewing the domains of the various social sciences as juxtaposed. This view leads to intellectual imperialism, the extension of one's domain being only possible at the expense of another. The controversy between Griliches and the sociologists Rogers and Havens can probably be interpreted in these terms. By contrast, the Marxist approach provides a different clue. Conflicts of interest are central in Marx' view of economic phenomena; they can also be essential in the analysis of society by sociologists. Such an analysis is not without problems but it does open a very interesting perspective.<sup>8</sup> Marx' approach is also relevant in political science. For instance, few can disagree with Beteille when he writes: "The Eighteenth Brumaire is a masterly analysis of the complex interplay of interests among the different classes and strata in mid-nineteenth century France". In the same perspective, the State is viewed as part of the whole social formation. This point of view must be contrasted with the neoclassical tradition which places the State as exogenous to most economic models.<sup>9</sup>

We touch here upon the *differences between analytical and dialectical logics*. The former is at the basis of many scientific disciplines, including the neoclassical tradition; the use of the latter was particularly illustrated by Marx and Freud, the creator of psychoanalysis. The root of the difference lies in the very conception of change.<sup>10</sup> For dialectics, being and becoming are intimately related, e.g. the sources of a change in a society must be found in its internal contradictions. For analytical logic, a change in one variable is always related to a change in another. Hence, any phenomenon can be analysed in terms of a system of variables, influencing each other – the endogenous variables – but also influenced

by other variables determined outside the system (the exogenous variables), any system being always a subsystem of a more global system. Yet as Georgescu-Roegen points out: “actuality – we must stress the point – is seamless. Hence, violence is done to it as Analysis slices it into discretely distinct pieces in order to facilitate our understanding”.<sup>11</sup> This is, I feel, a clear statement of the philosophical position underlying my conviction that Marxism can help agricultural economists trained in the neoclassical tradition to become more conscious of the limitations of their analytical tools. In my own teaching experience, I have found this statement quite helpful to the students. In a way, this point of view can be validated by considering a few contributions to our understanding of agricultural problems made by economists belonging to the Marxist tradition. These contributions will be the object of the second part of this paper.

## 2 CONTRIBUTION OF MARXIST AUTHORS TO THE ANALYSIS OF A FEW PROBLEMS IN AGRICULTURAL ECONOMICS

This is, of course, not the place to attempt a complete review of the Marxist literature on agriculture. For the purpose of this paper, it will be sufficient to choose a few cases illustrating the fruitfulness of a Marxist approach and its complementarity with neoclassical analyses. The two questions discussed below: the survival of family farms in French agriculture and the analysis of rural development and rural poverty on a world scale naturally reflect our own preoccupations at ENSSAA; but the relevance of these questions for all agricultural economists is so obvious that it does not seem necessary to present a more elaborate justification for discussing them here.

### 1 *The survival of family farms in French agriculture*

Marx seems to have been convinced that, in due time, the peasant farm would disappear and that capitalist production relationships would develop within agriculture as well as within other sectors.<sup>12</sup> At the end of the 19th century Kautsky re-examined this question<sup>13</sup> because it had direct political implications then. His investigation followed discussions regarding “the agrarian programme of the German socialist democracy at the Frankfurt and Breslau Conventions”.<sup>14</sup> The question arose because “without any doubt – and, we shall henceforth accept this as demonstrated – agriculture does not develop according to the same process as industry; it follows specific laws”.<sup>15</sup> The main point is the observation made at the end of the nineteenth century, and to a certain extent still valid today, that small peasant farms coexist with large farms. Kautsky however emphasizes that “according to Marx’ method, one must not only ask the question whether or not the small farm has a future in agriculture; one must on the contrary investigate all the transformations experienced by agriculture during the reign of capitalist production. One must seek if

and how capital takes over agriculture, revolutionizes it, shakes down the former forms of production and creates the necessity of new forms".<sup>16</sup> Accordingly, Kautsky proceeds to explain why small peasant farms can coexist with large farms employing wage labourers in spite of the technical superiority which he attributes to the latter. He sees the factors of resistance of small peasant farms in the possibility for peasants to secure a complementary income through employment in large farms and, when employment is not available, in their ability to work more and consume less. But, Kautsky concluded that industry had produced "the technical and scientific conditions of the new, rational agriculture, which revolutionized it through machines and artificial fertilizers, through the microscope and the chemistry laboratory, and thus established the superiority of the large capitalist farm on the small peasant farm".<sup>17</sup> Clearly these ideas on the technical superiority of large farms are essentially shared by agricultural policy-makers in many socialist countries of Eastern Europe.<sup>18</sup> Yet, in Western Europe, the evolution of farm structure since the beginning of the twentieth century does not seem to confirm this superiority even though the influence of industry, as Kautsky foresaw, has been very large. This discrepancy raises a question which contemporary Marxist agricultural economists have discussed at great length, particularly in France. J. Cavailles<sup>19</sup> gives a clear statement of the problem: "the development of capitalism has been translated into a growing concentration and centralization of the means of production and into an increase in the number of wage earners as compared to other workers; . . . But nothing of the sort occurred in the agricultural sector: wage working is regressing, the concentration of the means of production does take place as a long term trend but it progresses at an outstandingly slow rate as compared to the rate of concentration in industrial branches, the centralization of capital does not occur. Such a situation calls for an explanation and many Marxists have undertaken this task".

In a seminal article Servolin<sup>20</sup> argued that peasant farms belong to a specific mode of production, called "small merchant production", which is confronted to and transformed by the mode of capitalist production but not dissolved into it. What takes place is the reproduction and enlargement of farms belonging to the mode of small merchant production. The small producer is forced "to produce more and more for a more and more unified market, to buy larger and larger quantities of input and more and more expensive equipment, to resort more and more to credit". Precisely because family farms can do that, they are more efficient than large capitalist farms would be. Actually one does not really need to be Marxist to reach this conclusion. Servolin quotes Glenn Johnson whom he characterizes as a very "orthodox American agricultural economist" who wrote: "A cynic might even assert that the family farm is an institution which functions to entice farm families to supply batches of labour and capital at sub-standard rates of return in order to supply the general economy with agricultural products at bargain prices".<sup>21</sup> But the main point is that Servolin places the argument in a Marxist perspective: the development

of these farms belonging to the mode of small merchant production “requires, and thus permits at the same time, the development of an industrial, commercial, and financial capital to which the farm is linked more and more closely”.

These ideas can play a very useful role in a teaching process, because they clearly suggest the possibility of building a theoretical framework for a global analysis of the dynamic process of agricultural development, pointing out the interplay of various social forces. The fact that many contemporary French Marxist authors have criticized Servolin’s argument, claiming that he has misinterpreted Marx, adds to rather than detracts from the interests of having students read his writings. The controversy itself is very instructive about the difficulties of using complex theoretical concepts in empirical analyses.

In theoretical terms, Servolin’s argument is based on recent developments<sup>22</sup> regarding the articulation between two modes of production. In agricultural economics several criticisms have been made. Thus Barthélemy and Blanc note that the Marxist tradition has perhaps emphasized too much the existence of a labour process often encountered in industry and perfectly adapted to capitalist production relationships. As a result, the opposition between the small family farm and the large capitalist farm has claimed too much attention leading to the neglect of an “original social form: the large family farm of the well-to-do peasantry”.<sup>23</sup> However, “the fundamental question which remains to be solved is to understand the reasons of this strengthening” (of the family character of production units in agriculture). They reject Servolin’s analysis in terms of two modes of production arguing that the very concept of mode of production concerns the organization of a whole society at a given time.

J. Cavailles<sup>24</sup> gives a more radical criticism of Servolin’s theoretical concepts. Using Lenin’s analysis of the decomposition of the peasantry, he argues that family farms must essentially be viewed as belonging to the “petite bourgeoisie”, i.e. a class in transition: most of its elements are called to join the ranks of the proletariat, a few being able to become capitalists. The latter keep up the hopes of those whose fate is not yet clear. This argument has the great merit of taking account of the process of massive elimination of the peasantry in France, as in many other Western countries, as well as of the ambiguous ideological and political positions taken by French peasants for more than a century.

Other authors such as Evrard, Hassan, and Viau<sup>25</sup> and to a lesser extent Mollard,<sup>26</sup> stressing the role of agribusiness industries, argue that, even though farmers sell agricultural products and not their labour force, the relationship with the capitalist of the agro-food sector is tantamount to an exploitative relationship.

Admittedly, this brief review of the French literature on the subject is not complete. But it should be sufficient to make the point that controversies are lively and raise important theoretical and empirical questions which provide a very good training field for agricultural economics students. It should be clear also from this example that the contributions



made by Marxist authors are very complementary with those made by economists belonging to the neoclassical tradition. If Marxists grossly neglect micro economic processes, including even the different behaviour of farmers from various economic states (differences which should be of great importance in their own approach), they call our attention to the interplay of social forces shaping any process of economic development and, as such, the long term dynamics of changes in agriculture, which neoclassical analyses tackle often piece by piece and not as a whole. A somewhat similar point can be made on the example of rural development viewed on a world scale.

## *2 Rural development and rural poverty: the necessity of world perspective*

Although this topic is only occasionally taught at ENSSAA, where our students' preoccupations are mainly centred on the problems of French agriculture, it is important enough to be discussed here in a paper written for an international audience. The starting point may be the inadequacy of the very concept of underdevelopment. W. Rostow's fundamental work<sup>27</sup> on the stages of economic growth provides a systematic framework of analysis for the process of development, assumed to be universal, all countries following the same path but having reached different stages on that path. This approach has been very eloquently criticized by Frank<sup>28</sup> and Amin<sup>29</sup>. It neglects the historical relationships between developed and developing economies which have totally transformed the societies of the Third World. This judgement is analogous to Levi Strauss' criticism of what he calls "social evolutionism",<sup>30</sup> a pseudo-scientific attempt "to suppress the diversity of cultures while pretending to fully recognize it. For if one treats the different states which human societies, whether old or far away, are in as stages or steps of an unique development which, starting from the same point, must have them converge towards the same goal, one sees that diversity is only apparent." Later he asserts that civilization implies the coexistence of cultures presenting a maximum of diversity among themselves.

Coming back to economic development, one can of course argue that all theories are made of simplifying assumptions. Thus it may be perfectly legitimate, in the study of development processes, to ignore the relationship between developed and developing countries. Granting this point, the least which can be expected of the analyst is to remember this simplifying assumption, which bears its own limitations in terms of positive analysis and which has, besides, important ideological and political consequences. In this respect the existence of an alternative theory, based on the concepts of centre and periphery of the mode of capitalist production<sup>31</sup> and that of unequal exchange<sup>32</sup> with the resulting necessary deterioration of the terms of trade, can play a very useful role, at least as a reminder of the limits of the neoclassical approach.<sup>33</sup> The authors of this world theory of development have not said much about agriculture. In a brief overview, S. Amin<sup>34</sup> argues that social formations of the periphery

are generally dominated by agrarian capitalism which, it is true, can take several forms. More interestingly perhaps, the writings of some agricultural experts, such as R. Dumont, although not specifically framed in terms of the centre-periphery concepts, seem to be consistent with this general approach.<sup>35</sup> Stressing that the famous book, *Limits to Growth*, sponsored by the Club of Rome, has shown the physical impossibility of generalizing the consumption pattern of Western countries, particularly the USA, to the whole world, Dumont clearly accuses the capitalist economy to be engaged "in a quasi-irreversible movement", which, if it is not checked, will lead mankind to catastrophe. The importance of these issues is obvious, but they may be too broad to provide a very good training ground for students who need to learn how to confront theoretical developments with precise information, i.e. how to test specific hypotheses. In this perspective de Janvry's recent writings present a great interest, since they are attempts to discuss specific agricultural development questions (agrarian reforms in Latin America,<sup>36</sup> rural development programmes<sup>36</sup> technological and institutional innovations,<sup>37</sup> in an explicit theoretical framework using several key Marxist concepts. They do provide interesting insights on the stakes in terms of social conflicts involved in the corresponding very concrete policy issues. A more recent paper<sup>38</sup> elaborates the theoretical framework. The two authors distinguish five levels of analysis (organization of the peasant household, its economic logic, mechanism of surplus extraction, insertion of peasants within particular modes of production, dynamics of transformation of the peasantry) and show that this classification permits them to present a consistent set of data on the peasantry in the northern Sierra Department of Cajamarca (Peru). If this framework can be fruitfully employed in other studies, it will provide a useful link towards the badly needed integration of micro economic phenomena in the Marxist approach.

In total, this approach can provide students with a better consciousness of the interplay of social forces, based on economic interests, involved in any process of rural development. In particular, there is here a logical explanation of the widespread "urban bias" so often denounced by neoclassical economists analysing agricultural and food policies in developing countries.<sup>39</sup> The case for the analysis of policy issues in terms of an analytical political economy appears very convincing and it can probably be considered as definitively made.

Given however the very broad issues tackled by the approach, many questions remain open, hence a rigid adherence to the conclusions reached so far would be a dogmatic attitude which should certainly be denounced. We touch here upon a very serious difficulty of the intellectual position taken in this whole paper: most Marxist authors believe in the superiority of their approach, hence they do not accept the complementarity advocated here. That does not make the dialogue with them very easy.

## CONCLUSION

The main argument developed here has been that the Marxist and the neoclassical approaches can be very complementary in the training of agricultural economics students. In particular in “non-Marxist countries”, Marxist economics can be very useful in pointing out the most basic – often implicit – assumptions of neoclassical theories and the limitations of analyses conducted in the neoclassical tradition. In this respect, the well known general contributions of Marxism (historical perspective, emphasis on conflicts of interest based on the economic position of social groups determined by their place in the production process, bridges with other social sciences, reliance on dialectical rather than analytical logic) are very significant. In addition, recent writings by Marxist authors on two important questions for agricultural economists; the place of family farms in a capitalist mode of production and the analysis of rural development and poverty in a world perspective, illustrate the contributions which a Marxist approach can add to analyses conducted in the neoclassical tradition. Although more specific, the main contributions here again are expressed in terms of historical perspective, globality of the phenomena studied, and conflicts among social groups.

But when presenting this complementarity to students, one is faced with various difficulties. First, and probably most important, is that Marxist colleagues are not convinced of this complementarity. They certainly do not have a monolithic point of view but most would essentially agree with Amin when he writes about the “art of management” produced by the academic economic “science”: the very nature of the problems tackled by this art – maximization of some variable (profit or product) under given constraints (in particular “resource scarcity” constraints) at a given time in a given system (here the mode of capitalist production, a point seldom acknowledged) prevents one from seeing in this set of techniques an alternative to the social science.<sup>40</sup> The philosophical pluralism which I advocate is condemned as eclecticism, i.e. as ultimately inconsistent, by Marxists. In a sense, our institutional position at ENSSAA is such that we must tolerate each other, no one having the power to evict others. Our peaceful coexistence, imposed by the necessity to deal with our institutional environment, rests on a minimum, somewhat tacit, consensus regarding some necessary criteria for good research. These are roughly the classical tests of internal logical consistency, consistency with experience, and communicability.<sup>41</sup> However controversies are raised in the very process of applying these tests. Dialectics is prone to evade the tests of consistency because, when faced with an apparent inconsistency, the analyst is always tempted to stress a contradiction which had remained in the background of the argumentation so far but which appears as a legitimate part of the over-all dialectical reasoning. Conversely, analyses conducted in the neoclassical tradition appear always to be tackling very partial problems and thus to fail the test of consistency with a broad enough set of observations.

Another difficulty is due to the intellectual uneasiness with which students are left after they have been exposed to a pluralistic teaching programme. The danger here is that they decide, since the “teachers” cannot agree among themselves, that the choice of an ideological position is a purely personal matter which cannot be subjected to any rigorous test. It is actually very difficult to judge whether or not this danger is real and for what proportion of the student body. My own feeling is that our teaching programme does lead the students to question their *a priori* ideological commitments, and contributes to make them more conscious of the limitations of the theories which they will use in empirical analyses. If that conviction is borne out, we could say that the programme is successful in moving outward the frontier of objective knowledge and in reducing the ideological domain. In my view, this would be a success. I am however perfectly conscious that expressing it this way reflects a philosophical point of view about the relationship between science and ideology which is not shared unanimously, particularly not by Marxists.

#### NOTES AND REFERENCES

- <sup>1</sup> Lenin, V. *Marx, Engels, Marxisme*, Ed. de Moscou, p. 12, as quoted by J. Cavailles.
- <sup>2</sup> The term, as used here, should be taken in its philosophical connotation.
- <sup>3</sup> ENSSAA = Ecole Nationale Supérieure des Sciences Agronomiques Appliquées, Dijon.
- <sup>4</sup> Marx, K. *Misère de la philosophie* (translated from the French text in *Oeuvres*, Tome I, NRF, Paris 1963).
- <sup>5</sup> See, for instance, Becker, G.S. “A Theory of the Allocation of Time”, *Economic Journal* 75, pp: 493–517, 1965 and Nerlove, M. “Economic Growth and Population”, Perspectives of the “New Home Economics” (revised version of *JPE* article) ADC Reprint, November 1974.
- <sup>6</sup> See, for instance, Rogers, E.M. *Diffusion of Innovations*, Free Press, New York 1960.
- <sup>7</sup> Griliches, Z. “Hybrid Corn: An Exploration in the Economics of Technical Change”, *Econometrica*, 25, pp. 501–22, 1957.
- <sup>8</sup> Beteille, A. “Marxism and Modern Sociology”, *Six Essays in Comparative Sociology*, Oxford University Press, Delhi 1974.
- <sup>9</sup> An exogenous variable can be important in the analysis, but the analysis ignores how it is determined thus the feedback effect of the system on the exogenous variable is neglected. For a rigorous definition see Johnston, J. *Econometric Methods*, McGraw Hill, New York 1963, p. 232.
- <sup>10</sup> Petit, M. “Relationships among various aspects of agricultural changes”, *European Review of Agricultural Economics*, 3–2/3 (TACAC Special Issue), 1975.
- <sup>11</sup> Georgescu-Roegen, N. “Process Analysis and the Neoclassical Theory of Production”, *American Journal of Agricultural Economics*, 54, 2 (May 1972), p. 281–2.
- <sup>12</sup> Marx, K. *Le Capital*, ch. XV, 10 in *Oeuvres – Economie*, Collection La Pleiade, Paris, p. 996.
- <sup>13</sup> Kautsky, K. *La question agraire, Etude sur les tendances de l’agriculture moderne*, Ed. Française, Giard et Brière, Paris 1900, facsimile, Maspero, 1970.
- <sup>14</sup> *Ibid.*, first sentence of the Preface.
- <sup>15</sup> *Ibid.*, p. 5.
- <sup>16</sup> *Ibid.*, p. 6.
- <sup>17</sup> *Ibid.*, p. 448.
- <sup>18</sup> See, for instance, Brossier, J. and Petit, M. “Un exemple d’agriculture socialiste: l’agriculture bulgare”, *Etudes Rurales*, 60, pp. 55–72, Oct.–Dec. 1975.

<sup>19</sup> Cavailhes, J. "L'analyse léniniste de la décomposition de la paysannerie et son actualité", *Critiques de l'Economie Politique*, No. 23, Jan.-March 1976, pp. 110-42.

<sup>20</sup> Servolin, C. "L'absorption de l'agriculture dans le mode de production capitaliste", *l'Univers politique des paysans*, A. Colin, Paris 1972.

<sup>21</sup> Johnson, G.L. "The Modern Family Farm and its Problems" in *Economic Problems of Agriculture in Industrial Societies. Proceedings of a Conference held in Rome in 1965 by the International Economic Association*, MacMillan, 1969.

<sup>22</sup> See Althusser, L. and Balibar, E. *Lire Le Capital*, Maspero, Paris 2nd. edition, 1970.

<sup>23</sup> Blanc, M. and Barthelemy, D. *Le Procès de travail capitaliste et le développement d'une agriculture familiale dans la France contemporaine*, INRA, série Economie et Sociologie Rurales, Dijon 1974.

<sup>24</sup> Cavailhes, J. *op. cit.*

<sup>25</sup> Evrard, P., Hassan, D. and Viau, C. *Petite agriculture et capitalisme*, INRA Série Economie et Sociologie Rurales, Paris 1976.

<sup>26</sup> Mollard, A. *L'exploitation du travail paysan*, Thèse Université Sciences Sociales, Grenoble 1975.

<sup>27</sup> Rostow, W.W. *The Stages of Economic Growth*, Cambridge 1960.

<sup>28</sup> Frank, A.G. "The development of underdevelopment", *Monthly Review*, No. 4, 1966.

<sup>29</sup> Amin, S. *L'accumulation à l'échelle mondiale*, IFAN, Dakar and Anthropos Paris 1970.

<sup>30</sup> Levi Strauss, C. *Race et histoire*, essay written in 1952 for UNESCO, Paris, Gonthier, 1974.

<sup>31</sup> Amin, S. *op. cit.* De Janvry credits Raul Prebisch with the first introduction of the centre-periphery concept.

<sup>32</sup> Emmanuel, A. *L'échange inégal*, Maspero, Paris 1969.

<sup>33</sup> A clear and concise presentation of the essential argument, bypassing the intricate theoretical foundations, can be found in Furtado, C. *Le mythe du développement économique*, Anthropos, Paris 1976.

<sup>34</sup> Amin, S. "Le développement inégal", *Essai sur les formations sociales du capitalisme périphérique*, Ed. De Minuit, Paris 1973, pp. 292-6.

<sup>35</sup> In *l'Utopie ou la mort*, Seuil, Paris 1973, Dumont quotes Emmanuel, Amin, Frank, Jalée, Bairoch, Mende in the same footnote.

<sup>36</sup> De Janvry, A. "The Political Economy of Rural Development in Latin America: An Interpretation", *American Journal of Agricultural Economics*, 57, 3, Aug. 1975, pp. 490-9.

<sup>37</sup> De Janvry, A. "Inducement of Technological and Institutional Innovation: an Interpretative Framework", in *Resource Allocation and Productivity in National and International Agricultural Research*, (ed.) Arnolt, T.A. et al., University of Minnesota Press, Minneapolis 1977, pp. 551-63.

<sup>38</sup> De Janvry, A. and Deere, C.D. "A Theoretical Framework for the Empirical Analysis of Peasants", unpublished, University of California, Berkeley mimeo, 1978.

<sup>39</sup> For a recent and comprehensive presentation of this point of view, see Schultz, T.W. (ed.) *Distortions of Agricultural Incentives*, Indiana University Press, Bloomington 1978.

<sup>40</sup> i.e. Marxism; from Amin, S. *L'accumulation à l'échelle mondiale*, *op. cit.*, p. 20.

<sup>41</sup> For a clear definition of these terms, see Johnson, G.L. and Zerby, L.K. *What Economists Do About Values*, Michigan State University, East Lansing 1973, p. 222-7.

## DISCUSSION OPENING – RODOLFO HOFFMAN

The paper by Professor Petit is indeed very interesting and provocative.

Because of the short period of time that I have to make my comments, I will use it to stress the points where I disagree with the author. My criticism begins with the title: what is a non-Marxist country? The definition given in the text is "a country where Marxism is not the official doctrine of the State". That is quite different from the concept of a

capitalist (versus socialist) country. Why stress what is declared as official doctrine of the State and not the social relations of production of the country? I would add that Professor Petit teaches in a capitalist democracy.

One does not like to be labelled. One likes to believe that one is, in some sense, original. Professor Petit says that he does not consider himself a Marxist. To make a similar statement about myself – I do not consider myself a neoclassic economist.

Professor Petit states, more than once, that the Marxist approach is complementary to neoclassical analyses. My opinion is that some parts and instruments of the neoclassical analyses are complementary to Marxist economics; but that some aspects of the two approaches are antagonistic and, therefore, incompatible.

Professor Petit tell us that he is accused of eclecticism. Let me dwell upon the meaning of the word eclecticism. The consideration of a vast field of knowledge, including different schools of thought, and selection of ideas, looking for a new synthesis, is good eclecticism. I try to be eclectic in this sense. But putting together ideas of different schools of thought that are sometimes incompatible, without making a new synthesis, that is bad eclecticism.

Let me illustrate with a point where it seems to me that Professor Petit is making bad eclecticism. In the third paragraph of section 1, he says that the neoclassical income distribution theory and the Marxist theory (including the concepts of labour value and exploitation) are both useful. I agree that the marginal approach is useful in determining the most profitable level of fertilizer per acre of some crop or, remembering Von Thünen's contribution, the most profitable quantity of labour to harvest a potato field. But I do not consider these to be questions of political economics. These are praxiological problems. When one comes to the macro economic problems of the functional distribution of income, I think that the Marxist approach and the neoclassical approach using the aggregated production function are absolutely incompatible. After the so-called Cambridge controversy on the theory of capital, one does not need to be a Marxist to disagree with the aggregated production function approach to explain income distribution. In my opinion, the "usefulness" of this approach is as an ideological defence of the capitalist system, intending to show that the functional distribution of income is technically determined.

I agree with Professor Petit when he stresses the unity of the social sciences. I agree also that one has something to learn from both the neoclassical and the Marxist approaches. But frequently, when the two approaches seem to be complementary, they are really considering different problems that should be considered as parts of distinct, even if related, scientific disciplines. I have in mind the distinction between praxiology, the science of rational behaviour, and political economics, as was stressed by Oskar Lange. The frequent reference to Robinson Crusoe in neoclassical textbooks shows that what is being considered is

*not a social science.*

I agree with Professor Petit in his main thesis that “even to non-Marxists wanting to understand the world, Marx has something important to offer”. But in many important aspects, it is clear that the Marxist and the neoclassical approaches are antagonistic and that, in order to be coherent, one has to adopt one *or* the other.

#### GENERAL DISCUSSION – RAPPORTEUR: CLARK EDWARDS

In the discussion it was felt that we did not need to seek a synthesis between Marxism and neoclassical economics, as suggested by the opener. Michel Petit was being objective about a subjective topic – he provided a basis for truth seeking and problem solving without dogmatism. The conclusion that those in non-Marxist countries can benefit from an understanding of Marxism which was reached by Petit, was a reasonable one. Some theories, such as the theory of dependence which was introduced into Latin America during the 1950s, may be considered Marxist. However, they have been proposed by economists who had probably not read Marx and who certainly were not Marxist. The different theories complement each other.

Marxism was derived from classical economics and, as noted by Petit, has many parallels with neoclassical economics. From a theoretical viewpoint, Marxism and neoclassical theory are very much the same, but from a political viewpoint they are quite different.

Marxism has also made interesting contributions to Keynesian macro economics. Keynes referred to Marx’s theory of money in which Marx controverted the classical proportion, known as Say’s Law, that supply creates its own demand. Marx explained how hoarding (saving to Keynes) reduces aggregate demand and leads to an economic crisis. Marx indicated that the focus shifts from hoarding to bank reserves as a country reaches a higher stage of growth. In neoclassical economics the role of money is sterile, in that a change in the money supply will not affect real flows of commodities or relative prices. For both Marx and Keynes, the quantity of money can influence aggregate income, output, employment, and the price level.

In reply, Professor Petit concluded that we need to understand both Marxist and neoclassical theories. They have much in common, they illuminate each other, and they focus on different problems.

Participants in the discussion included James R. Simpson, Alberto Valdes, Victor Nazarenko, and Clark Edwards.