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SECTION II

SOCIAL AND ECONOMIC ASPECTS OF FARM ORGANIZATION

THE FORMATION OF NEW SMALL HOLDINGS IN ITALY AFTER THE WAR

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SPEAKING to this gathering of experts I can dispense with a long introduction showing the importance of the subject I have to deal with to-day. All of us know the extraordinary political, economic, and social significance attached to the distribution of landed property in all countries. We know that the soil is one of the most eagerly desired material goods. It is a monopoly, and its quantity can only be increased with heavy exertion and expense by recovering land from the sea or from fens, marshes, and wilderness. Those who possess it are not inclined to give it up, and men seem to be ready for every sacrifice in order to get it. Some use it as the foundation of working independence while to others it is a source of income or a means to increase their political and social reputation.

The struggle for land fills a great part of the history of mankind. The past was full of it, it dominates our present time and it will continue to do so in days to come. Political or economic weapons, more often both of them simultaneously, are used in this struggle.

Already before the war various governments interfered with the distribution of landed property in favour of small holders who were considered to be one of the staunchest supporters of a healthy social order. It was particularly the country whose hospitality we enjoy here, which took a leading part in this movement by its ideal legislation on home colonization, so splendidly described by Max Sering, at that time a young professor. And after the war it has imparted a new impulse to this movement by its Settling Law of 1919, which was decidedly influenced by Geheimrat Professor Sering, now no longer young in years but still full of a youthful spirit. It is, therefore, with special pleasure that I express to-day, with a sense of deepest gratitude, my greetings and sincere wishes to our esteemed Vice-President, once, thirty-four years ago, my beloved teacher.

I should like to mention especially amongst the other countries,

Russia, where the fight between the individual and the collective order of economic life has not yet been finished, and also those countries on the western frontier of Russia which have carried through more or less radical agrarian reforms since the War. These reforms served the various economic, political, and social tendencies and resulted in a heavy burden on the finances of these countries.

The Italian position in these problems is different, as the struggle for land has been fought essentially, if not exclusively, with economic weapons, and the state interfered only in a very moderate and cautious manner. In fact, it is only during the last six years, since the legislation on the *Bonifica Integrale*—not to be dealt with here—that Italy has got an efficient legal equipment for systematic activities in the field of home-colonization. Since then she has certainly made use of it with great success, especially in order to increase the number of small holdings. But in the decade since the war she has succeeded, by entirely economic means, in a redistribution of landed property, which I venture to call quite exceptional. In this period one million hectares of good cultivated land at a cost price of at least 5 milliard lire have been transferred from *bourgeois* big, medium, or small property to small farmers, without much co-operation of the state.

This admirable process quickly attracted the attention of science and of the government. The National Institute for Agriculture (*Istituto Nazionale di Economia Agraria*) which closely resembles the German Institute governed by Geheimrat Sering, and which serves the Italian Government as an official organ for scientific agricultural research, has followed the suggestion of its President, the Under-Secretary of State, Professor Arrigo Serpieri, and has undertaken a comprehensive inquiry into the increase of small landed property in Italy since the war. I was charged with the direction of this inquiry, which began in 1929 and has been concluded for thirteen out of the sixteen districts of Italy. A joint report will combine the results for the whole of Italy. The following remarks are based on this inquiry.

I

In the first place, I must give a short survey of the distribution of landed property in Italy and show the conditions of the working-classes who endeavoured to obtain it. Unfortunately, there are no good statistics on landed property. A certain substitute is provided by the two agrarian inquiries of 1880-4 and 1907-10, of which the latter was only concerned with South Italy, and, for the recent years, by the researches of the already mentioned National

Institute for Agriculture. As a result of these works and of personal observations I should like to point out the following.

In North Italy, in the spacious region between the Alps and the Apennines which covers, besides the high mountains and the charming hilly country, the extraordinarily fertile plain of the river Po, we find big estates, medium and small property, owned by town-people and farmers, in fairly equal proportions. The one or the other size of property is preponderant in each of the three divisions of this region.

In the Alps above 300 m., and equally in the High Apennines, the small holdings are predominant; in addition to them, big estates and holdings of middle size are scattered about. There are also extensive pastures and forests amounting in the High Alps to almost half of the communal land, which are a necessary complement to private enterprise as well as an important basis of communal finances.

In the hilly country, where fruits and grapes are cultivated, the small holding is less often to be found than the medium-sized property, while big estates are very rare.

Big- and middle-sized estates are predominant even to-day in the big plain of the river Po with its fields of wheat, turnips, rice, and hemp, its irrigated meadows, its long lines of vineyards, its cultivations of fruits and vegetables and its various agricultural occupations. It is perhaps here that the greatest agricultural progress has been achieved. Wheat yields average 30 dz. and in some localities even more than 80 dz. per hectare. The peasant population of this district is highly intelligent, and they contribute much to the increase in the wealth of the country.

In many parts of this region, especially in Lower Lombardy and some recently cultivated districts, we find big freeholds or leaseholds, cultivated with the help of a modest number of permanently engaged workmen and a greater number of labourers working for daily wages. Owing to their uncertain and only occasional employment the latter are not firmly connected with the land. Nearer to the province of Emilia, however, small leaseholds or a lease by which the landlord obtains half the produce instead of a fixed rent (*metayage*), or a mixture of leasehold and *metayage* become more and more frequent.

Those small leaseholders and farm hands are the groups in this region who try to obtain land of their own. They want either to become small freeholders or, if they have already got some property, to increase it. There are also the allotment holders who would like to increase their property. Under the pressure of these classes and favoured by exceptional circumstances there originated in North Italy in the decade after the war a great number of new farms. This

happened in the plains and in the hilly country, while we find in the mountains where, as we have seen, small holdings were already preponderant, rather an emigration of small farmers into the richer plains. In the four provinces, Piedmont, Lombardy, Venetia, and Emilia, 430,000 hectares in all passed from town people into the possession of small farmers. The main purchasers were tenant farmers of one sort or another, next came allotment holders, and, very seldom, farm hands. A new and numerous group of purchasers are the workers from the great industrial factories, who want to possess a bit of land so as to give their family an opportunity for work and to get an additional income besides their wages.

In Liguria, which is north Italy in all respects but the climate, there was not much formation of small-landed property after the war; the chief reason is that it was always there. It is much divided up, especially in the horticultural districts near the seaside, where a few thousand square metres spell fortune to the owner who cultivates them himself.

In central Italy, i.e. Umbria, the Marca d'Ancona, Tuscany (without the Bassa Maremma) and Latium (without the Agro Romano and the Pontine Marshes), the *bourgeois* big and medium estates are predominant, with the exception of the mountainous districts of the Apennines. They are, however, not the working unit as in Lombardy, but are divided up into a number of family holdings held under a lease by which the owner obtains not a fixed rent but half the produce. The manor, embracing family holdings of this kind, where the landlord sometimes lives, consists of offices, granaries, vaults, and other storehouses, which serve for the receipt and utilization of the landlord's half-share of the produce; from here orders to the farmers are given, so that the manor represents the governing centre of the holdings which belong to it. Apart from these farmers, who have usually lived on their farms for many years and who form the largest class of the population, there are small holders and a very small number of day labourers. Small freeholds are rare outside the district of the Apennines and are generally too small to support a family. Owing to the predominance of *metayage* the formation of new small freeholds is insignificant. They increased only by about 72,000 hectares in the decade after the war. The purchasers were in the main lease-holders and—to a small extent—also *metayers*. (The Bassa Maremma in Tuscany, the Agro Romano, and the Pontine Marshes, which once resembled the extensive areas of southern Italy, are engaged in a complete agrarian transformation since the beginning of the great meliorations of the *Bonifica Integrale*.)

The agrarian conditions in south Italy and Sicily differ very much

from those of north and central Italy, especially on account of the climate. Rain falls but seldom here in spring and summer and is concentrated in a short period of the late autumn and winter. Here two worlds confront each other; the plains near to the coast, irrigated and cultivated with the utmost care, with their abundant crops of grapes, olives, oranges, lemons, other fruits, and vegetables, which are exported to a great extent, and the plains of the interior, clayey and half dry, where fairly extensive wheat growing and stock farming is predominant, though even there may be found more intensive cultivation in places where irrigation is possible or the soil is eocene.

This contrast is most obvious in Sicily. The interior of this island, about two-thirds of its surface, is the region of big estates, the transformation of which began only some years ago. No tree is to be seen here for many kilometres and hardly a building except a few scattered farms. Here malaria raged formerly and even to-day is not entirely stamped out. Between the excellent main and provincial roads vast regions are without practicable roads as there are few district roads and even fewer parish or farm roads. The country conveys the impression of a waste desert, especially in summer when the fields and the pastures scorched by the burning sun show a black or grey colour. In spite of that, this region is thickly populated with more than 100 inhabitants per square kilometre, for the population live here in big communities of more than 5,000 up to 50,000 inhabitants, which are purely rural communities despite their size. Every morning the farm labourers go to their work from these centres, riding mules and donkeys and covering distances of 20 to 30 kilometres daily. It is only at harvest time that they remain on the fields all night, sleeping in miserable huts or in the open air. Later on I shall speak of the new changes.

According to the inquiries of the Institute of Agriculture the number of small freeholdings on the south Italian mainland has increased by about 300,000 hectares and in Sicily by about 160,000 hectares since pre-war days. The increase, therefore, is rather greater in this region than in northern Italy.

The conditions in Sardinia are even more characteristic. This island has only a quarter of the population of Sicily (40 per sq. km.), though it is nearly as large. There is very little soil suited to intensive cultivation, at least for the moment. Sardinia is on the whole even to-day a country of pasture land rather than of cornfields. The increase in small-landed property amounts to less than 10,000 hectares. There has also been an increase in the number of shepherds who have attained independence.

An interesting way to form small freeholds, which is not limited to Sardinia but is especially frequent there, is to transfer a farm to a tenant for melioration. When the farm has been improved after a couple of years, half of it remains with the landlord while the other half becomes the property of the tenant as a compensation for his work and his expenses.

II

This magnificent movement to increase the number of small freeholds is new only on account of its extent which surpasses by far the usual, but is not new in its essence because it has its origin in the farmer's desire, widespread and eternal, for land. Struggling for land, the true farmer endures all sacrifices, exertions, and hardships, his whole mind being fixed on one thing: to get land and to increase it. And this *terrae sacra famas* has by no means the contemptuous meaning associated with the saying *auri sacra famas*. On the contrary, the tenant and the farm hand who work their way up to be freeholders are victors in a hard struggle and deserve well of their country.

The farmer's efforts to obtain land have been supported in Italy, and especially in southern Italy, by two legal acts. One was the abolition of feudal rights at the end of the eighteenth century, the other the secularization of ecclesiastical property after 1860. The abolition of feudal rights was connected with the abolition of hereditary rights of pasturing, and the land was divided between the communities and the lords of the manor (barons). The latter were given the land lying at a distance from the villages and difficult to work. Hence the development of the big estates. The new communal property was partly sold. Here, as on the later occasion of the secularization of ecclesiastical land, the small farmers were favoured. Some of these freeholders, however, were unable to keep their property, as the land had been transferred without sufficient safeguards.

Emigration reaching its climax in the last decade before the war gave a further essential help to the formation of small property. The emigrants sent back a considerable amount of their savings in order to pay debts, to build and furnish houses and to buy as much land as they possibly could. Thus Sicily alone got more than one hundred and six million gold lire in one year, 1907.

III

The main reason for the enormous speed with which the transfer of landed property to the small farms took place after the Great War was the war itself and its results.

Strengthening the position of the working classes and—in relation to it—weakening that of the other classes, the War caused a radical change in the soul of the peasant and thus had far-reaching political consequences. Having fought year after year in the trenches and having suffered severe privations and hardships, the peasant who had braved unheard of dangers in order to defend his country was no longer the same as before the war. He had become conscious of his services and he therefore asked for consideration of his demands. He had heard that the Russian peasants had seized the properties of their former masters during the revolution and that many other countries had promised or begun agrarian reforms in order to give the soil to the peasants. 'Land for peasants' was the magic slogan which excited the peasants of all countries just because its meaning was so vague, and was therefore seized upon by the extremist parties.

The peasants acted very quickly. In the spring and summer of 1919 they hastily formed co-operative societies which took possession of all land that was, in their opinion, uncultivated, especially in Sicily and Latium where most of the big estates were to be found. As this movement took a dangerous shape and as the Government could not cope with it, an attempt was made to give it a legal form. The two Acts, Visocchi (2. ix. 1919) and Falcioni (22. iv. 20) made the seizure dependent on certain conditions and rules. Under these acts the organizations of the peasants took lawful possession of about 50,000 hectares.

This action of the peasants, tolerated in the beginning and later organized by the Government, had a great moral effect. It made the owners of the estates fear that any one could proceed in this way in the future, and the peasants hoped that all land would soon fall into their hands. As time elapsed, the force of the revolutionary wave got weaker and the more sensible peasants realized that it would be better to own the land immediately by buying it lawfully than to wait for a conjectural revolution. As the intimidated landowners were only too ready to sell, the peasants freely acquired much land in the first years after the war.

The economic consequences of the war were perhaps even more important. There was a sharp rise in the price of agricultural products in the first decade after the end of the war, owing partly to the increased demand, partly to the continuously progressing devaluation of money which was only stopped by the new currency policy announced and introduced by Mussolini in his speech at Pesaro on August 18, 1926. A part of the rise in prices was, however, readjusted

through the increase in wages and in the prices for articles needed by agriculture.

The increase in agricultural incomes had different effects on the different groups engaged in agriculture. The upper classes (nobility and squires) were misled into an increase of their standard of living which was not too easy to cancel later, or they believed themselves to be clever in investing still more capital in agriculture, even if, as was generally the case, they had to borrow this capital from the banks under terms of repayment not suited to the duration and insecurity of the investment. Thus the situation of the land-owning capitalists, and especially of the squires, was gradually weakened through the increase in the costs of production and in the standard of living as well as through the growing indebtedness. The peasants, on the other hand, were much less hit by the rise in the costs of production, because, as a rule, they did not employ farm hands and did not improve their standard of living beyond, perhaps, allowing themselves more wholesome food. Favoured, moreover, by the laws for the protection of tenants, which kept the rise in rents within bounds, they were able to save considerable sums which, naturally, they endeavoured to invest in land. In the first years after the war there was an additional favourable fact, viz. unexpectedly large emigration, especially to the devastated areas of northern France and to the U.S.A., which brought a very considerable influx of money from abroad. In a few years this amounted to more than 2 milliard lire owing to the high rate of the dollar which rose to 26 lire. It is to these various causes that we can trace the extraordinary amount of land bought up by the peasants to which we have just referred.

IV

What groups of country people have mostly participated in the purchase of land?

We can state, according to the size of the land purchased, the following quite general sequence: Allotment holders, small leaseholders, *metayers*, day-labourers, farm-hands, and industrial workers. One person often belongs to more than one category. For example, the allotment holders, especially numerous in the highly cultivated regions and in the industrial districts, are forced owing to the very small size of their holdings to rent additional land or to work as *metayers*, if they are not chiefly engaged in industrial work. Some of them are also agricultural and industrial labourers by turns.

The holding of small lots is more common in Italy than in most

other countries, partly because of the peculiar agricultural conditions, but mainly on account of the constant sub-division of inheritance, as every son obtains his share of the land. Occasionally even the daughters inherit their share in land. Thus every single field will be divided into as many parts as there are children with rights to succession. If the children are industrious and able they try in their turn to acquire by additional purchases a satisfactory property which will be divided up again after their death. This is the explanation of the fact that the allotment holders are the dominant purchasers of land; they know agriculture best, they are the first to possess the necessary means, and, last but not least, they feel most strongly the desire to have land of their own.

Second place is held by the small leaseholders, supported by the higher prices of agricultural products as well as by the legislation for the protection of tenants mentioned above. Thus quite a number of leaseholders have become owners of the very land they had cultivated for many years on lease.

The cases in which *metayers* have become owners are less numerous. This is partly due to the fact that they have less income in cash and considerable means are necessary for the purchase of a farm, and partly because their economic situation is quite satisfactory. If, however, *metayers* purchase land apart from the farm they cultivate, they usually stick to their *metayage* and give the purchased land either to another person on *metayage* or to their married sons.

The agricultural labourers succeed least in becoming owners of land. Though their need and craving for land are considerable they lack the necessary capital. We shall, however, learn later of a particular kind of land which is open to them. We have already mentioned the important land purchases of the industrial workers in northern Italy.

V

In inquiring what sort of land has been taken over by the peasants and how this transfer happened we have to distinguish between two main categories of land; the areas with a predominantly extensive and those with a predominantly intensive cultivation.

The communal property to be divided up, big estates (*latifundia* in the Italian sense of the word), formerly owned by private persons or by religious institutions, and the half-cultivated plains and scrub areas belong to the group of extensively cultivated lands. The districts in question are far away from populated settlements and are so big that no farmer could purchase them *en bloc*. It would have been

necessary for them to undergo a process of planned settlement before their transfer to the farmer could take place. But this happened rarely before the Fascist era. People were generally satisfied to divide the land into small allotments and to sell them to the farmers, without caring for the supply of water, the construction of roads or the building of necessary houses.

The main reason for this unsuitable process is the abundant number of applicants in the case of communal properties. The people regard this property in the first place as the property of the very poor, all of whom, with some justification, ask to be considered in the distribution of the land. To draw their attention to the rules of reasonable colonization is in vain, the land available is limited, and as the peasant's hunger for land is enormous, the poorer they are the greater is their desire. These peasants do not want to wait, and they would not understand if, owing to a proper use of the lots, some were excluded and others preferred. Each of them demands a bit of land, no matter how small it is and how far away it is situated. Therefore, nearly all distributions of land, and especially of communal land, occurred regardless of technical and economic considerations. Only since Fascism came into power has there been a change, and this change will be still larger in future according to the progress of the legislation on the *Bonifica Integrale*.

The apathy of the landowners is to be blamed if the distribution of big estates lacks all preparation of colonization, as it usually does. They sell their property, just as it is, either to a land-jobber or to a co-operative society. All that the land-jobber does is to buy the land wholesale and to sell it in small lots by which activity he earns in normal times 10-20 per cent. of the cost price. The co-operative societies, on the other hand, are more ready to take pains to add by collective preparations to the work of their individual members.

The *Opera Nazionale Combattenti* (National Work of Ex-service men) deserves special mention. It is a public utility institution founded in December 1917 and endowed immediately with a capital of 365 million lire. The greater part of this capital is invested in enterprises for melioration and settlement. An excellent staff of technicians is at its disposal, and it enjoys the confidence of government and people. A list of notable works stands to its credit. Most famous amongst them is the draining and colonization of the Pontine Marshes, especially supported by the Duce and the Fascist Government. Thousands and thousands of small farms as well as two beautiful cities, Littoria and Sabaudia, shortly to be joined by a third one, Pontinia, have replaced those marshes in a few years. The farms, however, are not

given at once as freeholds but under *metayage* though with a view to being transformed as soon as possible into freeholds.

Only the smaller part of the 1 million hectares of land which—as already mentioned several times—have been transferred to small farmers were extensively cultivated or half-waste areas. This is obvious as, with the exception of Sardinia and some districts in the inner part of southern Italy and Sicily, Italy no longer possesses any large areas of land really extensively cultivated. Thus most of the estates used for the increase of peasant holdings were land which had been intensively used by its former owner.

Naturally, well-cultivated farms of this kind need no special preparations to be sold. They can be sold without agents quite easily, if they are separated from larger areas. They are, however, in the highest demand, because they yield better results, are near the settlements, and do not demand heavy expenses for the construction of roads and buildings, &c. They are also by far the most expensive, as nobody wants to sell them. Up to the present crisis the owners of big estates were most opposed to their sale. When, however, the owners having run short of money were forced to sell, they usually turned to land-jobbers, who bought the estates wholesale and sold them again after they had been divided. Sometimes land-jobbers gained up to 100 per cent., but they went bankrupt too, when the prices suddenly collapsed. The owners of middle-sized estates only sold those parts which were situated at the border of their property, if they were not offered especially attractive prices. The small non-peasant proprietors were most ready to sell, as they mainly were hit by the increased costs of administration and could least resist the offer of high prices. In south Italy this group of landed proprietors has almost entirely disappeared.

The size of the land sold to the peasants was generally small, mostly, so to speak, scraps of land. Whole estates were rarely sold. The average size of the land sold was 2.5–3 hectares of the extensively cultivated areas and less than 1.5 hectares of the intensively cultivated ones. The prices fluctuated in the former group between 2,000 and 5,000 lire per hectare, in the latter between 10,000 and 120,000 lire per hectare, according to the quality and situation of the land. They were at their lowest in 1920, at their highest in 1926.

The transfer of 3.7 per cent. of the agricultural and forest areas of a country from one class to another is bound to have important economic and social consequences. They are, of course, most obvious in places where the distribution of landed property was the most unfavourable. Thus, in Sicily, the proportion of the farm hands

without land to the total rural population has considerably changed for the better through the reduction of the big estates by 160,000 hectares, most of them purchased in small lots by farm labourers; there are communities in which the percentage of farm hands went down from 70 to 20 per cent. Everybody realizes what it means for the economic and social structure of a country, if such a vast number of farm labourers, until then without a firm root in the soil, without a secure future and, therefore, always a discontented and restive element of the population, get a share, however small, in the land. But even in districts of intensive cultivation the transfer of the soil to farmers who cultivate it themselves can have nothing but favourable results for the whole nation. This transfer occurred in Italy without artificial interference, and entirely as a result of the economy and the industry of the peasant population. Thus owners of big- and medium-sized estates who sell only a part of their property are not necessarily weakened in their economic position, as they may use the money for the improvement of their remaining land and thereby increase its output. If, however, they have had to sell their whole estate owing to economic difficulties, it is only to be welcomed that it should go to more capable people who cultivate it with their own labour. Furthermore, it is not to be regretted that *bourgeois* small-holders should give up an estate which under their management yields a much smaller output than under that of a capable peasant, and that they should begin a new living with the money obtained.

The advantage of an increase in small- and medium-sized holdings would, however, be paid for too highly if it were connected with a decline in production. But that is not the case in Italy. A year ago I travelled through the whole of Sicily in order to see what had happened on the big estates which had been split up. I gained a really inspiring impression. Though the problem of the big estates is not yet solved there, it has been brought nearer solution to a remarkable degree. The Sicilian peasants, having themselves become landowners, have planted in every possible place vines and trees, especially almond and olive trees; where, however, agriculture is more suitable the fields have got an entirely different appearance, thanks to better cultivation and dressing of the soil; the cultivation of green food has replaced the pastures, &c. In the regions of intensive cultivation the peasant has succeeded through his much greater amount of work in obtaining a further increase of output, despite the lack of capital which had been used to the last penny for the purchase of land.

It is not the fault of the peasants if everything cannot be called

perfect everywhere, if, in particular, the problem for the big estates is not yet solved, because the necessary preparation for colonization was lacking when they were divided up. What they have accomplished and what they are accomplishing now, until some years ago without any assistance from the responsible quarters, shows what would have been gained through acting—to some degree—in accordance with a plan and what can be obtained in days to come. This ought to be a stimulus to meet their just demands.

VII

The land purchases of the small farmers and the agricultural workers, which we have just described, were most numerous in 1919-27. Since then they have become more and more rare and have been finally discontinued. The main reasons for this were the exhaustion of the peasants' capital, the deflation and the fixing of the lire, which lowered the price of the land and thus diminished the stimulus to sell.

A new period began in 1930, mainly characterized by the grave agrarian crisis which staggered agriculture and agricultural property with an unheard of force. Obviously, it did not spare the newly formed small holdings. As the inquiry of the Institute for Agriculture has been extended beyond the date originally fixed, it has been possible to study the influence of the crisis on these small holdings. Our inquiry has proved that the influence has been very different according to the amount of indebtedness. The property is more imperilled through a great extent of debts than through a small one. Fortunately, the number of small owners with a small load of debts is much greater than the number of those deeply involved in debt. The Italian, and particularly the south Italian peasant, does not like to run into debt, and, moreover, many of the debts for land purchases had been repaid in the prosperous years before the crisis, when the products yielded a high price. But those small-holders who stretched their credit too far and who could not repay their debts in time are in a very difficult position. These cases are especially numerous in north Italy. The creditors of these indebted farmers are partly banks, but perhaps more often private persons who, with a few exceptions, are not professional money-lenders and usurers but good friends of the debtors. They have lent the money on moderate terms without any real security, merely on note of hand, but these obligations are considered sacred all the same. The following shows how heavily these debtors have been struck by the crisis. The fall in land prices has not infrequently resulted in a depreciation of as much

as half of the sum once paid. If, therefore, a person in Emilia bought a farm at a price of 20,000 lire per hectare in 1928, but paid only half of the sum, his debt would run into the full value of the land in 1932. It was bound to surpass his solvency even if it only amounted to two-thirds of the value. Without doubt, there would have been a great number of break-downs if it had not been for a Bill, introduced by the deputies Serpieri and Tassinari, which made it possible to lower the debts which had become unbearable owing to the changed monetary situation.

Aided by this Act of the Fascist Government the small-holders struggled with the utmost effort for the maintenance of property so laboriously gained. The sufferings endured to avoid loss of land are even worse than those borne in order to obtain it. Most succeeded in maintaining it, but a small number had to give up the fight. Fortunately, their land has not fallen back into the possession of its former owners or other members of the upper classes, but has been purchased by people of their own class who, having made some savings, were able to buy the land now that the prices had fallen. There are, however, cases where the land has been purchased by industrialists, merchants, or members of professions, who regard the soil as a secure and suitable investment though not a very profitable one. This ought to be stopped if it increases.

VIII

The inquiry of which the results have been reported here has revealed the extraordinary treasure of moral forces lying in the soul of our rural population. For it is, indeed, an astonishing fact that the Italian peasant succeeded in a few years, with hardly any help from the state, in bringing about a redistribution of landed property which other countries could achieve only through an expensive agrarian reform. It is the more admirable as the driving force behind it was not the desire to become rich, but only the wish to be enabled to support his family by working on his own soil. Thus a Sicilian peasant told me: *Non vi è niente di più bello che lavorare colle proprie braccia la propria terra.* (Nothing is more beautiful than to cultivate your own land with your own hands.) From another point of view Professor Tassinari has pointed out to you, as the result of his inquiry into the distribution of agricultural incomes, that the holders of small- or medium-sized farms are in the best position to resist the crisis.

But our investigation has also disclosed the great dangers which again and again imperil small holdings. We have mentioned the

crisis and the indebtedness increased by it. Other dangers are, the rural rights and customs of succession which cause a continuous redistribution and splitting up of the land in each generation. The insufficient organization of the agricultural markets and the imperfection of the co-operative societies are additional deficiencies hampering the rise of the agricultural classes.

The Fascist Government will know how to solve these problems with the same energy with which it worked for the protection of the farmers and for the 'back to the land' movement. I should like to mention especially amongst recent legislation the paragraph, added to the new standard text of the laws concerning the *Bonifica Integrale* by the Under-Secretary of State, Serpieri, which deals with the consolidation of land to be improved under the *Bonifica Integrale* scheme. Furthermore, measures seem to be imminent to increase the amount of land available for colonization. You may trust to the forethought and determination of the Government for the fulfilment of all the other tasks connected with the well-being of agriculture. The Fascist State which, in the words of the Duce, 'goes to meet the people' will overcome all difficulties, with a clear knowledge of the national needs and by removing conflicting interests through the corporate organization of the economic and social life.