AgEcon SEARCH
RESEARCH IN AGRICULTURAL & APPLIED ECONOMICS

The World's Largest Open Access Agricultural & Applied Economics Digital Library

This document is discoverable and free to researchers across the globe due to the work of AgEcon Search.

Help ensure our sustainability.

Give to AgEcon Search

AgEcon Search
http://ageconsearch.umn.edu
aesearch@umn.edu

*Papers downloaded from **AgEcon Search** may be used for non-commercial purposes and personal study only. No other use, including posting to another Internet site, is permitted without permission from the copyright owner (not AgEcon Search), or as allowed under the provisions of Fair Use, U.S. Copyright Act, Title 17 U.S.C.*

Vol XLII
No. 2

APRIL-
JUNE
1987

ISSN 0019-5014

INDIAN JOURNAL OF AGRICULTURAL ECONOMICS

INDIAN SOCIETY OF
AGRICULTURAL ECONOMICS,
BOMBAY

Ind. Jn. of Agri. Econ.
Vol. 42, No. 2, April-June 1987

REVIEW ARTICLE

RURAL POVERTY AND AGRARIAN REFORMS*

Partha N. Mukherji†

I

Whatever may have been the variations in their approaches regarding exploitation of agriculture by the colonial administration or the feudal dispensations, the resultant experience in the Third World countries has been generally, large scale impoverishment of the peasant masses, accentuation of landlessness, growing unemployment and a stagnating agriculture. It is hardly surprising that in many of these countries the agrarian question acquired a certain primacy for combating inequality and stimulating economic growth.

Implicitly or explicitly, there are two strong assumptions in the logic of agrarian reforms, at least at the inception. These are: (*i*) that landlordism is based on an inequitous system of production relations which is institutionalised, and (*ii*) that it is a major impediment in the development of productive forces in agriculture. Initially, therefore, land reform programmes tended to have two main objectives: (*i*) to alter relations of production away from feudal exploitation, and (*ii*) to make available technological, irrigational and other inputs to increase the productivity of land and labour. However, objective conditions not being the same everywhere, every country has not blazed the same trail of reform. Nor is it the case that agrarian reforms cease to remain on the agenda of development after the initial phase of reform.

The history and evolution of agrarian reforms presents complex variations, but major patterns are discernible. Depending upon the overall design for social change that the balance of social and political forces in a society goes on defining for itself, agrarian reforms accordingly acquire content commensurate with such designs. The goals, apparently, remain more or less the same, namely, breaking through the vicious circle of poverty and production crisis, but the strategies adopted by societies, naturally, differ.

Very broadly, the strategies have differed depending upon which of the two crises has been considered to be primary. Systems responding to the distribution crisis as deserving the most urgent attention have invested considerable amount of time, energy and resources in replacing the feudal structure of production relations with a new set of relationships with accent on co-operation, collectivisation and drastic changes in property norms. Augmentation of production is made consistent with the new capacities developed with the re-

---

* Edited by Steve Jones, P. C. Joshi, Miguel Murmis, Allied Publishers Pvt. Ltd., New Delhi, 1982. Pp. xxi+384.

† Professor of Sociology, Indian Statistical Institute, New Delhi.

organisation of production relations. Systems responding to the alarmingly low per capita output in agriculture have attempted to set this right first. In the process they have attacked landlordism by legislation and/or by capitalist penetration, generally engaged in some redistribution of land, introduced rural development programmes through irrigation, high-yielding variety (HYV) technology and so on. Community development programmes, the Integrated Rural Development Programme (IRDP), 'green revolution', etc., are consistent with this approach. The accent has been on tackling the production crisis —alleviation of poverty would follow. Barring exceptions, most instances of societies introducing agrarian reforms can be located between these two kinds of responses.

In this compendium, 14 out of the 15 scholars directly address themselves to the dynamics of agrarian reforms in as many countries in Asia, Africa and Latin America. These include three socialist countries (China: Peter Nolan; Vietnam: Nguyen Ngoc Luu; Cuba: Arthur MacEwan). Peter Nolan brings in Soviet Russia only in a comparative frame with China. Socialist experimentations in Tanzania (Henry Bernstein) and Algeria (Keith Sutton) also figure substantively. Besides these, there are contributions on Thailand (Andrew Turton), Sri Lanka (Newton Gunasinghe), India (P. C. Joshi), Bangladesh (Steve Jones), Iraq (Ronny Gabbay), Ecuador (Miguel Murmis), Mexico and Brazil (Alexander Schejtman; David Lehmann), Peru (Mariano Valderamma). Mahbub Hossain is the only one who does not confine himself to a particular country and examines broader theoretical formulations.

Five thematic thrusts have been identified in this volume. (*a*) There is the proposition that 'agrarian reform is overridingly a socio-political process' and not just a 'technocratic or legal-administrative programme carried out by benign and benevolent governments.' (*b*) Then, there is the recognition of the fact that 'agrarian reform clearly means different things to different peoples.' 'Capitalist' reforms can be distinguished from 'socialist' reforms. (*c*) The fallacy of regarding land reforms as a one-shot effort has been underscored. (*d*) That land reforms cannot be offered on a platter but has to be hard-earned by the peasants through mobilisation of protest against the feudal dispensation is another facet of reality that comes for serious reckoning. Political education, conscientisation become the bases for such mobilisation. (*e*) Finally, attention has been drawn on international aids and Multi-National Corporations (MNCs) in rural development and their implications for land reforms.

In this review article an attempt is made to glean some of the significant aspects of agrarian reforms in the countries included in this volume.

II

Russia provided the first model of socialist transformation, and hence, notwithstanding the differences in structure, culture and historical contexts, a comparison with China as to how the two countries responded to the agrarian question should be instructive. Peter Nolan describes the agrarian structure

which the post-revolutionary Russia inherited as characterised, at one end of the pole, by a numerically very small rural proletariat (who suffered only when their labour power was affected by illness, death, etc.), and on the other, by a very small proportion (three per cent) of *kulaks* (whose substantial income came from exploitation of wage earning labourers and through usury and trade). In between, there existed a large peasant sector predominated by the middle peasant small producers who generally neither hired nor provided wage labour, neither hired land for use nor rented out land, equipment and horses, and who, with family labour and simple equipment produced enough to 'make ends meet'. Nolan omits the landlord class, whose existence was distinct from that of the *kulak*—the enterprising rural bourgeoisie, who was 'outside the feudal sector and was not directly involved in conflict with the landowners' (Alavi, 1979, p. 679). The first phase of agrarian reform, stretching for nearly a decade, encouraged the dynamics of class polarisation. The practice of leasing land and hiring labour was permitted in the twenties with the result that the *kulaks* and the rich peasants consolidated their economic position and power in the villages. Paralleling this process of reform, a heavy programme of industrialisation was set in motion. By 1927, the urban industrial areas were afflicted by acute shortage of foodgrains and spiralling prices, which the state sought to counter by way of compulsory procurement of foodgrains from the countryside. The rural resistance against such a move paved the way for a swift and sudden transition to collectivisation in agriculture. *Kulak* property was confiscated, followed by persecution, killing and deportation. In the new scheme of collectivisation (1929) there was no provision for compensation, and until 1935, no scope for cultivation on private plots. *Kulaks* and rich peasants were practically excluded from membership of collective farms. The state had to clamp direct administrative control over the peasants. Further, the economy of scale which followed the logic of large scale collectivisation suffered on account of inadequate supply of relevant modern technology. There developed a lag between the establishment of the new relations of production, and the supply of the forces of production commensurate with such change. It took the appearance of urban versus rural in the psyche of the peasants and proved counter-productive in raising agricultural production. Nolan does not discuss why this kind of policy was pursued by Soviet Russia.

The Chinese strategy, in comparison, was characterised by a greater involvement of peasant party cadres, and a step-by-step approach to socialist transformation by progressive enlargement of the principle of co-operation. The seeds of rudimentary socialism were sown with accent on voluntary participation mutual benefit which took the form of mutual-aid teams (1955). The next step was the organisation, on the basis of mutual-aid teams, of small agricultural producers co-operatives, characterised by pooling of land as shares under a unified management. This marked a transition to a semi-socialist structure. The final step involved the organisation of larger agricultural producers co-operatives which were fully socialist. This was achieved by engendering a heightened socialist consciousness among the peasants for a revolutionary change (1957). It was possible to achieve this transformation

in such a short duration because land reforms were nearly complete prior to the seizure of state power by the Communist Party of China, with the distribution of 47 million hectares (43 per cent of total cultivated area) among 300 million landless and poor peasants (60 per cent of peasant population). These lands were obtained by confiscation of landlord lands and part appropriation of rich peasant lands. Thus, by 1955 a tremendous levelling of the peasantry had already taken place with a distinct trend in the direction of 'middle peasantisation', which, in turn, enabled the successful consummation of the Chinese revolution. Conscious of the existence of rural-urban contradictions, by a progressive reduction of the extraction of agricultural surpluses for urban consumption in favour of better distribution among the primary producers of foodgrains, the Chinese were able to circumscribe the class contradictions in the rural areas within the peasantry. This policy was consistent with a more circumspect approach towards the pacing of heavy industrialisation avoiding inflationary trends and creation of urban shortages. In short, there was a definite protection that was extended to the large peasant population paralleling experiments in socialist transformation of the agrarian system. In the experiments none of the agrarian categories were excluded from participation by definition—there were no counterparts of the *kulaks* and the Russian rich peasants.

The Vietnamese transition to a socialist state has interesting parallels with the Chinese, although the period of its maturation presented a somewhat more complex scenario. The anti-imperialist struggles were won against the most powerful countries in the world, while at the same time a socialist state was forged. Anti-feudal agrarian reforms in the thirties were initiated on a low key and were accelerated in the forties with the establishment of the Vietnamese resistance government. But these fell short of any significant land redistribution and were confined to reduction of land rents, interest rates, waiving of rural debts on which 100 per cent interest had been retrieved. In the given historical context, imperialism was considered as the principal contradiction, hence national unity gained primacy over class struggle. Due recognition was given to the fact that the common anti-imperialist front included patriotic rich peasants and landlords whose role in the struggle was sought and valued. The consequences of such a policy were (*a*) moderation in agrarian policy, (*b*) deferment of the Party's and the government's role as revolutionary agents, and (*c*) infiltration of the rural rich into the Party.

The first phase of reform is traced upto 1953, that is, upto one year before the Geneva Convention which gave full self-government to North Vietnam (1954). This period was characterised by an inner party struggle between the 'proletarianised top' (*Va San hoa* = de-classed) who were decisively divorced from their original class background, and the local leadership influenced by their immediate class backgrounds. This paved the way for the intensification of reforms after 1953 which extended to redistribution of land and other forms of wealth. Class struggle now aimed at overthrowing the economic-political power of the landlord class and their cadres and replacing them by a leadership of politicised, organised landless and poor peasants. This process

was activated by land reform cadre teams consisting of 10-20 members, which established contacts with the landless and poor peasants by following the principle of '3 togethers' (eating, living and working). The principle laid down stated "rely on poor and landless peasants, unite with the middle peasant". Accordingly, decision-making executive bodies were elected in the ratio of two-thirds poor and landless, and one-third middle peasants. Special Peoples' Courts were established with judges drawn from the local peasantry with powers to put landlords on trial and pronounce sentences. The third phase of reforms was characterised by formalisation of procedures to avoid excesses arising out of continuing class conflict. Landlords who were urban based, priests, and freedom fighters were exempted from the purview of the Special Peoples' Courts and were even mobilised for donation of land and offered the option of expropriation with compensation. However, the threat of a South Vietnamese attack in December 1955 resulted in accelerating reforms in a panic, resulting in some excesses, which involved the 'purging' of some middle peasants who were 'promoted' to rich peasants for fulfilment of quotas—a mistake which was later acknowledged and remedied. By 1957, the land reforms programme was nearly complete with the poorest peasant owning an average of 0.70 hectare.

The pattern of induced agrarian change followed so far resembled the Chinese step-by-step approach to socialist transformation. The period prior to the Geneva Convention witnessed the practice of rudimentary socialism (mutual aid and labour exchange teams). This was followed by a higher form of co-operation involving planning for rational farming practices by members of these groups. But the reverse trend of the poorest peasants losing out their lands to wealthier peasants for lack of operating capital and instruments of production was viewed with utmost concern, and before the situation could get out of control, a massive campaign for collectivisation was unleashed. Thousands of seminars, meetings, observation tours, demonstration sessions through pilot co-operative farms were set in motion. Simultaneously, prices and sale of basic commodities, including rice were controlled in such a manner that it provided a strong leverage to the peasants' economic manoeuverability. In 1958, co-operation was introduced in the form of pooling of land for collective cultivation. Rent proportional to the amount of land contributed but not exceeding 25 per cent of land income was payable to the owners, who shared the responsibility of paying the land taxes. Income, after deduction of taxes, production costs, rents, and reinvestment, was shared by the members. The executive committees of such co-operatives maintained the ratio of two-thirds poor peasants and one-third middle peasants. Progress of the campaign led towards a programme of full collectivisation in 1961. Smaller co-operatives were merged to form larger ones in which land and other means of production became collectively owned and members were paid in proportion to the number of work-days of labour contributed.

Not unlike the Chinese, North Vietnam evolved a two-sector rural economy: the small family plots with right of usufruct and total income from its exploitation, but without any right of transfer; and the co-operative sector

with encouragement for development of secondary production of handicrafts. The industrial policy during this period was geared to meet the needs of agriculture by increasing the supply of farm tools and small machinery. Traditional industries and handicrafts were reorganised along with the grouping of handicraftsmen and blacksmiths into co-operatives. Choice of technology was dictated by considerations of economy, high and immediate returns, easy reproducibility, and labour intensive use. Science policy pursued a combination of peasants' experience and scientific interest, experimental fields in almost every village, technical groups of old and experienced peasants and young peasants trained as agronomists. The development policy provided for free medical care, equality of women, and free education.

The Cuban scene is a shift from Asia to Latin America. The structural conditions were very dissimilar with an economy heavily dependent on the production of a single commodity (sugar), with a population largely urban but tied to agriculture and with the existence of large sugar estates and farms as the basis of agrarian relations. The Cuban revolution, unlike the Chinese and the Vietnamese, did not materialise on the crest of any agrarian upheaval. About 30 per cent of all farm land was under 28 largest sugar companies and 40 largest cattle ranches. Peasant owners, sharecroppers, tenants and squatters shared lands on the fringes of big estates but were tied to sugar estates or mills through contracts.

The logic of agrarian reforms pursued in Cuba chose not to disrupt the large estates practising economies of scale, which could be transformed by replacing capitalist relations of production by socialist production relations. Initially, a ceiling of 402.3 hectares was imposed, but exemption was granted to farms producing above the national average; ownership rights were bestowed on all tillers of the soil including tenants, sharecroppers, squatters upto 67 hectares; every person who worked on land was entitled to a 'vital minimum' of 27 hectares. These steps were taken in May 1959. By 1963, Cuba set on the course of a dual pattern of state and small peasant farms, which stabilised over the next 12 years. Within this period, crises of food production, of labour shortage, of work discipline could be tided over by universalising education, decentralisation of decision-making through creation of new grass-root organisations, and by promoting work discipline. The private farm sector now was restricted by a ceiling of 67 hectares, with the recognition of the principle of 'vital minimum' of 27 hectares for every worker on land.

These three experiments in socialist land reforms demonstrated the primacy of distribution over production. The initial skewness of distribution was sought to be righted first, efforts to raise production were made consistent with the new set of relations of production ensuring that possibilities of glaring inequalities to develop anew were pre-empted. However, it must be borne in mind that in these societies the introduction of non-exploitative relations of production was part of an overall scheme for the establishment of a socialist society in which ownership of the major and principal means of production was vested in the state or other forms of co-operative or collective enterprises.

Individual initiative was limited to a small non-exploitative domain of production.

III

In this volume, among the non-socialist countries which have initiated land reforms, the Tanzanian and Algerian experiments have demonstrated a greater degree of radicality of content than the others. Historically, before the colonial era (before 1961), Tanzania did not have the village pattern of settlement (nucleated rural settlements), "the rural population were distributed in space according to the environmental conditions of their different farming and herding patterns, and the modes of their interactions with and modification of the natural world." Colonial Tanganyika, first under German and later under British administration, was not a settler colony of the classic type (exemplified by Kenya and Rhodesia where the colonisers established large estates on appropriated land as a matter of officially favoured policy). Yet prior to independence, the estate sector housing the limited European 'settler colony', produced 35 per cent by value of all marketed crops, constituting 45 per cent of agricultural exports. African peasant commodity production was allowed a limited role and in some cases was effected "through coercive means such as minimum cultivation acreages of specified export crops and the use of the local native authorities to ensure compliance"—reminiscent of the *tinkathia* system of indigo cultivation in colonial (Champaran) India. However, in the Kilimanjaro and some other regions, spontaneous development of cash cropping by African farmers, notably of coffee, took place and the first African marketing co-operative was established in 1925 in this region. The co-operative movement, initiated and controlled by coalitions of richer peasants and African traders, civil servants and chiefs, "who experienced the frustrations of the restricted opportunities for Africans in the colonial society" steadily grew in strength. But marketing and transportation of crops remained in the hands of a series of middlemen of Asian origin, who along with the Europeans occupied major positions in the civil service, in the professions and in commercial and civil enterprises of all sizes. The antagonism between the Africans and Asians is therefore comprehensible. The emergence of TANU (the Tanganyikan African National Union) in 1954 paved the way for massive mobilisation of African nationalism and the eventual creation of independent Tanganyika (1961).

Between independence and the famous Arusha Declaration (January 1967) Tanzania followed a pattern of development set earlier in the colonial era—village settlement schemes, heavy reliance on foreign aid, capitalisation of schemes and so on, which did not contribute much in injecting vitality to the precarious economy. However, the role of the RUVUMA Development Association (RDA) during this period deserves mention. Guided by several intellectuals and local political leaders, the RDA consisting of a collection of small and poor villages in the south of the country, experimented with collec-

tive production of food and cash crops, small industrial enterprises, an indigenous system of education. It is even suggested that Julius Nyerere's formulation of the *ujamaa* (literally familyhood as the basis of African socialism) and the education policy was greatly influenced by this experiment. Bernstein does not shed light on why this was declared an illegal organisation by 1969.

The philosophy of the *ujamaa* sought to fashion African socialism by reinforcing traditional ties that bound the individual with the community—ties of reciprocity and egalitarian extended family relations. The evolution of such a native indigenous socialism implied change consistent with the traditional structure. The capitalist system with its ethos of acquisitive individualism and its legitimisation of fellow exploitation for private gain, was leading to a process of increasing differentiation between the new educated elite of the public and private sectors, and the masses of peasants and workers; between the emerging capitalist farmers, and other sections of the peasantry. Thus, *ujamaa* socialism aimed at the extension of traditional structure, when the capitalist path was paving the way for its destruction.

Initially the *ujamaa* was conceived as "a voluntary association of people who decide of their own free will to live together and work together for common good". The establishment of such a nucleated settlement was followed by initiation of collective projects in agriculture, creation of infrastructure culminating in the communalisation of the greater part of production and distribution of income on the basis of work contribution. 'Parastatal' companies, and not private enterprise, in industry, agriculture, finance, transport and distribution at the national, regional and district levels were the functional socialist alternatives. Notwithstanding these efforts, when the voluntary establishment of *ujamaas* could not respond adequately to the production crisis, a policy of enforcement (1976) sought to accelerate the process of 'villagisation' with increased state intervention. Bernstein points out the consequences of such a drastic shift in policy. The new situation had to contend with the attendant problems of crop planning, soil conduciveness of crops, provision for appropriate technological infrastructure on an unprecedented scale, and so on. Further, while the 'parastatal' organisations came forward with all the inputs they could mobilise upto the point of deciding which crops to be grown, where and by whom, cultivation was left to the initiative of the individual household, with the result that many started regarding these services 'as a natural right'. Furthermore, the ideological training needed by the change-agent machinery to perform this stupendous task was not available in the scale necessary for the accomplishment of the transformation.

Whatever may be the shortcomings of the movement—and any movement for structural change is bound to have a share of it—the Tanzanian experiment has extended basic services—primary education, health centres, clean water supply—to an extent which is nothing less than impressive. The experiment has not been terminated and one should be looking forward to see how Tanzania overcomes the initial difficulties for the establishment of an indigenous African socialism.

More of a settler colony than Tanzania, the first stage in agrarian change in Algeria involved the seizure of estate lands by the workers following the departure of the first set of French settlers. The second stage witnessed the expropriation of the largest French estates and their transfer to the socialist sector under a self-management system (autogestion). In the third stage, the remaining lands under the French were expropriated and transferred to the autogestion sector. The transfer of lands under the erstwhile French colonialists took place quite swiftly between 1962 (year of independence) and 1963. The practice of autogestion was at the same time extended to industry and mining. Keith Sutton observes that initially there was a contradiction between the principle of 'self-management' and the practice of centralised government control reducing the estate-level elected bodies to act as rubber stamps of the government appointed administrators. This was sought to be rectified in course of time. Notwithstanding the marginal decline in production, the substitute institutional structure certainly prevented a collapse of the production process in the estate sector after the sudden withdrawal of the French.

While it was possible to act swiftly with respect to colonial foreigners' social justice arguments for reforms could not be applied to the time-worn traditional feudal sector before 1971. These took the following forms: a three-phased redistribution of land and livestock; the organisation of recipients of lands into various kinds of production co-operatives; the co-ordinated grouping of reform co-operatives together with existing autogestion and private farms into service co-operatives (CAPS); the establishment of a peasant union (UNPA); and the upgrading of rural settlement structures through a programme of new 'socialist villages'.

Quite unique has been the Algerian handling of the pastoralist problem in the steppes. Of the total flock of 8-10 million sheep, only five per cent of the 170,000 graziers owned half of them. Here too, a debt-repayment relationship existed between large and small graziers. The debt-repayment was in terms of one-tenth of annual increase in the size of flocks. Pasture resources were over-exploited by small graziers and by shepherds working for large graziers thereby threatening desertification of the steppes. Reforms concerning pastoralists involved: (*a*) nationalisation of pasture land; (*b*) denial of ownership of flocks to absentees; (*c*) ceiling on size of the flocks; (*d*) redistribution of expropriated surplus among shepherds and small graziers; (*e*) those receiving livestocks were required to join production co-operatives, which were again grouped along with medium sized graziers into service co-operatives; (*f*) in the arable sector, graziers could be located within a range of co-operatives "from total integration to looser association where only pastureland and collective equipment are common".

Agrarian reforms in Algeria faced a variety of problems—evasion of ceilings on land; managerial quality and limited availability of infrastructural resources; reform-shy peasants who kept aloof from reforms. But on the balance, and in comparison to other north African efforts (Tunisia, Morocco), agrarian reform was much better placed and poised for further progress.

IV

Among the north and Latin American attempts at agrarian reform presented in this volume, barring Brazil, each of the three countries, Mexico, Ecuador and Peru, have contended in some form or the other the peasant problem. While generally in the Latin American countries the role of the capitalist sector and that of the multi-nationals has influenced the course of agrarian reforms, it is interesting to note that in the Ecuadorian case a significant fraction of the landowners were active in the enactment of the agrarian law. The traditional agrarian system that predominated until the 1960s was that of the *hacienda*. The landlord obtained labour in the form of rent for a plot of land (*huasipungo*) given to the labourer (*huasipunguero*). In addition, he was entitled to a small wage payment which generally went by default. In exchange for the plot, the *huasipunguero* not only pledged his own labour at the disposal of the landlord, but the labour power of his extended family members (*allegados*) was also made available for his domestic requirements. As long as the *hacienda* was producing the traditional crops (barley, corn, wheat, potatoes and some milk), this structure of relations persisted. But the situation started changing rapidly as the *haciendas* responded to the more lucrative market for milk and switched over to modernised dairy farming. This necessitated a corresponding change from *huasipunguero* type of labour to wage labour. Further, it required the incorporation of *huasipungo* plots in the new venture. But this met with a serious difficulty as most landlords were indebted to the *huasipungueros* for non-payment of their entitled wages ! Some landlords began granting them land in different locations inferior in quality and lacking in facilities such as irrigation, pastures, communication and so on, in lieu of their accumulated debts. It is argued by Murmis that landowners themselves were keen that a reform legislation legitimised their moves. In course of time, legislation sought to eliminate the *huasipunguero* category altogether transforming them into independent plot holders. This process was accelerated as peasant movements pressed for reforms, even marginal *haciendas* unable to maintain efficiency levels decided by the government and *hacienda* owners were appropriated and made over to the *huasipungueros*.

Reforms, however, fell short of "deeper changes in the system of land tenure", as they did not extend upto peasant co-operatives or viable peasant units. The pattern of changes that took place involved (*a*) the growth of capitalism in agriculture through transformations of traditional *haciendas*, (*b*) the simultaneous increase in wage labour (proletarianisation); (*c*) an increase in the masses of small peasants; and (*d*) creation of semi-proletariates, small peasants for whom wage labour was a supplement to the inadequate support for livelihood from their lands.

The Peruvian agrarian reforms have a distinctiveness of their own. Carried through stages, it has introduced quite a variety of changes. The economy is in the grip of multi-nationals who control processing of cotton (ginning and oil), tobacco, barley, milk, agro-industries, fertilisers, pesticides and veterinary products. This monopolistic, hegemonistic domination had not only affected

farm production but had also resulted in the impoverishment of the peasants. Paradoxically, it was only after the military regime of Alvarado took over power in 1968 that agrarian reforms figured in the agenda of political action. The decision to professionalise the army led to their making a close study of the agrarian situation and their subsequent appreciation of the abject conditions in the countryside. Strong peasant movements from time to time created a favourable climate for introducing reforms. Ceiling on size of plots at 150 hectares indicated a strategy for strengthening the 'middle agrarian bourgeoisie' and signalled the decline of the parasitical power weilding 'agrarian bourgeoisie'. The state, however, exercised a lot of control without involving union leaders, thus precluding mass participation of the peasants. In the next stage, the state created a number of agrarian based organisations in opposition to the landlord and other reactionary interests. This situation led to surfacing of contradictions and creation of conditions "for a new surge in the vast union movement; leading to extensive land seizures, 'valley strikes' and peasant mobilisations". The third phase emphasised improved technology for increasing production. The fourth stage was characterised by fluctuating formulations of land ceilings, promotion of private initiative, and so on, ushering in a conservative trend.

Interestingly, the Peruvian model of change was conceptualised 'as a plan for pluralist development' in which the state enterprise sector (industries and basic services), the private enterprise sector, and a wide spectrum of self-managed enterprises (co-operatives and social property enterprises) coexisted. The model was presented as 'neither capitalist nor communist', as a system within which different class interests would be reconciled. Workers were given shares in the profits of the state sector, were allowed a participatory role in decision-making in the various public and private enterprises, and were also given a share in the company stocks. According to Valderamma, monopoly capital sets limits to the role of the workers in decision-making.

Mexican reform was given its substance by President Cardenas (1934-1940) with the support of large scale peasant movements led by peasant revolutionaries. The main content of land reforms is embodied in the emergence of the *ejido*, a unit of ownership acquired through the reform process. The members of an *ejido* are a group of peasants, the *edjidatarios*. While permitting inheritance of membership to children of *ejidatarios*, sale or rental of *ejido* land is illegal. Although the original intention was to pave the way ultimately for collective production, the right of usufruct still lies with the individual households. The capitalist and the *ejido* sectors have a concurrent run with the result that the former has cornered the major resources and penetrated the *ejido* sector. Thus, the *ejido* entry into the land market 'is a tolerated violation of agrarian legislation'. Large scale renting out of *ejido* land to and partnering with capitalist elements have become a common feature, leading to differentiation among the *ejido* peasantry with the emergence of rich peasant interests among the *ejidatarios*.

As noted earlier, the Brazilian case has been singularly insensitive to land reforms. Agrarian relations have therefore evolved differently in different

regions in this vast country. For example, in the north-east where there are marginal lands available for cultivation, capitalist farming with its concentration of wage labour, capital intensity, reduction in farm size, has led to peasantisation of the erstwhile tenant-labourers. In contrast, in the south, where the pace of industrialisation has been fast where mechanised capitalist farming has been able to buy out peasant producers, the process has been one of proletarianisation.

V

This leaves us with the five Asian countries—Bangladesh, India, Iraq, Sri Lanka and Thailand. The model of rural development attributed to Bangladesh is of the co-operative capitalism variety. The emphasis is on (*a*) increasing the rate of agricultural output by rapid expansion of HYV technology to environmentally suitable areas; (*b*) creating new employment opportunities for the rural poor through 'labour intensive technologies and rural industrialisation'; (*c*) strengthening 'rural institutions for effective delivery of development services to all socio-economic groups'; and (*d*) improving "rural infrastructure through an intensive rural works programme in order to reduce the risks to agricultural production and to provide employment for the rural poor during slack agricultural seasons". The programme which evolved through trial and experimentation by East Pakistan (later Bangladesh) Academy for Rural Development, first in Comilla and subsequently in Rangpur and Rajshahi, is the all-too-familiar Integrated Rural Development Programme (IRDP). The assessment of the programme from 1971-72 through 1977-78 makes the following points: (1) The increase in agricultural production, even in the IRDP areas has been below expectations, and difference in yields between members and non-members has not been significant where access to irrigation has been the same. (2) The agricultural co-operative societies and the training centres have been dominated by surplus farmers, who monopolise the available credit, enjoy the best access to irrigation, and also constitute the largest defaulters on loans. (3) The augmented incomes in the IRDP areas have been largely absorbed by large and medium farmers and 'have not been used in productive or employment-creating activities'. Consequent to the consolidation of their economic position, they have been a major obstacle to the removal of subsidies enjoyed by them. (4) The IRDP is not making agricultural development self-supporting. (5) The IRDP hardly touches the problems of landless and the rural poor who constitute more than 50 per cent of the rural population. In fact, the problem facing this segment of the population has been acquiring serious dimensions.

Could anything be done so that poor peasants and agricultural labourers become the 'beneficiaries and not the victims' of development policies? Three views are offered: (1) The IRDP optimists consider this possible with a more balanced (equal) representation of various agrarian categories in the management model. (2) Some leftists view co-operative capitalism as a ne-

cessary prelude to class polarisation and conflict for ushering in a more egalitarian system. (3) Others expose the fallacy of 'grow now, redistribute later'and insist that it is necessary to 'get the structure right', 'democratise property relations', so that production-distribution balance is maintained. Notwithstanding these, the author suggests certain pragmatic steps which are possible within the given structure. These are: (*a*) drastic increase in the employment of the unemployed and the under-employed through rural industrialisation and the use of labour-intensive technologies and (*b*) the establishment of small functional co-operatives with membership confined to the landless and marginal farmers.

Unlike in the case of other countries, rural development in India has not been discussed either in terms of content of reform or development, but in terms of macro patterns of emerging class conflicts. Land reforms have acquired complex forms on account of these being directed by the States individually. We are made aware of the two-pronged approach of abolition of landlordism, ceilings on land and tenancy reforms, and the green revolution strategy, which is characterised by the IRDP and such other programmes. The following points are made regarding the evolution of land reforms: (1) The agrarian policy was a resultant of the contending pressures of the erstwhile semi-feudal landlords and the emerging class of medium landowners and superior tenants. The inarticulate and unorganised rural poor were missed out both at the legislative and implementational levels of land reforms. (2) The impact of land reforms was positive for the intermediate classes and negative for the rural poor. (3) The institutional approach of land reforms continued until the mid-sixties and was taken over by the technocratic approach. This has been paralleled by a 'shift from subsistence tenancy by poor peasants to business tenancy or self-cultivation based on hired labour by the erstwhile landlords'. This has further resulted in immiserisation of the small and marginal peasants in many areas.

The general conclusion that is drawn is that processes released for the 'emancipation of the working peasantry from the worst forms of semi-feudal oppression and exploitation' has been more than off-set by the very 'curtailment of this emancipation as new, capitalist forms of exploitation and oppression replace the old'. So the argument which applied to Bangladesh also applied to India, namely, the futility of distributive justice without qualitative reorganisation of the inequitous socio-economic structure.

The Sri Lanka effort at land reforms displays a wider variety of experimentation despite a late start. In the first phase (1972), a land ceiling of 25 acres of paddy land or 50 acres of non-paddy land per married couple or unmarried person over the age of 18 was promulgated. A Land Reform Commission empowered to acquire excess land on behalf of the government was set up at the same time. Lands held by temples and public companies were exempted until the takeover of company lands in 1975.

The settlement pattern of the rural economy has been villages surrounded by plantations (tea, rubber, coconut). The first phase of reform covered the latter more effectively than the former. Only six per cent of the culti-

vated paddy area in 1972 in the villages was held by agents owning more than the ceiling of 25 acres, of which temple lands were exempt. So the relations of production *within* the village remained largely unaffected. But substantial land areas under tea, rubber and coconut plantation held by individuals were appropriated by the state. In the second phase of reform (1975), the state took over all lands owned by public companies. It is with this plantation sector that the government attempted some experimentation. The *Usawasama*, initially organised for settling landless peasants and unemployed youth in co-operative enterprises was entrusted with the production and management of 12 state acquired plantations, involving 67,000 acres. However, the old relations of production were retained except for many of the previous managers and supervisors who were replaced by the inexperienced youth. When this venture failed, the *Usawasama* was abolished, and the management transferred to the two new state corporations which had come up in the meantime—the *Janawasama* (1976) and the State Plantation Corporation. These corporations, commanding over 400,000 acres of land, retained the pre-reform structure, but the difference lay in their being no longer private property.

Two types of co-operative experiments were attempted. The youth co-operatives came first (1973), as 'settlements established on the basis of collective ownership, self-management and profit sharing'. It is not clear how far this effort yielded what kind of results. The 'electoral-level' co-operatives (1974) had optional membership of those who obtained land on lease from the Reform Commission. Because of the extremely limited response, these were abolished in 1977.

Apart from these state capitalist and co-operative efforts, small plot allocations to individual cultivators accounted for only 5.3 per cent of the total land area acquired during the reform process. Thus, it is argued, land-to-the tiller was not a major policy consideration in agrarian reform.

The treatment of historical evolution of agrarian reform reveals some interesting facts. First, that the anti-imperialist struggle did not involve the peasantry, that the agrarian structure was without *kulak* and rich peasant class, that the agrarian question came for serious reckoning only after the youth insurrection of 1971. The interpretative dimension is caught up in the Gramscian model of the 'agrarian bloc', and there is the suggestion of a Sri Lankan parallel to the Italian case which makes the interpretation sound somewhat mechanistic.

The Thai experience is a classic case of how successive efforts at land reforms (tenancy, ceiling) have been thwarted by the emergence of powerful interests. The penetration of Japanese or American MNCs in promoting export oriented agri-business has not only made the rural economy vulnerable to fluctuations in the international market, it has changed the cropping pattern to the detriment of the rural poor. The social system has, from time to time, been politically restive, challenging the oppression of the ruling privileged classes. It is interesting to note that the precarious equilibrium is maintained by the emergence of a 'new rural elite', a 'new rural middle

class' which is 'not an unambiguously capitalist class', by the reproduction of subsistence production which supports capital by providing low-wage work force; and by a repressive state.

The paper on Iraq is centred more on the progressive role of the Communist Party than the actual evolution of the agrarian structure and its contradictions. It demonstrates how the Party moves from an orthodox position to a more realistic appreciation of the agrarian classes and reforms.

Finally, the paper on 'Agrarian Reform in Asia' brings out some significant aspects of the agrarian structure. The case for land reforms is argued from social equity and economic efficiency points of views. In this connection, it is noted that agricultural censuses generally record *land holdings* and not *land ownership*, which is more a measure of the productive power of land than degree of concentration of land ownership with its attendant implications for the distribution of income. Two reasons are given as to why this is so: first, "tenancy markets generally transfer land from large to small owners and so the land holding distribution is less unequal than the land-ownership distribution." Secondly, "the terms of tenancy are such that it transfers a large proportion of income generated from the operator to the owner of land." Thus, the structure of land ownership controls distribution of output in the tenancy market by affecting the terms and conditions of tenancy. It would follow that "a drastic land redistribution which broke the monopoly power of big landlords could improve the terms of tenancy and hence the distribution of rural income" and also perhaps increase agricultural production. The paper counters propositions relating to economies of scale in agriculture, particularly the view that higher savings and investments go with concentrations of income and wealth. The land-to-the tiller programme is demonstrated to be an effective land reform measure. Four pre-conditions for successful land reforms mentioned are: upto-date records of ownership and cultivating rights; appropriate ideological and political education of personnel responsible for implementation of land reforms; support from organisations for and of the rural poor; and a strong political commitment for drastic reform.

VI

The volume through its 14 case studies of Third World societies demonstrates convincingly the consequences of two polar opposite approaches to rural transformation. The ideal type socialist approach of full collectivisation in agriculture encounters problems of motivation, inefficiency and consequent resistance to change. A small non-exploitative private sector within the fold of socialist relations of production has tended to contribute to the health of the transformed productive system. Capitalist penetration, wherever allowed in a big way, has tended to exacerbate existing inequalities resulting in land alienation depeasantisation and pauperisation of large masses of peasants. Occasionally, however, capitalist inroads have contributed to the sustenance of a large below-subsistence sector which ensures a steady

supply of cheap wage labour. Almost invariably, efforts at agrarian reforms have been nullified, neutralised or subverted where land, labour and tenancy markets have been either allowed to operate unfettered or not sufficiently controlled. Decidedly from the point of view of combining social equity with increasing production, the socialist experiments have yielded more satisfactory results.

While the volume covers cases of countries in which (*a*) socialist relations of production have followed drastic agrarian reforms and (*b*) non-socialist relations of production and multiple social formations have been allowed to co-exist with incremental radical agrarian reforms, it has not covered cases of (*c*) capitalist relations of production being allowed full play after drastic land reforms. Had the volume included South Korea and Taiwan, the representativeness of the universe of countries having undergone agrarian reforms would have been near complete.

As it stands, it is an excellent volume cutting across narrow disciplinary boundaries.