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બોરલી

ચરણા સિં.
(કરં)

Land Problem

Report of the Agri-
Cultural Tribunal
of Investigation

Submitted on 7.5.

One of the two circumstances responsible for greater success of Co-operation in Germany than in England is that England did not possess the same class of land-owning peasants, with the ample basis for credit furnished by the fact of ownership. — P. 14

2. Germany keeps a ^{larger} ~~greater~~ number of people working on the soil and ^{gets} greater gross output. This greater gross output is naturally all, directly or indirectly, made use of in maintaining them there. If Germany were to allow most of them to depart, it would be content with a smaller gross output, it might obtain a greater net output. But that has not been the object she has set before herself. P. 14.

© 1.
PP 21-22
51-52

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3. Denmark, where the crisis began, was, like Germany, a country of peasant owners, so far as three-fourths of the soil was concerned. P. 16.

(P) + 4. Thus whereas the number employed per 100 acres in Great Britain amounts to 4.4 and in Denmark to 5.5, the number employed in Germany is 6.5, in France 7, in Holland 9, and in Belgium 10. Belgium still carries per acre the highest population among the West European states. P. 34.

(SS) + 5. Thus the percentage of holdings in England under 50 acres is approximately 60 p.c., in ^{Denmark} Germany 95 p.c., in France 90 p.c., in Germany 92 p.c., in Belgium 95 p.c. and in Holland 90 p.c. P. 34

X 6. V So long as there is effective security against unreasonable disturbance, and compensation for loss due to disturbance, much of the benefit accruing from ownership would seem to be secured. But in most countries the sentiment in favour of ownership is strong, esp in Denmark and it is significant that many complaints observed in Denmark regard the system of ownership as the most important of the causes of Danish prosperity. Ownership gives a feeling of security and a sense of attachment to and interest in the land which ^{nothing} else calls out so strongly. It is also the most satisfactory basis for the Cooperative or Statute provision of credit.] On the other hand ownership of land by the occupier ties up Capital

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8. ~~On~~ which might be used in the equipment and working of the farm. P.P. 37-38
7. It can hardly be urged that in this country where the law now provides for a large degree of security of tenure by means of compensation for disturbance, ownership is clearly more advantageous on a balance of considerations from an agricultural standpoint than tenancy. P. 38.
8. As regards compensation for improvements, the Tribunal recommended the extension to all tenancies of "the Evesham Custom" according to which "a tenant is the owner of whatever, in the way of fruit trees etc, he may put upon the land; but only in the sense that when he leaves the holding, he has a right

to find a new tenant who will be willing to pay him for them. The compensation to the improving tenant consists accordingly in the price which a would-be tenant will give for the improvements. The land lord is under no liability at all unless he refuses to accept the new tenant; and in that case only has he himself to pay the outgoer." p. 38.

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(Ad) 9. We believe that the time has come for a
P. 9, 39-40, 50, 174
push & large effort to be made to extend the
establishment of small ^{est} ~~holdings~~ on the land.
We think this is highly desirable in the
national interest. [Small holdings are not
to be advocated on the ground of net
produce]. [The success of small holdings
is commonly due in some measure to
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to labour which gets its reward in mental satisfaction & not in pecuniary gain. The main grounds on which small holdings are to be advocated are the number of people they keep on the soil in conditions which render them reasonably happy] and that they may therefore become a very important factor in lessening the rural efflux. P. 41.

10 It (~~was~~) the typical agrarian organisation viz the comparatively large farm employing wage labourers) has too often meant a social distinction between the ordinary farmer & the ordinary labourer, which has had the effect of diminishing the labourer's zeal, deadening his interest in agriculture, & creating a sense of alienation. P. 42.

+ 11. The system of purchase & ownership by the County Council of the land & of the leasing of it to small holders seems to combine largely the advantages of ownership without its disadvantages; & the gradual extension of this experiment in public ownership of the land is in itself desirable. At the same time, attention should be directed to the alternative method — of the public authority renting land by agreement or, if necessary, by arbitration, for the purpose of small holdings. If it is considered desirable to avoid the investment of public money in the purchase of land, this method might be adopted. We consider, however, that, on the whole, the system of public ownership is preferable.

imp // In recent decades forms of tenure have been created, both in Germany & in Denmark which ~~are~~ give the small holder the main advantages of ownership, while not depriving the rest of the Community, represented by the State of any possible increment of value which may arise from changing environment apart from the occupiers' own labour & capital. P. 44.

12. Another striking feature in any comparison between agriculture in Great Britain and abroad is the place & influence of ^{the} family farm in the agriculture of Continental Europe and of the new world. Compared with Continental Countries, Great Britain is mainly a country of medium and

large farms. British agriculture stands in contrast both to Continental systems and to the systems in America & in the British Dominions by the use of a large amount of hired labour. We believe that the productivity of European agriculture, particularly of that of Denmark, Germany and Belgium, where the output has been ~~the~~ greatest, has been largely due to the attention given to the organisation of the family farming system; and in Denmark, which still offers the most instructive field for comparison, the maintenance & extension of the system have been regarded as the most secure foundation for obtaining the maximum out of the land, while, at the same time,

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developing a democratic and rural social community.

It is a striking fact that the countries which have had most experience of the small family farm system, so far from receding from the system, have been, even before the war, and still more markedly since, engaged in a policy of increasing the number of these holdings and improving the general system of community organisation in their support.] It is a very difficult matter as yet, on the basis of existing evidence, to discover whether the increased productivity of European agriculture within the last fifty years has been due to the multiplication of small holdings, but the increased production which has

followed from the breaking up of
estates in Denmark & in other Western
countries goes to support their view

[See, however, the evidence to
the contrary given in the book
on Rumanian Land Problems ^{written} in
1936 ~~with them~~]. P. 87.

~~85~~ "Family Farm" is a farm worked
by the occupier and the members of his
family, with or without some hired
labour. P. 91.

Report (By Prof. D. H. McGee)

13 The maintenance of on a large scale of small holders is one obvious way of maintaining the rural population and this involves a number of motives such as health, defence, productivity, social ideals, and the provision of employment as an alternative to emigration. P. 125.

15. In Germany, the Government of Prussia undertook by the well-known "Reutengüter" law of 1890 and 1891, a further extension of small holdings, for the three-fold purpose of preventing the migration of agricultural labourers, increasing the class of ^{small} peasant proprietors, and developing "internal Colonisation" on hitherto uncultivated land. P. 126

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A "small" homing is not a simple thing to define. The nature of the crop, climate and soil have to be taken into account. The official definition of a small holder in Denmark, for example, gives about 25 acres as the limit of size; in this country it is 50 acres. P. 25.

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The purchase in Denmark and Holland is asked to pay only one-third, with one-fifth as here. Loans can be made to assist equipment. [In some countries relief is given from the payment of all land interest in the first year upon occupation of the homing.] P. 28.

see p. 26
N-Bok.

17.

(E)

[In Denmark the returns of the Agricultural Economic Bureau show that between 1918 and 1921 the profit per acre was usually highest on the smallest holdings] though the profit on Capital was on the whole least. There are large and small establishments in all industries, and some advantages in each, as well as the general advantage to the industry of variety of methods.

(Ad.)

The grounds on which the small holdings policy can clearly be based are two. In the first place, it is a policy for maintaining rural population; it does this by satisfying an ambition & thereby improving the rural exodus. In the second place it is in the interests of the efficiency of farming as a whole that qualified

labourers should be enabled to start on their own account, & to rise into the ranks of farmers. Agriculture, it may be repeated, is an industry to which their latter idea is so specially applicable that an effective small-holdings policy is a matter of social justice.

pp. 133-34.

Memorandum No 15 by Sir William
Denmark. Ashley, a member
 of the Tribunal.

- (55) 18. The law on the subject took final shape in 1769, and it has remained in force ever since. Peasant holdings must not be let down. Their maintenance is defined as involving not only the physical maintenance of the farm buildings, but also the maintenance of the necessary farming

stock and the employment question of
the necessary labour. --- Moreover
a farm is deemed to be let down
if it is so divided that the main
block is insufficient to support a
peasant family P.P. 245-46.

19. The plan adopted in Prussia by
the legislation associated with the
names of Stein and Hardenberg (1807-
1816) was to compensate the manorial
lords for the loss of their services by
handing over to them from a third to
one-half of the land previously held by
tenants. In return for the surrender,
such peasants as held a complete peasant
holding, worked by at least one yoke of
oxen, were made independent owners

of what they retained. P. 248.

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And, finally in 1861, a measure was
 passed ^(in Denmark) which, as it turned out, effected
 the desired object ~~by~~ giving a substantial
 motive to landlords to dispose of their
 rights, but without surrendering to them
either so large a monetary compensation
as would cripple the new owners by
heavy redemption payments, or transferring
 to them anything like so large a proportion
 of the land as in ~~the~~ Prussia. This was
 the rapacious law which rewarded the
 possessor of an estate, who had sold his
 rights over nine peasant farms to the
 actual tenants or their children, by
 allowing him to absorb into the demesne
 farm an area equivalent to one-ninth

of the area to sold, out of the rest of the present ~~land~~ land on his estate so soon as the current leases expired. This law remained in operation to the end of 1890; but, long before that time, it had done its work. In accordance with its provisions, between the years 1861 and 1890 most of the remaining tenancies had become present properties. PP. 249-50.

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(154)

It should be remembered that the actual acquisition of ownership was only indirectly brought about by the State. The peasants had to buy off the rights of the manorial lords with their own money; and though they could borrow the money, they had to repay it. But it was the traditional policy of the State

which kept them on the soil, and so limited the exercise of their lords' rights that the latter were unwilling to deprive of them. P. 250.

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X The maintenance without need for sub-division — what the French call *forcellement* — of the peasant properties which, before 1880, already occupied three-quarters at least of the soil, is really brought about by the deeply-rooted sentiment of the whole peasant population itself. Like the peasant population of the German lands to the south, the Danes cling to the thought of the farm as a unit which ought to pass without diminution to one of the sons, the rest of the children being compensated by the need

recipient. Legally the owner can determine by his will which child shall succeed and the value at which the farm is to be taken over and the other children compensated. In order to prevent an over-burdening of the new farmer, the valuation laid down in the law may be below the "true value" in the price at which it could be sold. There is, therefore, in the law a recognised preference for the chosen heir; like the *Anerbenerrecht* of Germany. If the parent dies without disposing of the succession by will or otherwise, the State carries through a transference on the same principles. But in practice, the matter is almost always arranged during the parents' life-time. The farm is very generally transferred to

one of the children, after a family Council which comes to an agreement as to how much the preferred heir shall pay to the other heirs, and how much to the parents, in addition to their board & the exclusive use of some of the rooms in the farmhouse. P. 251

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(C) In real life Causation is not a simple matter of sequence but the more complicated matter of mutual and inter-related influence. [The economies of Co-operation have assisted Danish peasant farmers to maintain themselves. But it is also true that the existence on the sort of a population of peasant owners has immensely stimulated Co-operation. The farming population is very much

more homogeneous than in England; it is made up of men in much more nearly the same sort of social position and with similar business interests. As has been well said, "the farms are of sufficient size to make the co-operation of a number within a reasonable area a matter of importance. On the other hand, they are not so large as to lead individual farmers to think that they might do better singly." P. 287.

PP 258-64 Recent Touchant in Land Settlement.

Such action as the Danish Government has taken in recent years has not been so much to assist the typical peasant owner with an average farm of 70 acres, representing the class which has for centuries been rooted in the

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sort, as to increase the number of persons
 established on the sort of a different category.
 The real agrarian problem for Denmark
 during the last quarter of a century has been
 the Husmand — the Cotters with three
 or four acres, who are now commonly
 spoken of by English writers on Denmark
 as "small holders" — and the landless
 labourers.

The first measure which ^{had} for its purpose
 the strengthening of the Husmand element
 took the direction of making it easier for
 existing small owners to obtain working
 Capital by means of loans. Ever since a

law of 1850, the ordinary Danish peasant with a medium-sized or relatively large property, had been able to obtain loans from Co-operative Credit Associations in the several districts. — The plan is this: the borrower obtains from the Association to which he belongs a loan in the form of a bond, bearing interest paid by the Association; and this bond he finds no difficulty in realising through a bank or broker. Such bonds are indeed a favourite form of investment in Denmark. The ultimate security is, of course, the land owned by the borrower; on this he executes a mortgage in favour of the Association. [It is evident that the fact of the ownership of land by the peasant is the basis of the whole system.]

4.8.41 But for a long time it was generally
 supposed that the Capital value of a House and
 's or Cottage's property was too small to justify
 an Association in making an advance. It
 was necessary that there should be some
 additional security at its back. Accordingly
 the State stepped in, & in 1880 created
 two Credit Associations for the small land-
 owners for the small landowners of that class,
 one for Tutland & the other for Islands . . .

[Under an Act of 1899 the State lent to appli-
 cants who fulfilled the conditions for becoming
 State Cottagers nine-tenths of the total cost of
 the house (including buildings & site). The
 new buildings were limited in size & value.
 The terms of ~~the~~ repayment were easy, as
 amended somewhat later, only interest

was to be charged for the first five years, & then only 3 per cent, and after that an additional payment of 1 per cent was to be made to the sinking fund until the loan was paid off. ---

The farms thus created are freehold, & when the loan is paid off will become the absolute property of their occupiers. They can be sold, but they cannot be sub-divided; and the existing laws put insuperable difficulties in the way of the adding of one holding to another so as to make a large farm. The law of succession is the same with respect to them as applies to landed property in general. There may be, & usually will be, a preferred heir; the other heirs may be compensated by money raised on mortgage; in no other case can mortgage be created.]

[But the land hunger of the Sudmases
 & Labourers was not satisfied. Though the
 difficulties in the way of a would-be small
 holder under the Act of 1899 were not in-
 superable, ---, they were very great. The
 land had to be found, with a willing seller
 by the applicant himself. --- -- [[On
 the other hand, there was a strong movement
 in the direction of the creation not of
 free-holders but of State tenants. It seemed
 possible to establish what would in effect
 be a sufficiently permanent tenure, & to
 do this at less cost to the new farmer than
 if he had to pay the full value of the land,
 & at the same time to maintain the national
 ownership of the land in question & reserve for
 the nation a share in the benefit of any
 future "unearned increment."] Projects

of their Character had for some time been
 advocated in Germany by so high an agri-
 cultural authority as von der Goltz & so
 distinguished an agrarian economist as
 Professor Sering & had begun to take shape
 in the Reutengut of Prussia. All this
 German discussion was closely followed in
 X Denmark, and resulted in the recommenda-
 tion of an Agricultural Commission of 1910.
 They were accepted in principle by the Govern-
 ment; but they were delayed in execution
 by the war & did not take legislative form
 till 1919.

The three Laws of October 4, 1919, were
 designed to put more land at the disposal
 of the State for the formation of small holdings.
 Two dealt with the sources of the land. The less
 controversial of the two provided for the sale

- to small holders of parochial land or glebe.
 [All glebe suitable for the purpose — reserv-
 ing, where desired, seven hectares (some
 17½ acres) to the incumbent — was to
 be "sold" to applicants who possessed the
 following qualifications: — (a) a certificate
 from an ecclesiastical authority of his sobriety
 honesty & capacity to manage a small
 holding, and (b) the possession of sufficient
 resources to establish himself and (c)
 non-possession already of sufficient land
 for a small holding]. The price was to
 be fixed by the already existing Valuation Re-
^{Commissioners} ~~Commissioners~~ ^{Commissioners} proportionately to the price which
 an experienced buyer would have paid if the
 land had formed part of a middle-sized farm.
 But the "purchaser" was not called upon
 to pay this price either immediately or by

a long-period sinking fund. He was only called upon to pay an unusual charge ~~based~~ based on the valuation. This was to be $4\frac{1}{2}$ p.c. But every five years the charge was liable to change, & that for two reasons. The land, like all land in Denmark, would then be re-valued; though it was expressly laid down that no augmentation of value produced by the capital or labour of the proprietor should be taken into account. All that was to be regarded was the strictly "unearned" increment (or decrement), if any. And on this the "rent" was to vary with the change in the market rate of interest, this latter to be determined by a calculation over five years of certain definite securities. — — —

The other law, relating to the Passage

into Free Ownership of Tenets, Family Estates and Family Trust Estates, together with Family Trust Capitals aroused more controversy. ---

(under this law) The occupants' rights over the land are restricted by the following Conditions: —

- ✓ 1. "If the proprietor desires to transfer it to any person who is not his legitimate heir, the State has a right of preemption of the land & buildings, at the original price & at the value of the buildings, adding thereto the expenditure of the proprietor for the increase or improvement of the farm, as well as the value of improvements arising from the labour & capital of the proprietor."

X 2. "The land must be used for agricultural or market gardening purposes". It cannot therefore be used for building purposes.

3. "It must always possess the necessary capital & equipment"; this will probably mean in practice that the possessor of an ill-kept farm may be compelled to sell at an official valuation to some other person acceptable to the authorities. This added, however, that the "Control" of the State shall not apply to the buildings, if they have not been erected with the help of a State loan.

X 4. "The proprietor cannot engage in operations likely to injure the productivity of the soil, such as the destruction of the vegetation layer, the extraction of clay or chalk without the permission of the Ministry."

✓ 5. [The farm cannot be let.

X 6. The farm cannot be sub-divided

X 7. The farm cannot be joined to
other farms]

✓ The last two of these conditions

✓ apparently only apply to State small-
holders, principles which have long been
enforced by law, resting on custom, with respect
to farms generally. The first four
however, introduce new & important res-
trictions on the transfer & management
of the land, & a new measure of
State Control.

X [There can be no doubt that the basis
of the new policy is to be found in the
continuation of two sets of ideas; the
new movement for securing to the
State larger definite rights over the farms

it was creating; and on the other side
 a revival of interest in certain customary
 forms of occupation, short of absolute
 ownership, which had even yet not entirely
 passed away, & which had the merit of
 giving the buyer practical security while
 enabling him to retain rather more of
 his capital. When, however, the measures
 came to be drafted, it was realized that
 the prejudices of the peasant classes against
 "tenancy" & their preference for ownership
 were so great that it was necessary
 carefully to retain the term "ownership"
 & to describe the new tenure as ownership
 subject to conditions. And hence the
 law declares —

"Whoever obtains an agricultural
 property on these conditions acquires, in regard

X to it, all the rights belonging to a proprietor within the limits fixed by the law."

And the supporters of the policy among the rural population are very careful to speak of the State small-holders as "owners". On the other hand those who are unsympathetic towards it are very apt to speak of it as a system of State "tenancy" with security of tenure, or perpetual lease-hold. It is clear that it can equally well be spoken of as either a limited ownership or as a permanent tenancy. In fact, it is an intermediate form, breaking away from the sharp conception of "property" which the modern world has learnt from the Roman law. It is unlike the ancient traditional forms, such

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X [as the English "Copyhold" in that it establishes a relation not between an occupier and an individual landlord, but between ~~an~~ an occupier and the State]

The earlier legislation, that of 1899, had been influenced by the idea that the new State small-holders would form a reserve from which the larger farmers, and esp. the big "estate farms" would draw labour. Accordingly limits were set to the size of the holdings, such as might lead the occupier or their family to such outside employment. These limits were progressively raised by the amending statutes of 1904 and 1909, and now [the Act of 1929] definitely took up the position
 1/ that the holding should normally

be a self-sufficient one. It was laid down that "the land should, as far as possible, be divided into holdings sufficient to maintain a family without the help of outside labour". The ideal is the independent family farm; and the limit of size now thought desirable is indicated by the clause to the effect that land can be added to one who is

X a small-holder already, if thereby the total extent of the farm is not made more than the equivalent of 7 hectares of land of average quality (i.e. about $17\frac{1}{2}$ acres). As we have noticed above official calculations assume that 5 hectares [i.e. $12\frac{1}{2}$ acres] will on an average be enough. In a district on the island of Funen, ~~and~~ visited by the present writer

the usual size seemed to be about ~~10~~
6 hectares (15 acres).

⑧ Proceeds of Danish Farming [264-68]

(According to the earliest figures available, those of N. P. Jensen for 1897) the small farm on good soil produced relatively more for its area than the big farm but it produced absolutely no net profit at all in the complete commercial sense (at 4 p.c.)

(that is after allowing for interest and labour). But the small cultivator does not reckon in this commercial way. He does not estimate the capital value of his farming property, and then distinguish, in the revenue he receives, between interest on his capital & payment for his labour. He is content if he manage to make a fairly

According to A. H. Holmann [Professor at the Agricultural College in Berlin, the best authority on Denmark] "The superiority in this respect (viz that of average net output) of the small farm is beyond doubt!"

secure livelihood

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It follows that on poor soil the small peasant was about as well off materially as the labourer, on good soil distinctly better off. On poor soil he has, one & above the labourer's earnings, the impendable income of independence & security.

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Undoubtedly every one employed on the land, including the smaller & medium size farmers themselves, work very hard — not, perhaps, rapidly, but certainly continuously — for long hours. This occasions no irritation; on the contrary, it is a matter of general satisfaction, when, as is very preponderatingly the case, the workers are

peasant workers or men who can reasonably
look forward to becoming themselves owners
even of a State small holding.

Memorandum to Sir W. Ashley.
Germany. P. 277-89.

PR. 51

X Turning now to Germany we find there a
country many times larger than Denmark
in which also, 50 yrs ago, the peasantry
remained upon the land; in large
districts of the West & South-west to much
the same extent as in Denmark, & even
in the North-east in very considerable
numbers. Taking the country as a whole,
peasant owners — with farms much
smaller than those customary in England
and usually employing ^{little} labour outside

their own families — cultivated little
 short of three fourths of ^{the} land. In
 the south-west peasant properties
 almost monopolized the country; and
 even in the provinces east of the Elbe
 (Ostelbien), which most nearly resembled
 England in the preponderance of large
 owners (the Junker), peasants still held
 from two-fifths to a half of the soil]

A distinct breach, however, with
 earlier policy was involved in the move-
 ment, which ultimately led to legislation,
 to encourage the practice among peasants
 of succession to undivided properties
 by the creation of a preferred heir (
 Auserbe).

The practice in earlier centuries has

been for the normal peasant holding to
 be regarded as an indivisible unity
 & to pass to one of the sons. So long
 as manorial lords maintained their
 authority, they usually enforced some
 such custom, in their own interest,
 as a means of maintaining their hold
 on the labour services of the tenants.
 But in the 19th Century the view
 became dominant that this custom
 was an interference with the peasant's
 rights of property, and the Prussian Code
 gave the peasant the power to dispose
 of his property precisely as he liked
 by will, & prescribed in the case of
 intestacy equal division between children.
 Elsewhere the Code Napoleon was in
 force, which made equal division

Compulsory. In practice the peasants
 cling pretty generally to the old custom
 though not without burdening the
 property with heavy debts
 in order to compensate the other heirs
 in accordance with the selling
 value of the land.

Competent observers, however, ^{not} only
 thought the mortgage burdens excessive
 which were thus incurred; they feared that
 the old custom itself might disappear and
 the land actually be divided, & divided
 uneconomically. The danger of morcelle-
 ment which the French peasant has
 overcome by ceasing to have more heirs
 than will replace him if he dies, ^{or}
 might seem a real danger among
 people who had, so far, shown no sign

of limiting their increase. And the French remedy, carried to the extent it had been carried in France, seemed to most Germans as bad as the disease. Accordingly, legislation was passed, which should to some extent bolster up the old tradition, & make the maintenance easier.

The laws creating an Anerbenrecht seem to be generally facultative, i.e. permitting but not compelling, the registration of a property as subject to their provisions; they apply only to intestate succession; & then only give the one heir who takes over the property a certain preference in the proportion he shall receive (varying from State to State); & directing that the others shall be compensated according to the agricultural profitability of the estate & not

its selling value. [Partly for this reason, &
 partly because the single recipient is given
 a larger share to begin with, the new
 law somewhat lessens the tendency
 of the peasants to incur debt on
 succession to a property.] Nothing in the
 law prevents an owner from disposing
 of his property during his life-time or by
 will; but the law of intestate succession
 undoubtedly strengthens the hold upon the
 peasant mind of his inherited preference
 for single succession to the farm. The
 Statesman Tiquet declared in 1882 that
 the true means of preserving the peasant
 class ^{was} to carry this legislation even further.
 The leading ^{economists} of Germany, including Conrad,
 Schmoller, Seeling, Wagner, and Schaffle,
 have been in favour of the movement; the

one exception being Brentano, who regards it as reactionary, although undoubtedly popular with the great mass of the peasants.

For the development since the Revolution we may quote the account with which one of the highest present authorities on agrarian economics, Professor Wygodzinski of Bonn, concludes one of the ^{little volumes of his} popular text-book —

(It was, both from the social & from the economic point of view, one of the most important measures of the Govt of the Revolution that it decided to carry ^{out} the proposals of Professor Spring, the spiritual foster-father of the German land settlement movement, & issued on Jan. 29, 1919, a

preliminary ordinance for the provision of
 land for settlement purposes, which —
 while equally far removed from social
 radicalism & fatalistic *laissez faire* —
 opened a period of new & energetic ^{Settlement} policy.
 This emergency Ordinance was superseded
 by a National Settlement Law on the very
 same day as the National Constitution was
 issued (Aug. 11, 1919). The main features
 of this Magna Carta of Land Settlement
 were as follows; — The administrative
 authorities were the several States, who were
 made responsible for calling into existence
 Public Utility Companies for the purpose —
 so far as they were not already on foot.
 Representatives of the Settlers (i.e. small holders)
 were to take part in supervising the operations.
 The necessary land was to be obtained by

the Public Utility concerns in various ways.
 State domains must be offered to them on
 the expiry of existing leases. They were
 authorized to take possession of more land
 insufficiently utilised. They were given a
 right of preemption at all sales of land of
 75 acres & upwards, or portions of such
 land; and this right extended to smaller
 pieces with the authorisation of the State
 authorities. But these sources of land were
 more or less fortuitous. Accordingly it
 was arranged to carry out a reasonable
 policy of drawing upon the great estates.
 In those settlement-districts in which
 estates of 250 acres & upwards formed
 more than 10 P. C. of the cultivated area,
 the owners of such large properties were
 brought together in Land Transfer Unions.

At the request of a Public Utility Company these Unions were bound to put at its disposal up to one-third of the cultivated area of their estate. For this purpose the Unions were given powers of preemption and, if need be of expropriation. The estates subject to preemption or expropriation in the first instance were those (1) inefficiently cultivated, (2) recently cultivated by peasants (3) excessively large. There were provisions also as to peasant land & the like. The further development of the legal machinery was left to the several state legislatures, with this one proviso "that the proprietor (and of such owners as did not possess 250 acres must not be expropriated." --

The average size of a holding created under the Prussian laws was made 34 acres; while the average size of the English small holdings created under the Act of 1908 is only about 13 acres. The Prussian Holdings are almost without exception equipped with farmsteads; while more than four out of five of the English small holdings are not (P. 282).

But the evidence is conclusive that [the new peasant holdings in the eastern provinces not only doubled the number of inhabitants in the colonized areas — and that within 10 years; they increased the cattle in the area from two to three fold; the pigs three to four fold; while the grain crops were in some cases half

as large again, in other doubled]. This was of course, only by dint of harder work than mere hired labourers would care to perform, & by making use of their children & women & old people to do the extra ~~hardest~~ hardest work for which the great landowners had to rely on Polish "season workers".

[From address of Prof. Sering in the Emperor's presence before the German Agricultural Council, 1913].

- - -

(C)

The members (of Co-operative Credit Societies) are not only small holders; they are usually small owners. The fact of ownership has evidently a direct bearing on the fundamental principle of the Raiffeisen societies, which is unlimited Collective Liability. - - - Credit societies arose

in these districts of W and S.W. Germany where ? medium & small land-holders pre-dominant, the holdings rarely exceeding 60 acres, & for the most part containing under 30 acres."

Memorandum (V) France.

(p. 291)

The whole population of France, which was 36.1 millions in 1872, had risen only to 38.9 millions in 1901, & has since been almost stationary. In 1911 it was 39.6 millions. This is the result of a voluntary "limitation of Natality", which does not indicate any growing pressure of poverty. [Among ^{the} peasant-proprietors it is doubtless the result of the desire to reconcile the working of the Code Napoléon, which prescribes equal division of

(55)

X

of property among children, with the maintenance of the size of the holdings. "Fertility" is more marked in the more fertile departments;] and students of French agriculture even attribute it to growing prosperity.

It seems to be proved that the essential cause of the diminution of births among the agriculturists is their relative prosperity --- [Preoccupation with the thought that they have property to keep up leads peasants who have become comfortable in their circumstances to restrain births, just the town middle class do, & for the same reason.] [Conacher & Scott, p. 5]

The districts which are well-off, inhabited by proprietors who draw good & secure incomes from their land, are almost always more marked in this respect than districts where

Men have to carry on a constant struggle
to find a livelihood." [Conacher & Scott, P. 5].

P. 328.

(cl 6)
The Act of 1908 (England) provided that on
the completion of the sale the purchaser should
pay down not less than one-fifth of the
purchase-money. The Act of 1915, removed
this condition & there is now no statutory
requirement that the purchaser should pay
any part of the purchase-money in cash
--- The Act of 1919 gave a tenant of
a small holding who had been in occupa-
tion for a period of not less than 6 years
a statutory right to purchase his holding.

प्रकृष नामा चिद्विद्यान्येभ्यः प्रयच्छत ॥ १२ ॥

ग्रामभूतलवै देहृक्षा वा कृषयः ॥ १३ ॥

उप्रकृषन्तो ऽपद्यन् वयः ॥ १४ ॥

कोटलाय उग्रयशालम्
(२ उग्रयि० १ उग्रयि०)
जो पुरुष स्वयं खेती न कर के भूमि को पड़ा रखता है या उन्नय के उन्नय से खेती कराता है, तो उसके दौन कर राजा उस भूमि को उन्नय के लिये प्रदान कर देवे। राजा की इच्छा हो तो उस भूमि को गांव के चौधरी पटल जात को सवले है। यदि कोई मनुष्य खेती करने की इच्छा कर के उस भूमि में खेती न करे तो राजा उस भूमि को उससे हजाना वसूल करे।

that he was not the proprietor of the soil, he was entitled to a share of the produce for meeting the common expenses of the Community.

He said that the land belonged to the person who cleared ~~who cleared~~ the jungle & brought it under cultivation, ^{and that} ~~the same community~~ ^{he} could sell, give, bequeath & otherwise alienate it at his individual discretion.

26. The position of the cultivators during the Mogul time was substantially the same as in the H. period. The so-called Khatris, who were called the Khatris, had the right to enclose in wood & the land, possession of their holdings, subject to the payment of their dues.

Report of L. R. Commission
of Bengal Vol. I.

Paragraph

15. All Economists have been inclined to treat land as a special kind of property, because in all developed countries it partakes of the nature of a monopoly, of which there can never be an unlimited supply.

(H)

17

But though he (i.e. the king in ancient Hindu days) had certain powers to dispose of the waste, & to eject cultivators who were not doing their duty to the community by cultivating properly, it does not appear in spite of the statements of Greek writers to the contrary, that he ever had any right in the soil. Hindu sages have repeatedly

(H) 43

From early historical times the rights of

In effect they had the right which subsequent tenancy legislation has called a right of occupancy.

the cultivators were limited by those of the king, or persons to whom the king had made grants of land. In those early days their right was primarily a right to cultivate, & they could be evicted for failing to cultivate properly. At the time of Purnan & Littleworth their holdings were heritable & perhaps transferable.

84

[One of the most serious defects of the present system is the excessive amount of sub-infeudation which it has encouraged. The margin between the fixed land revenue & the economic rent of the land has permitted the creation of a number of intermediate interests between the Zamindar and the actual cultivators, which in some districts has reached fantastic proportions.] The report of the Simon Commission pointed out that in some cases as many as 50 or more intermediate interests have been

created between the zemindar at the top
and the actual cultivator at the bottom.
* [This has resulted in dissipating the
responsibility for the best use of the
land in the national interest among a
host of rent-receivers] all of whom have
to be supported by the labour of the
cultivator, & none of whom have either
the incentive or the power to exercise
any control over the use of the
land. It is not too much to say
that the extent of ~~the~~ such-infeudation
has become an incubus on the working
agricultural population, which finds no
justification in the performance of any
material service so far as agricultural
improvements are concerned, & fails to
provide any effective means for the

development of the resources of the land which
is the greatest asset of the Province.

85. The complexities of the Bengal land sys-
(sd) tem have led to an immense volume
of litigation. The time & attention of the
Civil Courts are largely occupied in suits
X relating to interests in land, & though the
Court-fee produces a considerable revenue
to the Govt, the cost to the litigants
is far in excess of the revenue & is not
of any proportion to the amounts at stake.

89. [In the view of some of our members the
present economic difficulties of the cultivators
in Bengal are unconnected with the
land revenue system. The chief causes of
X these difficulties are the increasing pressure

of population, the Hindu & Muslim Caste
of interference which have resulted in the
sub-division & fragmentation of Holdings
the absence of any occupation for the
cultivators during a great part of the year
& the fall in agricultural prices since
1929. There are problems which would have
to be faced whether the existing system
remains, or whether the province becomes
a Khas Mahal].

90 They hold that no scheme can be
supported unless it can be clearly demon-
strated that the cultivators will benefit
by it, and that if, even with Govt as the
sole landlord, it would not be possible
to redistribute the land in order to provide
economic holdings; if the Consolidation of
scattered plots proves too difficult an under-

✓ taking: if the burden of interest remain
unaltered; [if transfers to non-agriculturists
cannot be prevented] if rents are liable
to enhancement, the cultivator will
gain nothing.

96.

X A majority of the Commission have also
come to the conclusion that the zamindari
system has developed so many defects that
it has ceased to serve any national
interest. [No half measures will satis-
factorily remedy its defects.] Provided that
a practical scheme can be devised
to acquire the interests of all classes
of rent-receivers on reasonable terms
the policy should be to aim at bringing
the actual cultivators into the position
of tenants holding directly under Govt.

X C/102.

In order that their face value might not depreciate, the bonds should be guaranteed by the Govt of India.

X C/104

Govt should leave it to the zemindars to collect the arrears rents through Courts. It ought to be provided that Govt, which would have become the landlord by now, need not be made a party to such suits.

X C/105.

In the case of Wazir, Debattar and other estates, the income of which is devoted to religious, Charitable or educational endowments, it would be desirable that the sums which were being paid to these objects at the time of acquisition, should continue to be paid. In order to avoid any loss of income to public trusts of these kinds, it would be necessary to grant compensation at a level which would produce the existing

income i.e. at 25 times their income, if interest is taken at 4 per cent.

In the case of wakfs al-al-aulad, that portion of the income alone need be capitalized at 4% which is entirely devoted to religious or charitable objects, & for the other portion compensation should be paid at the ordinary rate.

From the tenants of such ^{land} ~~tenants~~, however, only compensation at the ordinary rate viz ten times the rent should be realized & the State should ^{itself} bear the difference.

Compensation at the higher rate should not be paid ~~on~~ ~~the~~ land that has been to a household deity.

110. As regards the homesteads and khas lands of proprietors and tenure-holders, we

Therein that the best course would be to include them in the acquisition scheme but to leave them in possession of the proprietors and tenure-holders, provided that they cultivate the khas lands either themselves or by their servants, or by hired labour. Compensation would be paid for the acquisition of the khas lands, & fair rents would be fixed for them.

138. It may not be possible, particularly during the duration of the war, to raise the necessary amount, even by instalments. If this is the case, and Govt are unable to accept our recommendation that compensation should be paid in cash, we should recommend the issue of bonds subject to the provision that

Small amounts, say up to Rs. 500/- should be paid in cash. - - -

X We also realize that it would not be possible to carry out the scheme without reducing by half, or even more, the present income of the proprietors & tenure-holders and other rent-receivers according as compensation is paid at 15, 12 or 10 times the net profit] & we have considered the possible social upheaval which may come if many of the middle classes lose their vested interests in land.

Nevertheless the majority of the Commission hold the view that in the interests of the Province as a whole, the present land-tenure system cannot remain unaltered. In fact if present conditions continue, it may be too much to say that the system will

broken down of its own accord. It is unsuited
to modern conditions, & has brought about
a situation in the Province, in which the
welfare of agriculture is neglected, & a great
X proportion of the wealth from the land is
appropriated by middlemen, most of whom
have no connection with agriculture & have
treated the land simply as a commercial
investment.

13.

If after completing the scheme
of acquisition which the majority have
recommended, it were not possible to prevent
✓ the processes of sub-infeudation & transfer
to non-agriculturalists, it would be necessary
to carry out the acquisition of rent-receivers
interest at intervals of 30 or 40 yrs.

147.

The ideal which the majority visualize is a state in which there will only be peasant-proprietors cultivating their own lands and paying revenue to Govt. We therefore propose to forbid sub-letting in any form. This is the only effective way in which transfers of agricultural holdings to non-agriculturalists can be prevented.

148

All sub-leases should be declared to be absolute void, unless they have been made by a widow, a minor, a person who is physically unable to cultivate his own lands, a convict or a boy or person who is forced to remain absent from home ~~at~~ but no longer. Such a provision in our tenancy law might be disregarded in many cases, but if disobedience to it rendered the lessor liable to forfeit his land to

H.L. Darling says: - "The Punjab is agriculturally the most prosperous province in India, and it is probably also the most indebted. - If the existence of debt was due to necessity, the volume depended upon credit."

an anti-lease, -- or to the State without compensation, it would deter the vast majority of non-agriculturists from releasing their lands. [This would not apply to my scheme. Under it, actual cultivators will be made owners of their lands].

150 Nevertheless it (the right of transfer) has not proved an unmixed blessing, because among cultivators with a low standard of education, increased credit means increased borrowing. Free transferability has tended to rush land to facilitate the transfer of raiyat lands into the hands of moneylenders and non-agriculturists, with the result that the number of rack-rented bargadars and under-raiyats is going up by

leaps and bounds. It is clear that it is
an great danger to the stability of
the existing system as their opportunities
for speculation.

Several methods have been suggest-
ed for restricting the right to transfer.
The first is that transfers should be
allowed only to bona fide agriculturists.

A second suggestion is that land should
be transferable only to families which
possess less than 5 acres a head or
say 20 acres altogether. The object
of this proposal is to ^{prevent the} accumulation of
large quantities of land in the hands of
one person. An exception is suggested in
the case of an institute or individual
who wishes to invest capital in

large scale scientific farming, &
who would obtain a certificate
about his bona fides, that the collector
of the district. - - -

152. Restriction of transfers has two
separate objects - - - to help the peasant
rascals to keep their land, & to prevent
the passing of land held in occupancy
right into the hands of men - agriculturists
who cannot or will not cultivate them-
selves, but sublet in large areas
excessive cash rents.

172. The size of an economic holding
depends on several factors, the most
important of which are the fertility of
the soil & the proportion of the double-crop-
ped area. - - - Conditions vary so
widely in different parts of the Province

that it is unprofitable to lay down any
one rule as an economic holding, & it
is not surprising that in the evidence
we have received, the estimates of
What is an economic holding vary
considerably. — The most general
view was that 5 acres would be the
minimum area required to keep an
average — sized family in reasonable
comfort, but if the land is capable
of growing nothing but a main paddy
the area required would be about
3 acres.

Note that the difference between the highest cost of production under the worst circumstances & the lower cost under more favorable circumstances is called by economists rent

257-108

G. B. Shaw - 18-10-18

According to Ricardo's theory, rent is the difference, or a share of the difference, between land which yields a certain profit, and land which just repays the cost of cultivation, or, in other words the difference between the gross produce and the sum which compensates the cultivator for his labour, seed, manure, depreciation of cattle & implements and other expenses of cultivation. It is thus ^{further} explained by Henry George: "The rent of land is determined by the excess of its produce over that which the same application of labour etc can secure from the least productive land in use." According to this theory the economic rent has to be paid on the supposition that the cultivator is fully employed, i.e. that he has enough land to occupy him fully, and the mainte-

ance of the cultivator & the fixed charge on the land, the rent being paid out of the surplus.

In theory the correct principle would undoubtedly be to fix rent as a certain proportion of the economic rent. The practical difficulty is to determine what is the economic rent in every case. It is impossible to calculate the value of the average gross produce & the costs of cultivation in every case. The Rent Law Commission (Report P. 18) decided in 1879 that the economic theory of rent could not be applied in practice, because it assumes that no land will be cultivated which will not yield the ordinary profit derivable from capital employed in other under-takings, whereas in India

there is little or no Capital employed in agriculture. The immediate object of cultivation is subsistence, not profit or Capital. The Commission could only define fair rent by the rather indefinite description — "such a share as shall leave enough to the cultivator of the soil to enable him to carry on the cultivation, to live in reasonable comfort and to participate to a reasonable extent in the progress and improving prosperity of his native land."

55

[Obviously, such a holding is uneconomic as cannot occupy the cultivator fully & maintain the cultivator & his family in reasonable comfort]

Notes of Dissent

By

Shri Bijay Chand Mahata,

Jaganajit Singh Bahadur of
Burdwan

& Mr. Brajendra Kshore Ray Chowdhury.

[In my article number of non-cultivating pro-
prietors taking rent in money or in kind,
estate agents & managers of private owners &
rent-collectors, clerks, etc., should be given.]

Unless transferability of land [& fragmentation
of holdings one to sale, partition & law
of succession] can be stopped the actual
tiller & Gora can never be freed.

41(d)

In years of famine & failure of
crops the legislature will demand larger

reductions of revenue than at present
in consequence of which the receipts
from Land - revenue than at present
in consequence of which the receipts
from Land Revenue will become so
fluctuating that the Province may
run the risk of bankruptcy as
York has been able to realize which
it now does even in lean years,
almost cent per cent of its Land
revenue demand from the Landholders
under the present law.

42.

(Ag) The scheme of State purchase
is, to our minds, at once rash &
bad. --- . Bad, because land will
continue to be as ever the most tempting
investment & as such any attempt to get
rid of the present class of Landlords & to

economic unit. An economic unit
is to be determined by the play of
factors of production, & a subsistence
unit will be ~~determined~~ ascertained
after taking into consideration every
monetary & non-monetary factor. Ac-
cordingly, both the units are bound
to differ in area. The differen-
tiation is essential because, in
our agriculture, one first aim would be
to see that the labours of the human
& cattle units do not run to waste.
The effective economic unit may or may
not be the subsistence unit.

Notes of Dissent by K.B. Saiged Quazgan-
uddin Hosain, H.L.C.

(After pointing out the inconsistency of
Para 43 with Para 17 & the internal contra-
diction in Para 26, he says) —

(H)
I am definitely of opinion that the
cultivators continued to be the proprietors of the
soil from the early H. period till before
P. Settlement of 1793, subject to a payment of a
share of crops to the State for administrative
purposes, as price for protection of their crops
& security for their life & property, & this
view is supported by Mr. Sarda Chandra
Mishra's "Introduction to Tugore Lectures on
Land Laws of Bengal", from which the foregoing
extracts are quoted for ready reference —

"He (the king) was entitled to a share of the usufruct of the lands in the occupation of his subjects not because he was the owner, but because a share was payable to him as the price for the protection afforded to life, liberty and property (P. 7) --- The imposition of Khiraj (during Muslim times) did not deny the existence of property in land & take away the proprietorship of the cultivator. His right was alienable & the land cultivated continued to be the property of the inhabitants who might lawfully sell or otherwise dispose of them (P. 24) --- The English in India started with the assumption that "all the soil belonged in absolute property to the Sovereign, & that all private property in land existed by his sufferance. ---

— The existence of private property in land
which is the fundamental doctrine of
H. jurisprudence & which as we have seen
even the H. Govt in India did not put
out of sight, was entirely ignored. With
this idea the Govt in 1793 transferred
in perpetuity a vast & unmeasured quantity
of land to a class of ^{men} who were & are known
as Zamindars, & property in soil was
formally declared to be vested in them"
(P. 30).

Notes of Dissent
By
Dr. Rashtakamal Mukerjee

35

A scheme of State purchase by which the State enters into direct relations with the tillers of the soil may be supported only on the condition that it will assure to the tillers that their toil will not be applied in vain to uneconomic holdings, inherently incapable of being cultivated to profit. This can only be done if the entire cultivated area of the province is re-distributed among the tillers of the soil so as to secure for each an economic holding, of say at least 5 acres, where the available land for cultivation per head of Bengal's agri-

Cultural population is only .87 acre, & per family on about 4.84 acres (P. 318)

46 p.c. of the families hold less than 2 acres each, 11 p.c. less than 3 acres, 9 p.c. less than 4 acres, & 8 p.c. less than 5 or an economic holding. Thus three fourths of Bengal's agricultural families are without economic holdings, their average size being only less than 3 acres (319)

(88) The only solution of this colossal & desperate problem of agricultural distress lies in introducing to rural areas such supplementary handicrafts & cottage industries as can be placed with profit by the cultivators remaining out of work in the off-seasons of agriculture (320).

(22) Thus the distresses of Bengali peasantry
are due to over-population, increase of
population beyond the resources of the soil
for supporting it, undersized holdings,
want of work for an upwelling for
more than half the year, & decline of
the indigenous village handicrafts which
could employ cultivators out of work in
the off-seasons of agriculture. All
these factors have nothing to do with
the land system of the Province. They
are operative even where land is held
rent-free (326)

Practical Economics

69

G. D. H. Cole (1937).

Some huge State farms, such as 'Gigant', had already been started, mainly on lands previously not cultivated at all. But for by far the greater part of Russian agriculture there was recognized to be too great a leap from the primitive to the most advanced; and [Stalin] contented himself with the "Collective" — that is, with the cooperative farming group carrying on cultivation for the most part in common, but still preserving some traces of the old systems in some private ownership of beasts and utensils, & sometimes some private cultivation of patches of land attached to the collective farm.]

Now it is quite clear that no such
institution as the Russian Collective farm
could possibly be superposed on the quite
different agricultural tradition of any
Western Country. The Kolkhoz is the
collectivized farm emerging out of a primitive
peasant economy which has neither
wholly lost nor forgotten the collective
characteristics of serfdom and feudal-
ism. It could not be developed out
of a system of middle-sized tenant
farms, such as exists in Great Britain
or out of a developed & civilized peasant
proprietorship like that of France, or
again out of the homestead farming
characteristic of the U. S. and Canada
(PP 49-50)!

But my purpose is not to praise
or condemn Stalin's agrarian policy, but
to point out [how essentially different the
land problem would be in any country
in which the Kulaks (rich peasants)
were not, as in Russia, a small frac-
tion of the entire peasantry but rather
the predominant group — or at
any rate where the main body of
cultivators consisted of homestead
farmers or peasant owners with a stake
in the country.] Whatever might be the
appropriate policy under these conditions
assuredly it could not include either
the wholesale liquidation of the Kulaks
on the Russian model or the institu-
tion of farming methods ^{resembling} those
of the kolkhoz, or collective ^{farm} ~~farming~~
(PP52-53)

The Collective Farm [The Kolkos].

["Soviet Communism: A New Constitution"]
PP. 233-84

11 [In agriculture, though state farms, with the appropriate trade unions, are increasing in number & variety, it is the millions of individual owner-producers associated in collective farms that occupy the centre of the picture.] Moreover, whilst the development of the kустар artels into industrial co-operative societies (nicops) has been pursued without serious controversy, and without a trace of civil discord, the advent of the collective farm, as the pattern organisation for the vast hordes of peasant cultivators on one-sixth of the earth's surface, has been accompanied, not merely by heated controversy both public and private, but also, among the peasants themselves, by widespreadullen resentment, & not a little recalcitrance, which

cannot be assumed to have yet (1934) been completely overcome.] Indeed, it might almost be said that the practically enforced collectivisation and mechanisation of agriculture during 1929-34 represents the final stage, not yet completed, of the rural uprisings of 1917, which effectively liquidated the private landlord.

The UNPRODUCTIVE PEASANT.

Canard's observers of the Russian muzik during the past half-century, whilst differing in their estimates of his "soulful" qualities, agree in the testimony that as an agriculturist he has hitherto been, in the mass, either per head or per hectare, the least productive of all the peasants of Europe. Whether as the result of nature or of nurture; of climate or of race; of centuries of oppression and

illiteracy; or of generations of virtual slavery
and peonage; or of a religion that imposed
no Code of Conduct and amounted to little
more than propitiatory rites, the typical muzik
— when not under coercion by landlord,
tax-collector, usurer or employer — failed to
grow enough food, taking bad years with
good, even to maintain his own family
in full health and strength. And the bad
years" occurred with fatal frequency. - -

- - - - The peasants frequently rose against
their most obvious oppressors, the landlord;
but these risings did not result in any
substantial or lasting improvement in the
condition of the mass of the poor peasants,
or in any increase of marketable foodstuffs.
They did not even enlarge the area of the
average peasant holding, nor give him an

iron plough, nor any ox or horse to draw the plough. In 1917, with the swarming back of the men from the armies, and the workers from the factories, all demanding shares of the land of the village to which they belonged, the redistribution of the large estates merely increased the number of starving peasant holdings from some fourteen or fifteen millions in 1916 to some twenty-four or twenty-five millions in 1926.

The CRISIS IN FOODSTUFFS.

Ever since the Bolshevik seizure of power, the maintenance of the food supply for the population of the cities & the Red Armies had been a constant preoccupation of the Soviet Govt. --- During the years of War Communism, all the grain that could

be discovered was simply taken by force for
the feeding of the Red and the White Armies,
which naturally led to the peasants
limiting their cultivation either to what
sufficed to feed themselves or what they
saw their way to hide. [The situation
became desperate enough to drive Lenin
to the New Economic Policy of 1921, under
which a revival of limited Capitalist enter-
prise, with Market prices left free to be
settled by "supply and demand", encouraged
the Kullaks to bring out their hidden grain
in exchange for the commodities that they
desired.] It could not, however, avert the
serious famine of 1921, which was the result,
not merely of adverse weather conditions, but
also of the widespread desolation wrought by
the Civil Wars. The subsequent opening of

the "scissors" — the disparity between
the exchange values of primary products
and manufactured articles — had grave
consequences on the peasant mentality. The
great bulk of the peasantry, whether poor
or relatively prosperous, had supported the
Bolsheviks in overthrowing the Provisional
Govt, because this collapse of authority
enabled the peasants, including the kulaks
to drive away the landowners & share
their estates among the villagers. On similar
grounds the peasantry had everywhere eventually
supported the Red Army against the Whites
because these latter threatened to reinstate the
landlords in their possessions. But once this
danger had disappeared, the peasants, poor,
middle or kulak, now regarding themselves
proprietors of the land they tilled, demurred

to parting with their produce to feed the
cities, even at free market prices, so long
as these prices did not enable to obtain
the manufactured commodities they desired
at something like the old customary rate.

51 [The peasants, moreover, even the very con-
siderable proportion of them to whom the
revolution had given land for nothing,
resented, the peasant proprietors all over
the world, are living on them of any
direct taxes. --- What became apparent
was that the peasant, formerly servile,
was becoming rebellious] ---

-- Matters were made not better but worse
by the growing prosperity in the village of the
more thrifty & more industrious, but also the
more cunning & more oppressive of the agri-
culturists, to whom the opprobrious name

The inequality of conditions, to which Stolypin's great agricultural reforms of 1907-1910 had given an impetus, was not removed by the multiplication of starving holdings and was worsened by the inequality of

resources by a minority of holed sources.
of Kulaks (fish) ^{was} applied. ~~The~~ things the kulaks might be climbing steadily into capitalists, the army of the landless was rapidly growing. What was, however, most serious of all was that the national food supply was rendered thereby not less but even more precarious than before. When ever the harvest was relatively good, practically all the peasants consumed a larger and took to market a smaller proportion of the yield. In years of threatened scarcity the kulaks held the cities at their mercy.

EXPERIMENTAL Improvements.

It would, ~~perhaps~~ however, be unfair to the majority, and an inaccurate description of the dilemma of the statisticians to ignore the various experiments in agricultural organisation which had been, in one locality or another, pretty extensively

time between 1917 and 1927. In the first place, there had been, among the more prosperous of the peasants, a great extension of agricultural co-operation of the ordinary type. [Voluntary co-operative associations of independent peasants abounded in 1927, to the aggregate number, it was reported, of some 80,000 societies for several dozens of different purposes with literally millions of members. But once powerful ^{voluntary} movement has now almost entirely ceased to exist. Its place has been taken by the so-called Kolkhozi, or collective farms, in which the members united either the whole or some of their resources in Capital and labour, in order to share among themselves as co-partners an increasing output. Of these collective farms, of which some thousands had spontaneously come into

existence between 1918 and 1927, with
varying degrees of success, we may dis-
tinguish three types. There was, first
the association of members merely to the
extent of combining their labour forces for joint
tillage, for working in company in ploughing
sowing and harvesting a particular crop
upon their several holdings of land, and
sharing the proceeds among themselves.
A second type, usually styled an artel,
was that of the association in which were
united not merely the labour force but
also the ownership of the capital employed
(the land-holdings, the implements and the
farm buildings), but only in so far as
concerned the production of cereals or other
specific crops, sometimes also with a
common herd or flock; leaving in individual

occupation & management the dwelling -
houses, the garden - grounds, the poultry
the bees, the domestic pig and some-
times a cow, for the particular care and
profit of the several families. The third
type was called the Commune. In this
not only the fields and buildings connected
with cereal cultivation, but all the other
rural enterprises, were owned & administered
in common, & the whole proceeds were
shared, together with the dwelling -
houses & all the improvements & amenities
for common enjoyment that the settle-
ment could afford. Some of these Communes
in various parts of the USSR, had already
proved remarkably successful over periods
of several years, reaching a level of productiv-
ness, and sometimes of amenity, amounting

to what the western world deem civilization, superior not only to the average of the peasantry, but even to most of the collective farms of the ardel type. It appeared, however, that the Commune, to be permanently successful, required in its necessarily voluntary membership a considerably higher level of personal character, & also of managerial capacity than other forms of village settlement, a level which could not reasonably be expected to become universal, or even to be commonly attained, within a generation] If it was necessary to obtain, over the USSR as a whole, any considerable increase in the quantity of marketable grain even in good years — still more, if it was imperative in the interest of the whole community, to

ensure that there should be no actual
shortage in the bad years that were certain
to come — it did not seem feasible for
the govt to sit down with forced hands
to await the slow & gradual extension, to
the entire peasantry, either of agricultural
cooperative societies or of collective farming
of any type whatever. Some way of quicken-
ing the tempo & enlarging the area of agri-
cultural improvement had to be found. [On
the other hand, the state farms (Sovkhoz)
which the soviet govt had managed to retain
in its own administration, & had been for
nearly a decade struggling to cultivate
exclusively with wage-labourers, had so far
failed to produce, after their staffs had
been fed, even in good years, more than
a small net addition to the aggregate of

marketable grain. It seemed 'impossible' in the near future, to transform these 'grain factories' into an effective and, in bad years, a certain source of the nation's food supply.]

The problem for the Soviet Statesmen was desperately difficult. It may surprise those who assume the existence of a dictatorship, and deny that of free speech, to learn that, for nearly three years (1925-28), the issue was the subject of heated public controversy in articles, pamphlets and books, widely circulating in large editions, as well as prolonged Committee debate in the Central Executive Council & within the Communist Party.

The Policy Of Universal Co-operation

In the end, the Central Executive Committee of the All-Union Congress of Soviets, in conjunction with the Central Committee of the Communist Party, hammered out during 1927 an alternative policy, for which, we think, Stalin deserves most of the credit. As proclaimed by him in 1928, the decision of these Committees prescribed, for immediate execution, nothing less than a second agrarian revolution in which the whole of the individual peasantry would be transformed within less than a decade. [This was to unite (a) the utmost rapid development of the state farms with (b) a far more extensive gradual combination of the poorer and middle peasants under govt persuasion, in collective farms of the ~~artel~~ type; in both cases in

and that (c) agriculture might be
universally mechanised by tractors and
harvesting combines to be supplied by the
govt.; whilst (d) the output upon the
enlarged farms could be further increased
by rotation of crops & the use of fertilisers.
Practically the whole of the individual
peasantry was to disappear, & to become
workers on relatively large amalgamated
areas, either as Cooperative owner producers
(in Kolkhozi) or (in Sovkhozi) as farm
labourers at wages. Only in this way,
it was suggested, could the twenty-five
or twenty-six million tiny holdings be
merged within the necessary time into a
few hundred thousands relatively large farms
on which the use of machinery would be
practicable. Only in this way, it was

✓

urges, Could the whole peasant population,
and not merely an exceptional minority, be
brought to the comprehension of improved systems of agri-
culture. Meanwhile, the kulak was to be
treated more severely, denied the use of the
new govt tractors, and harried in every
possible way, with a view to his complete
"liquidation" as a class, within a few
years. It is this policy which has, since 1928,
covered all parts of the USSR with collective
farms, formed by peasants who have
nominally voluntarily, but often after
intense propaganda, and at times under
considerable local pressure, merged their
little holdings in larger units, belonging to
themselves jointly instead of to themselves in-
dividually.

[ix] Is it the Association for Joint

Tillage? No, it is not. The Association for
Joint Tillage, in which the means of production
are not yet socialised, represent a stage in
the Collective farm movement which has
already been passed. Is it, perhaps, the agri-
cultural Communes? No, it is not the agri-
cultural Communes. The Communes are still
isolated phenomena in the Collective farm
movement. The conditions are not yet ripe
for the agricultural communes as the predomi-
nant form, in which not only all pro-
duction but distribution also is socialised.
The key link in the Collective farm move-
ment, its predominant form at the present
moment, which we have now to seize hold
of, is the agricultural artel. . . . It is on
this that the 'Model Statute' for Collective
farmers — the final link of which is being

published today — it bases" the "Leningrad"
by Joseph Stalin (pp. 283-84)]

The Struggle For Efficiency in Kolkhozi

✓ [The past five years have, indeed, seen a tireless struggle in nearly all parts of the USSR, to induce the gigantic memberships of the Kolkhozi, which had often achieved only by considerable governmental pressure, to remain loyal in membership, and to work their cooperative enterprise with honesty and adequate efficiency] [At first, by widespread propaganda and reckless promises of tractors and harvesters improved ploughs and ~~selected~~ seeds,] the process of conversion was altogether too quick. Whilst only 20 p.c. of collectivization had been contemplated during the first year, something

less 55 per cent was attained. For so rapid a transformation the Soviet Govt was not prepared; and more than half the new collective farms could not be given the aid of tractors. [The zeal of the Govt agents had led, on the one hand, to something very like compulsion of the hesitating peasants to join the Collectives;] and, on the other hand, to unduly large and repeated levies upon such of them as were successful, representing what was claimed to be the Govt share of the harvest. [The middle peasants, feeling themselves condemned to a merger that was repugnant to them in many instances slaughtered, in 1929-30, their cattle and horses, sheep and pigs, rather than bring them into the common stock.] So widespread was the outcry

that the Central Committees were driven to instruct Stalin to issue his manifesto entitled "Dizzy with Success", in which the zeal of the govt agents was rebuked, the voluntary character of membership of the Collectives was emphasized; permission to withdraw was conceded; and proper consideration of the varying stock brought in by different members was insisted on. Nevertheless the animals continued to be slaughtered and the total membership to fall off.] Partial failures of crops in 1931 and 1932 deepened the discontent.

✓ [The magnitude of this holocaust of livestock is seldom realized. In one year alone, viz 1929-30, more than sixty million animals were slaughtered, being one quarter of the whole; and in the course of the next

three years, 1931-33, over eighty millions more. In 1933, the total live stock was less than four-fifths of the total in 1929].

The Magnitude of the Problem

The rush of some seventy million people into the collective farms had not been accompanied by any sufficient provision of agricultural machinery, seeds and fertilisers even for those who were loyal; and certainly not by any adequate means of supervision and control of such of them as might be disloyal or recalcitrant. [The total number of collective farms of all types in the USSR, which was less than 20000 in 1927, had grown by the first quarter of 1933 to 211000, actually

Cultivating about 85 million hectares, or
an average for each enterprise of over
400 hectares (1000 acres). The total number
of households is variously stated as between
14 and 15 millions, making a population of
some 70 millions, and giving an average
for each collective farm of between 65
and 70 households. ^{up} We may contrast these
statistics of collective farms with those of
the village soviets in the USSR. ~~which~~ They
number about 7000, governing some 60000
villages and hamlets — thus giving an
average of three collective farms in the
area of each village soviet. But as in
some districts the collective farms are still
scanty, the average per village soviet in
the rest of the USSR must be much higher
than three; and as some of the areas of the

Village soviets have more than ten times the population of others, these must be areas under a single village soviet which each contain six or even a dozen collective farms. Collective farming is most complete in the rich grain districts of southern and south-eastern Russia, and least advanced in the northern provinces, with their poorer soil, and in some of the autonomous republics inhabited by non-Russian nationalities."

ix. ["The average cultivated area per collective farm is over 4,000 hectares, which compares favourably with that of well-to-do peasants who, in the past, used to cultivate from 15 to 20 hectares per household." vide The Moscow Narodny Bank's Monthly Review (vol vi, Apr. 1933, no 4)].

The State Machinery for the Control of the Collective Farms.

The new policy of universal collectivisation involved a far-reaching reorganisation of the machinery of govt. The first step was the establishment of federal control, -- there were appointed by the USSR Govt two new Peoples' Commissars to deal with agriculture throughout the whole Union. One of these, the Peoples' Commissar for state farms ~~took~~ complete command of those wherever they were or might hereafter be established. The other, the Peoples' Commissar for Agriculture, was to deal both with the collective farms of all types and with the still surviving individual peasantry. In each of the constituent republics

was reorganised an Agricultural Dept.,
having in charge the supervision of the
independent peasantry and of the rapidly
growing kolkhozi of the various types. --
Their whole work was brought under the
supervision and the orders primarily of the
Peoples' Commissar of Agriculture of the
Republic; but with the obligation of loyally
carrying out any commands and instruc-
tions of the USSR Peoples' Commissar.

[The president of each village soviet
was reminded that he was personally responsi-

✓ ✓ ble for the proper conduct of each collective
farm within the area under his charge,
so far at least as using all his personal
influence was concerned, with instructions
to report without delay when he perceived
anything going wrong.]

[[This Soviet hierarchy now took
hold of the administration of the collective
farmers. From one end of the USSR to
the other, every kolkhoz had to be firmly
grasped — to be closely supervised, aided
and praised, if its agriculture was successful;
to be admonished and warned and threatened,
if the sowing, the weeding, the reaping,
the threshing and the warehousing of
all the grain was not loyally and efficiently
conducted; and in all cases to be helped
and instructed and supplied with seed
fertilizers and machinery.] The problem
Kaganovich had pointed out as early as
1930, was to bring the State machinery as
close as possible to the villages and hamlets
of which there were, as we have mentioned,
no fewer than 60,000. — [In 1930, some

✓ 25000 selected Party members were sent to
"the agricultural front". This, however,
proved during 1931 and 1932, even when
the active help of the village soviet could
be secured, insufficient to watch over
the administration of every collective farm]

The Machine & Tractor Station

[An effective lever for lifting to prosperity
every collective farm] was not deliberately
wrecking its own agriculture [was presently
found in the Machine & Tractor Station
(MTS), in which the supply of machinery
to the farms had gradually been concentrated]

Between 1930 and 1933 the number of these
M. and T. stations was increased to over
2600, with nearly 700 repairing shops
and 80000 tractors; their repairing

✓✓

shops were raised to a high level of efficiency; and [their administration was made the means of permanent supervision of all the fifty to one hundred farms within the area, averaging about fifteen square miles, with each station served] their activities were described by an adverse critic in the following terms. "The creation of Machine (and) Tractor Stations, the first of which was set up in the Odessa region in 1927, had a significant influence on the subsequent developments. These stations may (each) have on hand as many as 100 tractors and more, together with all the necessary accessories, as well as threshing machines, repair shops and technical personnel. [Each station undertakes to draw up agreements with nearby village

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communities or collectives on the basis
of a share in the harvest in exchange
for technical assistance. To-day these
stations are the so-called heavy artillery
of the forced collectivization; they are estab-
lished by order of the Govt; and instruc-
tions are given to ensure that the peasants
within the working radius of each
station are linked up with them. It is
arranged for each station to have a
maximum field of operation of 50000
to 60000 hectares.] For the year 1930
there were 313 stations in operation; by
1931 this figure had increased to 1400, and
in 1932 it is planned to have 3100. One-
third of the summer & winter sowings in
1932, roughly about 48 million hectares,
are to be carried out with the assistance

of these stations."

The Soviet Hierarchy Is Reinforced by the Communist Party.

[[It was, however, not enough to reorganise, from top to bottom, the Soviet Depto responsible for agriculture, and not enough even to place in their hands the lever of 3000 or 4000 Machine and Tractor Stations, with an aggregate park of artillery of 200000 tractors and Combines, served by thousands of competent drivers and mechanics, provided with unlimited petrol.]]

In the USSR, perhaps even more than in Western countries, there is always an immense "lag", alike in time and in space, between the creation or reorganisation of a govt deptt, and the actual accomplishment — everywhere and completely ~~and~~ — of the task that it

is set to do. In so vital a matter as the food supply, Kaganovich, with Stalin's full support, was taking no risks. [He turned to the zealous & trustworthy members of the Communist Party to see that, not only the immense Soviet organisation, from the USSR People's Commissars, down to the most remote village Soviet and the further flung Machine & Tractor Station, but also the 225000 Collective farms with their several boards of management & their fifteen million families, all of them actually did their duty. It was decided by the Central Committee of the Communist Party to create some 3000 new local organs, termed "politotdeli"; being special sections or Committees of selected Party members, charged with seeing to it, in the several regions