V. I. LENIN

THEORY OF THE AGRARIAN QUESTION

V·I·LENIN

SELECTED WORKS

IN TWELVE VOLUMES

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PREFACE

THE present volume of *Selected Works* coincides with Part II of Vol. VI of the Russian six-volume edition of the *Selected Works* of V. I. Lenin prepared by the Marx-Engels-Lenin Institute, Moscow, published in 1937.

The explanatory notes given in the preceding volumes of *Selected Works* have been omitted from this volume for reasons already stated in the Preface to Vol. IX.

V. I. LENIN

THEORY OF THE AGRARIAN QUESTION

CAPITALISM IN AGRICULTURE

Kautsky's Book and Mr. Bulgakov's Article

First Article

Nachalo, No. 1-2 (Section II, pp. 1-21), contains an article by Mr. S. Bulgakov entitled: "A Contribution to the Question of the Capitalist Evolution of Agriculture," which is a criticism of Kautsky's work on the agrarian question. Mr. Bulgakov quite rightly says that "Kautsky's book represents a whole world outlook"; that it is of great theoretical and practical importance. It is, perhaps, the first systematic and scientific investigation of the question which has given rise to heated debate in all countries, even among writers who are agreed on general views and who regard themselves as Marxists. Mr. Bulgakov "confines himself to negative criticism," to the criticism of "individual postulates in Kautsky's book" (which he "briefly"—too briefly and very inexactly, as we shall see—reviews for the readers of *Nachalo*). "Later on," Mr. Bulgakov hopes "to give a systematic exposé of the question of the capitalist evolution of agriculture" and thus "also present a complete world outlook" in opposition to Kautsky's.

We have no doubt that Kautsky's book will give rise to no little debate among Marxists in Russia also, and that in Russia also some will oppose Kautsky and others will support him. At all events, the writer of these lines disagrees most emphatically with Mr. Bulgakov's opinion, with his appraisal of Kautsky's book. Notwithstanding Mr. Bulgakov's admission that *Die Agrarfrage*[1] is "a remarkable work," his appraisal is astonishingly sharp, and is written in a tone unusual in a controversy between authors belonging to similar trends.

[1] *The Agrarian Question*, the title of Kautsky's book here under discussion.—*Ed.*

Here are samples of the expressions Mr. Bulgakov uses: "extremely superficial" . . . "equally little of real agronomics and of real economics" . . . "Kautsky evades serious scientific problems by means of *phrases*" (Mr. Bulgakov's italics!!), etc., etc. We shall therefore carefully examine the expressions used by the stern critic and at the same time introduce the reader to Kautsky's book.

I

Even before Mr. Bulgakov gets to Kautsky, he, in passing, gives a trouncing to Marx. It goes without saying that Mr. Bulgakov emphasises the enormous services rendered by the great economist, but observes that in Marx's works one "sometimes" comes across even "erroneous views . . . which have been sufficiently refuted by history." "Among such views is, for example, the one that in agriculture variable capital diminishes in relation to constant capital just as it does in manufacturing industry, so that the organic composition of agricultural capital continuously rises." Who is mistaken here, Marx or Mr. Bulgakov? Mr. Bulgakov has in mind the fact that in agriculture the progress of technique and the increase in intensive farming often lead to an *increase* in the amount of labour necessary to cultivate a given plot of land. This is indisputable; but it is very far from being a refutation of the theory of the diminution of variable capital *relatively* to constant capital, *in proportion* to constant capital. Marx's theory merely asserts that the relation $v : c$ (v=variable capital, c=constant capital) in general has a tendency to diminish even though v increases per unit of area. Is Marx's theory refuted if, simultaneously, c increases still more rapidly? Taken as a whole, agriculture in capitalist countries shows a diminution of v and an increase of c. The rural population and the number of workers employed in agriculture are diminishing in Germany, in France and in England, whereas the number of machines employed in agriculture is increasing. In Germany, for example, from 1882 to 1895, the rural population diminished from 19,200,000 to 18,500,000 (the number of wage workers in agriculture diminished from 5,900,000 to 5,600,000), whereas the num-

ber of machines employed in agriculture increased from 458,369 to 913,391;[1] the number of steam-driven machines employed in agriculture rose from 2,731 (in 1879) to 12.856 (in 1897), and the total horse-power of the steam-driven machinery employed increased still more. The number of cattle rose from 15,800,000 to 17,500,000 and the number of pigs from 9.200,000 to 12.200,000 (in 1883 and 1892 respectively). In France, the rural population diminished from 6,900,000 ("independents")[2] in 1882 to 6,600,000 in 1892; and the number of agricultural machines increased as follows: 1862—132,784; 1882—278,896; 1892—355.795. The number of cattle in the respective years was as follows: 12,000.000; 13,000,000; 13,700.000; the number of horses: 2,910,000; 2,840,000; 2,790,000 (the diminution in the number of horses in the period 1882-92 was smaller than the diminution of the rural population). Thus, on the whole, the history of modern capitalist countries has certainly not refuted, but has *confirmed* the validity of Marx's law for agriculture. The mistake Mr. Bulgakov made was that he too hastily elevated certain facts in agronomics, without examining their significance, to the degree of *general* economic laws. We emphasise "general," because neither Marx nor his disciples ever regarded this law otherwise than as the law of the general trends of capitalism, and not as a law for all separate cases. Even in regard to industry Marx pointed out that periods of technical change (when the relation $v : c$ diminishes) are followed by periods of progress on the given technical basis (when the relation $\frac{v}{c}$ remains constant, and in certain cases may even increase). We know of cases in the industrial history of capitalist countries where this law is disturbed in whole industries. For example, when large capitalist workshops (incorrectly termed factories) disintegrate and give way to capitalist domestic industry. There cannot be any doubt that in agriculture the process of development of capitalism is immeasurably more complex and assumes incomparably more diverse forms.

[1] Various types of machines are counted up together. Unless otherwise stated, all figures are taken from Kautsky's book.

[2] In statistics the term "independent" is applied to farmers as distinct from the adult members of their families and hired workers.—*Ed.*

Let us now pass to Kautsky. The outline of agriculture in the feudal epoch from which Kautsky starts out is said to be "very superficial and superfluous." It is difficult to understand the motive for such a verdict. We are sure that if Mr. Bulgakov succeeds in carrying out his plan to give a systematic exposé of the question of the capitalist evolution of agriculture, he will have to depict the main features of the *pre-capitalist* economics of agriculture. Without this it is impossible to understand the character of *capitalist* economics and the transitional forms which connect it with feudal economics. Mr. Bulgakov himself admits the enormous importance of "the form which agriculture assumed at the *beginning* [Mr. Bulgakov's italics] of its capitalist run." Kautsky starts precisely from "the beginning of the capitalist run" of European agriculture. In our opinion, Kautsky's outline of feudal agriculture is excellent; it reveals that remarkable distinctness and ability to select what is most important and essential without becoming submerged in second-rate details which, in general, are characteristic of this author. In his introduction Kautsky first of all gives an extremely precise and correct presentation of the question. In most emphatic terms he declares:

> "There is not the slightest doubt—we are prepared to accept this *a priori* [*von vornherein*]—that agriculture does not develop according to the pattern in industry: it is subject to special laws." (S. 5-6.)

The task is

> "to investigate whether capital conquers agriculture and how it conquers it, how it transforms it, how it invalidates old forms of production and forms of property and creates the need for new forms." (S. 6.)

Such, and only such, a presentation of the question can result in a satisfactory explanation of "the development of agriculture in capitalist society" (the title of the first, theoretical part of Kautsky's book).

At the beginning of the "capitalist run" agriculture was in the hands of the *peasantry*, who, as a general rule, were subordinated to the feudal regime of social economy. And Kautsky first of all describes the *system* of peasant farming, the amalgamation of agriculture with domestic industry, and then the elements of decay in

this paradise of petty-bourgeois and conservative writers (à la Sismondi), the significance of usury and the gradual

"penetration into the countryside, into the peasant household itself, of the class antagonism which destroys the ancient harmony and community of interests." (S. 13.)

This process started as far back as the Middle Ages, and has not completely come to an end to this day. We emphasise this because it shows immediately how incorrect is Mr. Bulgakov's statement that Kautsky did not even raise the question of who was the vehicle of technical progress in agriculture. Kautsky raised and answered that question quite definitely; and anyone who reads his book carefully will appreciate the truth (often forgotten by the Narodniki, agronomists and many others) that the vehicle of technical progress in modern agriculture is the *rural bourgeoisie*, both petty and big; and (as Kautsky has shown) the big bourgeoisie plays a more important role in this respect than the petty bourgeoisie.

II

After describing (in Chapter III) the main features of feudal agriculture: the predominance of the three-field system, the most conservative system in agriculture; the oppression and expropriation of the peasantry by the big landed aristocracy; the organisation of feudal-capitalist farming by the latter; the transformation of the peasantry into starving paupers (*Hungerleider*) in the 17th and 18th centuries; the development of bourgeois peasants (*Grossbauern*, who constantly employ hired labourers and day labourers), for whom the old forms of rural relationships and landed property were unsuitable; the abolition of these forms and the paving of the way for "capitalist, intensive farming" (S. 26) by the forces of the bourgeois class which was developing in the womb of industry and the towns—after describing all this, Kautsky goes on to describe "modern agriculture." (Chapter IV.)

This chapter contains a remarkably exact, concise and lucid outline of the gigantic revolution which capitalism brought about in agriculture by transforming the routine craft of peasants crushed

by poverty and ignorance into the scientific application of agronomics, by disturbing the age-long stagnation of agriculture, and by giving (and continuing to give) an impetus to the rapid development of the productive forces of social labour. The three-field system gave way to the rotation of crops system; the maintenance of cattle and the cultivation of the soil were improved; the yield increased; the specialisation of agriculture—the division of labour among various branches of agriculture—greatly developed. Pre-capitalist uniformity gave way to increasing diversity, accompanied by technical progress in all branches of agriculture. The introduction of machinery in agriculture and the employment of steam power began and rapidly developed; the employment of electric power, which, as specialists point out, is destined to play an even greater role in this branch of production than steam power, has started. The construction of auxiliary roads, land improvement and the employment of artificial fertilisers in accordance with the data of the physiology of plants have developed; bacteriology has begun to be applied in agriculture. Mr. Bulgakov's assertion that Kautsky "does not accompany this data[1] with an *economic* analysis" is totally groundless. Kautsky precisely indicates the connection between this revolution and the growth of the *market* (in particular, the growth of the towns) and the subjection of agriculture to *competition*, which *compelled* the transformation and specialisation of agriculture.

"This revolution, which has its origin in urban capital, increases the dependence of the farmer on the market and, moreover, constantly changes the market conditions essential for it. A branch of production which was profitable while the local market was connected with the world market merely by a highroad becomes unprofitable and must necessarily be superseded by another branch of production when a railway is run through the locality. If, for example, the railway brings cheaper grain, the production of grain becomes unprofitable; but at the same time a market is created for milk. The growth of

[1] "All this data," Mr. Bulgakov asserts, "can be obtained from any [*sic*!] handbook on the economics of agriculture." We do not share Mr. Bulgakov's rosy opinion about "handbooks." Of "any handbook" take the Russian books by Messrs. Skvortsov (*Steam Transport*) and N. Kablukov (*Lectures*, half of which are reproduced in a "new" book, *The Conditions of Development of Peasant Economy in Russia*). From neither of these books could the reader obtain a picture of the revolution *capitalism* has brought about in agriculture, because neither of the authors set out to present the general picture of the transition from feudal to capitalist economy.

commodity circulation renders possible the introduction in the country of new, improved varieties of crops," etc. (S. 37-38.)

"In the feudal epoch," says Kautsky, "there was no agriculture except small agriculture; for the landlord cultivated his fields with the same kind of implements as the peasants used. Capitalism for the first time created the possibility of carrying on large-scale production in agriculture, which is technically more rational than small production."

In speaking of agricultural machinery, Kautsky (it should be said in passing that in doing so he points precisely to the specific features of agriculture in this respect) elucidates the *capitalist* manner in which it is employed, the influence it has upon the workers, the significance of machinery as a factor of progress and the "reactionary utopianism" of schemes for restricting the employment of agricultural machinery.

"Agricultural machinery will continue its transformative activity: it will drive the rural workers into the towns and in this way serve as a powerful instrument for raising wages in the rural districts, on the one hand, and for the further development of the employment of machinery in agriculture, on the other." (S. 41.)

We will add that in special chapters Kautsky elucidates in detail the capitalist character of modern agriculture, the relation between large-scale and small production, and the proletarianisation of the peasantry. As we see, Mr. Bulgakov's assertion that Kautsky "does not raise the question as to why all these wonderful changes were necessary" is totally wrong.

In Chapter V ("The Capitalist Character of Modern Agriculture") Kautsky expounds Marx's theory of value, profit and rent.

"Without money, modern agricultural production is impossible," says Kautsky, "or, what is the same thing, it is impossible *without capital*. Indeed, under the present mode of production any sum of money which does not serve the purpose of individual consumption can be transformed into capital, *i.e.*, into value, which gives rise to surplus value and, as a general rule, really becomes transformed into capital. Hence, modern agricultural production is capitalist production." (S. 56.)

Incidentally, this passage enables us to appraise the following statement made by Mr. Bulgakov:

"I employ this term [capitalist agriculture] in the ordinary sense (in the same sense that Kautsky employs it), *i.e.*, in the sense of large-scale production in agriculture. Actually, however [*sic!*], when the *whole* of the national

economy is organised on capitalist lines, there is no *non*-capitalist agriculture, the *whole* of which is determined by the general conditions of the organisation of production, and only within these limits should the distinction be made between large-scale, entrepreneur farming and small farming. For the sake of clarity a new term is required here also."

And so, Mr. Bulgakov *corrects* Kautsky. . . . "Actually, however," as the reader sees, Kautsky *did not employ* the term "capitalist agriculture" in the "ordinary," inexact sense in which Mr. Bulgakov employs it. Kautsky understands perfectly well, and says so very precisely and clearly, that under the capitalist mode of production all agricultural production is "as a general rule" capitalist production. In support of this opinion he quotes the simple fact that in order to carry on modern agriculture money is needed; and that in modern society money which is not used for individual consumption becomes capital. It seems to us that this is somewhat clearer than Mr. Bulgakov's "correction," and that Kautsky has fully proved that it is possible to dispense with a "new term."

In Chapter V of his book Kautsky asserts, *inter alia*, that both the tenant farmer system, which has developed so fully in England, and the mortgage system, which is developing with astonishing rapidity in continental Europe, in essence, express one and the same process, *viz., the separation of the farmer from the land.*[1] Under the capitalist tenant farmer system this separation is as clear as daylight. Under the mortgage system it is "less clear, and things are not so simple; but in essence it amounts to the same thing." (S. 86.)

Indeed, it is obvious that the mortgaging of land is the mortgaging, or sale, of ground rent. Consequently, under the mortgage system, as well as under the tenant farmer system, the receivers of rent (=the landowners) are separated from the receivers of entrepreneur profits (=farmers, rural entrepreneurs). "In general, the significance of this assertion of Kautsky's is unclear" to Mr. Bulgakov.

[1] Marx pointed to this process in Volume III of *Capital* (without examining its various *forms* in different countries) and observed that this separation of "land as an instrument of production from property in land and landowners" is "one of the great outcomes of the capitalist mode of production." (Karl Marx, *Capital*, Vol. III, C. H. Kerr edition, pp. 723-24.)

"It can hardly be considered as proved that the mortgage system expresses the separation of the land from the farmer." "Firstly, it cannot be proved that debt absorbs the *whole* of rent; this is possible only by way of exception. . . ."

To this we reply: There is no need to prove that interest on mortgage debts absorbs the *whole* of rent, just as there is no need to prove that the *actual* amount of rent paid coincides with rent. It is sufficient to prove that mortgage debts are growing with enormous rapidity; that the landowners strive to mortgage all their land, strive to sell the whole of the rent. The existence of this tendency—a theoretical economic analysis can, in general, deal only with tendencies—cannot be doubted. Consequently, there can be no doubt about the process of separation of the land from the farmer. The combination of the receiver of rent and the receiver of entrepreneur profits in one person is, "from the historical point of view, an exception [*ist historisch eine Ausnahme*]." (S. 91.)

"Secondly, the causes and sources of the debt must be analysed in each separate case in order to understand its significance."

Probably this is either a misprint or a slip. Mr. Bulgakov cannot demand that an economist (who, moreover, is dealing with "the development of agriculture in capitalist society" *in general*) should, or could, investigate the causes of the debt "*in each separate case.*" Even if Mr. Bulgakov wanted to say that it is necessary to analyse the causes of debt in various countries in various periods, we cannot agree with him. Kautsky is quite right when he says that too many monographs on the agrarian question have accumulated, and that the urgent task of modern theory is not to add new monographs but to "investigate the main trends of the capitalist evolution of agriculture as a whole." (*Vorrede*, S. VI.)

Among these main trends is undoubtedly the separation of the land from the farmer in the form of an increase in mortgage debts. Kautsky precisely and clearly defined the real significance of mortgages, their progressive historical character (the separation of the land from the farmer is one of the conditions for the socialisation of agriculture, S. 88), the essential role they play in the capitalist evolution of agriculture.[1] All Kautsky's arguments on this question

[1] The increase in mortgage debts does not always imply that agriculture

are extremely valuable theoretically and provide a powerful weapon against the bourgeois talk, which is so widespread (particularly in "any handbook on the economics of agriculture"), about the "misfortune" of debts and about "measures of assistance.". . .

"Thirdly," concludes Mr. Bulgakov, "rented land may, in its turn, be mortgaged; and in this sense it may assume the same position as non-rented land."

A strange argument! Let Mr. Bulgakov point to at least one economic phenomenon, to at least one economic category, that is not interwoven with others. The fact that there are cases when rent and mortgage coincide does not refute, does not even weaken the theoretical statement that the process of the land becoming separated from the farmer is expressed in two forms: in the tenant farmer system, and in mortgage debts.

Mr. Bulgakov also declares that Kautsky's statement that "the countries in which the tenant farmer system is developed are also the countries in which large land ownership predominates" (S. 88) is "still more unexpected" and "quite wrong."

Kautsky speaks here of the concentration of land ownership (under the tenant farmer system) and the concentration of mortgages (under the system in which the landowners themselves farm their land) as conditions which facilitate the abolition of the private ownership of land. On the question of the concentration of land ownership, continues Kautsky, there are no statistics "which would enable one to trace the amalgamation of several properties in single hands"; but "in general it may be taken" that the increase in the number of leases and the increase in the area of rented land proceed side by side with the concentration of land ownership. "The countries in which the tenant farmer system is developed are also countries in which large land ownership predominates." It is clear that the whole of this argument of Kautsky's applies only to countries in which the tenant farmer system is developed; but Mr. Bulgakov refers to East Prussia, where, he "hopes to show," there is an increase

is in a depressed state. . . . The progress and prosperity of agriculture (as well as its decline) "should also find expression in an increase in mortgage debts—firstly, because progressing agriculture is increasingly in need of capital; and secondly, because of the increase in ground rent, which facilitates the expansion of agricultural credit." (S. 87.)

in the number of leases side by side with the break-up of large land ownership—and thinks that by means of this single example he is refuting Kautsky! It is a pity, however, that Mr. Bulgakov forgets to inform his readers that Kautsky himself points to the break-up of large estates and the growth of peasant tenant farming in the East Elbe province and, in doing so, elucidates, as we shall see later on,[1] the real significance of these processes.

Kautsky proves that the concentration of land ownership is taking place in countries in which mortgage debts exist by pointing to the concentration of mortgage institutions. Mr. Bulgakov thinks that this is no proof. In his opinion,

> "It might easily be the case that the de-concentration of capital (by the issue of shares) is proceeding side by side with the concentration of credit institutions."

Well, we shall not start arguing with Mr. Bulgakov on this point.

III

After examining the main features of feudal and capitalist agriculture, Kautsky passes on to the question of "large-scale and small production" in agriculture (Chapter VI). This chapter is one of the best in Kautsky's book. In it he first examines the "technical superiority of large-scale production." In deciding in favour of large-scale production Kautsky does not give an abstract formula which ignores the enormous variety of agricultural relationships (as Mr. Bulgakov quite groundlessly supposes), but on the contrary, he clearly and precisely points to the necessity of taking this variety into account in applying the theoretical law in practice. In the first place, "*it goes without saying*" that the superiority of large-scale production over small production in agriculture is inevitable only when "*all other conditions are equal.*" (S. 100. My italics.) In industry, also, the law of the superiority of large-scale production is not as absolute and as simple as is sometimes thought; there, too, it is the equality of "*other conditions*" (which does not always

[1] See p. 25 in this volume.

exist) that ensures the full validity of the law. In agriculture, however, which is distinguished for the incomparably greater complexity and variety of its relationships, the full validity of the law of the superiority of large-scale production is hemmed in by considerably stricter conditions. For example, Kautsky very aptly observes that on the borderline between the peasant and the small landlord estate "quantity is transformed into quality": the big peasant farm may be "if not technically, then, at any rate, economically superior" to the small landlord farm. The keeping of a scientifically educated manager (one of the important advantages of large-scale production) is too costly for a small estate; and the management by the owner himself is very often merely "Junker" and by no means scientific management. Secondly, large-scale production in agriculture is superior to small production only up to a certain limit. Kautsky closely investigates this limit later on. It also goes without saying that this limit differs in different branches of agriculture and under different social-economic conditions. Thirdly, Kautsky does not in the least ignore the fact that, "*so far*," branches of agriculture exist in which, as experts admit, small production can compete with large-scale production; for example, vegetable gardening, vine growing, industrial crops, etc. (S. 115.) But these branches occupy a position quite subordinate to the principal (*entscheidenden*) branches of agriculture, *viz.*, the production of grain and livestock farming. Moreover,

"even in vegetable gardening and vine growing there are already fairly successful large-scale enterprises." (S. 115.)

Hence,

"taking agriculture as a whole [*im Allgemeinen*], those branches in which small production is superior to large-scale production need not be taken into account; and it is quite permissible to say that large-scale production is decidedly superior to small production." (S. 116.)

After proving the technical superiority of large-scale production in agriculture (we shall present Kautsky's arguments in greater detail later on in examining Mr. Bulgakov'v objections[1]) Kautsky asks:

[1] See pp. 15-20 in this volume.

"What can small production set off against the advantages of large-scale production?"

And he replies:

"The greater diligence and greater care of the worker, who, unlike the hired labourer, works for himself, and the low level of requirements of the small independent farmer, which is even lower than that of the agricultural labourer" (S. 106);

and by quoting a number of striking facts concerning the position of the peasants in France, England and Germany Kautsky leaves no doubt whatever about "overwork and under-consumption in small production." Finally, Kautsky points out that the superiority of large-scale production also finds expression in the striving of farmers to form *associations*: "Associated production is large-scale production." The fuss made by the ideologists of the petty bourgeoisie in general, and the Russian Narodniki in particular (for example, the above-mentioned book by Mr. Kablukov), about the small farmers' associations is well known. The more significant, therefore, is Kautsky's excellent analysis of the role of these associations. Of course, the small farmers' associations are a link in economic progress; but they express *progress toward capitalism (Fortschritt zum Kapitalismus) and not toward collectivism*, as is often thought and asserted. (S. 118.) Associations do not diminish but enhance the superiority (*Vorsprung*) of large-scale production over small production in agriculture, because the big farmers enjoy greater opportunities of forming associations and take greater advantage of these opportunities. It goes without saying that Kautsky very emphatically admits that communal, collective large-scale production is superior to capitalist large-scale production. He deals with the experiments in collective farming made in England by the followers of Robert Owen and with analogous[1] communities in the United States. All these experiments, says Kautsky, *irrefutably prove* that it is quite possible for workers to carry on large-scale modern farming collectively; but in order that this possibility may become a reality "a number of well-known economic, political and intellectual

[1] On pages 124-26 Kautsky describes the agricultural communities in Ralahine which, incidentally, Mr. Dioneo tells his Russian readers about in *Russkoye Bogatstvo*, No. 2 for this year (*i.e.*, 1899—*Ed.*)

conditions" are necessary. The transition of the small producer (both artisan and peasant) to collective production is hindered by the extremely low development of solidarity and discipline, their isolation from each other and their "property-owner fanaticism," which is observed among West-European peasants, and, we will add, also among the Russian "community"[1] peasants (recall A. N. Engelhardt and G. Uspensky). Kautsky categorically declares that

> "It is absurd to expect that the peasant in *modern society* will pass to community production." (S. 129.)

Such is the extremely rich content of Chapter VI of Kautsky's book. Mr. Bulgakov is particularly displeased with this chapter. Kautsky, we are told, is guilty of the "fundamental sin" of mixing up various concepts; "technical advantages are mixed up with economic advantages." Kautsky "proceeds from the wrong assumption that the *technically* more perfect mode of production is more perfect, *i.e.*, more virile, *economically*." This emphatic argument of Mr. Bulgakov's is quite groundless, of which, we hope, the reader has been convinced by our exposition of Kautsky's line of argument. Without in the least mixing up technique with economics,[2] Kautsky quite rightly investigates the question of the correlation between large-

[1] The old Russian "*mir*."—*Ed. Eng. ed.*

[2] The only thing Mr. Bulgakov could quote in support of his claim is the *title* Kautsky gave to the first part of his Chapter VI: "a) The *Technical* Superiority of Large-Scale Production," whereas this section deals with the technical and also the economic advantages of large-scale production. But does this prove that Kautsky *confuses* technique with economics? And, strictly speaking, it is still an open question as to whether Kautsky's title is inexact. The point is that Kautsky's object was to contrast the contents of the first and second parts of Chapter VI: in the first part (a) he deals with the technical superiority of large-scale production in capitalist agriculture and here, in addition to machinery, etc., he mentions, for example, credit. "A peculiar sort of technical superiority," says Mr. Bulgakov ironically. But "*Rira bien qui rira le dernier!*" (He who laughs last laughs best.—*Ed.*) Glance into Kautsky's book and you will see that he has in mind, principally, the progress made in the *technique* of granting credits (and later on in the technique of commerce), which are accessible *only* to the big farmer. On the other hand, in the second part of this chapter (b) he compares the quantity of labour expended by and the rate of consumption of the workers in large-scale production with those in small production. Consequently, in this part Kautsky examines the *purely economic difference* between small and large-scale production. The *economics* of credit and commerce are the same for both; but the *technique* is different.

scale and small production in agriculture, *other conditions being equal*, under the capitalist system of production. *In the very first sentence of the first part of Chapter VI Kautsky points precisely to this connection between the level of development of capitalism and the degree of validity of the law of the superiority of large-scale agriculture*:

"The more capitalistic agriculture becomes, the more it develops the qualitative difference between the technique of small production and that of large-scale production." (S. 92.)

This qualitative difference did not exist in pre-capitalist agriculture. What then can be said about this stern admonition to which Mr. Bulgakov treats Kautsky:

"As a matter of fact, the question should have been put as follows: what significance in the competition between large-scale and small production can this or that specific feature of each of these forms of production have *under the present social-economic conditions*?"

This "correction" bears the same character as the one we examined above.

Let us see now how Mr. Bulgakov refutes Kautsky's arguments in favour of the technical superiority of large-scale production in agriculture. Kautsky says:

"One of the most important distinctions between agriculture and industry is that in agriculture production in the proper sense of the word [*Wirtschaftsbetrieb*, an economic enterprise] is usually connected with the household [*Haushalt*], which is not the case in industry."

That the larger household has the advantage over the small household in the saving of labour and materials hardly needs proof. . . . The former purchases (note this! *V.I.*[1])

"kerosene, chicory and margarine wholesale; the latter purchases these articles retail, etc." (S. 93.)

Mr. Bulgakov "corrects" him:

"Kautsky did not mean to say that this was technically more advantageous, but that it costs less"! . . .

[1] The initials for V. Ilyin—the *nom de plume* with which Lenin signed this book and other books published legally under the tsarist regime.—*Ed. Eng. ed.*

Is it not clear that in this case (as in all the others) Mr. Bulgakov's attempt to "correct" Kautsky was more than infelicitous?

"This argument," continues the stern critic, "is also very doubtful in itself, because under certain conditions the value of the product may not include the value of the scattered huts, whereas the value of a common house is included, even with the interest. This, too, depends upon social-economic conditions, which—and not the alleged technical advantages of large-scale production over small production—should have been investigated."

In the first place, Mr. Bulgakov forgets the trifle that Kautsky, after comparing the significance of large-scale production with that of small production when *all other conditions are equal*, proceeds to examine these conditions in detail. Consequently, Mr. Bulgakov wants to lump together different questions. Secondly, why does the value of the peasants' huts fail to enter into the value of the product? Only because the peasant "does not count" the value of the timber he uses or the labour he expends in building and repairing his hut. In so far as the peasant still carries on natural economy, he, of course, need "not count" his labour; and it is a pity that Mr. Bulgakov forgets to tell his readers that *Kautsky very clearly and precisely points this out on pp. 165-67 of his book* (Chapter VIII, "The Proletarianisation of the Peasant"). But we are now discussing the "social-economic conditions" of capitalism and not of natural economy or of simple commodity production. Under capitalist social conditions "not to count" one's labour means working for nothing (for the merchant or other capitalist); it means working for inadequate pay for labour power that is expended; it means reducing the level of consumption below the standard. As we have seen, Kautsky fully recognised and correctly appraised *this* distinguishing feature of small production. In his objections to Kautsky, Mr. Bulgakov repeats the usual trick and the usual mistake of the bourgeois and petty-bourgeois economists. These economists have deafened us with their praises of the "vitality" of the small peasant, who, they say, need not count his own labour, or chase after profit and rent, etc. These good people forget that such arguments confuse the "social-economic conditions" of natural economy and of simple commodity production with those of capitalism. Kautsky excellently explains all these mistakes and draws a *strict distinction* between the various systems of social-economic relationships. He says:

"If the agricultural production of the small peasant is not drawn into the sphere of commodity production, if it is merely a part of household economy, it also remains outside the sphere of the centralising tendencies of the modern mode of production. However irrational his parcellised economy may be, no matter what waste of effort it may lead to, he clings to it tightly, just as his wife clings to her wretched household economy, which also produces infinitely miserable results with the same enormous expenditure of labour power, but which is the only sphere in which she is not subject to another's rule and is free from exploitation." (S. 165.)

The situation changes when natural economy is eliminated by commodity production. The peasant then has to sell his produce, purchase implements, and *purchase land*. As long as the peasant remains a *simple commodity producer*, he can be satisfied with the standard of living of the wage worker; he needs neither profit nor rent; he can pay a higher price for land than the capitalist entrepreneur can pay. (S. 166.) But simple commodity production is eliminated by *capitalist production*. If, for example, the peasant has mortgaged his land, he must also obtain the rent which he has sold to the creditor. At this stage of development the peasant can only formally be regarded as a simple commodity producer. *De facto*, he usually has to deal with the *capitalist* the creditor, the merchant, the industrial entrepreneur—from whom he must beg for "auxiliary occupation," *i.e.*, to whom he must sell his labour power. At this stage and Kautsky, we repeat, compares large-scale production with small production in agriculture in capitalist society—the possibility of "not counting one's labour" means only one thing for the peasant, *viz.*, working himself to death and continually cutting down his requirements.

Equally unsound are the other objections raised by Mr. Bulgakov. Small production permits of the employment of machinery within narrower limits; the small proprietor finds it more difficult and dearer to obtain credit, says Kautsky. Mr. Bulgakov thinks that these arguments are wrong and refers to . . . peasant associations! He completely ignores the evidence brought forward by Kautsky, whose appraisal of these associations and their significance we quoted above. On the question of machinery, Mr. Bulgakov again reproaches Kautsky for not raising the "more general economic question, *viz.*, what, in general, is the economic role of machinery in agriculture [Mr. Bulgakov has already forgotten about Chapter VI of Kautsky's

book!] and is it as inevitable an instrument here as in manufacturing industry?" Kautsky clearly pointed to the capitalist manner in which machinery is employed in modern agriculture (S. 39, 40 *et seq.*), noted the specific features of agriculture which create "technical and economic difficulties" for the employment of machinery in agriculture (S. 38 *et seq.*), and quoted data on the growing employment of machinery (S. 40), on its technical significance (S. 42 *et seq.*), and on the role of steam and electricity. Kautsky indicated the size of farm that was necessary, in accordance with the laws of agronomics, in order to make the fullest use of various machines (S. 94), and pointed out that according to the German census of 1895 the employment of machinery steadily and rapidly increases from the small farms to the big ones (2 per cent in farms up to two hectares; 13.8 per cent in farms of 2 to 5 hectares; 45.8 per cent in farms of 5 to 20 hectares; 78.8 per cent in farms of 20 to 100 hectares and 94.2 per cent in farms of 100 and more hectares). Instead of these figures, Mr. Bulgakov would have preferred "general" arguments about the "invincibility" or non-invincibility of machines!

"The argument that a larger number of working animals per hectare is employed in small production . . . is unconvincing . . . because the degree of livestock farming . . . is not investigated"—says Mr. Bulgakov.

We open Kautsky's book at the page which contains this argument and read the following:

". . . The large number of cows in small farming [per 1,000 hectares] is to no small extent also determined by the fact that the peasant engages more in livestock farming and less in the production of grain than the big farmer; but this does not explain the difference in the maintenance of horses." (Page 96, on which are quoted figures for Saxony for 1860, for the whole of Germany for 1883 and for England for 1880.)

We recall the fact that in Russia the Zemstvo statistics reveal the same law expressing the superiority of large scale farming over small farming: the big peasant farms need a smaller number of cattle and implements per unit of land than the small peasantry.[1]

[1] *Cf.* V. E. Postnikov, *Peasant Farming in South Russia.* Compare with V. Ilyin, *Development of Capitalism*, Chapter II, Section I. (Lenin here refers to his book *The Development of Capitalism in Russia*, selections from which

Mr. Bulgakov does not by any means fully present Kautsky's arguments on the superiority of large-scale over small production in capitalist agriculture. The superiority of large-scale farming lies not only in the fact that there is less waste of cultivated area, a saving in livestock and implements, better utilisation of implements, wider possibilities of employing machinery and larger opportunities for obtaining credit; it also lies in the commercial superiority of large-scale production, the employment in the latter of scientifically trained managers. (Kautsky, S. 104.) Large-scale farming utilises the co-operation of workers and division of labour to a larger extent. Kautsky attaches particular importance to the scientific, agronomic education of the farmer.

"A scientifically well educated farmer can be employed only by such a farm as is sufficiently large to enable the work of management and supervision to fully engage the person's labour power." (S. 98: "The size of such farms varies, according to the type of farm," from three hectares of vineyards to 500 hectares of extensive farming.)

In this connection Kautsky mentions the interesting and extremely characteristic fact that the establishment of primary and higher agricultural schools benefits not the peasant but the big farmer, by providing the latter with employees (the same thing is observed in Russia).

"The higher education that is required for fully rationalised production is hardly compatible with the present conditions of existence of the peasants. This, of course, is a condemnation not of higher education, but of the conditions of life of the peasants. It merely means that peasant production is able to exist side by side with large-scale production, not because it is more highly productive, but because its requirements are less." (S. 99.)

Large-scale production must employ not only peasant labourers, but also urban workers, whose requirements are on an incomparably higher level.

Mr. Bulgakov calls the highly interesting and important data which Kautsky quotes to prove the existence of "overwork and under-consumption in small production" "a few" (!) "casual" (??) "quotations." Mr. Bulgakov "undertakes" to cite an equal number of "quotations of an opposite character." He merely forgets to say

are given in *Selected Works*, Vol. I. The part Lenin here refers to is not included, however; it will be found in *Collected Works*, Vol. III, Russian edition, pp. 41-53.—*Ed.*)

whether he also undertakes to make an *opposite assertion* which he would prove by "quotations of an opposite character." This is the whole point! Does Mr. Bulgakov undertake to assert that large-scale production in capitalist society differs from peasant production in the prevalence of overwork and low requirements of the worker under it? Mr. Bulgakov is too cautious to make such a comical assertion. He considers it possible to evade the overwork and lower consumption of the peasant by remarking that "in some places the peasant is prosperous and in other places he is poor"!! What would be said of an economist who, instead of generalising the data on the position of small and large-scale production, began to investigate the difference in the "prosperity" of the population of various "places"? What would be said of an economist who evaded the overwork and lower consumption of handicraftsmen compared with the factory workers with the remark that "in some places handicraftsmen are prosperous and in other places they are poor"? Incidentally, a word about handicraftsmen. Mr. Bulgakov writes:

"Apparently Kautsky was mentally drawing a parallel with *Hausindustrie*,[1] where there are no technical limits to overwork [as in agriculture], but this parallel is unsuitable here."

Apparently, we say in reply to this, Mr. Bulgakov was astonishingly inattentive to the book he was criticising, for Kautsky was not "mentally drawing a parallel" with *Hausindustrie, but pointed to it directly and precisely on the very first page of that part of the chapter* which deals with the question of overwork (Chapter VI, b, S. 106):

"As in domestic industry [*Hausindustrie*], the work of the children of the family in small peasant farming is even more harmful than working for wages for other people."

However emphatically Mr. Bulgakov decrees that this parallel is unsuitable here, his opinion is nevertheless entirely erroneous. In industry, overwork has no technical limits; but for the peasantry it is "limited by the technical conditions of agriculture," argues Mr. Bulgakov. The question arises: who, indeed, confuses technique with economics, Kautsky or Mr. Bulgakov? What has the technique of

[1] Domestic industry.—*Ed. Eng. ed.*

agriculture, or of domestic industry, to do with the case when facts prove that the small producer in agriculture and in industry drives children to work at an earlier age, works more hours per day, lives "more frugally," and cuts down his requirements to such a level that in a civilised country he is singled out as a real "barbarian" (Marx's expression)? Can the economic similarity of such phenomena in agriculture and in industry be denied on the grounds that agriculture has a large number of specific features (which Kautsky does not forget in the least)? "The small peasant could not put in more work than his field requires even if he wanted to," says Mr. Bulgakov. But the small peasant can and does work fourteen and not twelve hours a day; can and does work with that super-normal intensity which wears out his nerves and muscles much more quickly than the normal. Moreover, what an incorrect and extreme abstraction it is to reduce all the peasant's work to field work. You will find nothing of the kind in Kautsky's book. Kautsky knows perfectly well that the peasant also works in the household, works on building and repairing his hut, his pigsty, his implements, etc., "*not counting*" all this as additional work, for which a wage worker on a big farm would demand payment at the usual rate. Is it not clear to every unprejudiced person that overwork for the peasant—for the small tiller of the soil—goes on within *incomparably wider limits* than for the small artisan, if he is *only* an artisan? The overwork of the small tiller of the soil is strikingly demonstrated as a universal phenomenon by the fact that all bourgeois writers unanimously testify to the "diligence" and "frugality" of the peasants and accuse the workers of "indolence" and "extravagance."

The small peasants, says an investigator of the life of the rural population in Westphalia quoted by Kautsky, overwork their children to such an extent that their physical development is retarded; working for wages has not this bad side. A small Lincolnshire farmer stated to the parliamentary commission which investigated agrarian conditions in England (1897) the following: "I have brought up a whole family and have almost worked them to death." Another said: "We and the children sometimes work eighteen hours a day; on an average we work from ten to twelve hours." A third:

"We work harder than the day labourers; we work like slaves." Mr. Reade described to the same commission the conditions of the small farmer in the districts where agriculture in the strict sense of the word predominates, in the following manner:

"The only way in which he can possibly hold on is to do the work of two agricultural labourers and to spend only as much as one. . . . As far as regards his family, they are worse educated and harder worked than the children of agricultural labourers." (Royal Commission on Agriculture, 1897, Final Report, pp. 34, 357. Quoted by Kautsky, S. 109.)

Will Mr. Bulgakov undertake to assert that not less frequently a day labourer does the work of two peasants? But what is particularly characteristic is the following fact quoted by Kautsky showing that "the peasant art of starvation [*Hungerkunst*] may lead to the economic superiority of small production": a comparison of the profitableness of two peasant farms in Baden shows a deficit of 933 marks in one, *a big one*, and a surplus of 191 marks in the other, which was *only half the size of the first*. But the first farm, which was run exclusively with the aid of hired labourers, had to feed the latter properly, and on this spent nearly one mark per day per person; whereas the smaller farm was conducted exclusively with the aid of the members of the peasant's family (the wife and six grown-up children), whose maintenance cost *half the amount* spent on the day labourers: 48 pfennigs per day per person. If the family of the small peasant had fed as well as the labourers hired by the big farmer, the small farmer would have suffered a deficit of 1,250 marks! "His surplus came, not from his full corn bins, but from his empty stomach." What a huge number of similar examples would be discovered if the comparison of the "profitableness" of large and small farms were accompanied by a calculation of the consumption and work of peasants and of wage workers.[1] Here is another calculation of the higher profit of a small farm (4.6 hectares) compared with a big farm (26.5 hectares) made in one of the special magazines. But how is this higher profit obtained?—asks Kautsky. It turns out that the small farmer is assisted by his

[1] *Cf.* V. Ilyin, *The Development of Capitalism in Russia*, pp. 112, 175, 201. (Lenin, *Collected Works*, Vol. III, Russian edition, pp. 122, 182-83, 207.—*Ed.*)

children, assisted from the time they are just beginning to walk; the big farmer, however, has to spend money on his children (school, college). In the small farm even the old people, over 70 years of age, "take the place of a full worker." "An ordinary day labourer, particularly on a big farm, goes about his work and thinks to himself: 'I wish it was knocking-off time.' The small peasant, however, at all events in all the busy seasons, thinks to himself: 'Oh, if only the day were an hour or two longer.'" The small producers, says the author of this article in the agricultural magazine, didactically, make better use of their time in the busy seasons: "They rise earlier, retire later and work more quickly, whereas the labourers employed by the big farmer do not want to get up earlier, go to bed later or work harder than at other times." The peasant is able to obtain a clear income thanks to the "simple" life he leads: he lives in a clay hut built mainly by the labour of his family; his wife has been married for 17 years and has worn out only one pair of shoes; most often she walks barefooted, or in wooden *sabots*; and she makes all the clothes for her family. Their food consists of potatoes, milk, and on rare occasions herrings. Only on Sundays does the husband smoke a pipe of tobacco. "These people did not realise that they were living a particularly simple life, and did not express dissatisfaction with their position. . . . Living in this simple manner, they, nearly every year, obtained a small surplus out of their farm."

IV

After completing his analysis of the interrelations between large-scale and small production in capitalist agriculture, Kautsky proceeds to make a special investigation of the "limits of capitalist agriculture" (Chapter VII). Kautsky says that objection to the theory that large-scale farming is superior to small farming is raised mainly by the "friends of humanity" (we almost said, friends of the people . . .[1]) among the bourgeoisie, the pure Free Traders, and the agrarians.[2] Lately, many economists have been advocating

[1] A hint at the Narodniki, who called themselves "Friends of the People"; *Cf. Selected Works*, Vol. XI.—*Ed. Eng. ed.*

[2] Big landowners.—*Ed.*

small farming. Usually statistics are quoted showing that small farming is not being eliminated by large-scale farming. And Kautsky quotes these statistics: in Germany, from 1882 to 1895, it was the area of medium farms that increased most; in France, from 1882 to 1892, it was the area of the smallest and biggest farms that increased most; the area of the medium farms diminished. In England, from 1885 to 1895, the area of the smallest and biggest farms diminished: it was the area of farms ranging from 40 to 120 hectares (100 to 300 acres), *i.e.*, farms which cannot be put in the category of small farms, which increased most. In America, the average area of farms is diminishing: in 1850 it was 203 acres; in 1860 it was 199 acres; in 1870 it was 153 acres; in 1880 it was 134 acres; and in 1890 it was 137 acres. Kautsky makes a closer examination of the American statistics and, Mr. Bulgakov's opinion notwithstanding, his analysis is extremely important from the standpoint of *principle*. The main reason for the diminution in the average area of farms is the break-up of the large plantations in the South after the emancipation of the Negroes; in the Southern states the average area of farms diminished by more than one-half. "Not a single person who understands the subject will regard these figures as proof of the victory of small production over *modern* [=capitalist] large-scale production." In general, an analysis of American statistics *according to regions* shows a large variety of relationships. In the principal "wheat states," in the North Central region, the average area of farms *increased* from 122 acres to 133 acres.

"Small production becomes predominant only in those places where agriculture is in a state of decline, or where pre-capitalist, large-scale production enters into competition with peasant production." (S. 135.)

This conclusion of Kautsky's is very important because it shows that if certain conditions are not adhered to the handling of statistics is only the *mishandling* of statistics: a distinction must be drawn between capitalist large-scale production and pre-capitalist large-scale production. An investigation must be conducted according to *separate districts* which materially differ from each other in the forms in which farming is conducted and in the historical conditions of development of agriculture. It is said that "figures prove"! But one must understand *what* the figures prove. They only

prove *what they directly speak of*. The figures directly speak, not of the scale on which production is carried on, but of the *area* of farms. It is possible, and in fact it happens, that "with intensive farming, production can be carried on on a larger scale on a small estate than on a large estate extensively farmed."

"Statistics which tell us only the area of farms tell us nothing about whether the diminution of the area of farms is due to the actual diminution of the scale of farming, or to the introduction of intensive farming." (S. 146.)

Forestry and pastoral farming, these first forms of capitalist large-scale farming, permit of the largest area of estates. Field cultivation requires a smaller area. But the various systems of field cultivation differ from each other in this respect: the exhaustive, extensive system of farming (which has prevailed in America up to now) permits of huge farms (up to 10,000 hectares, such as the bonanza farms of Dalrymple, Glenn, and others. In our steppes, too, peasant farms, and particularly merchants' farms, attain such dimensions). The introduction of the use of fertilisers, etc., necessarily leads to a diminution in the area of farms, which in Europe, for example, are smaller than in America. The transition from field cultivation to livestock farming again causes a diminution in the area of farms: in England, in 1880, the average size of livestock farms was 52.3 acres, whereas that of grain farms was 74.2 acres. That is why the transition from wheat growing to livestock farming which is taking place in England *must* give rise to a tendency for the area of farms to diminish.

"But it would be judging very superficially if from this the conclusion were drawn that there has been a decline in production." (S. 149.)

In East Elbe (by an investigation of which Mr. Bulgakov hopes some time to refute Kautsky), it is precisely the introduction of intensive farming that is taking place: the big farmers, says Sering, whom Kautsky quotes, are increasing the productivity of their soil and are selling or renting to peasants the remote parts of their estates because with intensive farming it is difficult to utilise these remote parts.

"Thus, large estates in East Elbe are being reduced in size and in their vicinity small peasant farms are being established; this, however, is not

because small production is superior to large-scale production, but because the former dimensions of the estates were adapted to the needs of extensive farming." (S. 150.)

The diminution in the area of farms in all these cases usually leads to an increase in the quantity of products (per unit of land) and frequently to an increase in the number of workers employed, *i.e.*, to an actual *increase* in the scale of production.

From this it is clear how little is proved by general agricultural statistics on the *area* of farms, and how cautiously one must handle them. In industrial statistics we have *direct* indices of the scale of production (quantity of goods, total value of products, and number of workers employed) and it is easy to single out the different branches. Agricultural statistics rarely satisfy this necessary condition of proof.

Furthermore, the monopoly of land limits agricultural capitalism: in industry, capital grows as a result of *accumulation*, as a result of the conversion of surplus value into capital; *centralisation, i.e.*, the amalgamation of several small units of capital into a large one, plays a minor role. In agriculture, the situation is different. The whole of the land is occupied (in civilised countries), and it is possible to enlarge the area of a farm only by *centralising* several lots; this must be done in such a way as to form *one continuous area*. Clearly, enlarging an estate by purchasing the surrounding lots is a difficult matter, particularly in view of the fact that the small lots are partly occupied by agricultural labourers (whom the big farmer needs), and partly by small peasants who are masters of the art of maintaining themselves at an excessively and incredibly low level of requirements. For some reason or other the statement of this simple and very clear fact, which points to the limits of agricultural capitalism, seemed to Mr. Bulgakov to be a "phrase" (??!!) and provided a pretext for the most groundless rejoicing: "And so [!], the superiority of large-scale production comes to grief [!] at the very first obstacle." First Mr. Bulgakov misunderstands the law of the superiority of large-scale production and ascribes to it excessive abstractness, from which Kautsky is very remote, and then he turns his misunderstanding into an argument against Kautsky! Mr. Bulgakov's belief that he can refute

Kautsky by referring to Ireland (large landed property, but without large-scale production) is a very strange one. The fact that large landed property is one of the conditions of large-scale production does not in the least signify that it is a sufficient condition. Of course, Kautsky could not in a work on capitalism in agriculture in general examine the historical and other causes of the specific features of Ireland, or of any other country. No one expected Marx, in analysing the general laws of capitalism in industry, to explain why small industry continued longer in France, why industry was developing slowly in Italy, etc. Equally groundless is Mr. Bulgakov's assertion that concentration "could" proceed gradually: it is not as easy to enlarge estates by purchasing neighbouring lots as to build additional factory premises for an additional number of machines, etc.

In referring to this purely fictitious possibility of the gradual concentration, or renting, of land for the purpose of forming large farms, Mr. Bulgakov paid little attention to the really specific feature of agriculture in the process of concentration—a feature to which Kautsky pointed. This is the latifundia, the concentration of several estates in the hands of a single owner. Statisticians usually count up the number of separate estates; but they tell us nothing about the process of concentration of various estates in the hands of big landowners. Kautsky quotes very striking examples of such concentration in Germany and Austria, which leads to a special and higher form of large-scale capitalist farming in which several large estates are combined to form a single economic unit managed by a single central body. Such gigantic agricultural enterprises render possible the amalgamation of the most varied branches of agriculture and the utilisation of the advantages of large-scale production on the widest scale.

The reader will see how remote Kautsky is from abstractness and from a stereotyped understanding of "Marx's theory," to which he remains true. As a warning against this stereotyped understanding, Kautsky even wrote a special section for the chapter we are now discussing on the doom of the small producer in industry. He quite rightly points out that even in industry the victory of large-scale production is not so easy of achievement, and is not

so uniform, as those who talk about Marx's theory being inapplicable to agriculture are in the habit of thinking. It is sufficient to point to capitalist domestic industry; it is sufficient to recall the remark Marx made about the extreme variety of transitional and mixed forms which obscure the victory of the factory system. How much more complicated is this in agriculture! The increase in wealth and luxury leads, for example, to the millionaires purchasing huge estates which they transform into forests for their pleasures. In Salzburg, in Austria, the number of cattle has been declining since 1869. The reason is the sale of the Alps to rich lovers of hunting. Kautsky quite pointedly says that if agricultural statistics are taken in general, and uncritically, it is quite easy to discover in the capitalist mode of production a tendency towards the transformation of modern nations into hunting tribes!

Finally, among the conditions setting the limits to capitalist agriculture, Kautsky also points to the fact that the shortage of workers—due to the migration of the rural population—compels the big landowners to allot land to the workers, to create a small peasantry to provide labour power for the landlord. An absolutely propertyless rural labourer is a rarity, because in agriculture rural economy in the strict sense is connected with household economy. Whole categories of agricultural wage workers own or have the use of land. When small production is eliminated too much, *the big landowners try to strengthen or revive it* by selling or renting out land. Sering, whom Kautsky quotes, says:

> "In all European countries, a movement has recently been observed towards ... settling rural labourers by allotting plots of land to them."

Thus, within the limits of the capitalist mode of production it is impossible to count on small production being entirely eliminated from agriculture, for the capitalists and agrarians themselves strive to revive it when the ruination of the peasantry has gone too far. Marx pointed to this rotation of concentration and parcellisation of the land in capitalist society as far back as 1850, in the *Neue Rheinische Zeitung*.

Mr. Bulgakov is of the opinion that these arguments of Kautsky's contain "an element of truth, but still more error." Like all Mr.

Bulgakov's other verdicts, the grounds for this one are extremely weak and extremely nebulous. Mr. Bulgakov thinks that Kautsky has "constructed a theory of proletarian small production," and that this theory is true for a very limited region. We are of a different opinion. The agricultural wage labour of small tillers (or what is the same thing, the agricultural labourer and day labourer with an allotment) is a *phenomenon characteristic, more or less, of all capitalist countries*. No writer who desires to describe capitalism in agriculture can, without violating the truth, leave this phenomenon in the shade.[1] Kautsky, in Chapter VIII of his book, *viz.*, "The Proletarianisation of the Peasant," quotes extensive evidence to prove that in Germany, in particular, proletarian small production is universal. Mr. Bulgakov's statement that other writers, including Mr. Kablukov, have pointed to the "shortage of workers" *leaves the most important thing in the shade, viz.*, the enormous difference in principle between Mr. Kablukov's theory and Kautsky's theory. Because of his characteristically *Kleinbürger*[2] point of view, Mr. Kablukov "constructs" out of the shortage of workers the theory that large-scale production is unsound and that small production is sound. Kautsky precisely describes facts and indicates their true significance in modern class society: the class interests of the landowners compel them to strive to allot land to the workers. The class position of agricultural wage workers with allotments is that between the petty bourgeoisie and the proletariat, but nearer to the latter. In other words, Mr. Kablukov elevates one side of a complicated process to the theory of the unsoundness of large-scale production. Kautsky, however, analyses the special forms of social-economic relationships created by the interests of large-scale production at a certain stage of its development and under certain historical conditions.

[1] *Cf. The Development of Capitalism in Russia*, Chapter II, Section XII, p. 120 (Lenin, *Collected Works*, Vol. III, Russian edition, pp. 128-31.—*Ed.*). It is calculated that in France about 75 per cent of the rural labourers own land. Other examples are also given.

[2] Petty-bourgeois.—*Ed.*

V

We will now pass to the next chapter of Kautsky's book, the title of which we have just quoted. In this chapter Kautsky investigates, firstly, the "tendency toward the break-up of the land," and, secondly, the "forms of peasant auxiliary occupations." Thus, here are depicted those extremely important trends in agricultural capitalism which are characteristic of the overwhelming majority of capitalist countries. Kautsky says that the break-up of the land leads to an increased demand for small lots on the part of small peasants, who pay a higher price for the land than the big farmers. Several writers have quoted the latter fact to prove that small farming is superior to large-scale farming. Kautsky very pointedly replies to this by comparing the price of land with the price of houses: it is well known that small and cheap houses are *dearer* per unit of capacity (per cubic foot, etc.) than large and costly houses. The higher price of small plots of land is not due to the superiority of small farming, but to the particularly oppressed condition of the peasant. The enormous number of dwarf farms that capitalism has called into being is seen from the following figures: in Germany (1895), out of 5,500,000 farms, 4,250,000, *i.e.*, more than three-fourths, are of an area of less than five hectares (58 per cent are less than two hectares). In Belgium, 78 per cent (709,500 out of 909,000) are less than two hectares. In England (1895), 118,000 out of 520,000 are less than two hectares. In France (1892), 2,200,000 (out of 5,700,000) are less than one hectare; 4,000,000 are less than five hectares. Mr. Bulgakov thinks that he can refute Kautsky's argument that these dwarf farms are very irrational (shortage of cattle, implements, money and labour power, which is diverted to side occupations) by arguing that "very often" (??) the land is tilled with a spade "with an incredible degree of intensity," although . . . with "an extremely irrational expenditure of labour power." It goes without saying that this objection is totally groundless, that individual examples of excellent cultivation of the soil by small peasants are as little capable of refuting Kautsky's general characterisation of this type of farming as the above-quoted example of the greater profitableness of a small farm is capable

of refuting the thesis that large-scale production is superior to small production. That Kautsky is quite right in placing these farms, *taken as a whole*,[1] in the proletarian category is seen from the fact, revealed by the German census of 1895, that the mass of the small farmers cannot dispense with earnings on the side. Of a total of 4,700,000 persons obtaining an independent livelihood in agriculture, 2,700,000, or *56 per cent*, have earnings on the side. Of 3,200,000 farms of less than two hectares each, only 400,000, or *13 per cent*, have no incomes on the side! In the whole of Germany, out of 5,500,000 farms, *1,500,000* belong to agricultural and industrial wage workers (+704,000 artisans). And after this Mr. Bulgakov dares to assert that the theory of proletarian small farming was "constructed" by Kautsky![2] Kautsky very thoroughly investigates the forms the proletarianisation of the peasantry assumes (the forms of peasant auxiliary occupations). (S. 174-93.) Unfortunately, space does not permit us to deal in detail with his description of these forms (agricultural work for wages, handicraft—*Hausindustrie*—"the vilest system of capitalist exploitation," work in factories and mines, etc.). We will observe only that Kautsky makes the same appraisal of *migratory occupations* as that made by Russian economists. Migratory workers are more ignorant and have a lower level

[1] We emphasise "taken as a whole," because it cannot be denied, of course, that in certain cases even farms having an insignificant area of land can provide a large quantity of products and a large income (vineyards, vegetable gardens, etc.). But what would be said of an economist who tried to refute the reference to the lack of horses among Russian peasants by pointing, say, to the vegetable growers in the suburbs of Moscow who may sometimes conduct rational and profitable farming without horses?

[2] In a footnote on page 15, Mr. Bulgakov says that Kautsky, believing that grain duties were not in the interest of the overwhelming majority of the rural population, repeats the mistake committed by the authors of the book on grain prices. [*The Influence of Harvests and Grain Prices on Certain Aspects of Russian National Economy*, by the Narodnik professors Chuprov, Possnikov, Kablukov, Karyshev and others.—*Ed.*] We cannot agree with this either. The authors of the book on grain prices committed a heap of mistakes (to which I pointed more than once in the above-mentioned book); but there is no mistake whatever in admitting that high grain prices are not in the interest of the mass of the population. What is a mistake is the *direct* deduction from interest of the masses to interest of the whole social development. Messrs. Tugan-Baranovsky and Struve have quite rightly pointed out that the *criterion* in appraising grain prices must be whether they help capitalism in agriculture to eliminate *otrabotki* [the payment of rent by labour—*Ed. Eng. ed.*], whether they stimu-

of requirements than town workers; not infrequently, they harmfully affect the latter's conditions of life. "But for those places from which they come and to which they return they are pioneers of progress. . . . They acquire new requirements and new ideas" (S. 192), they awaken consciousness and a sense of human dignity, they awaken among the ignorant peasants confidence in their own strength.

In conclusion we will deal with the last and particularly sharp attack Mr. Bulgakov makes upon Kautsky. Kautsky says that in Germany, from 1882 to 1895, it was the smallest (in area) and largest farms that grew most in number (so that the parcellisation of the land proceeded at the expense of the medium farms). Indeed, the number of farms up to one hectare increased 8.8 per cent; those of 5 to 20 hectares increased 7.8 per cent, while those of over 1,000 hectares increased by 11 per cent (the number of those in the intervening categories hardly increased at all, while the total number of farms increased by 5.3 per cent). Mr. Bulgakov is extremely indignant because the percentage is taken of the biggest farms, the number of which is insignificant (515 and 572 for the respective years). Mr. Bulgakov's indignation is totally groundless. He forgets that this insignificant number of farms are the largest in size and that they *occupy nearly as much land* as 2,300,000 to 2,500,000

late social development. I answer this question of fact differently from the way Struve answers it. I think it is not proved that the development of capitalism in agriculture is retarded as a consequence of low prices. On the contrary, the particularly rapid growth of the agricultural machinery industry and the stimulus to specialisation in agriculture which was given by the reduction of grain prices show that low prices *stimulate* the development of capitalism in Russian agriculture. (*Cf. The Development of Capitalism in Russia*, Chapter III, Section V, p. 147, note 2.) [*Collected Works*, Vol. III, Russian edition, p. 156.—*Ed.*] The reduction of grain prices has a profound transformative effect upon all other relationships in agriculture.

Mr. Bulgakov says: "One of the important conditions for the introduction of intensive farming is the raising of grain prices." (The same opinion is expressed by Mr. P. S. in the "Review of Home Affairs" column, p. 299 in the same issue of *Nachalo*.) This is inexact. Marx showed in Part VI of Vol. III of *Capital* that the productivity of additional capital invested in land may diminish, *but may also increase;* with a reduction in the price of grain, rent may fall, *but it may also rise.* Consequently, the introduction of intensive farming may be due—in different historical periods and in different countries—to altogether different conditions, irrespective of the level of grain prices.

dwarf farms (up to one hectare). If I say that the number of very big factories in the country, those employing 1,000 and more workers, increased from 51 to 57, by 11 per cent, while the total number of factories increased 5.3 per cent, will not that show an increase in large-scale production, notwithstanding the fact that the *number* of very large factories may be insignificant compared with the total number of factories? Kautsky is fully aware of the fact that it was the peasant farms of from 5 to 20 hectares which grew most in total area (Mr. Bulgakov, page 18), and he deals with it in the next chapter.

Kautsky then takes the changes in area in the various categories in 1882 and 1895. It appears that the largest increase (+563,477 hectares) occurred among the peasant farms of 5 to 20 hectares, and the next largest among the biggest farms, those of more than 1,000 hectares (+94,014), whereas the area of farms of 20 to 1,000 hectares *diminished* by 86,809 hectares. Farms up to one hectare increased their area by 32,683 hectares and those from 1 to 5 hectares increased their area by 45,604 hectares.

And Kautsky draws the following conclusion: the diminution in the area of farms of from 20 to 1,000 hectares (more than balanced by an increase in the area of farms of 1,000 hectares and over) is due not to the decline of large-scale production, but to the introduction of intensive farming in the latter. We have already seen that intensive farming is making progress in Germany and that frequently it requires a diminution in the area of farms. That intensive farming is being introduced in large-scale production can be seen from the growing utilisation of steam-driven machinery, and also from the enormous increase in the number of agricultural non-manual employees, who in Germany are employed only on large farms. The number of estate managers, overseers, bookkeepers, etc., increased from 47,465 in 1882 to 76,978 in 1895, *i.e.*, an increase of 62 per cent; the percentage of women among these employees increased from 12 to 23.4.

"All this clearly shows how much more intensive and more capitalistic large-scale farming has become since the beginning of the 'eighties. Why the area of middle-peasant farms increased so much will be explained in the next chapter." (S. 174.)

Mr. Bulgakov regards this description as being "in crying contradiction to reality," but even the arguments he uses this time fail to justify such an emphatic and bold verdict, and fail to shake Kautsky's conclusion one iota.

"First of all, intensive farming, if it were introduced, would not in itself explain the relative and absolute diminution of the cultivated area and the diminution of the total proportion of farms in the 20 to 1,000 hectare group. The cultivated area could have increased simultaneously with the increase in the number of farms. The latter need merely [*sic*!] have increased somewhat faster, so that the area of each farm would have become less."[1]

We have deliberately quoted in full this argument, from which Mr. Bulgakov draws the conclusion that "the diminution in the size of farms owing to the growth of intensive farming is pure fantasy" (*sic*!), because it strikingly reveals the very mistake of mishandling "statistics" against which Kautsky uttered such a serious warning. Mr. Bulgakov puts ridiculously strict demands upon the statistics of the *area* of farms and ascribes to these statistics a significance which they never had and never could have. Why, indeed, should the cultivated area have increased "somewhat"? Why "should not" the introduction of intensive farming (which, as we have seen, sometimes leads to the sale and renting to peasants of parts of estates remote from the centre) have shifted a certain number of farms from a higher category to a lower? Why "should it not" have diminished the cultivated area of farms of 20 to 1,000 hectares?[2] In industrial statistics a reduction in the *volume of output* of the very big factories would have indicated a decline in large-scale production. But the diminution in *area* of the largest estates by 1.2 per cent does not and *cannot* indicate the volume of production, which very often increases with the diminution in the area of the farm. We know that the process of grain farming being eliminated by livestock farming, which is particularly marked in England, is going on in Europe as a whole. We know that sometimes

[1] Mr. Bulgakov quotes still more detailed figures, but they add absolutely nothing to those quoted by Kautsky, for they also show an increase in the number of farms only in the big owners group and a diminution in area.

[2] A reduction in this group from 16,986,101 hectares to 16,802,115 hectares, *i.e.*, by no less than . . . 1.2 per cent! This is a convincing argument in favour of what Mr. Bulgakov regards as the "death throes" of large-scale production, is it not?

this change causes a diminution in farm area; but would it not be strange to draw from this the conclusion that the diminution in the area of farms implied a decline in large-scale production? That is why, incidentally, the "eloquent table" given by Mr. Bulgakov on page 20, showing the diminution in the number of large and small farms and the increase in the number of medium farms (5 to 20 hectares) possessing animals for field work, proves nothing at all. This may have been due to a change in the system of farming.

That large-scale agricultural production in Germany has become more intensive and more capitalistic is evident, firstly, from the increase in the number of *steam-driven* machines employed: from 1879 to 1897 the number increased fivefold. It is useless for Mr. Bulgakov to argue in his objection that the total number of *all machines* (and not steam-driven machines only) owned by small farms (up to 20 hectares) is much larger than that owned by the large farms; and also that in America machines are employed in extensive farming. We are not discussing America now, but Germany, where there are no bonanza farms. The following table gives the percentage of farms in Germany (1895) employing steam ploughs and steam threshing machines:

Group	Per cent of farms employing	
	Steam ploughs	Steam threshing machines
Up to 2 hectares . .	0.00	1.08
2 to 5 „ . .	0.00	5.20
5 to 20 „ . .	0.01	10.95
20 to 100 „ . .	0.10	16.60
100 hectares and over . .	5.29	16.22

And now, if the number of steam-driven machines employed in agriculture in Germany has increased fivefold, does it not prove that there has been an increase in large-scale intensive farming? Only it must not be forgotten, as Mr. Bulgakov forgets on page 21, that an increase in the size of enterprises in agriculture is not always identical with an increase in the area of farms.

Secondly, the fact that large-scale production has become more capitalistic is evident from the increase in the number of agricultural non-manual employees. It is useless for Bulgakov to call this argument of Kautsky's a "curiosity": "An increase in the number of officers side by side with a diminution of the army"—with a diminution in the number of agricultural wage workers. Again we say: *Rira bien qui rira le dernier*![1] Kautsky not only does not forget the diminution in the number of agricultural labourers, but proves it in detail in regard to a number of countries; only this fact has absolutely nothing to do with the case here, because the rural population as a whole is diminishing, while the number of proletarian small farmers is increasing. Let us assume that the big farmer abandons the production of grain and takes up the production of sugar beets and the manufacture of sugar (in Germany, in 1871-72, 2,200,000 tons of beets were converted into sugar; in 1881-82, 6,300,000 tons; in 1891-92, 9,500,000 tons and in 1896-97, 13,700,000 tons). He might even sell, or rent, the remote parts of his estate to small peasants, particularly if he needs the wives and children of the peasants as day labourers on his beet plantations. Let us assume that he introduces a steam plough which eliminates the former ploughmen (on the beet plantations in Saxony—"models of intensive farming"[2]—steam ploughs have now come into common use). The number of wage workers diminishes. The number of higher grade employees (bookkeepers, managers, technicians, etc.) necessarily increases. Will Mr. Bulgakov deny that we see here an increase in intensive farming and capitalism in large-scale production? Will he assert that nothing of the kind is taking place in Germany?

In order to conclude the exposition of Chapter VIII of Kautsky's book, *viz.*, on the proletarianisation of the peasants, the following

[1] What is indeed a curiosity is Mr. Bulgakov's remark that the increase in the number of non-manual employees testifies, perhaps, to the growth of the agricultural industry, *but not* (!) to the growth of intensive large-scale farming. Up to now we have thought that one of the most important forms of the growth of intensive farming is the growth of the cultivation of industrial crops (*described in detail and appraised by Kautsky in Chapter X*).

[2] Kärger, quoted by Kautsky, S. 45.

passage must be quoted. After the passage we have quoted above, and which Mr. Bulgakov also quoted, Kautsky says:

"What interests us here is the fact that the proletarianisation of the rural population is proceeding in Germany, as in other places, notwithstanding the fact that the tendency toward the parcellisation of medium estates has ceased to operate in Germany. From 1882 to 1895 the total number of farms increased by 281,000. By far the greater part of this was due to the increase in the number of proletarian farms up to one hectare in area. These farms increased by 206,000.

"As we see, the movement of agriculture is quite a special one, quite different from the movement of industrial and merchant capital. In the preceding chapter we pointed out that in agriculture the tendency towards the centralisation of enterprises does not lead to the complete elimination of small production. When this tendency goes too far it gives rise to an opposite tendency, so that the tendency towards centralisation and the tendency towards parcellisation alternate with each other. Now we see that both tendencies can operate side by side. There is an increase in the number of farms whose owners come into the commodity market as proletarians, as vendors of labour power. . . . All the material interests of these small farmers as vendors of the labour power commodity are identical with the interests of the industrial proletariat; the fact that they own land gives rise to no antagonism to the proletariat. His land more or less emancipates the parcellised peasant from the dealer in food products; but it does not emancipate him from the exploitation of the capitalist entrepreneur, whether industrial or agricultural." (S. 174.)

In the next article we shall deal with the rest of Kautsky's book and give it a general appraisal; in passing, we shall examine the objections Mr. Bulgakov raises in a later article.

Second Article

I

In Chapter IX of his book ("The Growing Difficulties of Commercial Agriculture") Kautsky proceeds to analyse the *contradictions* characteristic of capitalist agriculture. From the objections which Mr. Bulgakov raises against this chapter, and which we shall examine later on, it is evident that the critic has not quite properly understood the general significance of these "difficulties." There are "difficulties" which, while being an "obstacle" to the full development of rational agriculture, at the same time *stimulate the development* of capitalist agriculture. For example, among the

"difficulties" Kautsky points to the depopulation of the countryside. Undoubtedly, the migration from the countryside of the best and most intelligent workers is an "obstacle" to the full development of rational agriculture; but it is equally undoubted that the farmers combat this obstacle by *developing technique*, for instance, by introducing machinery.

Kautsky investigates the following "difficulties": a) ground rent; b) right of inheritance; c) limitation of right of inheritance; *majorat* (*fideicommissum, Anerbenrecht*)[1]; d) the exploitation of the countryside by the town; e) depopulation of the countryside.

Ground rent is that part of surplus value which remains after the average rate of profit on invested capital is deducted. The monopoly of landed property enables the landowner to appropriate this surplus, and the price of land (=capitalised rent) *keeps* rent at the level once reached. Clearly, rent "hinders" the complete rationalisation of agriculture: under the tenant farmer system the stimulus to improvements, etc., becomes weaker, and under the mortgage system the major part of the capital has to be invested not in production, but in the purchase of land. In his objection Mr. Bulgakov points out, firstly, that there is "nothing terrible" in the growth of mortgage debts. He forgets, however, that Kautsky, not "in another sense," but precisely in this sense, has already pointed to the necessary increase in mortgages even when agriculture is flourishing. (*Cf.* First Article, II.) At present, Kautsky is discussing not the question as to whether an increase in mortgages is "terrible" or not, but the difficulties which prevent capitalism from fully completing its mission. Secondly, in Mr. Bulgakov's opinion, "it is hardly correct to regard the rise in rent only as an obstacle. . . . The rise in rent, the possibility of raising it, serves as an independent stimulus to agriculture, stimulating technical and every other form of progress" (evidently "process" is a misprint). Stimuli to progress in capitalist agriculture are: growth of the population, growth of competition, and growth of industry; rent, however, is a tribute exacted by the landowner from social develop-

[1] Various forms of mediæval inheritance laws still in operation.—*Ed. Eng. ed.*

ment, from the growth of technique. Therefore, to declare the rise in rent to be an "*independent* stimulus" to progress is wrong. Theoretically, it is quite possible for capitalist production to exist without the existence of private property in land, *i.e.*, under the nationalisation of the land (Kautsky, S. 207), when absolute rent would not exist at all, and differential rent would be appropriated by the state. This would not weaken the stimulus to agronomic progress; on the contrary, it would increase it to an enormous extent. Kautsky says:

"There can be nothing more erroneous than to think that it is in the interest of agriculture to force up [*in die Höhe treiben*] the price of estates or artificially to keep it at a high level. This is in the interest of the present [*augenblicklichen*] landowners, in the interest of the mortgage banks and the real estate speculators, but not in the interest of agriculture, and least of all in the interest of its future, in the interest of the future generation of farmers." (S. 199.)

And the price of land is capitalised rent.

The second difficulty confronting commercial agriculture is that it necessarily requires private property in land; and this leads to the fact that in passing to heirs the land is either split up (and *in some places* this parcellisation of the land even leads to technical retrogression), or is entailed by mortgages (when the heir who receives the land pays the co-heirs money capital and obtains the money by a mortgage on the land). Mr. Bulgakov reproaches Kautsky for "overlooking the positive side" of the mobilisation of the land. This reproach is absolutely groundless; for in the historical part of his book (in particular Chapter III of Part I, which deals with feudal agriculture and the reasons why it gave way to capitalist agriculture), as well as in the practical part,[1] Kautsky clearly pointed out to his readers the positive side and the historical necessity of private property in land, of the entry of competition into agriculture and, consequently, of the mobilisation of the land. The other reproach that Mr. Bulgakov hurls at Kautsky, namely,

[1] Kautsky has emphatically expressed his opposition to every mediæval restriction upon the mobilisation of land, to *majorat* (*fideicommissum, Anerbenrecht*), and to the preservation of the mediæval peasant community (S. 332), etc.

that the latter failed to investigate the problem of "the different degrees of growth of the population in different places," is totally unintelligible to us. Did Mr. Bulgakov really expect to find studies in populationistics in Kautsky's book?

Without dwelling on the question of *majorat*, which, after what has been said above, is nothing new, we shall proceed to examine the question of the exploitation of the countryside by the town. Mr. Bulgakov's assertion that Kautsky "does not compare the negative sides with the positive sides, and, primarily, the importance of the town as a market for agricultural produce," is diametrically opposite to the truth. Kautsky deals very definitely with the importance of the town as a market for agriculture on the *very first page* of the chapter which investigates "modern agriculture." (S. 30 u. ff.) It is precisely to "urban industry" (S. 292) that Kautsky ascribes the principal role in the transformation of agriculture, in its rationalisation, etc.[1]

That is why we cannot possibly understand how Mr. Bulgakov could repeat in his article (page 32, *Nachalo*, No. 3) these very ideas *as if in opposition to Kautsky*! This is a particularly striking example of how incorrectly this stern critic expounds the book he is criticising.

"It must not be forgotten," Mr. Bulgakov says to Kautsky admonishingly, that "part of the values [which flow to the towns] returns to the countryside."

Anyone would think that Kautsky forgets about this elementary truth. As a matter of fact Kautsky distinguishes between the flow of values (from the countryside to the town) with or without an equivalent return much more clearly than Mr. Bulgakov attempts to do this. First of all Kautsky examines the "flow of commodity values from the country to the towns without equivalent return [*Gegenleistung*]" (S. 210) (rent, which is spent in the towns, taxes, interest on loans obtained in city banks) and quite justly regards this as the economic exploitation of the countryside by the towns. Then Kautsky discusses the question of the efflux of

[1] *Cf.* also S. 214, where Kautsky discusses the role urban capital plays in the rationalisation of agriculture.

values with an equivalent return, *i.e.*, the exchange of agricultural produce for manufactured goods. He says:

"From the point of view of the law of value, this efflux does not signify the exploitation of agriculture;[1] actually, however, in addition to the above-mentioned facts, it leads to its agronomic [*stofflichen*] exploitation, to the land becoming poorer in nutritive materials." (S. 211.)

As for the agronomic exploitation of the countryside by the town, here too Kautsky adheres to one of the fundamental propositions of the theory of Marx and Engels. *viz.*, that the antithesis between town and country destroys the necessary harmony between and interdependence of agriculture and industry, and that with the transition of capitalism to a higher form this antithesis must disappear.[2] Mr. Bulgakov thinks that Kautsky's opinion about the agronomic exploitation of the country by the town is a "strange" one; that "at all events, Kautsky has here stepped on the soil of absolute fantasy" (*sic*!!!). What surprises us is that Mr. Bulgakov ignores the fact that Kautsky's opinion, which he criticises, is identical with one of the fundamental ideas of Marx and Engels. The reader would be right in thinking that Mr. Bulgakov considers the abolition of the antithesis between town and country to be "absolute fantasy." If such, indeed, is the critic's opinion, then we emphatically disagree with him and go over to the side of "fantasy" (*i.e.*, in fact, not to the side of fantasy, but to that of a more profound criticism of capitalism). The view that the abolition of the antithesis between town and country is a fantasy is not a new one by any means. It is the ordinary view of the bourgeois economists. It has been borrowed by several writers with a more profound outlook. For example,

[1] Let the reader compare Kautsky's clear statement as quoted above with the following "critical" remark by Mr. Bulgakov: "If Kautsky regards the giving of grain to the non-agricultural population by direct grain producers as exploitation," etc. One cannot believe that a critic who has read Kautsky's book at all attentively could have written that "if"!

[2] It goes without saying that the opinion that it is necessary to abolish the antithesis between town and country in a society of associated producers does not in the least contradict the admission that the withdrawal of the population from agriculture to industry plays a *historically* progressive role. I had occasion to discuss this in another place. ("Studies," page 81, footnote 69.) [*Cf. Collected Works*, Vol. II, Russian edition, p. 86.—*Ed.*]

Dühring was of the opinion that antagonism between town and country "is inevitable by the very nature of things."

Further, Mr. Bulgakov is "astonished" (!) at the fact that Kautsky refers to the growing frequency of epidemics among plants and animals as one of the difficulties confronting commercial agriculture and capitalism.

"What has this to do with capitalism . . . ?" asks Mr. Bulgakov. "Could any higher social organisation abolish the necessity of improving the breed of cattle?"

We in our turn are astonished at Mr. Bulgakov's failure to understand Kautsky's perfectly clear idea. The old breeds of plants and animals created by natural selection are being superseded by "improved" breeds created by artificial selection. Plants and animals are becoming more tender, more exacting; with the present means of communication epidemics spread with astonishing rapidity. Meanwhile, farming remains individual, scattered, frequently small (peasant) farming, lacking knowledge and resources. Urban capitalism strives to utilise all the resources of modern science for the development of the technique of agriculture, but it leaves the social position of the producers at the old miserable level; it does not systematically and methodically transplant urban culture to the rural districts. No higher social organisation will abolish the necessity of improving the breed of cattle (and Kautsky, of course, did not think of saying anything so absurd); but the more technique develops, the more tender the breeds of cattle and plants[1] become, the more does the present capitalist social organisation suffer from the lack of social control and from the degraded state of the peasants and workers.

The last "difficulty" confronting commercial agriculture that Kautsky mentions is the "depopulation of the countryside," the absorption by the towns of the best, the most energetic and most intelligent labour forces. Mr. Bulgakov is of the opinion that in its general form this proposition "is at all events incorrect"; that "the present development of the urban population at the expense of the

[1] That is why in the practical part of his book Kautsky recommends the sanitary inspection of cattle and the conditions under which they are kept. (S. 397.)

rural population does not express the law of development of capitalist agriculture," but the migration of the agricultural population of industrial, exporting countries overseas, to the colonies. I think that Mr. Bulgakov is mistaken. The growth of the urban (more generally: industrial) population *at the expense* of the rural population is not only a present but a general phenomenon which expresses *precisely the law* of capitalism. The theoretical grounds of this law are, as I have pointed out in another place,[1] firstly, that the growth of social division of labour wrests from primitive agriculture an increasing number of branches of industry,[2] and secondly, that the variable capital required for a given plot of land, on the whole, diminishes. (*Cf. Das Kapital*, III, 2, S. 177, which I quote in my book, *The Development of Capitalism*, pp. 4 and 444.[3]) We have already observed above that in certain cases and certain periods an increase is observed in the variable capital required for the cultivation of a given plot of land, but that this does not affect the correctness of the general law. Of course, Kautsky would not think of denying that not in every case does the relative diminution of the agricultural population become absolute diminution; that the degree of this absolute diminution is also determined by the growth of capitalist colonies. In the corresponding places in his book Kautsky very clearly points to this growth of capitalist colonies which flood Europe with cheap grain. "The flight from the land of

[1] *The Development of Capitalism in Russia*, Chapter I, Section II and Chapter VIII, Section II. [The latter will be found in *Selected Works*, Vol. I, pp. 344-65.—*Ed Eng. ed.*]

[2] Pointing to this circumstance Mr. Bulgakov says that "the agricultural population may diminish *relatively* [his italics] even when agriculture is flourishing." Not only "may," but *necessarily must* in capitalist society. . . . "The relative diminution [of the agricultural population] merely [*sic*!]" indicates here "a growth of new branches of people's labour," concludes Mr. Bulgakov. That "merely" is very strange. New branches of industry do actually withdraw "the most energetic and most intelligent labour forces" from agriculture. Thus, this simple reason is sufficient to enable one to accept Kautsky's general thesis as being *quite correct*; *viz.*, to make this general thesis (that capitalism withdraws the most energetic and most intelligent labour forces from agriculture) correct, the *relative* diminution of the rural population is quite sufficient.

[3] Karl Marx, *Capital*, Vol. III, C. H. Kerr edition, p. 747. The passage quoted in *The Development of Capitalism in Russia* will be found in *Selected Works*, Vol. I, p. 346.—*Ed. Eng. ed.*

the rural population—*Landflucht*—which leads to the depopulation of the European countryside constantly brings, not only to the towns, but also to the colonies, fresh crowds of robust country dwellers. . . ." (S. 242.) The phenomenon of industry depriving agriculture of its strongest, most energetic and most intelligent workers is general not only in industrial countries, but also in agricultural countries; not only in Western Europe, but also in America and in Russia. The contradiction between the culture of the towns and the barbarity of the countryside which capitalism creates inevitably leads to this. Mr. Bulgakov is of the opinion that the "argument" that "the diminution of the agricultural population side by side with the general increase in the population is inconceivable without the importation of large quantities of grain" is "obvious." But in my opinion this argument is not only not obvious, but wrong. The diminution of the agricultural population side by side with a general increase in the population (growth of the towns) is quite conceivable without grain imports (increased productivity of agricultural labour, which enables a smaller number of workers to produce as much as and even more than was formerly produced). A general increase in the population side by side with a diminution of the agricultural population and a diminution (or proportionately smaller increase) in the quantity of agricultural produce is also conceivable—"conceivable" because the nourishment of the people has become worse as a result of capitalism.

Mr. Bulgakov asserts that the increase in the number of medium peasant farms in Germany in the period from 1882 to 1895, a fact which Kautsky establishes and connects with the fact that these farms suffer least from a shortage of labour, "is capable of shaking the whole structure" of Kautsky's argument. Let us examine Kautsky's statement more closely.

According to agricultural statistics, the largest increase in area in the period 1882 to 1895 occurred in the farms of 5 to 20 hectares. In 1882, the total area of these farms represented 28.8 per cent of the total area of all farms; in 1895 it represented 29.9 per cent. This increase in the number of middle peasant farms was accompanied by a diminution in the area of big peasant farms (20 to 100 hectares; 1882: 31.1 per cent, 1895: 30.3 per cent). Kautsky says:

"These figures gladden the hearts of all good citizens who regard the peasantry as the strongest bulwark of the present system. 'And so, it does not shift, this agriculture,' they exclaim in triumph; 'Marx's dogma does not apply to it.'"

The increase in the number of middle peasant farms is interpreted as the beginning of a new era of prosperity for peasant farming. But Kautsky replies to these good citizens as follows:

"But the roots of this prosperity lie in a bog. It arises not out of the *prosperity* of the peasantry, but out of the *depression* of agriculture as a whole." (S. 230.)

Just previously to that Kautsky had said that,

"notwithstanding all the technical progress that has been made, *in some places* [Kautsky's italics] a depression has set in in agriculture; there cannot be any doubt about that." (S. 228.)

This depression is leading, for example, to the revival of feudalism—to attempts to tie the workers to the land and impose certain duties upon them. Is it surprising that the "depression" should revive backward forms of agriculture? That the peasantry, who in general are distinguished from workers employed in large-scale production by their lower level of requirements, greater ability to starve and greater exertion while at work, can hold out longer during a crisis?[1]

"The agrarian crisis affects all agricultural classes which produce commodities; it does not stop at the middle peasant." (S. 231.)

[1] Kautsky says in another place: "The small farmers hold out longer in a hopeless position. We have every reason to doubt whether this is an advantage enjoyed by small production." (S. 134.)

In passing we will mention data fully confirming Kautsky's view quoted by Koenig in his book, in which he describes in a detailed manner the conditions of English agriculture in a number of typical countries (*Die Lage der englischen Landwirtschaft*, etc., Jena 1896, von Dr. F. Koenig). In this book we find *any amount* of evidence of overwork and under-consumption on the part of the small farmers compared with hired labourers, but no evidence of the opposite. We read, for example, that the small farms pay because of "immense [*ungeheuer*] diligence and frugality" (S. 88); the farm buildings of the small farmers are inferior (S. 107); the small landowners (yeoman farmers) are worse off than the tenant farmers (S. 149); the conditions of the small landowners are very miserable (in Lincolnshire); their cottages are worse than those of the labourers employed on the big farms, and some of them are in a very bad state. They work harder and for longer hours than ordinary

One would think that all these propositions of Kautsky's are so clear that it is impossible not to understand them. Nevertheless, the critic has evidently failed to understand them. Mr. Bulgakov does not tell us how he explains the increase in the number of middle peasant farms, but he ascribes to Kautsky the opinion that "the development of the capitalist mode of production is killing agriculture." And Mr. Bulgakov exclaims angrily:

"Kautsky's assertion that agriculture is being destroyed is wrong, arbitrary, unproved and contradicts all the main facts of reality," etc., etc.

To this we shall observe that Mr. Bulgakov *conveys Kautsky's ideas quite incorrectly*. Kautsky does not say that the development of capitalism is killing agriculture; he says the opposite. Only by being very inattentive in reading Kautsky's book can one deduce from what he says about the depression (=crisis) in agriculture and about the technical retrogression to be observed *in some places* (*nota bene*) that he is talking about the "destruction," the "doom" of agriculture. In Chapter X, which deals especially with the question of overseas competition (*i.e.*, the main reason for the agrarian crisis), Kautsky says:

labourers, but earn less. They live more poorly and eat less meat . . . their sons and daughters work without pay and are badly clothed." (S. 157.) "The small farmers work like slaves; in the summer they often work from 3 a.m. to 9 p.m." (a report of the Chamber of Agriculture in Boston, S. 158). "Without a doubt," says a big farmer, "the small man [*der kleine Mann*], who has little capital and on whose farm all the work is done by members of his family, finds it easier to cut down housekeeping expenses, while the big farmer must feed his labourers equally well in bad years and in good years." (S. 218.) The small farmers (in Ayreshire) "are extraordinarily [*ungeheuer*] diligent; their wives and children do no less, and often more work than the day labourers; it is said that two of them will do as much work in a day as three hired labourers." (S. 231.) "The life of the small tenant farmer, who must work with his whole family, is the life of a slave." (S. 253.) "Taken as a whole . . . the small farmers have evidently withstood the crisis better than the big farmers; but this does not imply that the small farm is more profitable than the big farm. The reason, in our opinion, is that the small man [*der kleine Mann*] utilises the unpaid assistance of his family. . . . Usually . . . the whole family of the small farmer works on the farm. . . . The children are fed and clothed and only rarely do they get a definite daily wage" (S. 277-79), etc., etc.

"The impending crisis, of course [*natürlich*], need not necessarily [*braucht nicht*] ruin the industry which it affects. It does so only in very rare cases. As a general rule, a crisis merely causes a change in the existing property relations in the sense of capitalism." (S. 273-74.)

This observation uttered in connection with the crisis in the industrial crops branch of agriculture clearly reveals Kautsky's general view of the significance of a crisis. In the same chapter Kautsky expresses the same view in relation to the whole of agriculture:

"What has been said above does not give one the least right to speak about the doom of agriculture [*Man braucht deswegen noch lange nicht von einem Untergang der Landwirtschaft zu sprechen*], but where the modern mode of production has taken a firm foothold its conservative character has disappeared forever. The continuation of the old routine [*Das Verharren beim Alten*] means certain death for the farmer; he must constantly watch the development of technique and continuously adapt his methods of production to the new conditions. . . . Even in the rural districts economic life, which hitherto had with strict uniformity moved in an eternal rut, has dropped into a state of constant revolutionisation, a state which is characteristic of the capitalist mode of production." (S. 289.)

Mr. Bulgakov "does not understand" how trends toward the development of productive forces in agriculture can exist side by side with trends which increase the difficulties of commercial agriculture. What is there unintelligible in this?? Capitalism in both agriculture and industry gives an enormous impetus to the development of productive forces; but it is precisely this development which, the more it proceeds, causes the contradictions of capitalism to become more acute and creates new "difficulties" for it. Kautsky develops one of the fundamental ideas of Marx, who categorically emphasised the progressive historical role of agricultural capitalism (the rationalisation of agriculture, the alienation of the farmer from the land, the emancipation of the rural population from the relations of overlordship and slavery, etc.), and no less categorically pointed to the impoverishment and oppression of the direct producers and to the fact that capitalism is incompatible with the requirements of rational agriculture. It is very strange indeed that Mr. Bulgakov, who admits that his "general social-philosophic world outlook" is the same as Kautsky's,[1] should fail to note

[1] As for the philosophic world outlook, we do not know whether what Mr. Bulgakov says is true. Kautsky, we think, is not an adherent of critical philosophy, as Mr. Bulgakov is.

that Kautsky here develops a fundamental idea of Marx's. The readers of *Nachalo* must inevitably remain in perplexity over Mr. Bulgakov's attitude towards these fundamental ideas and wonder how, in view of the identity of their general world outlook, he can say: "*De principiis non est disputandum*"!!?[1] We shall take the liberty of not believing Mr. Bulgakov's statement; we consider that an argument between him and other Marxists is possible precisely because of their common "*principia.*" In saying that capitalism rationalises agriculture and that industry provides machinery for agriculture, etc., Mr. Bulgakov merely repeats one of these "*principia.*" There was no reason for him to say "quite the opposite" in this connection. Readers might think that Kautsky holds a different opinion, whereas he very emphatically and definitely develops these fundamental ideas of Marx's in his book. He says:

"It is precisely industry which has created the technical and scientific conditions for new, rational agriculture. It is precisely industry which has revolutionised agriculture by means of machines and artificial fertilisers, by means of the microscope and the chemical laboratory, giving rise in this way to the technical superiority of large-scale capitalist production over small, peasant production." (S. 292.)

Thus, Kautsky does not fall into the contradiction which Mr. Bulgakov falls into; on the one hand, Mr. Bulgakov admits that "capitalism" (*i.e.*, production carried on with the aid of wage labour, *i.e.*, not peasant, but large-scale production?) "rationalises agriculture"; and on the other hand he argues that "it is not large-scale production that is the vehicle of this technical progress"!

II

Chapter X of Kautsky's book deals with the question of overseas competition and the industrialisation of agriculture. Mr. Bulgakov treats this chapter in a very offhand manner: "Nothing particularly new or original; more or less well-known main facts," etc., he says.

[1] "One does not argue about fundamental principles."—*Ed.*

leaving in the shade the fundamental question of the conception of the agrarian crisis, its essence and significance. And yet this question is of enormous theoretical importance.

The conception of the agrarian crisis inevitably follows from the general conception of agrarian evolution which Marx presented and which Kautsky enlarges on in detail. Kautsky sees the essence of the agrarian crisis in the fact that, owing to the competition of countries which produce very cheap grain, agriculture in Europe has lost the opportunity of shifting to the masses of consumers the burdens which the private ownership of land and capitalist commodity production impose upon agriculture. From now on agriculture in Europe

"*must itself bear them* [these burdens], *and this is what the present agrarian crisis amounts to.*" (S. 239, Kautsky's italics.)

The main burden is ground rent. In Europe, ground rent has been raised by preceding historical development to an extremely high level (both differential and *absolute* rent) and is fixed in the price of land.[1] On the other hand, in the colonies (America, Argentine and others), in so far as they remain colonies, we see *free* land occupied by new settlers, either entirely gratis or for an insignificant price; moreover, the virginal fertility of this land reduces the cost of production to a minimum. Quite naturally, up to now, capitalist agriculture in Europe has transferred the burden of excessively high rents to the consumer (in the form of high grain prices); now, however, the burden of these rents falls upon the farmers and the landowners themselves, and ruins them.[2] Thus, the agrarian crisis has upset, and continues to upset the prosperity which capitalist landed property and capitalist agriculture formerly enjoyed. Up to now capitalist landed property has exacted ever increasing tribute from social development; and it fixed the level of this tribute in

[1] For the process of inflating and fixing rent see the apt remarks of Parvus in "The World Market and the Agricultural Crisis." Parvus shares Kautsky's main views on the crisis and on the agrarian question generally.

[2] Parvus, *op. cit.*, p. 141, quoted in a review of Parvus' book in *Nachalo*, No. 3, p. 117. We will add that the other "difficulties" confronting commercial agriculture which affect Europe hinder the colonies to an incomparably smaller degree.

the price of land. Now it has to yield up this tribute.[1] Capitalist agriculture has now been thrown into the same state of instability which is characteristic of capitalist industry and is compelled to adapt itself to new market conditions. Like every crisis, the agrarian crisis is ruining a large number of farmers, is bringing about important changes in the established relations of property, and *in some places* is leading to technical retrogression, to the revival of mediæval relationships and forms of economy; taken as a whole, however, it is *accelerating* social evolution, ejecting patriarchal stagnation from its last refuge and making necessary the further specialisation of agriculture (one of the principal factors of agricultural progress in capitalist society), the further application of machinery, etc. On the whole, as Kautsky shows by data for several countries in Chapter IV of his book, we see *even* in Western Europe, not stagnation in agriculture in the period 1880-90, but technical progress. We say *even* in Western Europe, because in America, for example, this progress is still more marked.

In short, there are no grounds for regarding the agrarian crisis as an obstacle to capitalism and capitalist development.

April-May, 1899

[1] Absolute rent is the result of monopoly. "Fortunately, there is a limit to the raising of absolute rent. . . . Until recent times it rose steadily in Europe equally with differential rent. But overseas competition has undermined this monopoly to a very considerable extent. We have no grounds for thinking that differential rent in Europe has suffered as a result of overseas competition, with the exception of a few counties in England. . . . But absolute rent has dropped, and this has benefited [*zu gute gekommen*] primarily the working classes." (S. 80; *cf.* also S. 328.)

THE AGRARIAN QUESTION AND THE "CRITICS OF MARX"

". . . To set out to prove . . . that dogmatic Marxism has been ejected from its positions in the sphere of agrarian questions would be like hammering at an open door. . . ."

This statement was made last year by Mr. V. Chernov, in *Russkoye Bogatstvo.* (1900, No. 8, p. 204.) This "dogmatic Marxism" possesses a most peculiar quality! For many years already the most learned and educated people in Europe have been gravely declaring (and newspaper scribes and journalists have been repeating it after them over and over again) that Marxism has been ejected from its positions by "criticism," and yet every new critic who comes along starts from the very beginning, all over again, to bombard these allegedly already destroyed positions. Mr. V. Chernov, for example, in the periodical *Russkoye Bogatstvo,* and also in the symposium *Na Slavnom Postu,*[1] is engaged for the space of *two hundred and forty whole pages* in "hammering at an open door" in "discussing" Hertz's book with his reader. This lengthily reviewed work of Hertz's, which is in itself a review of Kautsky's book, has already been translated into Russian. Mr. Bulgakov, in fulfilling his promise to refute this very Kautsky, has published a whole two-volume work of research. Now, surely, no one will be able to find even remnants of "dogmatic Marxism," which lies crushed to death beneath this mountain of critical printed matter.

I

The "Law" of Diminishing Returns

Let us first of all examine the general theoretical physiognomy of the critics. Already in the periodical *Nachalo* Mr. Bulgakov

[1] *At the Post of Glory*—a symposium compiled and published in honour of the editor of the Narodnik journal *Russkoye Bogatstvo,* Mikhailovsky.—*Ed. Eng. ed.*

wrote an article criticising Kautsky's *Agrarfrage* in which he at once exposed all his "critical" methods. He charges down on Kautsky with the dash and abandon of a true cavalier and "scatters" him to the winds; he puts into Kautsky's mouth what he did not say, he accuses him of ignoring the very circumstances and arguments with which he, Kautsky, deals in detail, and presents to the reader *as his own* the critical conclusions drawn by Kautsky. With the air of an expert, Mr. Bulgakov accuses Kautsky of confusing technical questions with economics, and in doing so betrays not only incredible confusion, but also a disinclination to read to the end the page he quotes from his opponent's book. Needless to say, this article from the pen of a future professor is replete with threadbare jibes against socialists, against the "cataclysmic theory," against Utopianism, belief in miracles, etc.[1] Now, in his dissertation for his doctor's degree (*Capitalism and Agriculture*, St. Petersburg, 1900), Mr. Bulgakov settles all his accounts with Marxism and brings his "critical" evolution to its logical conclusion.

Mr. Bulgakov makes the "law of diminishing returns" the cornerstone of his "theory of agrarian development." We are treated to quotations from the works of the classical economists who established this "law" (according to which each additional investment of labour and capital in land produces not a corresponding, but a diminishing quantity of products). We are given a list of the English economists who recognise this law. We are assured that it "has universal significance," that it is "quite an obvious truth, which cannot possibly be denied"; "that it is sufficient merely to state it clearly," etc., etc. The more emphatically Mr. Bulgakov expresses himself, the clearer it becomes that he is *retreating* towards bourgeois political economy, which obscures social relationships by imaginary "eternal laws." Indeed, what does the "obviousness" of the notorious "law of diminishing returns" amount to? It amounts to this, that if each additional investment of labour and capital in land produced not a diminishing but an equal quantity of products,

[1] I replied at once to Mr. Bulgakov's article in *Nachalo*, in an article entitled "Capitalism in Agriculture." [In this volume.—*Ed.*] Owing to the *Nachalo* ceasing publication, my article was published in *Zhizn* (1900, Nos. 1 and 2).

there would be no sense in extending the area of land under cultivation; additional quantities of grain would be produced on the same plot of land, however small, and "it would be possible to carry on the agriculture of the whole globe upon one desyatin of land."[1] This is the customary (*and the only*) argument advanced in favour of this "universal law." A very little reflection, however, will prove to any one that this argument is an empty abstraction, which loses sight of the most important thing—the level of technical development, the state of productive forces. Indeed, the very term "additional [or successive] investments of labour and capital" *presupposes* changes in the method of production, reforms in technique. In order to increase the quantity of capital invested in land to any considerable degree, the *invention* of new machinery, new systems of land cultivation, new methods of livestock farming, of transporting products, etc., etc., are required. It is true that in relatively small dimensions "additional investments of labour and capital" may take place (and do take place) even when the technique of production has remained unchanged. In such cases, the "law of diminishing returns" is applicable *to a certain degree, i.e.*, it is applicable within the comparatively very narrow limits which the unchanged technique of production imposes upon the investment of additional labour and capital. Consequently, instead of a "universal law," we have an extremely relative "law"—so relative, indeed, that it can hardly be called a "law," or even a cardinal specific feature of agriculture. Let us take for granted: the three-field system, the cultivation of traditional grain crops, the maintenance of cattle for the purpose of obtaining manure, lack of improved meadows and of improved implements. Obviously, assuming that these conditions remain unchanged, the possibilities of investing additional labour and capital in the land are extremely limited. But even within the narrow limits in which the investment of additional labour and capital is still possible, a diminution of the productivity of each such additional investment *will not always and not necessarily be observed*. Take industry. Let us take for example a flour mill, or a blacksmith's forge, in the period preceding world

[1] About two and a half acres.—*Ed. Eng. ed.*

trade and the invention of the steam engine. At that level of technical development, the limits to which additional labour and capital could be invested in a blacksmith's forge, or a wind or water mill, were very restricted; the inevitable thing that happened was that small blacksmiths' shops and flour mills continued to multiply and increase in number until the radical changes in the methods of production created a basis for new forms of industry.

Thus, the "law of diminishing returns" does not apply at all to cases in which technique is progressing and methods of production are changing; it has only an extremely relative and restricted application to cases in which technique remains unchanged. That is why neither Marx nor the Marxists refer to this "law," and why so much noise about it is made only by representatives of bourgeois science like Brentano, who are quite unable to rid themselves of the prejudices of the old political economy, with its abstract eternal and natural laws.

Mr. Bulgakov defends the "universal law" by arguments which are worth quoting to have a good laugh over.

"What was formerly a free gift of nature must now be produced by man: The wind and the rain broke up the soil, which was full of nutritious elements, and only a little effort was required on the part of man to produce what was required. In the course of time, a larger and larger share of the productive work fell to man. As is the case everywhere, artificial processes more and more take the place of natural processes. But while in industry this expresses man's victory over nature, in agriculture it indicates the increasing difficulties of existence, for which nature is diminishing her gifts.

"In the present case it is immaterial whether it is in an increase in the human labour expended or in an increase in the employment of implements which man has produced, for example, instruments of production, manures, etc., that this increasing difficulty of producing food is expressed [Mr. Bulgakov wishes to say: It is immaterial whether the increasing difficulty of producing food finds expression in an increased expenditure of human labour or of those things produced by human labour]: what is important is that food becomes more and more costly to man. The substitution of human labour for the forces of nature and of artificial factors of production for natural factors is the law of diminishing returns." (S. 16.)

Evidently, Mr. Bulgakov is envious of the laurels of Messrs. Struve and Tugan-Baranovsky, who arrived at the conclusion that it is not man who works with the aid of machines, but machines that work with the aid of man. And like these critics he sinks to the level of vulgar political economy by talking about the

forces of nature being *superseded* by human labour, etc. Speaking generally, it is as impossible for the forces of nature to be superseded by human labour as it is to substitute poods for arshins.[1] Both in industry and in agriculture, man can only utilise the forces of nature, if he has learned how they operate, and *facilitate* this utilisation by means of machinery, tools, etc. The story that primitive man obtained all his requirements as a free gift of nature is a silly fable that would call forth jeers and ridicule even from first-year students. Our age was not preceded by a Golden Age; and primitive man was absolutely crushed by the burden of existence, by the difficulties of fighting against nature. The introduction of machinery and improved methods of production immeasurably eased man's fight against nature generally, and the production of food in particular. It has not become more difficult to produce food; it has become more difficult for the workers to obtain it; because capitalist development has inflated ground rent and the price of land, concentrated agriculture in the hands of large and small capitalists, and, to a still larger extent, concentrated machinery, implements and money, without which successful production is impossible. To explain the fact that the conditions of the workers have become worse by the argument that nature has ceased to shower her gifts implies that one has become a bourgeois apologist.

"In accepting this law," continues Mr. Bulgakov, "we do not in the least assert that there is an uninterrupted increase in the difficulty of producing food; nor do we deny the progress that has been made in agriculture. To assert the first, and to deny the second, would be contrary to obvious facts. This difficulty does not grow uninterruptedly, of course; development proceeds in zigzag fashion. Discoveries in agronomics and technical improvements convert barren land into fertile land and temporarily remove the tendencies indicated by the law of diminishing returns." (*Ibid.*)

Profound, is it not?

Technical progress is a "temporary" tendency; while the law of diminishing returns, *i.e.*, diminishing (and that not always) productivity of additional investments of capital on the basis of unchanging technique, "has universal significance"! This is the same

[1] Russian units of weight and measure, respectively. A pood is about 36 pounds and an arshin is about 27 inches.—*Ed. Eng. ed.*

as saying that the stopping of trains at stations represents the universal law of steam transport, while the motion of trains between stations is a temporary tendency which paralyses the operation of the universal law of stopping.

Finally, a multitude of data refutes the universality of the law of diminishing returns: data on the agricultural as well as the non-agricultural population. Mr. Bulgakov himself admits that

"if each country were restricted to its own natural resources, the procuring of food would call for an uninterrupted relative increase [note this!] in the quantity of labour, and, consequently, in the agricultural population." (S. 19.)

The diminution in the agricultural population of Western Europe, therefore, is to be explained by the fact that the operation of the law of diminishing returns has been deflected by the importation of grain. An excellent explanation, indeed! Our pundit has forgotten a detail, namely, that a relative diminution in the agricultural population is observed in all capitalist countries, including agricultural countries, even those which export grain. The agricultural population is relatively diminishing in America as well as in Russia. It has been diminishing in France since the end of the eighteenth century. (See figures in Mr. Bulgakov's own book, Part II, p. 168.) Moreover, the relative diminution of the agricultural population sometimes becomes an absolute diminution, whereas the excess of imports over exports of grain was still quite insignificant in the 'thirties and 'forties and *only after 1878* do we cease to find any years in which grain exports exceed grain imports.[1] In Prussia there was a relative diminution in the agricultural population from 73.5 per cent in 1816 to 71.7 per cent in 1849, and to 67.5 per cent in 1871; whereas the importation of rye commenced only at the beginning of the 'sixties, and the importation of wheat at the beginning of the 'seventies. (*Ibid.*, Part II, pp. 70 and 88.) Finally, if we take the European grain-importing countries, for example, France and Germany during the last decade, we shall find that there has been *undoubted progress* in agriculture side by side with *an absolute diminution* in the number of workers employed in agriculture. In France, this number dropped from 6,913,504 in

[1] *Statistique agricole de la France, Enquête de 1892*, Paris 1897, p. 113.

1882 to 6,663,135 in 1892 (*Statistique agricole*, Part II, pp. 248-51), and in Germany it dropped from 8,064,000 in 1882 to 8,045,000 in 1895.[1] Thus it may be said that the *whole* history of the nineteenth century irrefutably proves by a multitude of facts concerning countries of the most varied character that the "universal" law of diminishing returns *is absolutely paralysed* by the "temporary" tendency of technical progress which enables a relatively (and sometimes absolutely) diminishing rural population to produce an increasing quantity of agricultural products for an increasing mass of population.

It would be opportune here to state that this mass of statistical information completely refutes also the two following main points of Mr. Bulgakov's "theory," namely: first, his assertion that the theory that constant capital (instruments and materials of production) grows more rapidly than variable capital (labour power) "is absolutely inapplicable to agriculture." Mr. Bulgakov very gravely declares that this theory is wrong, and in proof of his opinion refers to: (a) "Professor A. Skvortsov" (celebrated mostly for the reason that he described Marx's theory of average rate of profit as pernicious propaganda); and (b) the fact that under intensive farming the number of workers employed per unit of land increases. This is an example of the deliberate refusal to understand Marx which the fashionable critics constantly display. Think of it: The theory of the more rapid growth of constant capital as

[1] *Statistik des Deutschen Reichs, Neue Folge*, Bd. 112: "*Die Landwirtschaft im Deutchen Reich*," Berlin 1898, S. 6. The evidence of technical progress accompanied by a diminution in the agricultural population is not at all pleasing to Mr. Bulgakov, for it utterly destroys his Malthusianism. Our "strict scientist," therefore, resorts to the following trick: Instead of taking agriculture in the strict sense of the word (land cultivation, livestock farming, etc.), he (after quoting the statistics on the increase in quantity of *agricultural* produce obtained per hectare!) takes "agriculture in the broad sense of the term," in which German statistics include hot-house cultivation, market gardening, *and forestry and fisheries*! In this way, we get an increase in the sum total of persons actually engaged in "agriculture"!! (Bulgakov, Part II, p. 133.) The figures quoted above apply to persons for whom agriculture is the *principal* occupation. The number of persons engaged in agriculture as a subsidiary occupation increased from 3,144,000 to 3,578,000. To add these figures to the previous figures is not altogether correct; but even if we do this the increase is very small: from 11,208,000 to 11,623,000.

compared with variable capital is refuted by the increase of *variable capital* per unit of land! And Mr. Bulgakov *fails to observe* that the very statistics he himself quotes in such abundance confirm Marx's theory. In German agriculture as a whole, the number of workers employed diminished from 8,064,000 in 1882 to 8,045,000 in 1895 (and if the number of persons engaged in agriculture as a subsidiary occupation is added, it increased from 11,208,000 to 11,623,000, *i.e.*, only by 3.7 per cent). In the same period, livestock increased from 23,000,000 to 25,400,000 (all livestock expressed in terms of cattle), *i.e.*, by more than 10 per cent; the number of cases in which the five most important agricultural machines were employed increased from 458,000 to 922,000, *i.e.*, more than doubled; the quantity of fertilisers imported increased from 636,000 tons (1883) to 1,961,000 tons (1892), and the quantity of potassium salt imported increased from 304,000 double centners to 2,400,000.[1] Does not all this prove that constant capital has increased in relation to variable capital? And this is apart from the fact that quoting these figures in this wholesale manner conceals to a very large extent the progress of large-scale production. We shall deal with this point later.

Second, the progress of agriculture simultaneously with a diminution, or a negligible absolute increase, in the agricultural population completely refutes Mr. Bulgakov's absurd attempt to revive Malthusianism. The first of the Russian "ex-Marxists" to make this attempt was probably Mr. Struve, in his *Critical Remarks*; but he, as always, never went beyond hesitating, half-expressed and ambiguous remarks, which he never carried to their logical conclusion or rounded off into a complete system of views. Mr. Bulgakov, however, is bolder and more consistent: He unhesitatingly converts the "law of diminishing returns" into "one of the most important laws of the history of civilisation [*sic*!]." (P. 18.)

"The whole history of the nineteenth century . . . with its problems of riches and poverty would be unintelligible without this law." "I have not the least doubt that the social problem in its present-day form is materially linked up with this law." (Our strict scientist makes this declaration already on page 18 of his "investigation"!) . . . "There is no doubt," he declares at the end of his work, "that where overpopulation exists, a certain part of the poverty

[1] *Statistik des Deutschen Reichs*, B. 112, S. 36; Bulgakov, Part II, p. 135.

that prevails must be put under the heading of *absolute poverty*, the poverty of production and not of distribution." (Part II, p. 221.) "The population problem, in the special form in which it presents itself to us as a result of the conditions of agricultural production, is, in my opinion, the principal obstacle—at the present time at any rate—in the way of any extensive application of the principles of collectivism or co-operation in agricultural enterprise." (Part II, p. 265.) "The past leaves to the future a heritage in the shape of a grain problem more terrible and more difficult than the social problem—the problem of production and not of distribution" (Part II, p. 455), etc., etc., etc.

There is no need for us to discuss the scientific significance of this "theory," which is inseparably linked up with the universal law of diminishing returns, since we have already examined this law. But the fact that in its logical development critical flirtation with Malthusianism inevitably results in a descent to the most vulgar bourgeois apologetics is proved by the above-quoted arguments, which Mr. Bulgakov has presented with a frankness which leaves nothing to be desired.

In a later essay we shall examine the facts quoted by our critics (who are constantly dinning into our ears that orthodox Marxists fear detailisation) from certain other sources, and show that Mr. Bulgakov generally stereotypes the phrase "over-population," which relieves him of the necessity of making any kind of analysis, and particularly of analysing the class antagonisms among the "peasantry." Here we shall confine ourselves to the general theoretical aspect of the agrarian problem and deal with the theory of rent.

"As for Marx," writes Mr. Bulgakov, "we must say that in Volume III of *Capital*, in the form in which we have it now, he adds nothing worthy of attention to Ricardo's theory of differential rent." (S. 87.)

Let us bear this "nothing worthy of attention" in mind and compare the critic's verdict with the following statement which he had made previously:

"Notwithstanding his obvious opposition to this law [the law of diminishing returns], Marx, in his fundamental principles, appropriates Ricardo's theory of rent, which is based on this law." (S. 13.)

Thus, according to Mr. Bulgakov, Marx failed to observe the connection between Ricardo's theory of rent and the law of diminishing returns, and therefore never carried his argument to its logical conclusion! In regard to a statement like this we can say but

one thing, *viz.*, that nobody distorts Marx to the extent that the ex-Marxists do; nobody so incredibly un . . . un . . . unceremoniously ascribes to the writer he is criticising a thousand and one mortal sins as they do.

Mr. Bulgakov's assertion is a glaring distortion of the truth. As a matter of fact Marx not only noted the connection between Ricardo's theory of rent and his erroneous doctrine of diminishing returns, but quite definitely exposed Ricardo's error. Any one who has read Volume III of *Capital* with any "attention" at all could not but have observed the fact, very much "worthy of attention," that it was precisely Marx who *liberated* the theory of differential rent from *all connection* with the notorious "law of diminishing returns." Marx demonstrated that the unequal productivity of unequal investments of capital in land was all that was necessary for the formation of differential rent. The question as to whether the transition is from better land to worse land or *vice versa*, whether the productivity of the additional investments of capital in land diminishes or increases, is absolutely immaterial. In actual practice, all sorts of combinations of these varying cases take place; and it is utterly impossible to subject these combinations to a single general rule. For example, Marx first of all describes the first form of differential rent, which arises from the unequal productivity of capital invested in unequal plots of land, and explains his case by tables (concerning which Mr. Bulgakov takes Marx severely to task for his "excessive predilection for clothing what often are very simple ideas in a complicated mathematical garb." This complicated mathematical garb is simply the four rules of arithmetic, and the very simple ideas, as we shall see, were completely misunderstood by our learned professor). After analysing these tables, Marx draws the conclusion:

"This does away with the primitive misconception of differential rent still found among men like West, Malthus, Ricardo, to the effect that it necessarily requires a progress towards worse and worse soil, or an ever-decreasing productivity of agriculture. It rather may exist, as we have seen, with a progress to a better and better soil; it may exist when a better soil takes the lowest position formerly occupied by the worst soil; it may be accompanied with a progressive improvement of agriculture. Its premise is merely the inequality of the different kinds of soil."

(Marx does not speak here of the unequal productivity of successive investments of capital in land, because this gives rise to the *second* form of differential rent; in this chapter he speaks only of the first form of differential rent.)

"So far as the development of productivity is concerned, it implies that the increase of absolute fertility of the total area does not do away with this inequality, but either increases it, or leaves it unchanged, or merely reduces it somewhat." (*Das Kapital*, III, 2, S. 199.)[1]

Mr. Bulgakov *failed to observe* the radical difference between Marx's theory of differential rent and Ricardo's theory of rent. He preferred to search in Volume III of *Capital* for

"a fragment which would rather suggest the idea that Marx was by no means opposed to the law of diminishing returns." (P. 13, footnote.)

We beg the reader's forgiveness for devoting so much space to a fragment which is immaterial to the question that interests us and Mr. Bulgakov. But what can one do when the heroes of modern criticism (who have the insolence to charge orthodox Marxists with resorting to *rabulistics*[2]) distort the absolutely clear meaning of a doctrine to which they are opposed by citing passages torn from their context and by faulty translations? Mr. Bulgakov quotes the fragment that he found as follows:

"From the point of view of the capitalist mode of production there is always a relative increase in the price of (*agricultural*) products, *for* [we ask the reader to pay particular attention to the words *we* have italicised] a product cannot be obtained unless an expense is incurred, something has to be paid for which formerly did not have to be paid for."

And Marx goes on to say that the natural elements passing into production as agencies, costing nothing, represent free gifts of nature, that is, free, natural, working power; but if for the production of an additional product it is necessary to work without the help of this natural power a relatively larger investment of capital is required, which leads to an increase in the cost of production.

Concerning this mode of "quoting" we have three remarks to make. First, *Mr. Bulgakov himself introduced the word* "for," which gives the quotation the definite sense of establishing some kind

[1] *Capital*, Vol. III, C. H. Kerr edition, p. 772.—*Ed. Eng. ed.*
[2] Verbal jugglery.—*Ed.*

of a "law." *In the original* (*Das Kapital*, III, 2, S. 277-78)[1] *Marx does not say "for" but "when." When* something has to be paid for which formerly had not to be paid for, a relative increase in the price of the product takes place. Is *this* proposition anything like a recognition of the "law" of diminishing returns? Secondly, Mr. Bulgakov inserts in parenthesis the word "agricultural." *In the original text the word does not appear at all.* In all probability, with the frivolousness characteristic of Messrs. the critics, Mr. Bulgakov decided that Marx in this passage could have in mind only agricultural products, and therefore hastened to give his readers an "explanation" which is a complete misrepresentation. As a matter of fact, Marx in this passage speaks of products generally; in the original, the fragment quoted by Mr. Bulgakov is preceded by the words: "But, in a general way, the following remarks should be made." Gifts of nature may also enter into industrial production—in this very section on rent, Marx gives the example of a waterfall which for a certain factory takes the place of steam-power—and if it is necessary to manufacture an additional quantity of products without the aid of these free gifts of nature a relative increase in the price of the product *will always* take place. Thirdly, we must examine the context to which this fragment belongs. In this chapter Marx discusses differential rent obtained from the worst soil, and, *as he always does,* examines two equally legitimate, *two absolutely equally possible* cases: first case—increased productivity of successive investments of capital (S. 274-76);[2] and second case—diminishing productivity of such investments (S. 276-78).[3] In regard to the second of the possible cases, Marx says: "Concerning the decreasing productivity of the soil with successive investments of capital, see Liebig. . . . *But,* in a *general way,* the following remarks should be made." (Our italics.)

Then follows the fragment "translated" by Mr. Bulgakov, stating that if what was formerly obtained gratis has now to be paid for, there is *always* a relative increase in the price of the product.

We shall leave it to the reader to judge the scientific conscien-

[1] *Capital*, Vol. III, C. H. Kerr edition, p. 865.—*Ed. Eng. ed.*
[2] *Ibid.*, pp. 856-58.—*Ed. Eng. ed.*
[3] *Ibid.*, pp. 858-65.—*Ed. Eng. ed.*

tiousness of the critic who converted Marx's remark about one of the possible cases into a recognition of this case by Marx as some sort of a general "law."

And here is the conclusion that Mr. Bulgakov arrives at concerning the fragment he has discovered:

"This fragment, of course, is vague . . ."

Of course! By substituting one word for another, Mr. Bulgakov has made this fragment utterly meaningless!

". . . but it cannot be understood otherwise than as an indirect or even direct recognition [listen to it!] of the law of diminishing returns. I am unaware that Marx has expressed himself openly on the latter in any other place." (Part I, p. 14.)

As an ex-Marxist, Mr. Bulgakov is "unaware" that Marx has openly declared the assumptions of West, Malthus and Ricardo—that differential rent presupposes a transition to worse land or diminishing returns—to be absolutely wrong.[1] He is "unaware" that throughout his voluminous analysis of rent Marx points out *scores of times* that he regards diminishing and increasing productivity of additional investments of capital as equally possible cases!

II

The Theory of Rent

Mr. Bulgakov has generally failed to understand the Marxian theory of rent. He is convinced that he has smashed this theory by the two following arguments: (1) According to Marx, agricultural capital enters into the equalisation of the rate of profit, so that rent is created by surplus profit exceeding the average rate of profit. Mr. Bulgakov thinks this is wrong because the monopoly of land ownership abolishes free competition, which is necessary for the process of equalising the rate of profit. Agricultural capital, he

[1] This wrong assumption of classical political economy, refuted by Marx, was adopted by the "critic" Mr. Bulgakov, without criticism, of course, following on the heels of his teacher, Brentano. "The condition for the appearance of rent," Mr. Bulgakov writes, "is the law of diminishing returns." (Part I, p. 90.) ". . . English rent . . . as a matter of fact distinguishes successive investments of capital of varying, and, as a rule, diminishing productivity." (Part I, p. 130.)

thinks, does not enter into the process of equalising the rate of profit. (2) Absolute rent is merely a special case of differential rent, and it is wrong to distinguish the one from the other. The distinction that is drawn is based upon an absolutely arbitrary two-fold interpretation of one and the same fact, namely, the monopoly ownership of one of the factors of production. Mr. Bulgakov is so sure of the crushing effect of his arguments that he cannot refrain from pouring out a whole stream of strong expressions against Marx, such as *petitio principii*,[1] non-Marxism, logical fetishism, Marx's loss of capacity for mental flights, etc. And yet both these arguments are based on a rather crude error. The very same one-sided vulgarisation of the subject which induced Mr. Bulgakov to interpret one of the possible cases (diminishing productivity of additional investments of capital) as the universal law of diminishing returns forces him in the present case to utilise the term "monopoly" uncritically, and to convert it also into something universal. In doing so, he confuses the results which ensue under the capitalist organisation of agriculture from the fact that *land is limited* on the one hand, and from *private property in land* on the other. These are two different things. We shall explain this.

"The *condition*, although not the source, of the rise of ground rent," writes Mr. Bulgakov, "is the same as that which gave rise to the possibility of the monopolisation of land—the fact that the productive powers of the land are limited, while man's growing need for them is limitless." (Part I, p. 90.)

Instead of saying, "the productive powers of the land are limited," he should have said, "*land is limited*" (as we have shown already, limitation of the productive powers of the land implies "limitation" of the given level of technique, the given state of productive forces). Under the capitalist system of society, the limitation of land does indeed presuppose monopolisation of land; but of *land as an object of enterprise and not as an object of property rights*. The assumption of the capitalist organisation of agriculture necessarily includes the assumption that all the land is occupied by separate private enterprises; *but it certainly does not include the assumption* that the whole of the land is the private property of these entrepreneurs, or of other persons, or that it is pri-

[1] Begging the question.—*Ed.*

vate property generally. The monopoly of the right to the ownership of the land and the monopoly of the usufruct of the land are two altogether different things, not only logically, but historically. Logically, we can quite easily picture to ourselves a purely capitalist organisation of agriculture in which private property in land is entirely absent, when the land is the property of the state, or of a village community, etc. In actual practice we see that in all developed capitalist countries the whole of the land is occupied by separate, private enterprises; but these enterprises cultivate not only their own land, but also land rented from other private landowners, from the state or from village communities (for example in Russia, where, as is well known, the private enterprises established on peasant communal lands are principally capitalist peasant enterprises). It is not for nothing that Marx, at the very beginning of his analysis of rent, observes that the capitalist mode of production meets in its first stages (and subordinates to itself) the most varied forms of landed property: from tribal property and feudal landed property down to peasant communal lands.

Thus, the limitation of land necessarily presupposes only the monopolisation of the usufruct of the land (under the rule of capitalism). The question arises: What are the necessary consequences of *this* monopolisation in relation to the problem of rent? The limitation of land results in the price of grain being determined by the conditions of production, not on the average land, but on the worst land under cultivation. The price of this grain enables the farmer (=the capitalist entrepreneur in agriculture) to cover his cost of production, and gives him the average rate of profit on his capital. The farmer on the better land obtains an additional profit, and this forms *differential rent*. The question as to whether private property in land exists has absolutely nothing to do with the question of the formation of differential rent, which is inevitable in capitalist agriculture even on communal, state and ownerless lands. The only consequence of the limitation of land under capitalism is the formation of differential rent, which results from the difference in the productivity of different investments of capital. Mr. Bulgakov sees a second consequence, *viz.*, the elimination of free competition in agriculture, when he says that the absence of this

free competition prevents agricultural capital from participating in the formation of average profit. Obviously, he confuses the question of cultivating the land with the right of property in land. The only thing that logically follows from the limitation of land (irrespective of private property in land) is that the land will be entirely occupied by capitalist farmers; but it by no means follows that free competition among these farmers will necessarily be restricted in any way. The limitation of land is a general phenomenon which inevitably leaves its impress upon the whole of capitalist agriculture. The logical unsoundness of confusing these two different things is demonstratively confirmed by history. There is no question about England. There the separation of land ownership from land cultivation is obvious. Free competition among farmers is almost universal. Capital obtained from trade and industry has been invested in agriculture on an extremely big scale. But in all other capitalist countries (notwithstanding the opinion of Mr. Bulgakov, who, following Mr. Struve, vainly strives to place "English" rent in a special category) *the same process* of the separation of land ownership from land cultivation is taking place, although in extremely varied forms (leases, mortgages). In failing to observe this process (strongly emphasised by Marx), Mr. Bulgakov failed to observe the main thing. In all European countries, after the fall of serfdom, we observe the decay of feudal land ownership, the mobilisation of landed property, the investment of merchant and industrial capital in agriculture, an increase in tenant farming and an increase in the mortgaging of land. In Russia also, notwithstanding the pronounced survivals of serfdom still existing, we see after the Reform[1] increased purchasing of land by the peasantry, by the common people, and by merchants, and the development of leasing of privately owned, state and *village communal* lands, etc. What do all these phenomena prove? They prove that free competition has entered into *agriculture—notwithstanding* the monopoly *of landed property*, and notwithstanding the infinitely varied forms of landed property. In all capitalist countries at the present time, every owner of capital can invest his capital in agriculture (by

[1] Abolition of serfdom.—*Ed. Eng. ed.*

purchasing or leasing land) as freely, or almost as freely as he can invest in any branch of commerce or industry.

In arguing against Marx's theory of differential rent, Mr. Bulgakov says that

"all these differences [differences in the conditions of production of agricultural products] are contradictory and *may* [our italics] mutually eliminate each other; as Rodbertus has already pointed out, distance may be counteracted by fertility, different degrees of fertility may be levelled by more intensive cultivation of the more fertile plots." (Part I, p. 81.)

It is a pity, however, that our strict scientist forgot that Marx noted this fact, and was able to appraise it not so one-sidedly.

". . . It is evident," writes Marx, "that these two different causes of differential rent, fertility and location [of plots of land], may work in opposite directions. A certain soil may be very favourably located and yet be very poor in fertility, and *vice versa*. This circumstance is important, for it explains how it is that the work of opening the soil of a certain country to cultivation may equally well proceed from the worse to the better soil, as well as *vice versa*. Finally, it is clear that the process of social production has on the one hand the general effect of levelling the differences arising from location as a cause of [differential] ground rent, by creating local markets and improving locations by means of facilities for communication and transportation; and that, on the other hand, it increases the differences of the individual locations in a certain district by separating agriculture from manufacture and forming great centres of production on the one hand, while creating the reverse side of this: increasing the relative isolation of the agricultural districts [*relative Vereinsamung des Landes*] on the other hand." (*Das Kapital*, III, 2, S. 190.)[1]

Thus, while Mr. Bulgakov repeats with an air of triumph the long known references to the *possibility* of differences mutually eliminating each other, Marx presents the *further* problem of this possibility becoming a reality, and shows that simultaneously with equalising influences, differentiating influences are also observed. The final result of these mutually antagonistic influences is, as everyone knows, that in all countries plots of land *differ* considerably both in fertility and in location. Mr. Bulgakov's objection merely reveals that he has not in the least thought out his observations.

Continuing his argument, Mr. Bulgakov says that the term, last and least productive investment of labour and capital, is

"employed without criticism by Ricardo and Marx. It is not difficult to see what an arbitrary element is introduced by this term: Let the amount of

[1] *Capital*, Vol. III, C. H. Kerr edition, p. 762.—*Ed.*

capital invested in land be equal to 10 *a*, and let each successive *a* represent a diminishing productivity; the total product of the soil will be A. Obviously, the average productivity of each *a* will be equal to A/10; and if the total capital is regarded as one whole, then the price will be determined precisely by this average productivity." (Part I, p. 82.)

Obviously, we say in reply to this, behind his florid phrases about the "limited productive powers of the land" Mr. Bulgakov failed to observe a *trifle*: the limitation of land. This limitation, quite apart from *property* in land, creates a certain kind of monopoly, *i.e.*, since all the land is occupied by farmers, and since there is a demand for the whole of the grain produced on the whole of the land, including the worst land and that most remote from the market, then it is clear that the price of grain is determined by the price of production on the worst land (or the price of production with the last and least productive investment of capital). Mr. Bulgakov's "average productivity" is a futile exercise in arithmetic, for the limitation of land prevents the formation of the real average. In order that this "average productivity" may be formed and determine the price, every capitalist must not only be able to invest capital in agriculture generally (as we have said already, free competition exists to that extent in agriculture), but also, every capitalist must always be able to establish *new* agricultural enterprises in addition to those already existing. If that were the case, there would be no difference whatever between agriculture and industry, and rent could not arise. But precisely because land is limited this is not the case.

To proceed. Up till now we have pursued our argument completely leaving aside the question of property in land; we have seen that this method was absolutely necessary for logical considerations, and also for the reason that the facts of history go to show that capitalist agriculture arose and developed under all forms of land ownership. We shall now introduce this new condition. Let us assume that all land is privately owned. How will this affect rent? Differential rent will be collected by the landowner from the farmer on the basis of his right of ownership. As differential rent is the surplus profit over and above the normal, average profit on capital, and as free competition in the sense of the free

investment of capital in agriculture exists (or is being created by capitalist development), the landowner will always find a farmer who will be satisfied with the average profit and who will give him, the landowner, the surplus profit. Private property in land does not create differential rent; it merely transfers it from the hands of the farmer to the hands of the landowner. Is the influence of private land ownership restricted to this? Can we assume that the landowner will permit the farmer to exploit the worst and most badly located land, which only produces the average profit on capital, *gratis*? Of course not. Land ownership is a monopoly, and on the basis of this monopoly the landowner demands payment from the farmer for this land also. This payment will be *absolute rent*, which has no connection whatever with the difference in productivity of different investments of capital, and which *has its genesis in the private ownership of land.* In accusing Marx of making an arbitrary, two-fold interpretation of the same monopoly, Mr. Bulgakov did not take the trouble to think about the fact that we are actually dealing with a two-fold monopoly: in the first place, we have the monopoly of enterprise (capitalist) on the land. This monopoly originates in the limitation of land, and is therefore inevitable in any capitalist society. *This* monopoly leads to the price of grain being determined by the conditions of production on the worst land; the surplus profit obtained by the investment of capital on better land, or by a more productive investment of capital, forms differential rent. This rent arises quite independently of private property in land, which simply enables the landowner to take it from the farmer. In the second place, we have the monopoly of private property in land. Neither logically nor historically is this monopoly inseparably linked up with the previous monopoly.[1] This kind of monopoly is not *essential* for capitalist society and for the capitalist organisation of agriculture. On the one hand, we can quite easily conceive of capitalist agriculture without private property in land,

[1] It is hardly necessary to remind the reader that we are dealing here with the general theory of rent and the capitalist organisation of agriculture; we do not, therefore, concern ourselves with facts like the antiquity and widespread character of private property in land, and the undermining of the latter form of monopoly, and partly even of both its forms, by overseas competition, etc.

and many consistent bourgeois economists have demanded the nationalisation of land. On the other hand, even in practice we have capitalist organisation of agriculture without private ownership in land, for example, on state and communal lands. Consequently, it is absolutely necessary to distinguish between these two kinds of monopolies; and consequently, it is also necessary to recognise that absolute rent, which is *engendered* by private property in land, exists side by side with differential rent.[1]

Marx explains the possibility of absolute rent originating from the surplus value of agricultural capital by the fact that in agriculture the share of variable capital, in the total composition of capital, is above the average (a quite natural supposition in view of the undoubted backwardness of agricultural technique as compared with industry). That being the case, it follows that the value of agricultural products, generally speaking, is higher than their price of production, and that surplus value is higher than profit. The monopoly of private property in land, however, prevents this

[1] In Part II of Volume II of *Theorien über den Mehrwert*, published in 1905, Marx gives an explanation of absolute rent which confirms the correctness of my interpretation (particularly in regard to the two forms of monopoly). The following is the passage from Marx referring to it: "If land were an unlimited element, not only in relation to capital and to population, but in actual fact, *i.e.*, if it were as 'unlimited' as 'air and water,' if it 'existed in unlimited quantities' [quotation from Ricardo], then the appropriation of land by one person could not in practice in any way exclude the appropriation of land by another person. In that case, private property in land could not exist (and not only private but also 'public' and state property in land). If, in addition, the land everywhere were of the same quality, no rent could be obtained from land. . . . The whole point lies in the following: If land in relation to capital existed like every other natural element, then capital in the sphere of agriculture would operate in the same way as it does in every other sphere of industry. In that case, there would be no property in land and no rent. . . . On the other hand, if land is: (1) limited; and (2) held as property—if property in land is a condition for the rise of capital—and that is precisely the case in countries where capitalist production is developing; and in countries where this condition did not prevail formerly (as in old Europe), capitalist production itself creates it: for example, the United States—then land does not represent a field of activity accessible to capital in an elementary way. That is why absolute rent exists independently of differential rent." (Pages 80-81.) Marx quite definitely draws a distinction here between the limitation of land and the fact that land is private property. (Author's note to 1908 edition.—*Ed.*)

surplus from passing wholly into the process of equalising profits, and absolute rent is taken from this surplus.[1]

Mr. Bulgakov is utterly dissatisfied with this explanation and exclaims:

"What kind of thing is this surplus value, which, like cloth or cotton, or some other commodity, can suffice or not suffice to cover a possible demand? First of all, it is not a material thing, it is a concept, which serves to express a definite social relationship of production." (Part I, p. 105.)

This contrasting of a "material thing" to a "concept" is a striking example of the scholasticism which is now so freely offered in the guise of "criticism." What would be the use of a "concept" of the share of the social product if this concept did not correspond to definite "material things"? Surplus value is the money equivalent of the surplus product, which consists of a definite share of cloth, cotton, grain, and of all other commodities (the word "definite" must not, of course, be understood in the sense that science can concretely define this share, but in the sense that the conditions which, in general outline, define the dimensions of this share are known). In agriculture, the surplus product is larger (in proportion to capital) than in other branches of industry, and this surplus (which does not enter into the equalisation of profit owing to the monopoly of private property in land) may, naturally, "suffice or not suffice to cover the demand" of the monopolist landowner.

[1] We desire to say in passing that we have considered it necessary to deal in particular detail with Marx's theory of rent in view of the fact that we find an erroneous interpretation of it also on the part of Mr. P. Maslov, in an article, entitled "The Agrarian Question," in *Zhizn*, Nos. 3 and 4, 1901, where he regards the diminishing productivity of successive investments of capital, if not as a law, then at all events as the "usual" and normal phenomenon, which he links up with differential rent, and rejects the theory of absolute rent. Mr. P. Maslov's interesting article contains many true remarks concerning the critics, but it suffers very much from the author's erroneous theory just referred to (while defending Marxism, he has not taken the trouble clearly to define the difference between "his own" theory and that of Marx), as well as from a number of careless and absolutely unjust assertions, as, for example, that Mr. Berdyaev "is completely liberating himself from the influence of bourgeois authors" and is distinguished for his "consistent class point of view, maintained without sacrificing objectivity"; that "in many respects Kautsky's analysis is in places . . . tendentious"; that Kautsky "has completely failed to indicate in what direction the development of the productive forces in agriculture is proceeding," etc.

We shall not burden the reader with a detailed exposition of the theory of rent which Mr. Bulgakov has created, as he modestly remarks, "by his own efforts," "pursuing his own path." (Part I, p. 111.) A few remarks will suffice to characterise this product of the "last and least productive investment" of professorial "labour." The "new" theory of rent is made up according to the ancient recipe: "All or nothing." Since free competition exists—there must be absolutely no restriction to it (although absolutely free competition has never existed anywhere). Since monopoly exists—there is nothing more to be said. Consequently, rent is not taken from surplus value, and not even from the agricultural product; it is taken from the product of non-agricultural labour; it is simply a tribute, a tax, a deduction from the total social product, a promissory note in favour of the landlord.

"Agricultural capital with its profit and agricultural labour, agriculture in general as a sphere of investment for capital and labour, represents, therefore, a *status in statu*[1] in the kingdom of capitalism. . . . All [*sic*!] definitions of capital, surplus value, wages and value generally represent imaginary quantities when applied to agriculture." (Part I, p. 99.)

Yes, yes. Now everything is clear: Both capitalists and wage workers in agriculture are imaginary quantities. Mr. Bulgakov sometimes wanders away into the clouds; but sometimes he argues in a not altogether unreasonable manner. Fourteen pages further on we read:

"The production of agricultural products costs society a certain quantity of labour; that is their value."

Excellent! Consequently, at least the "definition" of value is not altogether an imaginary quantity. To continue:

"Since production is organised on a capitalist basis, and since capital stands at the head of production, the price of grain will be determined by the price of production, that is, the productivity of the given labour and capital invested will be calculated according to average social productivity."

Excellent! Consequently, the "definitions" of capital, surplus value and wages are not altogether imaginary quantities. Consequently, free competition (although not absolutely free) exists, for

[1] A state within a state.—*Ed.*

unless capital can flow from agriculture into industry and *vice versa*, "calculating productivity according to average social productivity" is impossible. To continue:

"Thanks to the monopoly of land, price rises above value to the limits permitted by the conditions of the market."

Excellent! But where has Mr. Bulgakov learned that tribute, taxes, promissory notes, etc., are dependent upon the conditions of the market? If, thanks to monopoly, price rises to the limits permitted by the conditions of the market, then the only difference between the "new" theory of rent and the "old" theory is this: that the author, pursuing "his own path," failed to understand the difference between the influence of the limitation of land and the influence of private property in land on the one hand, and the connection between the concept "monopoly" and the concept "the last and least productive investment of labour and capital," on the other hand. Is it surprising, therefore, that Mr. Bulgakov, another seven pages further on (Part I, p. 120), should completely lose sight of "his own" theory and begin to argue about the "method of distributing this (agricultural) product among the landowner, the capitalist farmer and the agricultural labourers"? A brilliant finale to a brilliant criticism! A remarkable result of the new *Bulgakov theory of rent*, which, from now on, will enrich the science of political economy!

III

Machinery in Agriculture

We shall now take up what Mr. Bulgakov regards as the "remarkable" work of Hertz (*Die agrarischen Fragen im Verhältniss zum Sozialismus*, Wien 1899).[1] We shall have to spend a little time in simultaneously examining the arguments of both these authors, which are similar.

The question of machinery in agriculture, and the question of large-scale and small production in agriculture, which is closely

[1] *The Agrarian Problem in Relation to Socialism*, Vienna, 1899.—*Ed.*

bound up with the former, most frequently provide our "critics" with the occasion to "refute" Marxism. Further on we shall examine in detail some of the data they quote. At present we shall examine the general arguments on the subject. The critics devote whole pages to arguing in detail that the employment of machinery encounters greater difficulties in agriculture than in industry and for this reason machinery is employed to a smaller degree and has smaller significance. All this is indisputable, and is quite definitely shown, for example, by that very Kautsky whose very name rouses Messrs. Bulgakov, Hertz and Chernov to a pitch bordering on frenzy. But this indisputable fact does not in the least controvert the other fact that machinery is developing rapidly in agriculture also, and is exercising a powerful transforming influence upon it. All that the critics can do is to "evade" this inevitable conclusion by profound arguments such as the following:

"Agriculture is characterised by the domination of nature in the process of production and the lack of freedom of the human will." (Bulgakov, Part I, p. 43.) ". . . Instead of the uncertain and inexact work of man, it [machinery in industry] carries out micrometric as well as colossal work with mathematical precision. Machinery cannot do anything like this [?] in the production of agricultural products because, to this day, this working instrument is not in the hands of man, but in the hands of mother nature. This is not a metaphor." (*Ibid.*)

Indeed it is not a metaphor; it is merely an empty phrase, for everybody knows that the steam plough, the seed drill, the threshing machine, etc., *make* work *more* "certain and exact"; consequently, to say, "cannot do anything like this," is simply talking nonsense! Similarly, how can it be said that machinery in agriculture "cannot to any degree [*sic*!] revolutionise *production*" (Bulgakov, Part I, pp. 43-44, where he quotes the opinion of agricultural machinery experts, who, however, merely refer to the relative difference between agricultural machinery and industrial machinery), or that "not only does machinery fail to convert the worker into its adjunct [?], but the worker retains his previous role of guide of the process" (p. 44)—as feeder of the threshing machine, perhaps? Mr. Bulgakov tries to belittle the superiority of the steam plough by references to Stumpfe and Kutzleb (who wrote about the ability of small farming to compete with large-scale farming) as against the

opinions of experts in agricultural machinery and agricultural economics (Fühling, Perels). He uses arguments to the effect that steam ploughs require a special soil[1] and "extremely extensive estates" (in Mr. Bulgakov's opinion this is an argument, not against small farming, but against the steam plough!), and that with *twelve-inch furrows* the work of animals is *cheaper* than steam, etc. Whole volumes of arguments like these may be written without, however, in the least refuting the fact that the steam plough has made extremely deep ploughing possible (furrows deeper than 12 inches), or the fact that its employment has rapidly developed: in England, in 1867, only 135 farms were using steam ploughs, whereas in 1871 over 2,000 steam ploughs were already in use (Kautsky); in Germany the number of farms employing steam ploughs increased from 836 in 1882 to 1,696 in 1895.

On this question of agricultural machinery Mr. Bulgakov frequently cites Franz Bensing, whom he recommends as "the author of a special monograph on agricultural machinery." (Part I, p. 44.) It would be extremely unfair if we did not in the present case show *how* Mr. Bulgakov cites his authors, and *how* the very witnesses he calls testify against him.

In arguing that Marx's "concept" of the more rapid growth of constant capital as compared with variable capital is inapplicable to agriculture, Mr. Bulgakov points to the need of greater expenditure of labour power in proportion as the productivity of agriculture increases, and, among others, quotes the calculations made by Bensing.

"The general requirements of human labour in the various systems of agriculture are expressed as follows: the three-field system—712 work-days; the Norfolk rotation of crops system—1,615 work-days; the rotation of crops with a considerable production of sugar beets 3,179 work-days per 60 hectares." (Franz Bensing, *Der Einfluss der landwirtschaftlichen Maschinen auf Volks- und Privatwirtschaft*,[2] Breslau 1897, S. 42. Quoted by Bulgakov, Part I, p. 32.)

[1] Hertz, with a particularly "triumphant" air, insists upon this, and argues that the "absolute" judgment (S. 65) that the steam plough is superior to the horse plough "under all circumstances" is wrong. This is precisely what is called trying to force an open door!

[2] *The Influence of Agricultural Machinery Upon National and Private Economy.—Ed.*

The unfortunate thing, however, is that by this calculation Bensing desired to prove that the role of machinery was growing. Applying these figures to the whole of agriculture in Germany, Bensing calculates that the available agricultural workers would be sufficient to cultivate the land only on the three-field system, and that, consequently, the introduction of the rotation of crops system would have been altogether *impossible* if machinery were not employed. It is well known that when the old three-field system prevailed machinery was hardly utilised at all; consequently, Bensing's calculations prove *the very opposite* of what Mr. Bulgakov tries to prove; *i.e.*, this calculation proves that the growth of productivity of agriculture must necessarily be accompanied by a more rapid growth of constant capital as compared with variable capital.

In another place Mr. Bulgakov, after asserting that "a radical [*sic*!] difference exists between the role of machinery in industry and in agriculture," cites the words of Bensing:

"Agricultural machinery is incapable of bringing about an unlimited increase in production as machinery in industry is able to do. . . ." (Part I, p. 44.)

Mr. Bulgakov is unlucky again. Bensing points to this by no means "radical" difference between agricultural and industrial machinery in the beginning of Chapter VI of his book, which is entitled: "The Influence of Agricultural Machinery on Gross Income." After making a detailed analysis of the facts concerning each special type of machine published in agricultural literature, and also obtained by him in a special investigation, Bensing arrives at the following general conclusion: The increase in gross income obtained by the employment of a steam plough is ten per cent, of a seed drill ten per cent, and of a threshing machine fifteen per cent; moreover, the seed drill causes a saving of twenty per cent on seeds; only in the employment of machinery for digging potatoes is a decline of five per cent in gross income observed. Mr. Bulgakov's assertion that:

"At all events, the steam plough is the only agricultural machine about which anything favourable can be said from the technical point of view" (Part I, pp. 47-48)

is *at all events* refuted by the very Bensing to whom he refers so incautiously.

In order to present the significance of machinery in agriculture as precisely and completely as possible, Bensing makes a number of detailed calculations of the results of farming carried on without machinery, with one machine, with two machines, etc., and, finally, with the employment of all the important machines, including the steam plough and light field railways (*Feldbahnen*). These calculations show that farming without the aid of machinery brought the following results: gross income, 69,040 marks; expenditure, 68,615 marks; net income, 425 marks, or 1.37 marks per hectare. The results of farming with the employment of all the important machinery were as follows: gross income, 81,078 marks; expenditure, 62,551.5 marks; net income, 18,526.5 marks, or 59.76 marks per hectare, *i.e., more than forty times as much.* This is the effect of machinery alone, for the system of cultivation is assumed to have remained unchanged! It goes without saying that the application of machinery is accompanied, as is shown by Bensing's calculations, by an enormous increase in constant capital and a *diminution* in variable capital (*i.e.*, the capital expended on labour power and in the number of workers employed). In a word, Bensing's work entirely refutes Mr. Bulgakov and proves the superiority of large-scale production in agriculture, as well as the fact that the law of the more rapid growth of constant capital compared with variable capital is applicable to agriculture.

Only on one thing does Mr. Bulgakov come close to Bensing, and that is that the latter adopts the purely bourgeois point of view, completely fails to understand the contradictions inherent in capitalism, and smugly closes his eyes to the fact that machinery eliminates the worker, etc. Of Marx this moderate and methodical pupil of the German professors speaks with the same hatred as Mr. Bulgakov, only Bensing is more consistent—he calls Marx "an opponent of machinery" in both agriculture and industry because, he says, Marx "distorts the facts" when he talks about the pernicious effect machinery has upon the workers and when he attributes all sorts of misfortunes to machinery. (Bensing, *op. cit.*, S. 4, 5 and 11.) Mr. Bulgakov's attitude toward Bensing reveals to us again and again what Messrs. the "critics" take from the bourgeois scientists and what they close their eyes to.

The nature of Hertz's "criticism" is sufficiently revealed by the following: On page 149 of his book (Russian translation) he charges Kautsky with employing "feuilleton methods"; and on page 150 he "refutes" the assertion that large-scale production is superior to small production in regard to the employment of machinery by the following arguments: (1) Machinery *is accessible* also to small farmers through the medium of co-operative societies. This, if you please, is supposed to refute the *fact* that machinery is employed on a larger scale on big farms than on small farms! In our second essay[1] we shall discuss with Hertz the question as to who has greater *access* to the benefits of co-operative organisation. (2) David has shown in the *Sozialistische Monatshefte* (Vol. V, No. 2) that machinery on small farms

"is being extensively employed and is rapidly increasing . . . that seed drills are frequently [*sic*!] to be found on even very small farms. The same applies to mowing and other machines." (S. 63.)

But if the reader turns to David's article[2] he will see that the author takes the *absolute figures* of the number of farms employing machinery, and not the percentage of these farms in relation to the total number of farms in the given category (as Kautsky does, of course).

The following are the figures for the whole of Germany for 1895[3]:

Group	Total no. of farms	Farms employing machinery					
		seeding machines	per cent	seed drills	per cent	mowers and reapers	per cent
Up to 2 hectares	3,236,367	214	0.01	14,735	0.46	245	0.01
2 to 5 „	1,016,318	551	0.05	13,088	1.29	609	0.06
5 to 20 „	998,804	3,252	0.33	48,751	4.88	6,746	0.68
20 to 100 „	281,767	12,091	4.29	49,852	17.69	19,535	6.93
100 hectares and over	25,061	12,565	50.14	14,366	57.32	7,958	31.75
Total . . .	5,558,317	28,673	0.52	140,792	2.54	35,084	0.63

[1] In this volume, pp. 162-64.—*Ed.*

[2] This mistaken method is repeated in David's book *Socialism and Agriculture*, St. Petersburg, 1906, p. 179.

[3] *Stat. d. D. R.*, 112. Bd., S. 36.

The above figures do confirm what David and Hertz have said, *viz.*, that seeding machines and mowers are "frequently" found "even on very small farms," do they not? And if Hertz draws the "conclusion" that "judged by statistics, Kautsky's assertion does not stand criticism," who is it that really employs feuilleton methods?

As a curiosity, we would point out that while denying the superiority of large-scale farming in regard to the employment of machinery, and while denying the overwork and under-consumption caused by this in small farming, the "critics" outrageously contradict themselves when compelled to deal with the actual facts of the situation (and when they forget about their "principal task"—to refute "orthodox" Marxism). For example, Mr. Bulgakov in his book (Part II, p. 115) says:

"Large-scale farming always works with larger investments of capital than small farming, and therefore, naturally, gives preference to the mechanical factors of production over living labour power."

That Mr. Bulgakov as a "critic" should follow Messrs. Struve and Tugan-Baranovsky in their inclination towards vulgar political economy when contrasting mechanical "*factors* of production" to living factors is indeed quite "natural." But is it natural that he should so carelessly deny the superiority of large-scale farming?

Mr. Bulgakov can find no other words with which to express himself concerning concentration in agricultural production than "the mystical law of concentration," etc. But he comes up against the figures for England, which show him that tendencies towards the concentration of farms were observed from the 'fifties right up to the end of the 'seventies.

"Small consuming farms combined into larger farms," writes Mr. Bulgakov. "*This* consolidation of allotments of land was by no means the result of the conflict between large-scale and small production [?] but of a conscious [!?] striving on the part of the landlords to increase their rents by combining several small farms which provided them with very low rents into large farms capable of paying them larger rents." (Part I, p. 239.)

Do you understand, reader? *Not* conflict between large and

small farming; *but* the elimination of the latter, because it is less remunerative.

"Since farming is established on a capitalist basis, it is indisputable that within certain limits large-scale capitalist farming possesses undoubted advantages over small capitalist farming." (Part I, pp. 239-240.)

If this is indisputable, what is Mr. Bulgakov making such a fuss about? And why did he raise such a howl (in *Nachalo*) against Kautsky, who *starts* his chapter on large-scale and small production (in his *Agrarfrage*) with the statement:

"The more capitalistic agriculture becomes, the more a qualitative difference in technique between large-scale and small production develops"?

But the disadvantages of small farming are revealed not only in the period when English agriculture flourished, but also in the period of crisis. The reports of commissions published during recent years

"with astonishing persistence assert that the crisis most severely affected the small farmers." (Part I, p. 311.) "One report dealing with small owners says: 'Their homes are worse than the cottages of the average labourer. . . . All of them work astonishingly hard and for many more hours than the labourers, and many of them say that their material conditions are not as good as those of the latter, that they do not live as well, and rarely eat fresh meat. . . .' 'The yeomen, burdened with mortgages, were the first to succumb. . . . .' " (Part I, p. 316.) " 'They stint themselves in all things as only few labourers do. . . .' 'The small farmers keep going as long as they are able to avail themselves of the unpaid labour of the members of their families. . . .' 'It is hardly necessary to add that the conditions of life of the small farmers are ever so much worse than those of the labourers.' " (Part I, p. 321.)

We have quoted these passages in order that the reader may judge of the correctness of the following conclusion drawn by Mr. Bulgakov:

"The severe ruination of the farms which had survived up to the epoch of the agrarian crisis merely [!!] indicates that in such circumstances small producers succumb more quickly than large producers—and nothing more. [*Sic*!!] It is absolutely impossible to draw any general conclusion from this concerning the general economic vitality of small farms, for in that epoch the whole of English agriculture was in a state of bankruptcy." (Part I, p. 333.)

Well said, is it not? And in the chapter dealing with the general conditions of development of peasant farming, Mr. Bulgakov even generalises this remarkable method of reasoning in the following manner:

"A sudden drop in prices severely affects all forms [all forms?] of production; but peasant production, having little capital at its disposal, is naturally less stable than large-scale production (which does not in the least affect the question of its general vitality)." (Part II, p. 247.)

Thus, in capitalist society, enterprises having less capital at their disposal are less stable than large enterprises; but this does not affect their "general" vitality!

Hertz is not more consistent in his reasoning. He "refutes" Kautsky (in the manner described above); but when he discusses America he admits the superiority of large-scale farming in that country, which permits of

"the employment of machinery on a far larger scale than that permitted by our parcellised farming." (S. 36.)

He admits that

"the European peasant frequently employs antiquated, routine methods of production, toiling [*robotend*] for a crust of bread like a labourer, without striving for anything better." (*Ibid.*)

Hertz admits generally that

"small production demands the application of a relatively larger amount of labour than large-scale production." (S. 74.)

He would do very well to communicate to Mr. Bulgakov the facts he quotes about the increase in yield as a result of the introduction of the steam plough. (S. 67-68.)

The natural concomitant of our critics' faulty theoretical reasoning about the significance of agricultural machinery is their helpless repetition of the views of downright reactionary agrarians who are opposed to machinery. Hertz, it is true, still hesitates on this delicate point; and in speaking of the "difficulties" in the way of introducing machinery in agriculture, he observes:

"The opinion is expressed that so much free time is left in the winter that hand threshing is more advantageous." (S. 65.)

Apparently, Hertz, with his peculiar logic, is inclined to draw from this the conclusion that this is not an argument against small production, not an argument against the capitalistic obstacles to the introduction of machinery, but an argument against machinery! It is not surprising that Mr. Bulgakov lectures Hertz for being "too closely bound by the opinion of his party." (Part II, p. 287.) The Russian professor, of course, is above such degrading "ties" and proudly declares:

"I am sufficiently free from the prejudice so widespread—particularly in Marxian literature—according to which every machine is a step towards progress." (Part I, p. 48.)

Unfortunately, the flight of imagination revealed in this magnificent piece of reasoning totally fails to correspond to the concrete conclusions that are drawn.

"The steam threshing machine," writes Mr. Bulgakov, "which deprives many, many workers of their winter occupation, was an undoubted evil for the labourers, uncompensated by technical advantages.[1] Goltz, by the way, also points this out and gives expression to a rather Utopian desire" (Part II, p. 103),

i e., to the desire to *restrict* the employment of threshing machines, particularly steam threshing machines, "in order," adds Goltz, "to improve the conditions of the agricultural labourers, and also to diminish emigration and migration" (and we shall add that by migration Goltz, in all probability, means migration to the cities).

We shall remind the reader that in his *Agrarfrage* Kautsky also noted Goltz's idea. It will not be without interest, therefore, to compare the attitude of a narrow-minded, orthodox Marxian, steeped in Marxian prejudices, towards the concrete question of economics (the significance of machines) and politics (should they be restricted?) with that of a modern critic who has excellently assimilated the whole spirit of "criticism."

Kautsky, in his *Agrarfrage* (S. 41), says that Goltz ascribes a particularly "pernicious influence" to the threshing machine: It

[1] *Cf.* Part I, p. 51: ". . . The steam threshing machine . . . performs the principal item of work in the winter period, when there is a scarcity of work as it is (consequently, the usefulness of the machine for agriculture as a whole [*sic*!!] is more than doubtful; we shall come across this fact again later on)."

deprives the agricultural labourers of their principal winter occupation, drives them into the cities, and intensifies the depopulation of the countryside. Goltz proposes to restrict the employment of the threshing machine, and, Kautsky adds, proposes this "ostensibly in the interest of the agricultural labourers, but in fact in the interest of the landlords, for whom," as Goltz himself says, "the loss resulting from such restriction will be amply compensated—if not immediately, then in the future—by the larger number of workers they will be able to obtain in the summer time."

"Fortunately," continues Kautsky, "this conservative friendship for the labourers is nothing more nor less than reactionary Utopianism. The threshing machine is of too great an 'immediate' advantage to induce the landlord to abandon the use of it for the sake of profits 'in the future.' Consequently, the threshing machine will continue to perform its revolutionary work; it will continue to drive the agricultural labourers into the cities, and as a result will become a mighty instrument for raising wages in the rural districts, on the one hand, and for the further development of the agricultural machine industry, on the other."

Mr. Bulgakov's attitude towards the problem as presented by a Social-Democrat and by an agrarian is extremely characteristic; it is an example in miniature of the position all the contemporary "critics" occupy midway between the party of the proletariat and the party of the bourgeoisie. The critic, of course, is not so narrow-minded and stereotyped as to adopt the point of view of the class struggle and of the revolution that capitalism brings about in all social relationships. On the other hand, however, although our critic "has grown wiser," the recollection of the time when he was "young and foolish," and shared the prejudices of Marxism, prevents him from adopting in its entirety the programme of his new comrade, the agrarian, who quite reasonably and consistently passes from the conclusion that machinery is harmful "for the *whole* of agriculture" to the desire to prohibit the employment of machinery! And our good critic finds himself in the position of Buridan's ass, between two bunches of hay: On the one hand, he has lost all understanding of the class struggle and has descended to talking about the harmfulness of machinery for "the *whole* of agriculture," forgetting that the *whole* of modern agriculture is conducted mainly by entrepreneurs, who are concerned only about their profit—he has so far

forgotten "the years of his youth," when he was a Marxist, that he now raises the extremely absurd question as to whether the technical advantages of machinery will "compensate" for the pernicious effects it has upon the labourers (but this pernicious influence is exercised not by the steam threshing machine alone but also by the steam plough, the mowing machine, seed sorting machine, etc.). He even fails to observe that the agrarian desires, in fact, to enslave the labourer still more both in winter and in summer. On the other hand, he vaguely recalls the obsolete, "dogmatic" prejudice that prohibiting machinery is Utopian. Poor Mr. Bulgakov! Will he manage to extricate himself from this unpleasant situation?

It is interesting to observe that in trying in every way to belittle the significance of agricultural machinery, and even advancing the "law of diminishing returns," our critics have forgotten to mention (or have deliberately refrained from doing so) the latest technical revolution which electrical engineering is preparing for in agriculture. But Kautsky, who, according to the extremely unfair judgment of Mr. P. Maslov,

"committed a serious mistake in completely failing to indicate in what direction the development of the productive forces in agriculture is proceeding" (*Zhizn*, 1901, No. 3, p. 171)

—Kautsky pointed to the significance of electricity in agriculture as far back as 1899 (in *Agrarfrage*). At the present time, the symptoms of the approaching technical revolution are much more distinct. Attempts are being made to determine theoretically the significance of electricity in agriculture. (*Cf.* Dr. Otto Pringsheim, "*Landwirtschaftliche Manufaktur und elektrische Landwirtschaft*,"[1] *Brauns Archiv*, XV, 1900, S. 406-18; and Kautsky's article in *Neue Zeit*, XIX, I, 1900-01, No. 18, "*Die Elektrizität in der Landwirtschaft*."[2]) Practical landlord farmers are describing their experiments in the application of electricity (Pringsheim cites the work of Adolph Scufferheld in which he describes the experiments he has made on his own farm). These landlords see in electricity a means of making agriculture once more remunerative. They call

[1] "Agricultural Manufacture and Electrified Agriculture."—*Ed.*
[2] "Electricity in Agriculture."—*Ed.*

upon the government and the landlords to establish central power stations and the mass production of electricity for farmers. (Last year a book was published in Koenigsberg, written by P. Mack, a landlord in East Prussia, entitled *Der Aufschwung unseres Landwirtschaftsbetriebes durch Verbilligung der Produktionskosten. Eine Untersuchung über den Dienst, den Maschinentechnik und Elektrizität der Landwirtschaft bieten.*[1])

Pringsheim makes what in our opinion is a very true remark: that, in its general technical level, and perhaps even economic level, modern agriculture is at a stage of development which more than anything resembles the stage of industry which Marx described as "manufacture." The predominance of hand labour and simple co-operation, the sporadic employment of machines, a relatively small output (counting the total annual volume of products sold by a single enterprise), the relatively small dimensions of the market in the majority of cases, the contacts between large-scale and small production (the latter, like the domestic industry worker in his relation to the big master manufacturer, supplies the former with labour power—or else the former buys up the "semi-finished article" from the latter; for example, the big farmer buys beets, cattle, etc., from the small farmers)—all these are symptoms of the fact that agriculture has not yet reached the stage of real "large-scale machine industry" in the sense that Marx understood it. In agriculture there is not yet "a system of machines" linked up into one productive mechanism.

Of course, this comparison must not be carried too far. On the one hand, agriculture possesses certain peculiar features which cannot possibly be removed (if we leave aside the extremely remote and extremely problematical possibility of producing albumen and foods by artificial processes). Owing to these special features, large-scale machine production in agriculture will never bear *all* the features it bears in industry. On the other hand, even in the manufacture stage of development large-scale production in industry reached predominance and considerable technical superiority

[1] *The Revival of Agricultural Production By Reducing Cost of Production. An Investigation Into the Services Rendered to Agriculture By Mechanical Engineering and Electricity.—Ed.*

over small production. For a long time the small producer tried to counteract this superiority by working longer hours and cutting down his requirements, which is so characteristic of the domestic industry worker and the modern small peasant. The predominance of hand labour in the manufacture stage enabled the small producer to hold his own for a time by "heroic" measures such as these. But those who were deceived by this, and talked about the vitality of the handicraftsman (in the same way as our contemporary critics talk about the vitality of the peasant) very soon found themselves refuted by the "temporary tendency" which paralysed the "universal law" of technical stagnation. As an example, we shall recall the Russian investigators into the handicraft weaving industry in the Moscow Gubernia in the 'seventies. As far as cotton weaving is concerned, they said, the hand weaver is doomed; the machine has triumphed. The handicraft silk weaver, however, may still hold his own for a time; for machinery in this branch of the industry is far from perfect yet. Two decades have passed, and machinery has driven the small producer from still another of his last refuges, as if telling those who have ears to hear and eyes to see that the economist must always look ahead, in the direction of the progress of technique, or else be left behind at once; for those who refuse to look ahead turn their backs on history: there is not and there cannot be any middle path.

"Writers who, like Hertz, talked about competition between small and large-scale production in agriculture, and in doing so ignored electrical engineering, must start their investigation all over again,"

remarked Pringsheim pointedly, and this remark applies with still greater force to Mr. Bulgakov's two-volume work.

Electricity is cheaper than steam power. It is more easily divisible into small units, it can be more easily transmitted over very long distances; machinery, with its aid, works more smoothly and accurately, and for that reason it is more conveniently employed in threshing, ploughing, milking cows, cutting fodder, etc.[1] Kautsky

[1] This is for the information of our bold Mr. Bulgakov, who boldly and without reason speaks of "branches of agricultural production in which machinery cannot be employed at all, as, for example, livestock farming." (Part I, p. 49.)

describes certain Hungarian latifundia[1] in which electricity is transmitted from a central station in all directions to the remote parts of the estate and is employed for running agricultural machinery, for cutting beets, for raising water, for lighting, etc., etc.

"In order to pump 300 hectolitres per day from a well 29 metres deep into a reservoir 10 metres high, and in order to prepare fodder for 240 cows, 200 calves, and 60 oxen and horses, *i.e.*, for cutting beets, etc., two pairs of horses were required in the winter and one pair in the summer, which cost 1,500 gulden. Now, instead of the horses, they have a two and a three h.p. motor which cost altogether 700 gulden to maintain, *i.e.*, a saving of 800 gulden." (Kautsky, *op. cit.*)

Mack calculates the cost of a horse working-day at 3 marks; but if the same amount of work is performed by electricity the cost is 40 to 75 pfennigs, *i.e.*, one-fourth to one-seventh of the cost of a horse. If 50 years or more from now, he says, 1,750,000 of the horses used in German agriculture are supplanted by electricity (in 1895, 2,600,000 horses, 1,000,000 oxen and 2,300,000 cows were employed for field work in German agriculture; of these, 1,400,000 horses and 400,000 oxen were employed on farms exceeding 20 hectares in area) the cost will be reduced from 1,003,000,000 marks to 261,000,000 marks, *i.e.*, a reduction of 742,000,000 marks. An enormous area of land now utilised for raising feed for cattle could then be turned to the production of food for human beings —for the improvement of the food of the workers, whom Mr. Bulgakov tries so much to scare with the prospect of the "diminution of the gifts of nature," "the grain problem," etc. Mack strongly recommends the amalgamation of agriculture with industry for the permanent exploitation of electricity, and recommends the cutting of a canal in Mazuria that would provide power for five power stations which would distribute electricity to farmers within a radius of from 20 to 25 kilometres. He recommends the utilisation of peat for the same purpose, and demands the amalgamation of farmers:

"Only in co-operative organisation with industry and big capital is it possible to make our branch of industry profitable once again." (Mack, S. 48.)

[1] Again for the information of Mr. Bulgakov, who talks about "the latifundia degeneration of large-scale farming"!

Of course, the employment of new methods of production will encounter many difficulties; it will not proceed in a straight line, but in zigzag fashion; but that they will be employed, that the revolution in agriculture is inevitable, can hardly be doubted.

"The substitution of electric motors for the majority of horses means," rightly says Pringsheim, "opening up the possibility of the machine system in agriculture. . . . What could not be achieved by steam power will certainly be achieved by electrical engineering, namely, the advancement of agriculture from the old manufacture stage to modern large-scale production." (*Op. cit.*, p. 414.)

We shall not dwell on the enormous victory the introduction of electrical engineering in agriculture will represent (and partly already represents) for large-scale production—it is too obvious to be insisted upon. We prefer to ascertain what kind of modern farms contain the rudiments of this "machine system" which will be set in motion by a central power station. Before the machine system can be introduced, it is first of all necessary to test various kinds of machines and make experiments in the simultaneous employment of many machines. The information we require can be found in the returns of the German agricultural census of June 14, 1895. Here we have figures showing the number of farms in each category employing their own or hired machines. (Mr. Bulgakov, when quoting some of these figures on page 114, Part II, erroneously thinks they apply to the number of *machines* employed. In passing, it may be said that the statistics on the number of farms employing machines, their own or hired, bring out the superiority of large-scale farming to a less extent than is really the case. Big farmers own their machines more frequently than small farmers, while the latter are obliged to pay exorbitant prices for the hire of them.) The figures show the number of farms employing machines in general, or a certain kind of machine, so that we are unable to determine *how many* machines the farms in each group employ. But if in each group we add up the total number of farms employing each separate kind of machine, we shall get *the total number of cases* in which agricultural machines of all kinds are employed. The following table presents these figures drawn up in this manner and shows how the ground is being prepared for the "machine system" in agriculture.

Size of Farms	Per hundred farms	
	Number of farms employing agricultural machines generally (1895)	Number of cases in which some kind of agricultural machine was employed (1895)
Up to 2 hectares	2.03	2.30
2 to 5 „	13.81	15.46
5 to 20 „	45.80	56.04
20 to 100 „	78.79	128.46
100 hectares and over	94.16	352.34
Total	16.36	22.36

Thus, in small farms up to five hectares (these comprise more than three-fourths of the total, *i.e.*, 4,100,000 out of 5,500,000, or 75.5 per cent; but they contain only 5,000,000 hectares out of a total of 32,500,000 hectares, *i.e.*, 15.6 per cent)—the number of *cases* in which some kind of agricultural machine or other is employed (we have included in this machinery for dairy farming) is quite infinitesimal. In the medium farms (from 5 to 20 hectares) less than half the number employ machines generally, and the number of cases where agricultural machines were employed is only 56 per hundred farms. Only under large-scale capitalist production[1] do we see the *majority* of farms (from 3/4 to 9/10) employing machinery *and the beginning of the establishment of the machine system*: on every farm there is more than one case of machinery being employed. This means that several machines are employed on a single farm: for example, farms of over 100 hectares employ *about four machines* each (352 per cent as compared with 94 per cent employing machines generally). Out of 572 latifundia (farms of 1,000 hectares and over), 555 employ machines; and the number of cases in which machines were employed is equal to 2,800, *i.e.*, each farm employed *five machines*. It is clear from this what kind of farms are preparing the ground for the "electrical" revolution and what kind of farms will primarily take advantage of it.

[1] Over 20 hectares; only 300,000 farms out of 5,500,000, *i.e.*, only 5.5 per cent of the total, but they occupy 17,700,000 hectares of land out of 32,500,000, or 54.4 per cent of the total land under cultivation.

IV

The Abolition of the Antithesis Between Town and Country

The Secondary Questions Raised by the "Critics"

From Hertz, we shall pass to Mr. Chernov. As the latter merely "talks with his readers" about the former, we shall confine ourselves here to a brief description of Hertz's method of argument (and Mr. Chernov's method of paraphrasing him), and (in the next essay) take up certain new facts advanced by the "critics."

It will be sufficient to cite *a single* example to show the sort of theoretician Hertz is. At the very beginning of his book we find a paragraph under the pretentious heading: "The Concept of National Capitalism." Hertz desires nothing more nor less than to define capitalism. He writes:

"We can, of course, describe it as a system of national economy which *juridically* is based on the complete application of the principles of the liberty of the subject and of property, *technically* on production on a wide [large?] scale,[1] *socially* on the alienation of the means of production from the direct producers, *politically* on the possession by the capitalists of the central political power [the concentrated political power of the state?] solely because of the existence of the economic basis for the distribution of property." (Russian translation, p. 37.)

These definitions are incomplete, and certain reservations must be made, says Hertz; for example, domestic industry and small tenant farming still persist everywhere side by side with large-scale production.

"The *realistic* [*sic!*] definition of capitalism as a system in which production is under the control [domination and control] of the capitalists [of the owners of capital] is also not quite suitable."

This "realistic" definition of capitalism as the domination of capitalists is magnificent, is it not? And how characteristic is this now fashionable, quasi-realistic, but in fact eclectic quest for an exhaustive enumeration of all the separate symptoms and separate

[1] Mr. V. Chernov translates it (*Russkoye Bogatstvo*, No. 4, p. 132): "on production which has achieved a high state of development." That is how he managed to "understand" the German expression, "*auf grosser Stufenleiter*"!!

"factors." The result, of course, is that this meaningless attempt to include into a general concept all the partial symptoms of single phenomena, or, conversely, to "avoid conflict with extremely varied phenomena"—an attempt which merely reveals an elementary failure to understand what science is—leads the "theoretician" to a position where he cannot see the wood for the trees. Hertz, for example, lost sight of a detail like commodity production and the transformation of labour power into a commodity! Instead, however, he invented the following *genetic* definition, which—as a punishment to the inventor—ought to be quoted in full: Capitalism is

"a state of national economy in which the application of the principles of free exchange and liberty of the subject and of property have reached the highest (relatively) point determined by the economic development and the empirical conditions of each separate national economy." (S. 10.)

Filled with awe and admiration, Mr. Chernov, of course, transcribes and describes these soap bubbles, and, moreover, treats the readers of *Russkoye Bogatstvo* for the space of thirty whole pages to an "analysis" of the types of national capitalism. From this highly instructive analysis we may extract a number of extremely valuable and by no means stereotyped references, for example, to the "independent, proud and energetic character of the Briton"; to the "substantial" British bourgeoisie and the "unsympathetic character" of their foreign politics; to the "passionate and impulsive temperament of the Latin race" and to the "methodicalness of the Germans." (*Russkoye Bogatstvo*, No. 4, p. 152.) "Dogmatic" Marxism, of course, is utterly annihilated by this analysis.

No less annihilating is Hertz's analysis of mortgage statistics. At all events, Mr. Chernov goes into ecstasies over it.

"The fact is," he writes, ". . . Hertz's figures have not been refuted by any one as yet. Kautsky, in his reply to Hertz, dwelt at extreme length upon certain details [such as his proof that Hertz *distorted the facts*! A nice "detail"!], but to Hertz's argument on the question of mortgages *he made no reply whatever.*" (*Russkoye Bogatstvo*, No. 10, p. 217. Chernov's italics.)

As can be seen from the reference on page 238 in the same number of *Russkoye Bogatstvo*, Mr. Chernov is aware of the article Kautsky wrote in reply ("*Zwei Kritiker meiner 'Agrarfrage,'*" [1] in

[1] "Two Critics of my *Agrarian Question*."—*Ed.*

Neue Zeit, XVIII, 1, 1899-1900). Mr. Chernov could not but know also that the periodical in which this article appeared is prohibited in Russia by the censorship. The more remarkable, therefore, as characterising the features of the modern "critics," is the fact that the very words which Chernov himself underlines represent *what is positively untrue;* for on the question of mortgages Kautsky *replied* to "Hertz, David, Bernstein, Schippel, Bulgakov, *e tutti quanti,*" on pp. 472-77, *in the very article to which Mr. Chernov refers.* To restore distorted truth is a tedious duty; but since we have to deal with Messrs. Chernov, it is a duty that must not be neglected.

Kautsky, of course, replied to Hertz with ridicule; for on this question Hertz also revealed his inability, or unwillingness, to understand what is what and an inclination to repeat the threadbare arguments of bourgeois economists. Kautsky's *Agrarfrage* (S. 88-89) dealt with the concentration of mortgages.

"Numerous petty rural usurers," wrote Kautsky, "are being more and more forced into the background, forced to yield to big centralised capitalist or public institutions which monopolise mortgage credit."

Kautsky enumerates certain capitalist and public institutions of this kind; he speaks of mutual land credit societies (*genossenschaftliche Bodenkreditinstitute*) and points to the fact that *savings banks*, insurance companies and many corporations (S. 89) invest their funds in mortgages, etc. For example, in Prussia, up to 1887, seventeen mutual credit societies had issued mortgage bonds to the amount of 1,650,000,000 marks.

"These figures show how enormously ground rent is concentrated in the hands of *a few central institutions* [our italics]; but this concentration is rapidly increasing. In 1875, German mortgage banks issued mortgage bonds to the amount of 900,000,000 marks, in 1888 to the amount of 2,500,000,000 marks and in 1892 to the amount of 3,400,000,000 marks, concentrated in 31 (in 1875 in 27) banks." (S. 89.)

This concentration of ground rent is a clear indication of the concentration of *landed property.*

"No!" retort Hertz, Bulgakov, Chernov & Co.

"We find a very decided tendency towards decentralisation and the break-up of property" (*Russkoye Bogatstvo*, No. 10, p. 216); for "more than one-

fourth of the mortgage credits are concentrated in the hands of democratic [*sic*!] credit institutions with a vast number of small depositors." (*Ibid.*)

Quoting a number of tables, Hertz tries with extraordinary zeal to prove that the bulk of the depositors in savings banks are *small depositors*, etc. What is the purpose of this argument?—we ask. Kautsky himself referred to the mutual credit societies and savings banks (while not, of course, imagining, as Mr. Chernov does, that these are a special kind of "democratic" institutions). Kautsky talks about the centralisation of rent in the hands of a few central institutions and his attention is called to the large number of small depositors in savings banks! And this they call "the break-up of property"! What has the number of depositors in mortgage banks to do with agriculture (the subject under discussion is the concentration of rent)? Does a big factory cease to signify the centralisation of production because its shares are distributed among a large number of small capitalists?

"Until Hertz and David informed me," wrote Kautsky in reply to Hertz, "I had not the slightest idea where the savings banks obtained their money. I thought they operated with the savings of the Rothschilds and the Vanderbilts."

In regard to transferring mortgages to the state, Hertz says:

"This would be a very bad method of fighting big capital and, of course, an excellent method of rousing against those who propose such a reform a large and increasing army of small property owners, particularly the agricultural labourers." (S. 29.)

Mr. Chernov smugly repeats this on pp. 217-18 of *Russkoye Bogatstvo*.

So these are the "property owners" whose increase in numbers Bernstein & Co. are making so much fuss about!—replies Kautsky. Servant girls with twenty marks in the savings bank! And how old and threadbare is the argument used against the socialists, that by "expropriation" they will rob an enormous army of toilers! None other than Eugen Richter very zealously advanced this argument in the pamphlet he published after the repeal of the anti-socialist laws (and which the capitalists bought up in thousands to distribute gratis among their workers). In this pamphlet Eugen Richter introduces his celebrated "thrifty Agnes," a poor seamstress who had a

score or so of marks in the savings bank and was robbed by the wicked socialists when they seized political power and nationalised the banks. This is the source from which the Bulgakovs,[1] Hertzes and Chernovs obtain their "critical" arguments.

"At that time," says Kautsky, concerning Eugen Richter's "celebrated" pamphlet, "Eugen Richter was ridiculed by all Social-Democrats. And now among the latter are persons who, in our central organ [this, I think, refers to David's articles in the *Vorwärts*], sing hymns of praise to a work in which these very ideas are reproduced: Hertz, we extol thy deeds!"

"For poor Eugen, in the decline of his years, this is indeed a triumph, and I cannot refrain from quoting for his pleasure the following passage taken from the very same page in Hertz's book: 'We see that the small peasants, the urban house-owners, and especially the big farmers, are expropriated by the lower and middle classes; and the bulk of these undoubtedly consist of the rural population.' [Hertz, S. 29. Retold with rapture in *Russkoye Bogatstvo*, No. 10, pp. 216-17.] David's theory about 'hollowing out' [*Aushöhlung*] capitalism by collective wage agreements [*Tarifgemeinschaften*] and consumers' co-operative societies is now excelled. It pales into insignificance before Hertz's expropriation of the expropriators by means of savings banks. Thrifty Agnes, whom everybody had considered dead, has come to life again." (Kautsky, *op. cit.*, S. 475.)

And the Russian "critics," together with the publicists of *Russkoye Bogatstvo*, hasten to transplant this resurrected "thrifty Agnes" to Russian soil in order to discredit "orthodox" Social-Democracy.

And this Mr. V. Chernov, who splutters with enthusiasm over Hertz's repetition of Eugen Richter's arguments, "flattens out" Kautsky in the pages of *Russkoye Bogatstvo* and in the symposium, *Na Slavnom Postu*, compiled in honour of Mr. N. Mikhailovsky. It would be unfair not to quote a few of the gems of this tirade.

"Kautsky, again following Marx," writes Mr. Chernov, *Russkoye Bogatstvo*, No. 8, p. 229, "admits that the progress of capitalist agriculture leads to the soil becoming poorer in nutritive materials: in the shape of various products, something is continually being taken from the land, sent to the towns and never restored to the land. . . . As you see, on the question of the laws of the fertility of the soil, Kautsky helplessly [*sic!*] repeats the words of Marx, who bases himself upon the theory of Liebig. But when Marx wrote his first volume, Liebig's 'law of restoration' was the last word in agronomics. Half a century has elapsed since that discovery was made. A complete revolution has taken place in our knowledge of the laws governing the fertility of the soil. And what do we see? The whole post-Liebig period, all the subsequent discoveries of Pasteur and Wille, Solari's experiments with nitrates,

[1] In *Nachalo*, and in German, in *Brauns Archiv*, Mr. Bulgakov used this very same argument against Kautsky in connection with mortgages.

the discoveries of Berthelot, Hellriegel, Wilfarth and Vinogradsky in the domain of the bacteriology of the soil—all this is beyond Kautsky's ken. . . ."

Dear Mr. Chernov! How wonderfully he resembles Turgenev's Voroshilov: you remember him in *Smoke*, the young Russian *privat-docent* who went on a tour abroad. This Voroshilov was a very taciturn young man; but now and again he would pour out a stream of scores and hundreds of names of celebrated scientists. Our learned Mr. Chernov, who has utterly destroyed that ignoramus Kautsky, behaves in exactly the same way. Only . . . but had we not better refer to Kautsky's book? Had we not better glance at least at its chapter headings? We come to Chapter IV: "Modern Agriculture," section d) "Fertilisers, *Bacteria*." We turn to section d), and we read:

"In the second half of the last decade the discovery was made that siliquose plants, unlike other cultivated plants, obtain nearly the whole of their supply of nitrates not from the soil, but from the air, and that they not only do not rob the soil of nitrates, but enrich it with them. But they possess this property only when the soil contains certain micro-organisms which adhere to their roots. Where these micro-organisms do not exist, it is possible by means of certain injections to give these siliquose plants the property of converting soil poor in nitrates into soil rich in nitrates, and in this way to fertilise this soil to a certain extent for other crops. As a general rule, by injecting bacteria into these siliquose plants and by using a suitable mineral fertiliser (phosphoric acid salts and potash fertilisers), it is possible constantly to obtain the highest yields from the soil even without manure. Only thanks to this discovery has 'free farming' acquired a really firm basis." (Kautsky, *op. cit.*, S. 51-52.)

Who gave a scientific basis to the remarkable discovery of bacteria which collect nitrates? Hellriegel. . . .

Kautsky's fault lies in that he has the bad habit (possessed by many narrow, orthodox Marxists) of never forgetting that members of a militant socialist party must in their scientific works keep the working-class reader in mind, must strive to write *simply*, without employing unnecessary clever turns of phrase and those outer symptoms of "erudition" which so captivate the decadent and acknowledged representatives of official science. And in this work, too, Kautsky preferred to relate in a clear and simple manner the latest discoveries in agronomics and to leave out scientific names, which mean nothing to nine-tenths of the public. The Voroshilovs,

however, act in precisely the opposite manner: they prefer to pour out a whole stream of scientific names in the domain of agronomics, political economy, critical philosophy, etc., and thus obscure essentials by this scientific lumber.

For example, Voroshilov-Chernov, by his slanderous accusation that Kautsky is not acquainted with scientific names and scientific discoveries, obscured an extremely interesting and instructive episode in fashionable criticism, namely, the attack made by bourgeois economists upon the socialist idea of abolishing the antithesis between town and country. Prof. Lujo Brentano asserts, for example, that migration from the country to the towns is not caused by the given social conditions, but by *natural necessity*, by the law of diminishing returns.[1] Mr. Bulgakov, following in the footsteps of his teacher, already in *Nachalo* (March 1899, p. 29) proclaimed the idea that the antithesis between town and country could be

[1] *Cf.* Kautsky's article "*Tolstoy und Brentano*," in *Neue Zeit*, XIX, 2, 1900-01, No. 27: Kautsky compares modern scientific socialism with the doctrines of Leo Tolstoy—who has always been a profound observer and critic of the bourgeois system notwithstanding the reactionary naiveté of his theories—and bourgeois economics, whose "star," Brentano (the teacher, as is well known, of Messrs. Struve, Bulgakov, Hertz *e tutti quanti*), reveals the most incredible muddle-headedness in confusing the phenomena of nature with social phenomena, in confusing the concepts productivity and profit, value and price, etc. "This is not so characteristic of Brentano personally," Kautsky says justly, "as of the *school* to which he belongs. The *historical school* of bourgeois economics, in its modern form, regards a striving towards an integral conception of the social mechanism as being a superseded standpoint [*überwundener Standpunkt*]. According to this view, economic science must not investigate social laws and combine them into an integral system, but must confine itself to the formal description of separate social facts of the past and the present. Thus, it accustoms one to deal merely with the superficial aspects of phenomena; and when a representative of this school, nevertheless, succumbs to the temptation to examine the more profound causes of phenomena, he proves to be totally unable to keep his bearings and wanders helplessly round and round. Even in our party a striving has been observed for some time to substitute for the Marxian theory, not some other theory, but that absence of all theory [*Theorielosigkeit*] which distinguishes the historical school—a striving to reduce the theoretician to the position of a mere reporter. To those who desire, not simply an aimless leaping [*Fortwurschteln*] from case to case, but an integral, energetic movement towards a great goal, the Brentano confusion which we have exposed must serve as a warning against the present methods of the historical school." (S. 25.)

abolished to be "an absolute fantasy," which would "cause an agronomist to smile." Hertz in his book writes:

"The abolition of the distinction between town and country is, it is true, the principal striving of the old Utopians (and even of the *Manifesto*[1])—nevertheless, we do not believe that a social system which contains all the conditions necessary for directing human culture to the highest aims achievable would really abolish such great centres of energy and culture as the big cities and, to soothe offended æsthetic sentiments, abandon these abundant depositories of science and art, without which progress is impossible." (S. 76.)

The Russian translator, on p. 182, translated the word "*potenziert*"[2] as "potential." These Russian translations are an awful nuisance. On page 270, the same translator translates the sentence: "*Wer ißt zuletzt das Schwein?*"[3] as "Who, after all, is a pig?"

As you see, Hertz defends the bourgeois system from socialist "fantasies" with phrases which express the "fight for idealism" no less than the writings of Messrs. Struve and Berdyaev! But his defence is not in the least strengthened by this turgid, idealistic phrasemongering.

The Social-Democrats have proved that they appreciate the historical services of the great centres of energy and culture by their relentless struggle against all that ties the population generally, and the peasants and agricultural labourers in particular, to one place. This is why no agrarian can catch them, as he can the critics, with the bait of providing the "muzhik" with winter "employment." The fact that we definitely recognise the progressive character of big cities in capitalist society, however, does not in the least prevent us from including in our ideals (and in our programme of action, for we leave impracticable ideals to Messrs. Struve and Berdyaev) the abolition of the antithesis between town and country. It is not true to say that this is tantamount to abandoning the depositories of science and art. Quite the opposite: this is necessary in order that these depositories may be *opened up to the whole of the people*, in order to abolish the isolation from culture of millions of the rural population which Marx aptly described as "the idiocy of rural life." And at the present time,

[1] *I.e., The Communist Manifesto*, by Marx and Engels.—*Ed. Eng. ed.*
[2] Raised to a power, abundant.—*Ed.*
[3] Who, after all, eats the pork?—*Ed.*

when it is possible to transmit electricity over long distances, when the technique of transport has been so greatly improved that it is possible at less cost (than at present) to carry passengers at a speed of more than 200 versts an hour,[1] there are absolutely no technical obstacles to the enjoyment of the depositories of science and art—which for centuries have been concentrated in a few centres—by the whole of the population spread more or less evenly over the whole country.

And if there is nothing to prevent the abolition of the antithesis between town and country (and of course it must not be imagined that it will be abolished by a single act; it will be the result of a series of measures), it is not an "æsthetic sentiment" alone that demands that it be done. In the big cities people wallow in their own excrement, to use Engels' expression, and periodically all those who can flee from the cities in search of fresh air and pure water. Industry is also spreading over the country, for it, too, requires pure water. The exploitation of waterfalls, canals and rivers for the purpose of obtaining electricity will give a fresh impetus to this "spreading out of industry." Finally—last, but not least—the rational utilisation of city refuse in general, and human excrement, in particular, which is so essential for agriculture, also calls for the abolition of the antithesis between town and country. And it is against this point in the theory of Marx and Engels that Messrs. the critics decided to direct their agronomical arguments (Messrs. the critics preferred to refrain from fully analysing the theory, which is dealt with on this question in particularly great detail in Engels' *Anti-Dühring*, and, as they always do, restricted themselves simply to paraphrasing fragments of the thoughts of a Brentano). Their line of reasoning is as follows: Liebig proved that it is necessary to restore to the soil as much as is taken from it. He was therefore of the opinion that throwing city refuse into the sea and rivers was a stupid and barbarous waste of materials essential for agriculture. Kautsky agrees with Liebig's theory. *But* modern agronomics has proved that it is quite possible to restore the productive

[1] The proposal to construct such a road between Manchester and Liverpool was rejected by Parliament only because of the selfish opposition of the big railway magnates, who feared that the old companies would be ruined.

power of the soil without the use of stable manure by means of artificial fertilisers, by the injection of certain bacteria into siliquose plants which collect nitrates, etc. *Consequently*, Kautsky, and all these "orthodox" people, are simply out of date.

Consequently—we reply—Messrs. the critics here, too, make one of their innumerable and endless *distortions*. After explaining Liebig's theory, Kautsky *immediately* showed that modern agronomics have proved that it is quite possible "to dispense altogether with stable manure" (*Agrarfrage*, S. 50; *cf.* passage quoted above), but added that this was merely a *palliative* compared with the waste of human excrement entailed by the present system of city drainage. Now, if the critics were at all capable of discussing the essential points of the question, this is the point they should have disproved; they should have shown that it is not a palliative. But they did not even think of doing so. Needless to say, the possibility of substituting artificial manures for natural manures and the fact that this is already being done (*partly*) do not in the least refute the fact that it is irrational to waste natural fertilisers, and in doing so pollute the rivers and the air in suburban and factory districts. Even at the present time there are sewage farms in the vicinity of large cities which utilise city refuse with enormous benefit for agriculture; but by this system only an infinitesimal part of the refuse is utilised. Artificial fertilisers—says Kautsky, on page 211 of his book, in reply to the objection that modern agronomics have refuted the argument that the cities agronomically exploit the countryside, with which Messrs. the critics present him as something new—"render it possible to avoid the diminution of the fertility of the soil; but the fact that it is necessary to employ these artificial manures to an increasing extent merely indicates still another of those numerous burdens which agriculture has to bear, which *are by no means a natural necessity, but a product of existing social relations*."[1]

The words we have emphasised represent the "crux" of the question which the critics so zealously obscure. Writers who, like

[1] It goes without saying—continues Kautsky—that artificial fertilisers will not disappear with the fall of capitalism; but they will enrich the soil with special materials and not fulfil the *whole task* of restoring the fertility of the soil.

Mr. Bulgakov, try to scare the proletariat with the bogey of the "grain question" being more terrible and important than the social question, who are enthusiastic over birth control and argue that the "regulation of the increase of the population" is becoming "the fundamental [*sic*!] economic condition" for the prosperity of the peasantry (Part II, p. 261); that this regulation is worthy of "respect," and that "much hypocritical indignation [is it only hypocritical and not legitimate indignation against the present social system?] is roused among sentimental [!?] moralists by the increase in births among the peasant population, as if unrestrained lust [*sic*!] were in itself a virtue" (*ibid.*)—such writers must naturally and inevitably strive to obscure the *capitalist* obstacles to agricultural progress, to throw the whole blame for everything upon the natural "law of diminishing returns," and to present the idea of abolishing the antithesis between town and country as being an "absolute fantasy." But what boundless frivolity the Messrs. Chernov betray when they repeat such arguments and at the same time reproach the critics of Marxism for "lacking principles and for being eclectics and opportunists"?! (*Russkoye Bogatstvo*, No. 11, p. 246.) Can a more comical sight be imagined than that of Mr. Chernov reproving others for their lack of principles and for their opportunism?

All the other critical exploits of our Voroshilov are exactly like the one we have just examined.

When Voroshilov asserts that Kautsky fails to understand the difference between capitalist credit and usury; that he betrays a complete failure, or unwillingness, to understand Marx when he says that the peasantry fulfil the functions of entrepreneurs and, as such, occupy in relation to the proletariat the same place as that occupied by the factory owner; and when, while saying all this, Voroshilov, beating his breast, cries out: "I say this boldly because I feel [*sic*!] the ground firmly under my feet" (*Na Slavnom Postu*, p. 169)—keep calm: Voroshilov is again hopelessly confusing things and boasting as usual. He has "failed to observe" the passages in Kautsky's book which deal with usury as such (*Agrarfrage*, S. 11, 102-04, and especially 118, 290-92), and tries with all his might to force an open door, shouting as usual about Kautsky's

"doctrinaire formalism," "moral hard-heartedness," "mockery at human sufferings," etc. In regard to the peasant fulfilling the functions of the entrepreneur, apparently this astonishingly complicated idea is beyond Voroshilov's comprehension. In the next essay, however, we shall try to explain this to him with the most concrete examples.

When Voroshilov wants to prove that he is a real representative of the "interests of labour," and abuses Kautsky for "driving from the ranks of the proletariat numerous genuine workers" (*op. cit.*, p. 167) such as the *lumpenproletariat*, domestic servants, handicraftsmen, etc.— then know that Voroshilov is mixing things up again. Kautsky here examines the features which distinguish the "modern proletariat" which created the modern "Social-Democratic proletarian movement" (*Agrarfrage*, S. 306), but so far the Voroshilovs have produced nothing to show that tramps, handicraftsmen and domestic servants created the Social-Democratic movement. The reproach hurled at Kautsky that he is capable of "driving" domestic servants (who in Germany are now beginning to join the movement), handicraftsmen, etc., from the ranks of the proletariat merely exposes to the full the impudence of the Voroshilovs, whose willingness to display friendship for the "genuine workers" is all the greater the less the practical significance of such phrases and the less the danger of attacking *Part II* of the *Agrarfrage*, which has been suppressed by the Russian censorship. We can quote still another gem to illustrate their impudence: In praising Mr. N—on and Mr. Kablukov—completely ignoring the Marxian criticism directed against them—Mr. Chernov with pretended naiveté asks: To whom do the German Social-Democrats refer when they speak of their Russian "comrades"? If, reader, you cannot believe that such questions are asked in *Russkoye Bogatstvo*, turn to No. 7, p. 166, and see for yourself.

When Voroshilov asserts that Engels' "prediction" that the Belgian labour movement will prove barren owing to the influence of Proudhon "has been proved false," then know that Voroshilov, self-assured in his, so to speak, "irresponsibility," is again distorting facts. Here are his words:

"It is not surprising that Belgium has never been orthodox Marxian, and it is not surprising that Engels, being displeased with her for that reason, predicted that the Belgian movement, owing to the influence of 'Proudhonist principles,' would pass *'von nichts durch nichts zu nichts.'*[1] Alas, this prediction has proved false, and the breadth and the many-sidedness of the Belgian movement enables it to serve as a model from which many 'orthodox' countries are learning a great deal." (*Russkoye Bogatstvo,* No. 10, p. 234.)

The facts are as follows: In 1872 (seventy-two!), Engels was engaged in a controversy in the columns of the Social-Democratic paper *Volksstaat* with the German Proudhonist Mühlberger, and in objecting to the exaggerated importance attached to Proudhonism, he wrote:

"The only country in which the labour movement is directly influenced by Proudhonist 'principles' is Belgium, and precisely for that reason the Belgian labour movement is proceeding, to use Hegel's expression, 'from nothing, through nothing, to nothing.' "[2]

Thus, it is *positively untrue* to say that Engels "predicted" or "prophesied" anything. He merely spoke about *the facts as they were, i.e.,* the situation that existed in 1872. And it is an undoubted historical fact that *at that time* the Belgian movement was marking time, precisely because of the predominance of Proudhonism, whose leaders were opposed to collectivism and repudiated independent proletarian political action. Only in 1879 was a Belgian Socialist Party formed; and only from that time onwards was a campaign conducted for universal suffrage—which marked the victory of Marxism over Proudhonism (the recognition of the political struggle of the proletariat organised in an independent class party) and the beginning of the pronounced successes of the movement.

In its present programme the Belgian Labour Party has adopted *all* the fundamental ideas of Marxism (apart from certain minor points). In 1887, in a preface to the second edition of his articles on the housing question, Engels laid special emphasis on the "gigantic progress made by the international working-class movement during the past 14 years." This progress, he says, is largely due to the

[1] "From nothing, through nothing, to nothing."—*Ed.*

[2] *Cf.* the pamphlet *Zur Wohnungsfrage* [*The Housing Question—Ed.*], Zurich 1887, in which Engels' articles against Mühlberger, written in 1872, are reproduced together with his introduction dated January 10, 1887. The passage quoted will be found on p. 56.

elimination of Proudhonism, which *at that time* predominated and which *now* has been almost forgotten.

"In Belgium," Engels observes, "the Flemish have ousted the Walloons from the leadership of the movement, deposed [*abgesetzt*] Proudhonism, and greatly raised the level of the movement." (Preface, p. 4, of the same pamphlet.)

How truly *Russkoye Bogatstvo* describes the facts, does it not?

When Voroshilov . . . but enough! Of course, we cannot hope to keep up with this legal journal, which is able with impunity, month after month, to pour out a flood of lies about "orthodox" Marxism.

V

"The Prosperity of Advanced, Modern, Small Farms"

The Baden Example

Details, details! cries Mr. Bulgakov in *Nachalo* (No. 1, pp. 7 and 13); and this cry is repeated a hundred times in a hundred different sharps and flats by all the "critics."

Very well, gentlemen, let us examine the details.

It was absolutely absurd of you to hurl this cry against Kautsky, because the principal task of his scientific investigation of the agrarian question, which is encumbered with an infinite number of disconnected details, was to present a general picture of the development of the whole of the modern agrarian system. Your cry was intended merely to conceal your lack of scientific principle and your opportunistic dread of any integral and thought-out philosophy. Had you not read Kautsky's book in the manner of a Voroshilov, you would have been able to obtain from it a mass of information about how to handle detailed statistics and how to analyse them. And we shall prove in a moment by the *examples you yourselves select* that you are unable to handle detailed statistics.

In his article entitled "Peasant Barbarians," directed against Kautsky and published in Messrs. Voroshilov's magazine, *Sozialis-*

tische (??) *Monatshefte*[1] (III. Jahrg., 1899, Heft 2), E. David triumphantly refers to "one of the most *thorough and interesting monographs*" on peasant farming that has appeared recently, namely, that of Moritz Hecht, entitled *Drei Dörfer der badischen Hard*[2] (Leipzig, 1895). Hertz clutched at this reference, and following David, quoted several figures from this "excellent work" (S. 68), and "strongly recommended" (S. 69) the perusal of the original, or of the extracts from it quoted by David. Mr. Chernov, in *Russkoye Bogatstvo*, hastened to repeat what both David and Hertz had written, and contrasted Kautsky's statements with Hecht's "striking pictures of the prosperity of advanced, modern, small farms." (No. 8, pp. 206-09.)

Let us turn to Hecht.

Hecht describes three Baden villages situated from four to fourteen kilometres from Karlsruhe: Hagsfeld, Blankenloch and Friedrichsthal. Notwithstanding the smallness of the allotments worked by each farmer, from one to three hectares, the peasants are living prosperously and decently and collect an extremely large yield from their land. David (followed by Chernov) compares this yield with the average yield for the whole of Germany (in double centners per hectare: potatoes, 150 to 160 in the villages mentioned, and 87.8 general average; rye and wheat, 20 to 23 and 10 to 13 respectively; hay, 50 to 60 and 28.6 respectively), and exclaims: What do you think of this as an example of "backward small peasants"! In the first place, we reply, in so far as no comparison is made between small and large farming conducted under the same conditions, it is ridiculous to use this as an argument against Kautsky. It is still more ridiculous when this very Mr. Chernov, who on page 229 of No. 8 of *Russkoye Bogatstvo* asserts that "Kautsky's rudimentary view [regarding the agronomic exploitation of the country by the towns] even exaggerates the shady aspects of capitalism," quotes on page 209 of the same issue, as an argument *against Kautsky*, an example in which this capitalist obstacle to the progress of agriculture is *eliminated* by the fact that the villages he selects are situated close to the towns. While the overwhelming majority of

[1] *Socialist Monthly.—Ed.*
[2] *Three Villages in the Hard of Baden.—Ed.*

the agricultural population lose an enormous quantity of natural fertilisers as a result of the depopulation of the rural districts by capitalism and the concentration of the population in the cities, an insignificant minority of suburban peasants obtain special benefits from their situation, and become rich at the expense of the masses. It is not surprising that the yield in the villages described is so high, considering that they obtain manure from the military stables in the three neighbouring garrison towns (Karlsruhe, Bruchsal and Durlach) and liquid refuse from the urban sewers amounting to 41,000 marks per annum (Hecht, S. 65); artificial manures are purchased only to the amount of 7,000 marks per annum.[1] To attempt to refute the technical superiority of large-scale farming over small farming by quoting examples of small farms situated in such conditions means merely to expose one's impotence. Secondly, to what extent do these examples really represent "real small peasants," *echte und rechte Kleinbauern*, as David says, and as Hertz and Chernov repeat after him? They mention *only* the area of the farms, and in this way prove only their inability to handle detailed statistics. As everyone knows, a hectare of land to a suburban peasant is equal to ten hectares to a peasant living in a remote district; moreover, the *type* of farms that are adjacent to towns differs extremely from the type in more remote districts. For example, the price of land in Friedrichsthal, the suburban village which has the least land, but which is the most prosperous, ranges from 9,000 to 10,000 marks, *i.e., five times* higher than the average price of land in Baden (1,938 marks), and *twenty times* higher than the price of land in remote districts in East Prussia. Consequently,

[1] Incidentally, Mr. Chernov assures the readers of *Russkoye Bogatstvo* that there is "hardly any noticeable difference" in *the size of the farms* in these villages. But if the demand for details is not an empty phrase on his lips, he cannot forget that for these suburban peasants the quantity of land is of much less importance than the quantity of fertilisers used; and in this respect the difference is extremely marked. The highest yields per hectare are obtained, and the peasants are most prosperous, in the village of Friedrichsthal, although the farms in that village are the smallest. Out of a total of 48,000 marks spent on fertilisers, this village spends 28,000 marks, which, with an area of 258 hectares of land, represents 108 marks per hectare. Hagsfeld spends only 30 marks per hectare (12,000 marks for 397 hectares), and Blankenloch spends only 11 marks per hectare (8,000 marks for 736 hectares).

judged by size of output (the only exact index of the size of a farm), these are by no means "small" peasants. In regard to the *type* of farm, we see here a remarkably high stage of development of the *money* system and the *specialisation* of agriculture, which is particularly emphasised by Hecht. They cultivate tobacco (15 per cent of the area under cultivation in Friedrichsthal) and high grades of potatoes (used partly for seed and partly for the table of the "gentry"—Hecht, S. 17—in Karlsruhe); they sell milk, butter, suckling pigs and pigs to the city, and themselves buy grain and hay. Agriculture here has assumed a completely commercial character, and the suburban peasant is the purest type of *petty bourgeois*; so that had Mr. Chernov really made himself familiar with the details which he borrows from others he might have made some approach to understanding what this, to him mysterious, category, "petty-bourgeois" peasant, is. (*Cf. Russkoye Bogatstvo*, No. 7, p. 163.) It is extremely curious that both Hertz and Mr. Chernov, while declaring that they are totally unable to understand how the peasant fulfils the functions of an entrepreneur, how he is able to function at one moment as a worker and at another as an entrepreneur, refer to the detailed investigation of an author who bluntly says:

"The peasant of the eighteenth century, with his eight to ten hectares of land, was a peasant [*"was* a peasant," Mr. Chernov!] and a manual labourer; the dwarf peasant of the nineteenth century, with his one or two hectares of land, is a brain worker, an entrepreneur and a merchant." (Hecht, S. 69; compare with S. 12: "The farmer has become a *merchant* and an *entrepreneur*." Hecht's italics.)

Well, have not Hertz and Mr. Chernov "flattened out" Kautsky in the Voroshilov manner for mixing up the peasant with the entrepreneur?

The most pronounced symptom of being an "entrepreneur" is the employment of wage labour. And it is highly characteristic that not one of the quasi-socialists who referred to Hecht's work *uttered a single word* about this fact. Hecht, a typical *Kleinbürger* of the most respectable type, who waxes enthusiastic over the piety of the peasants and the "paternal solicitude" shown for them by the officials of the Grand Duchy, in general, and over the "important"

measure they have adopted of establishing cookery schools, in particular, naturally tries to obscure these facts and to show that no "social gulf" separates the rich from the poor, the peasant from the agricultural labourer, or the peasant from the factory worker.

"No agricultural *day labourer* class exists," writes Hecht. "The majority of the peasants are able to cultivate their allotments themselves, with the help of their families; only a few in these three villages experience the need for outside help during the harvest or threshing time; such families 'invite' [*'bitten'*], to use the local expression, certain men and women, who would never dream of calling themselves 'day labourers,' to help them." (S. 31.)

There is nothing surprising in the fact that only a few farmers in the three villages mentioned hire day labourers, because many "farmers," as we shall see, are factory workers. What proportion of pure farmers employ hired labour Hecht does not say; he prefers to pack his dissertation for a doctor's degree, which is devoted only to three villages (of one of which he himself is a native), not with exact statistics concerning the various categories of peasants, but with reflections on the high moral significance of diligence and thrift. (Notwithstanding this, perhaps because of it, Hertz and David praise Hecht's work to the skies.) All we learn is that the wages of day labourers are lowest in the most prosperous and purely agricultural village, Friedrichsthal, which is farthest away from Karlsruhe (14 kilometres). In Friedrichsthal, a day labourer gets two marks per day, paying for his keep, while in Hagsfeld (4 kilometres from Karlsruhe and inhabited by factory workers), the wages of a day labourer are three marks per day. Such is one of the conditions of the "prosperity" of the "real small peasants" so much admired by the critics.

"In these three villages," Hecht informs us, "purely patriarchal relations still exist between the masters and their *servants* [*Gesinde* in German means both domestic servant and labourer]. The 'master,' *i.e.*, the peasant with 3 to 4 hectares of land, addresses his men or women labourers as 'thou' and calls them by their Christian names; they call the peasant 'uncle' [*Vetter*] and the peasant's wife 'auntie' [*Base*], and address them as 'you.' . . . The labourers eat at the same table with the family and are regarded as members of the family." (S. 93.)

Our "most thorough" Hecht is silent about the extent to which hired labour is employed on the tobacco plantations, which are so

widely developed in that district and which require a particularly large number of labourers. But since he has said at least something about wage labour, even this very respectable little bourgeois must be regarded as being much better able to handle the "details" of an investigation than the Voroshilovs of "critical" socialism.

Thirdly, Hecht's investigation was used to refute the fact that the peasantry suffered from overwork and underfeeding. Here, too, however, it turns out that the critics preferred to *ignore* facts of this kind *mentioned* by Hecht. They cleverly utilised the term "middle" peasant, which the Russian Narodniki and the West-European bourgeois economists use so extensively in order to present the conditions of the "peasantry" in a favourable light. Speaking "generally," the peasants in the three villages mentioned are very prosperous. But even from Hecht's not very thorough monograph it is apparent that the peasants must be divided into three large groups. About one-quarter (or 30 per cent) of the farmers (the majority in Friedrichsthal and a few in Blankenloch) are prosperous petty bourgeois, who have grown rich as a result of their proximity to the capital, who engage in remunerative dairy farming (they sell from 10 to 20 litres of milk per day) and tobacco-growing (one example: gross earnings 1,825 marks from 1.05 hectares of land under tobacco), fatten pigs for sale (in Friedrichsthal 1,140 inhabitants keep 497 pigs, in Blankenloch 1,684 inhabitants keep 445 pigs, and in Hagsfeld 1,273 inhabitants keep 220 pigs), etc. This minority (who alone possess all the features of "prosperity" so much admired by the critics) without a doubt employ hired labour fairly frequently. In the next group, to which the majority of farmers in Blankenloch belong, the state of prosperity is very much lower; less fertilisers are used; the yield is lower; there is less livestock (in Friedrichsthal, the number of livestock in equivalents of oxen is 599 head on 258 hectares; in Blankenloch, 842 head on 736 hectares; and in Hagsfeld, 324 head on 397 hectares); "parlours" are more rarely seen in the houses; meat is not eaten every day; and among many families is observed (what is so familiar to us Russians) the practice of selling grain in the autumn—when they are hard pressed

for money—and buying grain again in the spring.[1] In this group, the centre of gravity is constantly shifting *from agriculture to industry*, and already 103 Blankenloch peasants are employed as factory workers in Karlsruhe. These latter, together with almost the whole of the inhabitants of Hagsfeld, form the third category (forty to fifty per cent of the total number of farms). In this category, agriculture is a subsidiary occupation in which mostly women are engaged. The standard of living is higher than in Blankenloch (the result of the influence of the capital city), but poverty is already strongly felt, nevertheless. They sell their milk and for themselves purchase "cheaper margarine." (S. 24.) The number of goats kept is rapidly increasing: from nine in 1855 to ninety-three in 1893.

"This increase," writes Hecht, "can be explained only by the disappearance of farms that are strictly speaking peasant farms, and the dissolution [*Auflösung*] of the peasant class into a class of rural factory workers possessing extremely parcellised allotments." (S. 27.)

In parenthesis it should be said that between 1882 and 1895 the number of goats in Germany increased enormously: from 2,400,000 to 3,100,000, which clearly reveals the reverse side of the progress of the "sturdy peasantry" which the Messrs. Bulgakov and the petty-bourgeois socialist "critics" laud to the skies. The majority of the workers walk three and a half kilometres every day to their factory in the town, because they cannot afford to spend even one mark per week on railway fares. Nearly 150 workers out of the 300 in Hagsfeld find it even too dear to pay 40 or 50 pfennig for dinner in the "popular dining-room," and have their dinners brought to them from home.

"Punctually at eleven o'clock in the morning," writes Hecht, "the poor womenfolk put the dinners in their baskets and carry them to the factory." (S. 79.)

[1] In passing, Hecht explains the economic backwardness of Blankenloch by the predominance of natural economy and the *existence of common lands*, as a result of which every person on reaching the age of 32 is guaranteed a strip of land (*Almendgut*) of 36 ares [one are=.01 hectares—*Ed.*], irrespective of whether he is "lazy or diligent, thrifty or otherwise." (S. 30.) Hecht, for all that, is opposed to dividing up the common lands. This, he says, is a sort of public charity institution (*Altersversorgung*) for aged factory workers, whose numbers are increasing in Blankenloch.

The working women are also employed in the factory ten hours per day, and all they receive for this is from 1.10 to 1.50 marks (the men receive 2.50 to 2.70 marks); at piece work they earn 1.70 to 2.00 marks.

"Some of the working women try to supplement their meagre wages by some subsidiary employment. In Blankenloch four girls are employed in the paper mill in Karlsruhe, and after the day's work they take paper home to make paper bags at night. Working from eight p.m. to eleven p.m. [*sic!*] they can make 300 bags, for which they receive from forty-five to fifty pfennigs, and this goes to supplement their small daily earnings so as to pay their railway fares to and from work. In Hagsfeld, several women who worked in factories when they were girls earn extra money by polishing silver goods on winter evenings. [S. 36.] The Hagsfeld worker [says Hecht affectedly] has a permanent residence not by imperial order, but as a result of his own efforts; he has a little house which he is not compelled to share with others, and a small plot of land. But more important than these real possessions is the consciousness that they have been acquired by his own diligence. The Hagsfeld worker is both a factory worker and a peasant. Those who have no land of their own rent at least a few strips in order to supplement their income by *working in their spare time*. In the summer, when work in the factory starts 'only' ['only'!] at seven o'clock, the worker rises at four in order to hoe potatoes in his field, or to carry fodder to the cattle. Or when he returns from work at seven in the evening, what is he to do, particularly in the summer? Well, he works for an hour or an hour and a half in his field; he does not want a high rent from his land—he merely desires to make full use [*sic!*] of his labour power. . . ."

Hecht says much more in a similarly pious strain and concludes his book with the words:

"The dwarf peasant and the factory worker have both [*sic!*] raised themselves to the position of the middle class, not as a result of artificial and coercive measures, but as a result of their own diligence, their own energy and the higher morality in which they have trained themselves.[1]

"The three villages of the Baden Hard now represent one *great and broad middle class.*" (Hecht's italics.)

[1] Hecht says very much more about this "higher morality," and no less than Mr. Bulgakov admires their "sober marital policy," their "iron diligence," "thrift," and "temperance"; he even quotes a "well-known peasant proverb": *Man sieht nicht auf die Goschen (d. h. Mund), sondern auf die Groschen,* which freely translated means: We don't work so much for our mouths as for our pockets. We suggest that our readers compare this proverb with the "doctrine" of the Kiev professor Bulgakov: that peasant farming (since it seeks neither rent nor profit) is "the most advantageous form of organisation of agriculture that society [*sic!*] can have." (Bulgakov, Part I, p. 154.)

There is nothing astonishing in the fact that Hecht writes in this strain, for he is an ordinary bourgeois apologist. But what name do those people deserve who, to deceive others, call themselves socialists, who paint reality in still brighter colours than Hecht does, point to the prosperity of a bourgeois minority as general progress, and conceal the proletarianisation of the majority by means of old shibboleths like: "combining agriculture with industry"?

VI

The Productivity of Small and Large Farms

An Example from East Prussia

We shall transport ourselves for a change from distant South Germany to East Prussia, nearer to Russia. We have before us a highly instructive and *detailed* investigation which Mr. Bulgakov, who cries so loudly for details, has been unable to make use of.

"A comparison of the figures concerning the real productivity of large-scale and small farming," writes Mr. Bulgakov, "cannot provide an answer to the question of their technical advantages, because the farms compared may be situated in different economic conditions. The most that can be obtained from these figures is the practical confirmation of the negative conclusion that large-scale production possesses no technical advantages over small production, not only theoretically, but, under certain conditions, also practically. Not a few comparisons of this kind have been made in economic literature, at all events sufficient to undermine the belief of the unbiased and unprejudiced reader in the advantages of large-scale production generally." (Part I, p. 58.)

In a footnote he quotes two examples. The first is the very book by Auhagen quoted by Kautsky in his *Agrarfrage* (S. 111) and also by Hertz (S. 69), in which a comparison is made only between two farms in Hanover, one of 4.6 hectares and one of 26.5 hectares. In this example, the small farm has a higher yield per hectare than the big one; and Auhagen calculated that the income of the small farm is higher than that of the big farm. Kautsky, however, has shown that this higher income is the result of *under-consumption*. Hertz attempted to refute this, but with his usual success. As Hertz's

book is now translated into Russian, and Kautsky's reply to Hertz is unknown in Russia, we shall, in a few words, give the substance of this reply (in the article in *Neue Zeit* mentioned above). . . . As usual, Hertz distorts Kautsky's arguments and alleges that he refers only to the fact that the owner of the big farm is able to send his son to college. As a matter of fact, Kautsky mentioned this merely to illustrate the standard of living, and had Hertz quoted *the budgets* of the two families in question (each consisting of five persons) *in full*, he would have obtained the following figures: 1,158.40 marks for the small farm and 2,739.25 marks for the big farm. If the family of the small farm lived at the *same* standard as the family of the big farm, the small farm would prove *less* profitable than the big one. Auhagen calculates the income of the small farm at 1,806 marks, *i.e.*, 5.45 per cent of the capital invested (33,651 marks), and that of the big farm at 2,720 marks, or 1.82 per cent of the capital invested (149,559 marks). Make allowance for the under-consumption of the small farmer, and you will find that his income is equal to *258 marks*, or 0.80 per cent. And this when the number of workers is disproportionately high: on the small farm there are three workers on 4.6 hectares, that is, one worker per 1.5 hectares; while on the big farm there are eleven workers on 26.5 hectares, that is, one worker per 2.4 hectares. (*Cf.* Hertz, S. 75.) We shall not dwell on the circumstance—which Kautsky so justly ridicules—that the alleged socialist Hertz compares the labour of the children of modern peasants with the gleaning of the biblical Ruth! Mr. Bulgakov restricts himself merely to quoting the figures of the yield per hectare, but *says not a word* about the respective standards of living of the small and big farmers.

"We find another example," continues our advocate of details, "in the latest researches of Karl Klawki [*Ueber Konkurrenzfähigkeit des landwirtschaftlichen Kleinbetriebs. Thiels Landwirtschaftliche Jahrbücher*, 1899, Heft 3-4.][1] His examples are taken from East Prussia. The author compares large, middle, and small farms by taking four of each kind. The peculiar feature of his comparisons lies firstly in the fact that expenditure and income are expressed in money; and secondly in that the author translates into money and places to the expenditure account the cost of labour power on the small

[1] *The Competitive Power of Small Production in Agriculture—Thiel's Agricultural Year Book*, 1899, Vols. 3-4.—*Ed.*

farms, where it is not purchased; such a method is hardly correct for our purpose [*sic*! Mr. Bulgakov forgets to add that Klawki translates into money the cost of labour on *all* the farms and from the outset values the labour on the small farms at a lower rate!]. Nevertheless we have . . . ."

And then follows a table which for the moment we shall merely summarise: The average net profit per morgen (one-fourth of a hectare) on the large farm is ten marks; on the medium farm, eighteen marks; on the small farm, twelve marks.

"Thus," concludes Mr. Bulgakov, "the highest profits are obtained on the medium farms; the next highest on the small farms; while the big farms lag behind the others."

We have purposely quoted the *whole* passage in which Mr. Bulgakov compares the big and small farms. Now let us examine Klawki's interesting work, of which 120 pages are devoted to a description of twelve typical farms existing under equal conditions, and see what it proves. First of all, we shall quote the general figures concerning these farms, and for the sake of space and clarity we shall confine ourselves to the *average* statistics concerning the large, middle and small farms (the average size of the farms in each category is 358, 50 and 5 hectares respectively).

Category of farms	Income and expenditure per morgen in marks (1 morgen = 1/4 hectare)												Expenditure per 100 marks of products		Expenditure per 100 morgen	
	Total income			Income from the sale of produce			Consumption of own produce			Total			Marks			
	Agriculture	Livestock farming	Total	Agriculture	Livestock farming	Total	Agriculture	Livestock farming	Total	Income	Expenses	Net profit	a[1]	b[2]	Hired work-days	Total work-days
Big. . . .	17	16	33	11	14	25	6	2	8	33	23	10	65	70	887	887
Medium . .	18	27	45	12	17	29	6	10	16	45	27	18	35	60	744	924
Small. . .	23	41	64	9	27	36	14	14	28	64	52	12	8	80	—	—

It would appear, therefore, that *all* Mr. Bulgakov's conclusions are wholly confirmed by Klawki's work: The smaller the farm, the

[1] Not including the labour of the farmer and his family.
[2] Including the labour of the farmer and his family.

higher the gross income and the higher even the income from sales per morgen! We think that with the methods employed by Klawki—and these methods are very widely employed, and in their main features are common to all bourgeois and petty-bourgeois economists—the superiority of small farming is proved in all or nearly all cases. Consequently, here *the essential thing*, which the Voroshilovs completely fail to see, *is to analyse these methods*, and it is for this reason that Klawki's partial researches are of such enormous general interest.

We shall start with the yields. It turns out that the yield of the great majority of cereals regularly and very considerably *diminishes* in proportion as the farms diminish in area. The yield (in centners per morgen) on the big, medium and small farms respectively is as follows: wheat 8.7, 7.3, 6.4; rye 9.9, 8.7, 7.7; barley 9.4, 7.1, 6.5; oats 8.5, 8.7, 8.0; peas 8.0, 7.7, 9.2;[1] potatoes 63, 55, 42; fodder beet 190, 156, 117. Only in flax, which the big farms do not grow at all, do the small farms (three out of the four) collect a greater yield than the medium farms (two out of the four), namely, 6.2 *stein* (18.5 pounds) as against 5.5.

What is the higher yield on the large farms due to? Klawki ascribes decisive importance to the following four causes: (1) Drainage is almost altogether absent on the small farms, and even where it exists the drain pipes are laid by the farmer himself and laid badly. (2) The small farmers do not plough their land deep enough, as their horses are weak. (3) Most often the small farmer is unable to give his cattle sufficient fodder. (4) The small farmer is in a worse position in regard to manure, his straw is shorter, a great part of the straw is used as fodder (which also means that the feed is inferior), and less straw is used for bedding the cattle-sheds.

Thus, the small farmers' cattle is weaker, of inferior quality, and kept in a worse condition. This circumstance explains the strange and striking fact that notwithstanding the higher yield per morgen on the large farms, income from agriculture per morgen, according to Klawki's calculations, is less on the big farms than on the medium and small farms. The reason for this is that Klawki

[1] These are grown only in two but of the four farms in that category. In the big and medium categories, three out of four grow peas.

does not include fodder, either in expenditure or in income. In this way, a factor which really creates an important difference between the big farms and the small farms, a difference that is not in favour of the latter, is artificially and falsely equalised. By this method of computation large-scale farming appears to be less remunerative than small farming; *for* a larger portion of the land of the big farms is devoted to the cultivation of fodder (although the big farms keep a much smaller number of cattle per unit of land), whereas the small farmers "make shift" with straw for fodder. Consequently, the "superiority" of small farming lies in that it *wastefully exploits* the land (inferior fertilisers) and the *cattle* (inferior fodder). Needless to say, such a comparison of the profitableness of different farms lacks all scientific significance.[1]

Another reason for the higher yield on big farms is that a larger number of the big farmers (and apparently, even, almost they alone) marl the soil, utilise larger quantities of artificial fertilisers (the expenditure per morgen is: 0.81 marks, 0.38 marks and 0.43 marks respectively) and *Kraftfuttermittel*[2] (in large farms two marks per morgen, and in the others nil).

"Our peasant farms," says Klawki, who includes the medium farms in the category of big peasant farms, "spend nothing on *Kraftfuttermittel*. They are very slow to adopt progressive methods, and are particularly chary of spending cash." (S. 461.)

The big farms are superior also in the method of cultivating the soil: we observe improved rotation of crops in all four of the big farms, in three of the medium farms (in one the old three-field system prevails), and only in one of the small farms (in the other three the three-field system prevails). Finally, the large farmers

[1] It must be observed that a similar false equalisation of obviously unequal quantities in small and large-scale farming is to be found not only in separate monographs, but also in the great bulk of contemporary agrarian statistics. Both French and German statistics deal with "average" live weight and "average" price per head of cattle in all categories of farms. German statistics go so far in this method as to define the gross value of the whole of the cattle in various categories of farms (differing in area). At the same time, however, the reservation is made that the presumed equal value per head of cattle in different categories of farms "does not correspond to the actual situation." (S. 35.)

[2] Concentrated feed.—*Ed.*

employ machinery to a far greater extent. It is true that Klawki himself is of the opinion that machinery is of no great consequence, but we shall not be satisfied with this "opinion"; we shall examine the statistics. The following eight kinds of machines—steam threshers, horse threshers, grain-sorting machines, sifters, seed drills, machines for scattering manure, horse-drawn raking machines, and stacking machines—are distributed among the categories of farms enumerated as follows: in the four big farms, twenty-nine (including one steam thresher); in the four medium farms, eleven (not a single steam-driven machine); and in the four small farms one machine (a horse thresher). No "opinion" of any admirer of peasant farming can compel us to believe that grain-sorting machines, seed drills, stacking machines, etc., do not affect the size of the harvest. Incidentally, we have here statistics of machines belonging to certain definite farmers, unlike the usual run of German statistics, which register only cases of the employment of machines, irrespective of whether they are owned or hired. Obviously, such a registration will also have the effect of minimising the superiority of large-scale farming and of obscuring forms of "borrowing" machines like the following described by Klawki:

"The big farmer willingly lends the small farmer his stacking machine, horse rake and grain-sorting machine, if the latter promises to supply a man to do the mowing for him in the busy season." (S. 443.)

Consequently, a certain number of the cases in which machines are employed on small farms, which, as we have shown, are rare, represent a transmuted form of acquiring labour power.

To continue. Another example of making false comparisons between obviously unequal quantities is Klawki's method of calculating the price of a product on the market as being equal for all categories of farms. Instead of taking actual transactions, the author takes as a basis his own assumptions, which he himself admits are inexact. The peasants sell most of their grain in their own locality, and merchants in small towns force down prices very considerably.

"The large estates are better situated in this respect, for they can send grain to the principal city in the province in large quantities. In doing so they usually receive 20 to 30 per cent more per centner than they could get in the small town." (S. 373.)

The big farmers are better able to assess their grain (S. 451), and sell it not by measure, as the peasants do to their disadvantage, but by weight. Similarly, the big farmers sell their cattle by weight, whereas the price of the peasants' cattle is fixed haphazardly by their appearance. The big farmers can also make better arrangements for selling their dairy products, for they can send their milk to the towns and obtain a higher price than the middle farmers, who convert their milk into butter and sell it to merchants. Moreover, the butter produced on the medium farms is superior to that produced on the small farms (the former use separators, make a fresh supply every day, etc.), and fetches from five to ten pfennigs per pound more. The small farmers have to sell their fatted cattle sooner (less mature) than the middle farmers, because they have a smaller supply of fodder. (S. 444.) Klawki, in his monograph, leaves out of his calculations all these advantages which the large farms possess as vendors—advantages which in their totality are by no means unimportant—just as the theoreticians who admire small farming leave out this *fact* and refer to the *possibilities* of co-operation. We do not wish to confuse the realities of capitalism with the possibilities of a petty-bourgeois co-operative paradise. Below we shall quote *facts* showing who really gets the most advantage out of co-operation.

We shall note also that Klawki "does not include in his calculations" the labour of the small and middle farmers themselves in draining the soil and in all kinds of repair work ("the peasants do the work themselves"), etc. The socialist calls this "advantage" enjoyed by the small farmer "*Ueberarbeit*," overwork, and the bourgeois economist refers to it as one of the advantageous ("for *society*"!) aspects of peasant farming. We shall note also that, as Klawki points out, the hired labourers get better pay and board on the medium farms than on the big farms, but they work harder: the "example" set by the farmer stimulates "greater diligence and thoroughness." (S. 465.) Which of these two capitalist masters—the landlord or "our own kind," the peasant—squeezes more work out of the labourer for the given wages, Klawki does not attempt to determine. We shall therefore confine ourselves to stating that the expenditure of the big farmers on accident and old age insurance

for their labourers amounts to 0.29 marks per morgen and that of the middle farmer to 0.13 marks (the small farmer here, too, enjoys an advantage in that he does not insure himself at all, needless to say, to the "great advantage of the society" of capitalists and landlords). We shall quote one other example from Russian agricultural capitalism. The reader who is acquainted with Shakhovskoy's book, *Migratory Agricultural Employment*, will probably remember the following characteristic observation: the muzhik farmer and the German colonists (in the South) "choose" their labourers, and pay them from 15 to 20 per cent more than do the big employers; but they squeeze out of their labourers 50 per cent more work. Shakhovskoy reported this in 1896; this year we read, in the *Torgovo-Promyshlennaya Gazeta*[1] for example, the following communication from Kakhovka:

". . . The peasants and farmers, as is the custom, paid higher wages [than those paid on the big estates], for they require the best workers and those possessing the greatest endurance." (No. 109, May 16, 1901.)

There are hardly any grounds for believing that this is characteristic only of Russia.

In the table quoted above the reader observed two methods of computation: one that takes into account the money value of the farmer's labour power, and one that leaves it out. Mr. Bulgakov considers that to include this money value "is hardly correct." Of course, an exact budget of the farmers' and labourers' expenditure, in money and in kind, would be far more correct; but since we lack this data, we are compelled to make an *approximate* estimate of the money expenditure of the family. The *manner* in which Klawki makes this approximate computation is extremely interesting. The big farmers do not work themselves, of course; they even have special managers who, for a salary, carry out all the work of direction and supervision (of four estates, three are supervised by managers and one is not. Klawki would consider it more correct to describe the latter estate, consisting of 125 hectares, as a large peasant estate). Klawki "places to the account" of the owners of two large

[1] *Commercial and Industrial Gazette.—Ed. Eng. ed.*

estates 2,000 marks per annum each "for their labour" (which on the first estate, for example, consists of travelling from the principal estate once a month and staying for a few days in order to see how the manager does his work). In the account of the farmer of 125 hectares (the first-mentioned estate consisted of 513 hectares) he "enters" only 1,900 marks for the work of the farmer himself and of his three sons. Is it not "natural" that a farmer with a smaller quantity of land should "make shift" with a smaller budget? Klawki allows the middle farmers from 1,200 to 1,716 marks for the labour of the husband and wife, and in three cases also of the children. The small farmers he allows from 800 to 1,000 marks for the work of four to five (*sic*!) persons, *i.e.*, a little more (if at all) than a labourer, who with his family earns only from 800 to 900 marks. Thus, here we observe another big step forward: first of all, a comparison was made between the obviously incomparable; now it is declared that the standard of living *must* decline with the diminishing size of the farm. But this means the recognition *a priori* of the fact that capitalism degrades the small peasants, which is supposed to have been refuted by the computations of the "net profit"!

And while the author *assumes* that the money income diminishes with the diminution in the size of the farm, there is direct data proving that consumption diminishes. The value of the home-grown products consumed per person (counting two children as one adult) is as follows: big farm, 227 marks (average of two figures); medium farm, 218 marks (average of four figures); small farm, 135 (*sic*!) marks (average of four figures). And the larger the farm, the larger is the quantity of additional food products purchased. (S. 453.) Klawki himself observes that here it is necessary to raise the question of *Unterkonsumtion* (under-consumption), which Mr. Bulgakov denied, and which here he preferred to *ignore*, thus proving that he is even more of a apologist than Klawki. Klawki strives to minimise the significance of this fact.

"Whether there is any under-consumption among the small farmers or not, we cannot say," he says, "but we think it is probable in the case of small farm IV [97 marks per head]. The fact is that the small peasants live very

thriftily [!] and sell much of what they, so to speak, save out of their mouths (*sich sozusagen vom Munde absparen*)." [1]

An attempt is made to argue that this fact does not disprove the higher "productivity" of small farming. If consumption were increased to 170 marks—which is quite adequate (for the "younger brother," but not for the capitalist farmer, as we have seen)—the figure for consumption per morgen would have to be increased and the income from sales would have to be reduced by six or seven marks. If this is subtracted (*cf.* preceding table), we shall get 29 to 30 marks, *i.e.*, a sum still larger than that obtained on the big farms (S. 453). But if we increase consumption, not to a figure taken haphazardly (and a low one at that, because "it's quite enough for him"), but to 218 marks (equal to the actual figure on the medium farms), the income from the sale of products will drop on the small farms to *20 marks* per morgen, as against 29 marks on the medium farms, and 25 marks on the big farms. That is to say, the correction of *this one error* (of the numerous errors indicated above) in Klawki's calculations destroys *all* the "advantages" of the small peasant.

But Klawki is untiring in his quest of advantages. The small peasants "combine agriculture with other occupations": three small peasants (out of four) "diligently work as day labourers and receive board in addition to their pay." (S. 435.) But the advantages of small farming are particularly marked during periods of crisis (as Russian readers have known for a long time from the numerous exercises in this subject made by the Narodniki, and now re-hashed by the Messrs. Chernov):

[1] It is interesting to note that the income from the sale of milk and butter on the big farms is equal to seven marks per morgen, on the medium farms three marks, and on the *small farms* seven marks. The point is, however, that the small peasants consume "very little butter and whole milk . . . while the inhabitants of small farm IV [on which the consumption of products produced on the farm amounts to only 97 marks per head] do not consume these things at all." (S. 450.) Let the reader compare this fact (which, by the way, has long been known to all except the "critics") with Hertz's excellent reasoning (S. 113): "But does not the peasant get anything for his milk?" "Does not the peasant eat milk-fed pork?" These utterances should be recalled more often as unexcelled examples of the most vulgar embellishment of poverty.

"During agricultural crises, and also at other times, it is the small farms that come out best; they are able to sell a relatively larger quantity of products than other categories of farms by severely cutting down domestic expenditure, which, it is true, must lead to a certain amount of under-consumption." (S. 481—Klawki's last conclusions; compare this with S. 464.) "Unfortunately, many small farms are reduced to this by the high rates of interest on loans. But in this way—although with great effort—they are able to keep on their feet and eke out a livelihood. Probably, it is precisely the great diminution in consumption that principally explains the increase in the number of small peasant farms in our locality indicated in the statistics of the Empire."

And Klawki quotes figures for the Koenigsberg District, where in the period between 1882 and 1895 the number of farms up to two hectares in area increased from 56,000 to 79,000, those from two to five hectares from 12,000 to 14,000, and those from five to twenty hectares from 16,000 to 19,000. This is in East Prussia, the very place in which Messrs. Bulgakov claim to see the "elimination" of large-scale farming by small farming. And yet these gentlemen who quote the bare statistics of the area of farms in this slap-dash fashion shout for "details"! Naturally, Klawki considers that

"the most important task of modern agrarian policy for the solution of the agricultural labourer problem in the east is to encourage the most efficient labourers to settle down by affording them the opportunity of acquiring, if not in the first, then at least in the second [*sic*!] generation, a piece of land as their own property." (S. 476.)

There is no harm in the fact that the labourers who purchase a strip of land out of their savings "in the majority of cases prove to be worse off financially; they are fully aware of this themselves, but they are tempted by the greater freedom they enjoy"—and the main task of the bourgeois economists (and now, apparently, of the "critics" also) is to foster this illusion among the most backward section of the proletariat.

Thus, on every point Klawki's investigation refutes Mr. Bulgakov, who himself referred to Klawki. This investigation proves the technical superiority of large-scale farming; the overwork and under-consumption of the small peasant; his transformation into a labourer for the landlord; and it proves that there is a connection between the increase in the number of small peasant farms and the increasing poverty and proletarianisation of the small farmers. Two

conclusions that follow from this investigation are of exceptional significance from the point of view of principle. Firstly, we see clearly the obstacles that exist to the introduction of machinery in agriculture: these are the infinite degradation of the small farmer, who is ready to "leave out of account" his own toil, and who makes manual labour cheaper for the capitalist than machinery. Notwithstanding Mr. Bulgakov's assertions to the contrary, the facts quite definitely prove that the position of the small peasant in agriculture is *completely analogous* to that of the handicraftsman in industry under the capitalist system. Notwithstanding Mr. Bulgakov's assertions to the contrary, in agriculture diminution in consumption and intensification of labour are resorted to even more widely as methods of competing with large-scale production. Secondly, in regard to all and sundry comparisons between the remunerativeness of small farms and that of big farms, we must once and for all admit that conclusions which leave out of account the following three circumstances are absolutely useless, vulgar and apologetic, *viz.*: (1) How does the *farmer* feed, live and work? (2) How are the *cattle* maintained and worked? (3) How is the *land* fertilised, and is it tilled in a rational manner? Small farming manages to exist by methods of sheer waste—waste of the farmer's labour and vital energy; waste of strength and quality of the cattle; and waste of the productive powers of the land. Consequently, any investigation which fails to examine these circumstances thoroughly is nothing more nor less than bourgeois sophistry.[1]

[1] Leo Huschke, in his book, *Landwirtschaftliche Reinertragsberechnungen bei Klein-, Mittel- und Grossbetrieb dargelegt an typischen Beispielen Mittelthüringens [Assessment of Incomes of Small, Medium and Big Farms, Based on Typical Examples From Middle Thuringen—Ed.]* (Gustav Fischer, Jena 1902), justly points out that "it is possible by merely reducing the assessment" of the labour power of the small farmer to obtain a computation that will prove his superiority over the medium and big farmer, and his ability to compete with them. (S. 126.) Unfortunately, the author did not carry his idea to its logical conclusion, and therefore did not give systematic data showing the manner in which the cattle were maintained, the method of fertilising the soil, and the cost of maintenance of the farmer's household in the various categories of farms. We hope to return to Herr Huschke's interesting book again. For the moment we shall merely note his reference to the fact that small farming fetches lower prices for its products than large-scale farming (S. 146, 155), and his conclusion that: "The small and medium

It is not surprising, therefore, that the "theory" of the overwork and under-consumption of the small peasants in modern society was so severely attacked by Messrs. the critics. Even in *Nachalo* (No. 1, p. 10) Mr. Bulgakov "undertook" to give any number of "quotations" proving the opposite of what Kautsky asserted. From the investigations of the Social Politics League in *Bäuerliche Zustände*, reiterates Bulgakov in his book,

"Kautsky, in his attempt to galvanise the corpse [*sic*!] of the obsolete dogma into life again, selected certain facts showing the depressed condition of peasant farming, which is quite understandable at the present time. Let the reader look for himself; he will find evidence there of a somewhat different character." (Part II, p. 282.)

Let us "look" for ourselves and verify the "quotations" cited by this strict scientist, who, in part, merely repeats the quotations cited by Hertz (S. 77).

"Evidence is obtained from Eisenach of improvements in livestock farming, in fertilising the soil, in the employment of machinery, and general progress in agricultural production. . . ."

We turn to the article on Eisenach. (*Bäuerliche Zustände*, I. Band.) The conditions of the owners of less than five hectares (of these there are 887 out of the 1,116 farms in this district) "in the main are not very good." (S. 66.)

"In so far as they can obtain work from the big farmers as reapers, day labourers, etc., their conditions are relatively good. . . ." (S. 67.)

Generally speaking, important technical progress has been made in the past twenty years, but

"much is left to be desired, particularly in regard to the smaller farms." (S. 72.) ". . . The smaller farmers partly employ weak cows for field work. . . ." Subsidiary employments: tree felling, carting wood; the latter

farms strove to overcome the crisis which set in after 1892 [the fall in the price of agricultural produce] by cutting down cash expenditure as much as possible, while the big farms met the crisis by increasing their yields by means of increased expenditure on their farms." (S. 144.) Expenditure on seeds, fodder and fertilisers in the period 1887-91 to 1893-97 was reduced on the small and medium farms, and increased on the big farms. On the small farms, this expenditure amounted to seventeen marks per hectare, and on the big farms to forty-four marks per hectare. (Author's note to 1908 edition.)

"takes the farmers away from agriculture" and leads to "worsened conditions." (S. 69.) "Nor does tree felling provide adequate earnings. In several districts the small landowners [*Grundstücksbesitzer*] engage in weaving, which is poorly [*leidlich*] paid. In isolated cases work is obtained at cigar-making at home. Generally speaking, there is a shortage of subsidiary employments. . . ." (S. 73.)

And the author, Ockonomic-Commissar Dittenberger, concludes with the remark that, in view of their "simple lives" and their "modest requirements," the peasants are strong and healthy, which "is astonishing, considering the low nutritive value of the food consumed by the poorest class, among whom potatoes are the principal item of food. . . ." (S. 74.)

This is how the "learned" Voroshilovs refute the "obsolete Marxian prejudice that peasant farming is incapable of technical progress."

". . . In regard to the Kingdom of Saxony, General Secretary Langedorf says that in whole districts, and particularly in the more fertile localities, there is hardly any difference in intensiveness of cultivation between the big farms and the small farms."

This is how Kautsky is refuted by the Austrian Voroshilov (Hertz, S. 77), followed by the Russian Voroshilov (Bulgakov, Part II, p. 282, referring to *Bäuerliche Zustände*, II, S. 222). We turn to page 222 of the book from which the critics quote, and immediately after the words quoted by Hertz we read the following:

"The difference is more marked in the hilly districts, where the bigger farms operate with comparatively large working capital. But here, too, very frequently, the peasant farms make no less profit than the big farms, because the smaller income is compensated by greater frugality, which at the prevailing very low level of requirements [*bei der vorhandenen grossen Bedürfnislosigkeit*] is carried to such lengths that the conditions of the peasant are very often worse than those of the industrial worker, who has become accustomed to greater requirements." (*Bäuerl. Zust.*, II, S. 222.)

And then it goes on to state that the prevailing system of land cultivation is the rotation of crops system, which is already the predominant system among the middle farmers, while "the three-field system is met with almost exclusively among the small peasant-owned farms." In regard to livestock farming, progress is also observed everywhere.

"Only in regard to the raising of horned cattle and in the utilisation of dairy products does the peasant usually lag behind the big landlord." (S. 223.)

"Professor Ranke," continues Mr. Bulgakov, "testifies to the technical progress in peasant farming in the environs of Munich, which, he says, is typical for the whole of Upper Bavaria."

We turn to Ranke's article: Three *Grossbauer* communities, farming with the aid of hired labourers: 69 peasants out of 119 hold more than 20 hectares each, comprising three-fourths of the land. Moreover, 38 of these "peasants" hold more than 40 hectares each, with an average of 59 hectares each, and between them hold nearly 60 per cent of the land in the district. . . .

We think this is sufficient to reveal the manner of citing "quotations" adopted by Messrs. Bulgakov and Hertz.

VII

The Enquiry into Peasant Farming in Baden

"Owing to lack of space," writes Hertz, "we cannot quote in detail the interesting facts established by the enquiry into thirty-seven communities in Baden. In the majority of cases the facts are analogous to those quoted above: side by side with favourable facts, we find unfavourable and indifferent facts; *but nowhere in the whole of these three volumes of the report of the enquiry do the detailed budgets of expenditure quoted give any grounds for the conclusion that 'under-consumption'* [*Unterkonsumtion*], 'filthy and degrading poverty,' etc., are prevalent." (S. 79.)

The words we have emphasised, as usual, represent what is *positively untrue*. The very Baden enquiry to which he refers contains documentary evidence *proving* that there is "under-consumption" precisely among the *small peasantry*. Hertz's distortion of the facts is similar to the method that was particularly cultivated by the Russian Narodniki, and is now practised by all the "critics" on the agrarian question, *i.e.*, broad, general statements are made about the "peasantry." As the term "peasantry" is still more vague in the West than it is in Russia (in the West there is no sharp division into orders[1]), and as "average" facts and conclusions conceal the relative "prosperity" (or at all events, the absence of starvation) among the minority and the privation suffered by the majority, apologists

[1] or estates—the feudal division of society.—*Ed. Eng. ed.*

have wide scope for their activity. As a matter of fact, the Baden investigation enables us to distinguish between various categories of peasants, which Hertz, although an advocate of "details," preferred not to see. Out of 37 typical communities, a selection was made of typical homesteads of big peasants (*Grossbauer*), middle peasants and small peasants, and also of day labourers, making a total of 70 peasants' (31 big, 21 middle and 18 small) and 17 day labourers' households; and the budgets of these households were subjected to a very detailed investigation. We have not been able to analyse *all* the figures; but the *principal results* quoted below will be sufficient to enable us to draw some very definite conclusions.

First of all we shall quote the facts about the general economic type of (a) big, (b) middle and (c) small peasant households. (Anlage VI: *"Uebersichtliche Darstellung der Ergebnisse der in den Erhebungsgemeinden angestellten Ertragsberechnungen."*[1]) We have divided this table into groups for the big, middle and small farmers respectively. Size of holdings—average in each group: (a) 33.34 hectares; (b) 13.5 hectares; and (c) 6.96 hectares—which is relatively high for a country of small farmers like Baden. But if we exclude the ten farms in communities No. 20, 22, and 30, where exceptionally big farms are the rule (up to 43 hectares among the *Kleinbauer* and up to 170 hectares among the *Grossbauer*), we shall get the figures which are more normal for Baden: (a) 17.8 hectares, (b) 10.0 hectares, and (c) 4.25 hectares. Size of families: (a) 6.4 persons, (b) 5.8, and (c) 5.9. (Unless otherwise stated, these and subsequent figures apply to all the 70 farms.) Consequently, the families of the large farmers are considerably the larger; nevertheless, they employ hired labour to a far greater extent than the other farmers. Of the 70 farmers, 54 employ hired labour, *i.e.*, more than three-fourths of the total. Divided according to category, the number of farmers employing hired labour is as follows: 29 big farmers (out of 31); 15 middle farmers (out of 21) and 10 small farmers (out of 18). Thus, of the big farmers, 93 per cent employ hired labour; while of the small farmers, only 55 per cent do so. These

[1] *Brief Review of the Results of the Assessment of Incomes in Rural Fiscal Districts.—Ed.*

figures are very useful as a test of the common opinion (accepted without criticism by the "critics") that the employment of hired labour is negligible in present-day peasant farming. Among the big farmers (whose farms of 18 hectares are included in the category of 5 to 20 hectares, and who in general descriptions are described as real peasant farmers), we observe pure capitalist farming: 24 farms employ 71 labourers—almost 3 labourers per farm; and 27 farms employ day labourers for a total of 4,347 days (161 work-days per farm). Compare this with the size of the farms among the big peasants in the environs of Munich, whose "progress" the brave Mr. Bulgakov used as an argument to refute the "Marxian prejudice" about the peasants being degraded by capitalism!

For the middle peasants we have the following figures: 8 peasants employ 12 labourers, and 14 employ day labourers for a total of 956 work-days. The figures for the small peasants are as follows: 2 peasants employ 2 labourers, and 9 employ day labourers for an aggregate of 543 work-days. One-half of the *small peasants* employ hired labour during the course of 2 months (543 ÷ 9 = 60 days), *i.e.*, in the busiest season in agriculture (notwithstanding the fact that their farms are considerably larger, the production of these small peasants is very much lower than that of the Friedrichsthal peasants, of whom Messrs. Chernov, David and Hertz are so enamoured).

The results of this farming are as follows: 31 big peasants made a net profit of 21,329 marks and suffered a loss of 2,113 marks, making a net profit for this category of 19,216 marks, or 619.9 marks per farm (if 5 farms in communities No. 20, 22 and 30 are excluded, the amount per farm will be 523.5 marks). For the medium farms the corresponding amount will be 243.3 marks (272.2 marks if 3 communities are excluded), and for the small farms 35.3 marks (37.1 marks if 3 communities are excluded). Consequently, the small peasant, literally speaking, *can barely make ends meet and only just manages to do so by cutting down consumption.* In the enquiry (*Ergebnisse, etc.*, in Vol. IV of *Erhebungen*, S. 138) figures are quoted showing the consumption of the most important products in each farm. Below we quote these figures worked out in averages for each category of peasants:

Category of peasants	Consumption per person per day				Expenditure per person	
	Bread and fruit (pounds)	Potatoes (pounds)	Meat (grams)	Milk (litres)	Groceries, heating, lighting, etc., per day (pfennigs)	Clothing per year (marks)
Big peasants	1.84	1.82	138	1.05	72	66
Middle peasants . . .	1.59	1.90	111	0.95	62	47
Small peasants . . .	1.49	1.94	72	1.11	57	38
Day labourers	1.69	2.14	56	0.85	51	32

These are the figures our brave Hertz "failed to observe"—no under-consumption, no poverty! We see that the small peasant cuts down consumption very considerably compared with the middle and big farmer, and that his food and clothing are almost no better than the day labourer's. For example, he consumes about two-thirds of the amount of meat consumed by the middle peasant, and about one-half of the amount consumed by the big peasant. These figures prove once again how useless are general descriptions, and how false are all assessments of income which leave variations in standard of living out of account. If, for example, we take *only* the two last columns of our table (in order to avoid complicated calculations in translating food products into terms of money), we shall observe that the "net profit" not only of the small peasant, but also of the middle peasant, is a *pure fiction*, which only pure bourgeois like Hecht and Klawki, or pure Voroshilovs like our critics, can take seriously. Indeed, if we assumed that the small peasant spends in money as much as the middle peasant does for food, his expenditure would be increased by *one hundred marks*, and we would get an enormous *deficit*. If the middle peasant spent as much as the big peasant, his expenditure would be increased by 220 marks, and unless he "stinted himself" in food he, too, would have a deficit.[1]

[1] Mr. Chernov "argues" as follows: And does not the big farmer stint his labourer still more in food and other expenses? (*Russkoye Bogatstvo*, 1900, No. 8, p. 212.) This argument is a mere repetition of the old Krivenko-Vorontsov trick, if one may use such an expression, of *foisting* liberal bourgeois arguments upon Marxists. This argument would be valid against those

Is it not obvious that the reduced consumption of the small peasant —which is inseparably bound up with the inferior feeding of his cattle and the inadequate restoration (and frequently the complete exhaustion) of the productive powers of the soil—entirely confirms the truth of the very words of Marx which cause the modern critics to shrug their shoulders in lofty contempt:

"An infinite dissipation of means of production and an isolation of the producers themselves go with it. Also an enormous waste of human energy. A progressive deterioration of the conditions of production and a raising of the price of means of production is a necessary law of small peasants' property." (*Das Kapital*, III, 2, S. 342.)[1]

In regard to the Baden enquiry we shall note one other distortion by Mr. Bulgakov (the critics mutually supplement each other; while one critic distorts one side of the information contained in a certain source, another distorts another side). Mr. Bulgakov frequently quotes from the Baden enquiry. It would *appear*, therefore, that he is acquainted with it. And yet he writes a thing like this:

"The exceptional and apparently fatal indebtedness of the peasant [so it is stated in the overture, Part II, p. 271], was one of the most indefeasible dogmas in the mythology created around peasant farming in literature. . . .

"Investigations at our disposal reveal considerable indebtedness only among the smallest, not yet firmly established estates [*Tagelöhnerstellen*]."

Thus, Sprenger expresses the general impression obtained from the results of the extensive investigation carried out in Baden (reference is made to the investigation in a footnote) in the following manner:

". . . Only the plots of the day labourers and small peasant farmers are relatively speaking heavily mortgaged in a large number of the districts

who say that large-scale production is superior, not only technically, but also because it improves (or at least makes tolerable) the condition of the workers. Marxists do not say that. They merely expose the false trick of *painting* the conditions of the small farmer *in rosy colours*, either by general statements about prosperity (Mr. Chernov on Hecht), or by making computations of "income" which *leave* reduction in consumption *out of account*. The bourgeoisie cannot help trying to paint things in rosy colours, cannot help fostering the illusion among the workers that they can become "masters," and that small "masters" can obtain high incomes. It is the business of socialists to expose these falsehoods, and to explain to the small peasants that for them, too, there is no salvation outside of the revolutionary movement of the proletariat.

[1] *Capital*, Vol. III, C. H. Kerr edition, pp. 938-39.—*Ed. Eng. ed.*

investigated; but even among these, in the majority of cases, the indebtedness is not so great as to cause alarm. . . ." (S. 272.)

A strange thing. On the one hand, *he refers to the enquiry, and on the other hand* he only quotes the "general impression" of a certain Sprenger who has written about this enquiry. And as if to spite him, this Sprenger says what is untrue (at least in the passage quoted by Mr. Bulgakov. We have not read Sprenger's book). In the first place, the authors of the enquiry assert that, in the majority of cases, it is precisely the indebtedness of the small peasant farmer that *is so great* as to cause alarm. Secondly, they assert that the position of the small peasants in this respect is not only worse than that of the middle and big peasants (which Sprenger noted) *but also worse than that of the day labourers.*

It must be noted, in general, that the authors of the Baden enquiry established the extremely important fact that in the big farms *the limits of permissible indebtedness* (*i.e.*, the limits to which the farmer may go without risking bankruptcy) *are higher than on the small farms.* After the figures we have quoted above showing the results of the farming of the big, middle and small peasants respectively, this does not require any further explanation. The authors estimate the indebtedness permissible and safe (*unbedenklich*) for the big and medium farms at from 40 to 70 per cent of the value of the land, or an average of 55 per cent. In regard to the small farms (which they define as those between four and seven hectares for agriculture, and between two and four hectares for vineyards and commercial crops), they consider that

"the limits of indebtedness . . . must not exceed 30 per cent of the value of the farm, if the *regular* payment of interest and instalments on the principal is to be *fully* secured." (S. 66, B. IV.)

In the communities investigated (with the exception of those where *Anerbenrecht*[1] prevails—for example, Unadingen and Neukirch), the percentage of indebtedness (in proportion to the value of the estate) steadily diminishes as the farms increase in size. In the community of Dittwar, for example, the indebtedness of farms up to one-fourth of a hectare equals 180.65 per cent; from one to

[1] *Cf.* footnote on p. 38 in this volume.—*Ed. Eng. ed.*

two hectares, 73.07 per cent; from two to five hectares, 45.73 per cent; from five to ten hectares, 25.34 per cent; and from ten to twenty hectares, 3.02 per cent. (*Ibid.*, S. 89-90.) But the percentage of indebtedness does not tell us everything, and the authors of the enquiry draw the following conclusion:

"The above-quoted statistics, therefore, confirm the widespread opinion that those owners of peasant farms who are on the border line between the day labourers and the middle peasants (in the rural districts the farmers of this category are usually called the 'middle class'—*Mittelstand*) are frequently in a worse position than those above them as well as those below [*sic*!] them in the size of their farms; for although they are able to cope with *moderate* indebtedness if it is kept at a certain and not very high limit, they find it very difficult to meet their obligations, as they are unable to obtain *regular* subsidiary employment (as day labourers, etc.), and by this means increase their income. . . ." Day labourers, "in so far as they have some regular subsidiary employment, are frequently in a better position materially than the farmers belonging to the 'middle class,' for in numerous cases it has been shown that subsidiary employment produces such a high net (*i.e.*, money) income as to enable them to repay even *big* debts." (67 *op. cit.*)[1]

Finally, the authors state once again that the indebtedness of the small peasant farmers in relation to the permissible limit is "frequently unsafe"; hence,

"in purchasing land, particular business-like caution must be exercised . . . primarily by the *small* peasants and the day labourer population alongside of them." (S. 98.)

Such, then, is the bourgeois adviser of the small peasantry! On the one hand, he fosters in the proletarian and semi-proletarian the hope that they will be able to purchase land, "if not in the first, then in the second generation," and by diligence and abstemiousness obtain from it an enormous percentage of "net income"; on the other hand, he especially advises the poor peasants to exercise "particular caution" in purchasing land if they have no "regular employment," that is to say, when my lords the capitalists have no need for settled workers. And yet there are "critical" simpletons who accept these selfish lies and threadbare banalities as the findings of the most up-to-date science!

* * *

[1] The authors quite rightly say: The small peasant sells relatively little for cash, but he stands particularly in need of money. Owing to his lack of capital, outbreaks of disease among cattle, hailstorms, or other calamities, hit him very hard.

One would think that the detailed statistics we have quoted concerning the big, middle and small peasants would be sufficient to make even Mr. V. Chernov understand the meaning of the term "petty bourgeois" as applied to the peasant, which seems to inspire him with such horror. Capitalist evolution has not only introduced similarity in the *general* economic system of Western European states, but it has brought Russia also closer to Western Europe, so that *in their main features* the economics of peasant farming in Germany are similar to those in Russia; with this difference, however, that in Russia the process of disintegration among the peasantry, which has been dealt with in detail in Russian Marxian literature, is in the first stage of development—it has not yet assumed anything like a finished form, has not yet given rise to the immediately clear and distinct special type of big peasant (*Grossbauer*). In Russia the mass expropriation and extinction of an enormous section of the peasantry still overshadow the "first steps" our peasant bourgeoisie is taking. In the West, however, this process, which started even before the abolition of serfdom (*cf.* Kautsky, *Agrarfrage*, S. 27), long ago caused the obliteration of the feudal distinction between peasant and "privately owned" (as we call it) farming, on the one hand, and the formation of a class of agricultural wage-workers, which has already acquired fairly definite features, on the other.[1] It would be a great mistake to assume, however, that this process came to a stop after more or less definite new types of rural population had arisen. On the contrary, this process goes on continuously, now rapidly, now slowly, of course, in accordance with numerous and varying circumstances, assuming most varied forms in accordance with the varying agronomic conditions, etc. The proletarianisation of the peasantry continues—this we shall prove below by a mass of German and French statistics; besides, it is already clear from the facts quoted above about the small peasantry. The increasing migration, not only of the agricultural labourers but also of the peasants, from the country to the towns is in itself

[1] "The peasantry," writes Mr. Bulgakov in regard to France in the nineteenth century, "split up into two sections, each sharply distinguished from the other, namely, the proletariat and small property owners." (Part II, p. 176.) The author is mistaken, however, in believing that the "splitting up" process ended with this—it is a continuous process.

striking evidence of this growing proletarianisation. But the peasant's flight to the cities is inevitably preceded by his ruin; and ruin is preceded by a desperate fight for economic independence. The figures showing the extent of employment of hired labour, the amount of "net income," the amount of food consumed by the peasantry in the various categories, bring out this fight in striking relief. The principal weapon in this fight is "iron diligence" and frugality—frugality that means "toiling not so much for our mouths as for our pockets." The inevitable result of the struggle is the rise of a minority of wealthy, prosperous farmers (an insignificant minority in most cases—and in every case when particularly favourable conditions are absent, such as proximity to the capital, the construction of a railroad, or the opening up of some new, remunerative branch of commercial agriculture, etc.) and the continuously increasing impoverishment of the majority, which steadily saps the strength of the workers by chronic starvation and exhausting toil, and causes the quality of their land and cattle to deteriorate. The inevitable result of the struggle is the rise of a minority of *capitalist* farms based on wage labour, and the increasing necessity for the majority to seek "subsidiary employments," *i.e.*, their conversion into industrial and agricultural wage workers. The statistics of wage labour very clearly reveal the immanent tendency, inevitable under the present system of society, for all small producers to become small capitalists.

We quite understand why bourgeois economists, on the one hand, and opportunists of various shades, on the other, shun this aspect of the matter, and cannot help doing so. The disintegration of the peasantry reveals to us the *most profound* contradictions of capitalism in their very process of *generation* and further growth. A complete evaluation of these contradictions inevitably leads to the recognition of the hopelessness of the position of the small peasantry (hopeless, that is, unless they take part in the revolutionary proletarian struggle against the whole capitalist system). It is not surprising that these most profound and most undeveloped contradictions are ignored; attempts are made to evade the fact of the overwork and under-consumption of the small peasants, which, however, only those completely lacking conscientiousness, or who are pro-

foundly ignorant, can deny. The question of the hired labour employed by the peasant bourgeoisie and of the conversion of the rural poor into wage labourers is left in the shade. For example, Mr. Bulgakov submitted a whole "essay on the theory of agrarian development" which eloquently ignores[1] both these questions!

"Peasant farming," he says, "may be defined as that form of farming which completely, or mainly, employs the labour of the peasant's own family; only very rarely do even peasant farms dispense altogether with outside labour—they obtain either the help of neighbours or casual hired labour—but this does not change [of course not!] the economic features of peasant farming." (Part I, p. 141.)

Hertz is more naive, and at the very beginning of his book makes the following reservation:

"Hereinafter, by small or peasant farms I shall always assume a form of farming in which the farmer, the members of his family, and not more than one or two workers are employed." (S. 6.)

[1] Or utilises no less eloquent evasions, such as the following: "... The numerous cases of industry being combined with agriculture, when industrial wage workers own small plots of land . . ." represent "no more than a detail [!?] in the economic system. There are as yet [??] no grounds for regarding this as a new manifestation of the industrialisation of agriculture, or its loss of independent development; this phenomenon is extremely insignificant in extent (in Germany, for example, only 4.09 per cent of agricultural land is held by industrial workers)." (*Sic*! Part II, pp. 254-55.) In the first place, the fact that an insignificant *share* of the land is held by hundreds of thousands of workers does not prove that this "phenomenon is insignificant in extent," but proves the degradation and proletarianisation of the small farmer by capitalism. The total number of farmers holding farms of less than two hectares (although their number is enormous: 3,200,000 out of 5,500,000, *i.e.*, 58.2 per cent, almost *three-fifths*) own "only" 5.6 per cent of the total area of agricultural land! Will our clever Mr. Bulgakov draw the inference from this that the whole "phenomenon" of small land ownership and small farming is a mere "detail" and "is extremely insignificant in extent"?? Of the 5,500,000 farmers in Germany, 791,000, *i.e.*, 14.4 per cent, are industrial wage workers; and the overwhelming majority of these own less than two hectares of land each, namely, 743,000, which represents 22.9 per cent of the total number of farmers owning farms of less than two hectares. Secondly, according to his usual practice Mr. Bulgakov *distorted the statistics he quoted*. By an oversight he took from the page of the German enquiry he quoted (*Statistik des deutschen Reichs*, B. 112, S. 49) the figure of the area of land owned by *independent* trading farmers. The non-independent trading farmers (*i.e.*, industrial wage labourers), held *only* 1.84 per cent of the total area of agricultural land. 791 000 wage workers own 1.84 per cent of the total area of land, while 25,000 landowners own 24 per cent. A very insignificant "detail," is it not?

When they discuss the hiring of "help" our *Kleinbürger* soon forget the very "peculiarities" of agriculture which they are continually fussing around with in season and out of season. In agriculture, one or two labourers is by no means a small number, even if they work only in the summer. But the main thing is not whether this is a small or a large number; the main thing is that it is the wealthier, more prosperous peasants, whose "progress" and "prosperity" our knights of petty-bourgeoisdom are so fond of presenting as the prosperity of the mass of the population, who employ hired labourers. And in order to put a better complexion on this distortion, these knights majestically declare:

"The peasant is a working man no less than the proletarian." (Bulgakov, Part II, p. 288.)

And the author expresses satisfaction at the fact that "labour parties are more and more losing the anti-peasant tinge that has been characteristic of them hitherto" (characteristic hitherto!). (P. 289.) "Hitherto," you see, they "ignored the fact that peasant property is not an instrument of exploitation, but a condition for the application of labour." And this is how history is written! Frankly, we cannot refrain from saying: Gentlemen, if you must distort facts, do it within reason! This very Mr. Bulgakov has written a two-volume "investigation" of 800 pages filled with "quotations" (the correctness of which we have repeatedly shown) from all sorts of enquiries, descriptions, monographs, etc. But *not once* has he attempted even to examine the relations between those peasants whose property is an instrument of exploitation and those peasants whose property is "simply" a condition for the application of labour. *Not once* has he quoted systematic statistics (which, as we have shown, were contained in the very sources from which he quoted) concerning the types of farms, the standard of living, etc., of the peasants who hire labour, of the peasants who do not hire labour and do not hire themselves out as labourers, and of the peasants who hire themselves out as labourers. More than that. We have seen that to prove the "progress of peasant farming" (peasant farming *in general*!) he has quoted facts concerning the *Grossbauer* and opinions which prove the progress of some and the

impoverishment and proletarianisation of others. He even sees a general "social regeneration" (*sic*!) in the rise of "well-to-do peasant farms" (Part II, p. 138; for general conclusion, see p. 456), as if the well-to-do peasant farms were not synonymous with bourgeois, entrepreneur peasant farming! His one attempt to extricate himself from this tangle of contradictions is the following still more entangled argument:

"The peasantry, of course, does not represent a homogeneous mass; this has been shown above [probably in his argument about such a petty detail as the industrial wage labour performed by peasants?]; a constant struggle goes on here between a differentiating trend and a levelling trend. But are these differences and even antagonisms of individual interests greater than those among the various strata of the working class: between urban and rural workers, between skilled and unskilled workers, between trade unionists and non-trade unionists? It is only by completely ignoring these differences within the worker estate [which cause certain investigators to see the existence of a fifth estate in addition to the fourth] that a distinction can be drawn between the allegedly homogeneous working class and the heterogeneous peasantry." (P. 288.)

What a remarkably profound analysis! Confusing differences in trades with differences between classes; confusing differences in living conditions with the different positions occupied by the various classes in the system of social production—how strikingly it illustrates the complete absence of scientific principles in now fashionable "criticism,"[1] and its practical tendency to obliterate the very concept of "class" and to eliminate the very idea of the class struggle. The agricultural labourer earns fifty kopeks per day; the

[1] We shall recall the fact that reference to the *alleged* homogeneity of the working class was a favourite argument of Edouard Bernstein and of all his adherents. And in regard to "differentiation" even Mr. Struve in his *Critical Remarks* profoundly observed: there is a differentiating tendency, and there is also a levelling tendency, and both these processes are of equal importance for an objective investigator (in the same way as it made no difference to Shchedrin's objective historian whether Isyaslav defeated Yaroslav, or whether Yaroslav defeated Isyaslav). There is a development of the money system, but there are also reversions to natural economy. There is the development of large-scale factory production, but there is also the development of capitalist domestic industry. (Bulgakov, Part II, p. 88: "*Hausindustrie* is not anywhere near extinction in Germany.") An "objective" scientist must carefully collect little facts and note things, "on the one hand" and "on the other hand," and, like Goethe's Wagner, "pass from book to book, from folio to folio," without making the least attempt to obtain a consistent view and to work out for himself a general idea of the process as a whole.

thrifty farmer who employs day labourers earns a ruble per day; the factory worker in the capital earns two rubles per day; the small provincial master-man earns one and a half rubles per day. Any more or less intelligent worker would be able to say without any difficulty to which class the representatives of these various "strata" belong, and in what direction the social activities of these various "strata" will tend. But for the representative of university science, or for a modern "critic," this is so profound that they are totally incapable of assimilating it.

VIII

General Statistics of German Agriculture for 1882 and 1895

The Question of the Medium Farms

Having examined the detailed statistics of peasant farming—which are particularly important for us, because peasant farming is the crux of the modern agrarian problem—we shall now pass to the general statistics of German agriculture and verify the conclusions drawn from them by the "critics." We shall briefly summarise the principal returns of the censuses of 1882 and of 1895:

Category of farms	No. of farms (thousands)		Cultivated area (thousand hectares)		Relative numbers				Absolute increase or decrease	
					Farms		Area			
	1882	1895	1882	1895	1882	1895	1882	1895	Farms	Area
Up to 2 hectares . . .	3,062	3,236	1,826	1,808	58.0	58.2	5.7	5.6	+ 174	— 18
2 to 5 " . . .	981	1,016	3,190	3,286	18.6	18.3	10.0	10.1	+ 35	+ 96
5 to 20 " . . .	927	999	9,158	9,722	17.6	18.0	28.7	29.9	+ 72	+ 564
20 to 100 " . . .	281	282	9,908	9,870	5.3	5.1	31.1	30.3	+ 1	— 38
100 hectares and over .	25	25	8,787	7,832	0.5	0.4	24.5	24.1	± 0	+ 45
Total	5,276	5,558	32,869	32,518	100	100	100	100	+ 282	+ 649

Three circumstances must be examined in connection with this picture of change interpreted differently by Marxists and by the "critics": the increase in the number of the smallest farms; the increase in latifundia, *i.e.*, farms of one thousand hectares and over, in our table placed in the category of farms of over one hundred

hectares; and lastly, the increase in the number of middle peasant farms (from five to twenty hectares), which is the most striking fact and the one giving rise to the most heated discussion.

The increase in the number of the smallest farms indicates an enormous increase in poverty and proletarianisation; for the overwhelming majority of the owners of less than two hectares cannot obtain a livelihood from agriculture alone and are obliged to seek subsidiary employment, *i.e.*, work for wages. Of course, there are exceptions: the cultivation of special crops, vineyards, market gardening, industrial crops, suburban farming generally, etc., render possible the existence of independent (sometimes even not small) farmers even on one and a half hectares. But out of a total of three million *farms*, these exceptions are quite insignificant. The fact that the mass of these small "farmers" (representing three-fifths of the total number of farmers) *are wage labourers* is strikingly proved by the German statistics showing the principal occupations of the farmers in the various categories. The following is a brief summary of these statistics:

Category of farms	Farms according to *principal* occupation (per cent)					Per cent of independent farmers with subsidiary occupations
	Independent					
	Agriculture	Trade, etc.	Non-independent labour	Other occupations	Total	
Up to 2 hectares	17.4	22.5	50.3	9.8	100	26.1
2 to 5 "	72.2	16.3	8.6	2.9	100	25.5
5 to 20 "	90.8	7.0	1.1	1.1	100	15.5
20 to 100 "	96.2	2.5	0.2	1.1	100	8.8
100 hectares and over	93.9	1.5	0.4	4.2	100	23.5
Total	45.0	17.5	31.1	6.4	100	20.1

We see, therefore, that out of the total number of German farmers only 45 per cent, *i.e., less than half* are independent farmers with farming as their *principal* occupation. And even of these independent farmers *one-fifth* (20.1 per cent) are engaged in subsidiary occupations. The principal occupation of 17.5 per cent of the farm-

ers is trading, industrial occupations, market gardening, etc. (in these occupations they are "independent," *i.e.*, occupy the position of masters and not that of wage workers). *Almost one-third* (31.3 per cent) are wage workers ("not independent," employed in all branches of agriculture and industry). The principal occupation of 6.4 per cent of the farmers is government service (military service, civil service, etc.), the liberal professions, etc. Of the farmers having farms up to two hectares, *one-half* are wage workers; the "independent" farmers among these 3,200,000 "owners" represent a small minority, *only* 17.4 per cent of the total, and of this 17 per cent, *one-fourth* (26.1 per cent) are engaged in *subsidiary* occupations, *i.e.*, are wage workers, not in their principal occupations (like the above-mentioned 50.3 per cent), but in their subsidiary occupations. Even among the farmers having farms of two to five hectares, only a little more than half (546,000 out of 1,016,000) are independent farmers without subsidiary occupations.

This shows how amazingly untrue is the picture presented by Mr. Bulgakov when he, asserting (erroneously, as we have shown) that the total number of persons actually engaged in agriculture has increased, explains this by the "increase in the number of independent farms—as we already know, mainly among the middle peasant farms, which have increased at the expense of the big farms." (Part II, p. 133.) The fact that the number of middle peasant farms has increased most in proportion to the total number of farms (from 17.6 per cent to 18 per cent, *i.e.*, an increase of 0.4 per cent) does not in the least prove that the increase in the agricultural population is due principally to the increase in the number of middle peasant farms. On the question as to which category has contributed most to the general increase in the number of farms, we have direct statistics which leave no room for two opinions: the total number of farms has increased by 282,000, of which the number of farms up to two hectares increased by 174,000. Consequently, the increase in the agricultural population (if and in so far as it has increased at all) is to be explained precisely by the increase in the number of non-independent farms (for the bulk of the farmers having farms up to two hectares are not independent). The increase is greatest in the small allotment farms, which indicates an increase

in the process of *proletarianisation.* Even the increase (by 35,000) in the number of farms from two to five hectares cannot be wholly attributed to the increase in the number of *independent* farms, for of these farmers only 546,000 out of the total of 1,016,000 are independent, without subsidiary occupations.

Coming now to the big farms, we must note, first of all, the following characteristic fact (and a very important one for the refutation of all apologists): the combination of agriculture with other occupations has different and opposite significance for the different categories of farmers. Among the small farmers, it signifies proletarianisation and curtailed independence; for in this category agriculture is combined with occupations like those of hired labourers, small artisans, small traders, etc. Among the big farmers, it signifies either a rise in the political significance of the big landowners through the medium of government service, military service, etc., or a combination of agriculture with forestry and the working up of industrial crops; and as is well known, this latter phenomenon is one of the most characteristic symptoms of the *capitalist* progress of agriculture. That is why the percentage of farmers who regard "independent" farming as their principal occupation (*i.e.*, carry on farming as masters and not as labourers) sharply increases with the increase in the size of the farms (17-72-90-96 per cent), but drops to 93 per cent in the category of farms of 100 hectares and over; in the latter group 4.2 per cent of the farmers regard office employment (under the heading: "other occupations") as their principal occupation; 0.4 per cent of the farmers regard "non-independent" occupations as their principal occupations (these are not wage workers but managers, inspectors, etc.). (*Cf. Stat. d. D. R.*, B. 112, S. 49.) Similarly, we see that the percentage of independent farmers who still engage in subsidiary occupations sharply diminishes with the increase in the size of the farms (26-25-15-9 per cent), but greatly increases among the farmers having 100 hectares and over (23 per cent).

In regard to the number of big farms (100 hectares and >) and the area of land they occupy, the statistics quoted above indicate a *diminution* in their proportion to the total number of farms

and to the total cultivated area. The question arises: does this imply that big farming is being eliminated by small and medium peasant farming, as Mr. Bulgakov hastens to assume? We think not; and by his angry sallies at Kautsky on this point Mr. Bulgakov merely exposes his inability to refute Kautsky's opinion on this subject. In the first place, the diminution in the proportion of the large farms is extremely small (from 0.47 to 0.45 per cent, *i.e.*, two hundredths of one per cent, according to total number of farms, and from 24.43 to 24.088 per cent, *i.e.*, 35 hundredths of one per cent, according to total area). It is a well-known fact that with the intensification of farming *it is sometimes necessary* to diminish the area of the farm somewhat, and that the big farmers let parts of their land remote from the centre of the estate in small lots in order to secure labourers. We have shown above that the author of the detailed description of the big and small farms in East Prussia openly admits the auxiliary role played by small land ownership in relation to big land ownership, and strongly advises the settlement of labourers. Secondly, there can be no talk of big farming being eliminated by small farming for the reason that the statistics concerning only the *size* of farms are still inadequate to enable us to judge of *scale of production*. The fact that in this respect large farming has made considerable progress is irrefutably proved by the statistics concerning the employment of machinery (see above), and concerning the working up of industrial crops (we shall examine this in greater detail below, because Mr. Bulgakov gives an astonishingly incorrect interpretation of the German statistics on this subject). Thirdly, in the group of farms of 100 hectares and over a prominent place is occupied by *latifundia, i.e.*, farms of 1,000 hectares and >; the number of these has increased proportionately more than the number of middle peasant farms, *i.e.*, from 515 to 572, that is, by 11 per cent, whereas the number of middle peasant farms has increased from 926,000 to 998,000, *i.e.*, by 7.8 per cent. The area of latifundia has *increased* from 708,000 hectares to 802,000 hectares, *i.e.*, an increase of 94,000 hectares: in 1882, latifundia occupied 2.22 per cent of the total land under cultivation, while in 1895 they occupied 2.46 per cent. On this point Mr. Bulgakov supplements the groundless objections to Kautsky's argument he

made in *Nachalo* with the following even more groundless generalisation in his book:

> "A symptom of the decline of large-scale farming," he says, "is the . . . increase of latifundia; although the progress of agriculture and the growth of intensive farming should be accompanied by the break-up of farms" (Part II, p. 126),

and Mr. Bulgakov unconcernedly goes on to talk about the "latifundia [!] degeneration" of large-scale farming. (Part II, pp. 190 and 363.) Observe the remarkable logic of our "scientist": As the diminution in the size of farms *sometimes*, with the intensification of farming, implies an increase in production, *therefore* an increase in the number and in the area of latifundia should, *in general*, signify a decline! But since logic is so bad, why not turn to statistics? The very source from which Mr. Bulgakov obtains his information contains a mass of statistics on latifundia farming. We shall quote a few of these statistics: in 1895, 572 of the largest agricultural enterprises occupied an area of 1,159,674 hectares; of this area 802,000 hectares were occupied by agricultural farms and 298,000 by forestry enterprises (a section of the owners of latifundia were principally timber merchants and not farmers). Livestock of all kinds is kept by 97.9 per cent of them, and working cattle by 97.7 per cent. Machines are employed by 555 of these farmers, and, as we have seen already, it is in this group that the *maximum number of cases* of the employment of machines of various types occurs; steam ploughs are employed by 81 farms, *i.e.*, 14 per cent of the total number of latifundia farms. The livestock they own is as follows: horned cattle, 148,678 head; horses, 55,591; sheep, 703,813; and pigs, 53,543. Sixteen of these farms are combined with sugar refineries, 228 with distilleries, 6 with breweries, 16 with starch factories, and 64 with flour mills. The extent of intensification of farming may be judged from the fact that 211 of these farms cultivate sugar beets (26,000 hectares are devoted to this crop), and 302 cultivate potatoes for industrial purposes; 21 sell milk to the cities (obtained from 1,882 cows, *i.e.*, 89 cows per farm), and 204 belong to dairy co-operative societies (produce obtained from 18,273 cows, or 89 per farm). This looks like "latifundia degeneration," does it not?

We come now to the middle peasant farms (from five to twenty hectares). This category of farms has increased in proportion to the total number of farms from 17.6 per cent to 18.0 per cent (an increase of 0.4 per cent), and in proportion to the total area of land under cultivation from 28.7 to 29.9 per cent (an increase of 1.2 per cent). Quite naturally, every "annihilator of Marxism" regards these figures as his trump card. Mr. Bulgakov draws from them the conclusion that "large-scale farming is being eliminated by small farming," that there is a "tendency towards decentralisation," etc., etc. We have already pointed out above that precisely in regard to the "peasantry" general statistics are particularly unsuitable and most likely to lead one into error: It is precisely in this sphere that the processes of the formation of small enterprises and the "progress" of the peasant bourgeoisie are most likely to conceal the proletarianisation and the impoverishment of the majority. In German agriculture as a whole we observe an undoubted development of large-scale capitalist farming (the growth of latifundia, the development of the employment of machinery, and the increase in the working up of industrial crops) on the one hand; and on the other hand, there is still more undoubtedly an increase in proletarianisation and impoverishment (flight to the cities, increased parcellisation of the land, increase in the number of small allotment holdings, increase in subsidiary wage labour, decline in food consumption of the small peasants, etc.), so that it is absolutely improbable and impossible that these processes should not be observed among the "peasantry." Moreover, the detailed statistics quite definitely indicate these processes and confirm the opinion that statistics on the size of farms alone are totally inadequate in this case. Hence, Kautsky was quite right when, on the basis of the general state of capitalist development of German agriculture, he argued that it was utterly wrong to draw from these statistics the conclusion that small production was gaining over large-scale production.

But we have direct statistics covering a large field which prove that the increase in the number of "middle peasant farms" indicates an *increase in poverty* and not in wealth and prosperity. We refer to the very statistics of working animals which Mr. Bulgakov utilised so clumsily both in *Nachalo* and in his book. "If this required fur-

ther proof," wrote Mr. Bulgakov with reference to his assertion that medium farming was progressing and large-scale farming declining, "then to the evidence of the amount of labour power could be added the evidence of the number of working animals. Here is an eloquent table."[1]

	Number of farms employing animals for field work		Increase or decrease
	1882	1895	
0 to 2 hectares . . .	325,005	306,340	— 18,665
2 to 5 „ . . .	733,967	725,584	— 8,383
5 to 20 „ . . .	894,696	925,103	+ 30,407
20 to 100 „ . . .	279,284	275,220	— 4,064
100 hectares and over . .	24,845	24,485	— 360
Total . . .	2,257,797	2,256,732	— 1,065

"The number of farms employing working animals declined among the large as well as small farms, and increased only among the medium farms." (*Nachalo*, No. 1, p. 20.)

Mr. Bulgakov might be forgiven for having, in a hurriedly written magazine article, committed the mistake of drawing a conclusion from these statistics on working animals which is the *very opposite* to the one they logically lead to. But our "strict scientist" repeated this error in his "investigation." (Part II, p. 127, where, moreover, he used the figures +30,407 and —360 as applying to the number of animals, whereas they apply to the number of farms employing working animals. But this is a minor point.)

We ask our "strict scientist," who talks so boldly about the "decline of large-scale farming" (Part II, p. 127): What is the significance of the increase in the number of middle peasant farms employing working animals by 30,000 when *the total number* of middle peasant farms has increased by 72,000? (Part II, p. 124.) Is it not clear from this that the *percentage* of middle peasant farms employing working animals is *declining*? That being the case, should he not have looked to see *what percentage* of farms in the

[1] We reproduce the entire table as quoted by Mr. Bulgakov, but have added the totals.

various categories kept working animals in 1882 and in 1895, the more so that the figures for this are given on the very page and in the very table from which Mr. Bulgakov took his absolute figures? (*Stat. d. D. R.*, B. 112, S. 31.) Here are the figures:

	Percentage of farms employing working animals		Increase or decrease
	1882	1895	
0 to 2 hectares . . .	10.61	9.46	— 1.15
2 to 5 „ . . .	74.79	71.39	— 3.40
5 to 20 „ . . .	96.56	92.62	— 3.94
20 to 100 „ . . .	99.21	97.68	— 1.53
100 hectares and over . .	99.42	97.70	— 1.72
Average. . .	42.79	40.60	— 2.19

Thus, the percentage of farms employing working animals diminished *on the average* by over 2 per cent; but the reduction was *above the average* among the small and middle peasant farms, and *below the average* among the big farms.[1] Moreover, it must not be forgotten that "it is precisely on the big farms that animal labour power is frequently displaced by mechanical power in the form of machines of various kinds, and particularly of steam-driven machines (steam ploughs, etc.)." (*Stat. d. D. R.*, B. 112, S. 32.) Therefore, if in the group of big farms (100 hectares and over) the number of farms employing working animals diminished by 360, and if at the same time the number of farms employing steam ploughs *increased by 615* (710 in 1882 and 1,325 in 1895), it is clear that, taken as a whole, big farming has not lost but gained

[1] The smallest reduction took place among the smallest farms, only a relatively insignificant proportion of which keep working cattle. We shall see later on that it was precisely among these farms (and *only* among these) that the character of the working animals improved, *i.e.*, a larger number of horses and oxen and a relatively smaller number of cows were being employed. As the authors of the German investigation (S. 32) have quite rightly remarked, the farmers on the smallest allotments maintain working cattle not only for tilling the land, but also for "subsidiary work for wages." Consequently, it would be wrong to take these small allotments into account in discussing the question of working cattle, for they are placed in altogether exceptional conditions.

ground. Consequently, we come to the conclusion that the only group of German farmers who have undoubtedly *improved* their methods of farming (in regard to the employment of animals for field work, or the substitution of steam power for animals), are the *big* farmers, with farms of 100 hectares and >. In all the remaining groups the conditions of farming have deteriorated; *and they have deteriorated most in the group of middle peasant farms*, in which the percentage of farms employing working animals has diminished to the *greatest extent*. Formerly, the difference between the big farms (of 100 hectares and >) and the middle farms (of 5 to 20 hectares) in regard to the percentage employing working animals was less than 3 per cent (99.42 per cent and 96.56 per cent); now the difference is more than 5 per cent (97.70 per cent and 92.62 per cent).

This conclusion is still more strongly confirmed by the statistics on the kind of working animals employed. The smaller the farm, the worse the type of working animals employed: a relatively smaller number of oxen and horses and a larger number of *cows*, which are much weaker, are employed for field work. The following figures show what the situation was in this respect in the years 1882 and 1895:

Number and kind of animals per hundred farms employing working animals:

	Cows only			Cows and also horses or oxen		
	1882	1895	Increase or decrease	1882	1895	Increase or decrease
0 to 2 hectares .	83.74	82.10	— 1.64	85.21	83.95	— 1.26
2 to 5 „ .	68.29	69.42	+ 1.13	72.95	74.93	+ 1.98
5 to 20 „ .	18.49	20.30	+ 1.81	29.71	34.75	+ 5.04
20 to 100 „ .	0.25	0.28	+ 0.03	3.42	6.02	+ 2.60
100 hectares and over .	0.00	0.03	+ 0.03	0.25	1.40	+ 1.15
Average . . .	41.61	41.82	+ 0.21	48.18	50.48	+ 2.30

We observe a general deterioration in the character of working animals employed (for the reason already stated, the small allot-

ment farms are not taken into account), and the *greatest deterioration* is observed in the *group of middle peasant farms*. In this group, of the total number of farms possessing working animals, the percentage of those who were obliged to employ *cows* as well as other animals for field work, and the percentage of those who had to employ *cows only, increased most of all*. At the present time, more than one-third of the middle peasant farms employing working animals are obliged to employ cows for field work (which, of course, leads to the deterioration of tilling and, consequently, to the diminution in the yield of the harvest and the yield of milk from the cows), and more than one-fifth are obliged to employ only cows for field work.

If we take the number of animals employed for field work, we shall find an increase in the number of cows in all groups (except the small allotment farms). The changes in the number of horses and oxen employed were as follows:

NUMBER OF HORSES AND OXEN EMPLOYED FOR FIELD WORK

	1882	1895	Increase or decrease
0 to 2 hectares . . .	62.9	69.4	+ 6.5
2 to 5 „ . . .	308.3	302.3	— 6.0
5 to 20 „ . . .	1,437.4	1,430.5	— 6.9
20 to 100 „ . . .	1,168.5	1,155.4	— 13.1
100 hectares and over . .	650.5	695.2	+ 44.7
Total . . .	3,627.6	3,652.8	+ 25.2

With the exception of the small allotment farms, an increase in the number of working animals proper is observed *only* among the big farms.

Consequently, the general conclusion to be drawn from the changes in the conditions of farming in regard to the animal and mechanical power employed for field work is as follows: *An improvement* has taken place only among the big farmers; deterioration has taken place among the rest; the *greatest deterioration* has taken place among the *middle peasant farms*.

The statistics for 1895 enable us to divide the middle peasant farm group into two sub-groups: from 5 to 10 hectares and from 10 to 20 hectares respectively. As was to be expected, in the first sub-group (which is much more numerous), the conditions of farming in regard to the employment of working animals are incomparably worse than in the second. Of the total of 606,000 farms of 5 to 10 hectares, 90.5 per cent employ working animals (as compared with 95.8 per cent of the 393,000 farms of 10 to 20 hectares); and of this 90.5 per cent, 46.3 per cent employ cows for field work (as compared with 17.9 per cent of the sub-group of 10 to 20 hectares). The number employing only cows represents 41.3 per cent (as compared with 4.2 per cent of the sub-group of 10 to 20 hectares). And it is precisely this sub-group of 5 to 10 hectares—particularly badly off in regard to the employment of working animals—which shows in the period 1882-95 the *greatest increase* both in regard to number of farms and the area of land occupied by them. Here are the figures illustrating this (in per cent of total):

	Farms			Total area			Area under cultivation		
	1882	1895	Increase or decrease	1882	1895	Increase or decrease	1882	1895	Increase or decrease
5 to 10 hectares . . .	10.50	10.90	+ 0.40	11.90	12.37	+ 0.47	12.26	13.02	+ 0.76
10 to 20 hectares . . .	7.06	7.07	+ 0.01	16.70	16.59	— 0.11	16.48	16.88	+ 0.40

In the sub-group of 10 to 20 hectares the increase in the number of farms is quite insignificant; the proportion of the total area occupied by them has even diminished; whereas the proportion of the area under cultivation occupied by them has increased to a much less extent than that of the sub-group of 5 to 10 hectares. Consequently, the increase in the middle peasant farm group has taken place mainly (and partly even exclusively) in the sub-group of 5 to 10 hectares, *i.e.*, in the very sub-group in which the condi-

tions of farming in regard to the employment of working animals are particularly bad.

We see, therefore, that the statistics irrefutably reveal the real significance of the notorious increase in the number of middle peasant farms: it is not an increase in prosperity, but *an increase in poverty*; not the progress of small farming, but *its degradation*. If the conditions of farming have deteriorated *most* among the middle peasant farms, and if these have been obliged to resort most extensively to the employment of cows for field work, then it is not only our right but our duty, on the basis of this aspect of farming alone (for it is one of the most important aspects of farming as a whole) to draw our conclusions in regard to all the other aspects of farming. If the number of horseless (to use a term familiar to the Russian reader, and one that is quite applicable to the present case) farms has increased, if the quality of the working animals employed has deteriorated, then there cannot be the slightest doubt that the general condition of the animals, the methods of tilling the soil, and the standard of living of the farmers have all deteriorated also; for, as is generally known, in peasant farming, the harder the animals are worked and the worse they are fed, the harder the peasant works and the worse he is fed, and *vice versa*. The conclusions we drew above from Klawki's detailed investigations are fully confirmed by the voluminous statistics concerning all the small peasant farms in Germany.

IX

Dairy Farming and Agricultural Co-operative Societies in Germany

The Agricultural Population in Germany Divided According to Economic Position

We have dealt in such detail with the statistics of working animals because these are the only statistics (apart from those dealing with machinery, which we have already examined) that enable us to obtain an interior view, as it were, of agriculture, of its equipment

and organisation. All the other statistics—of the area of land (which we have already quoted), and the number of livestock (which we shall quote below), merely describe the external aspects of agriculture, treating as equal values that are obviously unequal; for the tilling of the soil—and, consequently, the size of the harvest—and the quality and productivity of the animals are different in the different categories of farms. Although these differences are well known, they are usually forgotten in making statistical calculations; the statistics of machinery and working animals alone enable us, to some extent, to form a judgment of these differences and decide which group (on the whole) is better off. If the big farms employ the particularly complex and costly machines—which alone are taken into consideration by statistics—to a greater extent than the rest, then it is clear that the other types of agricultural implements, which statistics ignore (ploughs, harrows, waggons, etc.), are of better quality, are used in larger numbers and (because the farms are conducted on a larger scale) are more fully utilised on the big farms. The same applies to livestock. The small farmer must make up for the lack of these advantages by greater industry and frugality (he has no other weapons in the struggle for existence), and for this reason these qualities distinguish the small farmer in capitalist society, not casually, but always and inevitably. The bourgeois economist (and the modern "critic," who on this question, as on all others, drags at the tail of the bourgeois economist) describes these qualities as the virtues of thrift, perseverance, etc. (*cf.* Hecht and Bulgakov), and regards them as the peasant's merits. The socialist calls them overwork (*Ueberarbeit*) and under-consumption (*Unterkonsumption*) and blames capitalism for them; he tries to open the eyes of the peasant to the deception practised by those who deliver Manilov orations, picturing social degradation as a virtue, and thereby strive to perpetuate this degradation.

We shall now deal with the statistics showing the distribution of livestock among the various groups of German farmers in 1882 and 1895. The following are the main results of these statistics (in per cent of total):

	All kinds of livestock (according to value)			Horned cattle			Pigs		
	1882	1895	Increase or decrease	1882	1895	Increase or decrease	1882	1895	Increase or decrease
0 to 2 hectares	9.3	9.4	+ 0.1	10.5	8.3	— 2.2	24.7	25.6	+ 0.9
2 to 5 „	13.1	13.5	+ 0.4	16.9	16.4	+ 0.5	17.6	17.2	— 0.4
5 to 20 „	33.3	34.2	+ 0.9	35.7	36.5	+ 0.8	31.4	31.1	— 0.3
20 to 100 „	29.5	28.8	— 0.7	27.0	27.3	+ 0.3	20.6	19.6	— 1.0
100 hectares and over	14.8	14.1	— 0.7	9.9	11.5	+ 1.6	5.7	6.5	+ 0.8
Total . . .	100	100	—	100	100	—	100	100	—

Thus, the share of the total number of all kinds of livestock owned by the large farms has diminished; whereas that of the middle peasant farms has increased most. We speak of the number of all kinds of livestock, notwithstanding the fact that the statistics give only their value, for the reason that the statisticians' assumption that the value of each animal is equal for all groups is obviously wrong. By lumping together all kinds of livestock, these statistics do not show the distribution of livestock according to real value at all; they indicate merely distribution according to number. (The same result could have been obtained by expressing all the livestock in terms of horned cattle; but this would have entailed fresh calculations on our part, and the conclusions would not have altered the case materially.) As the livestock belonging to the big farmers is of better quality, and in all probability improves faster than that of the small farmers (judging by the improvement in their implements), these figures considerably minimise the real superiority of large-scale farming.

In regard to the various kinds of livestock, it must be said that the diminution of the share of the large farms is entirely due to the decline in commercial sheep farming: from 1882 to 1895 the number of sheep diminished from 21,100,000 to 12,600,000, *i.e.*, by 8,500,000; of this the number of sheep on farms of 20 hectares and over declined by 7,000,000. As is known, stock raising for the dairy and meat markets is one of the developing branches of com-

mercial livestock farming in Germany. This is why we took the figures of cattle and pigs; and we found that the *greatest* progress in these two branches of livestock farming has been made on the large farms of 100 hectares and>: the proportion of the total horned cattle and pigs owned by these large farms has increased most. This fact stands out more prominently for the reason that the area of livestock farms is usually smaller than that of agricultural farms and one would therefore expect a more rapid development on the middle capitalist farms than on the big capitalist farms. The general conclusion to be drawn (in regard to the number, and not the quality, of cattle) should be the following: The big farmers were affected most by the sharp decline in commercial sheep farming, and this was only partly compensated by a more considerable (compared with the small and middle farms) increase in the raising of cattle and pigs.

In speaking of dairy farming, we must not ignore the extremely instructive, and, as far as we know, unutilised material on this question to be found in German statistics. But this concerns the general question of combining agriculture with the working up of industrial crops; and we are obliged to deal with it because of the manner in which Mr. Bulgakov again amazingly distorts the facts. As is known, the combination of agriculture with the working up of agricultural products represents one of the most outstanding symptoms of the specifically capitalist progress of agriculture. Already in *Nachalo*, Mr. Bulgakov declared:

"In my opinion, Kautsky exaggerates this combination to the utmost degree: if we take the statistics we shall find that the amount of land connected with industry in this way is absolutely negligible." (No. 3, p. 32.)

The argument is an extremely weak one, for Mr. Bulgakov would not dare to deny the technically progressive character of this combination; and he utterly ignores the most important question, *i.e.*, whether large-scale production or small production is the vehicle of this progress. And as the statistics give a very definite reply to this question, Mr. Bulgakov in his book resorts . . . *sit venia verbo*! . . .[1] to a stratagem. He quotes the percentage of farms

[1] Save the mark! *Ed.*

(of farms as a whole, and not according to groups) that are combined with technical production in one form or another, and remarks:

"It must not be supposed that it is combined principally with large farms." (Part II, p. 116.)

The very opposite is the case, most worthy professor: this is precisely what must be supposed; and the table you quote (which does *not* show the percentage of farms which are combined with technical production in relation to the total number of farms in *each* group) merely deceives the uninformed or inattentive reader. Below we give the combined figures (in order to avoid making our pages bristle with statistics) of the number of farms which are connected with sugar refining, distilling, starch-making, brewing and flour milling. Consequently, the totals will show the number of *cases* in which agriculture is combined with technical production.

	Total number of farms	Number of cases in which agriculture is combined with technical production	Per cent
0 to 2 hectares . . .	3,236,367	11,364	0.01
2 to 5 " . . .	1,016,318	13,542	1.09
5 to 20 " . . .	998,804	23,879	2.30
20 to 100 " . . .	281,767	8,273	2.52
100 hectares and over . . .	25,067	4,006	15.72
Total . . .	5,558,323	63,064	1.14
1,000 hectares and over .	572	330	57.69

Thus, the percentage of cases in which agriculture is combined with technical production is negligible in small farming and reaches marked dimensions only in large-scale farming (and enormous dimensions on the latifundia, of which *more than half* enjoy the benefits of this combination). If this fact is compared with the statistics we have quoted above on the employment of machines and working animals, it will be understood what pretentious nonsense

Mr. Bulgakov utters when he talks about the "illusion fostered by conservative" Marxists "that large-scale farming is the vehicle of economic progress and that small farming is the vehicle of retrogression." (Part II, p. 260.)

"The great bulk [of sugar beets and potatoes for distilling alcohol] was produced on the small farms," continues Mr. Bulgakov.

But the very opposite is the case: *it was precisely on the big farms*:

	Number of farms cultivating sugar beets	Per cent of total number of farms in category	Area under beets (in hectares)	Per cent	Number farms cultivating potatoes for industrial purposes	Per cent of total number of farms in category
0 to 2 hectares . . .	10,781	0.33	3,781	1.0	565	0.01
2 to 5 „ . . .	21,413	2.10	12,693	3.2	947	0.09
5 to 20 „ . . .	47,145	4.72	48,213	12.1	3,023	0.30
20 to 100 „ . . .	26,643	9.45	97,782	24.7	4,293	1.52
100 hectares and over . . .	7,262	28.98	233,820	59.0	5,195	20.72
Total . . .	113,244	2.03	396,289	100	14,023	0.25
1,000 hectares and over .	211	36.88	26,127		302	52.79

Thus, we see again that the percentage of farms cultivating sugar beets and potatoes for industrial purposes is quite negligible in the small farm group, considerable in the big farm group, and very high in the latifundia. The great bulk of the beets (83.7 per cent, judging by the area under beets), is produced on the big farms.[1]

Similarly, Mr. Bulgakov failed to ascertain the "share large-

[1] Mr. Bulgakov's assertions regarding the working up of industrial crops are so strangely inappropriate that involuntarily the thought arises as to whether they were not prompted by the fact that, in quoting the tables from the German investigation, Mr. Bulgakov *failed to observe* that they do not show the percentage of farms combined with technical production *in relation to the total number of farms in the given group*. On the one hand, it is dif-

scale farming" occupies in dairy farming (Part II, p. 117); and yet this branch of commercial stock-raising is one of those which are developing with particular rapidity over the whole of Europe, and is also one of the symptoms of the progress of agriculture. The following figures show the number of farms selling milk and dairy produce in the cities:

	Number of such farms	Per cent of total[1]	Per cent of total number of farms in category	Number of cows	Per cent of total	Number of cows per farm
0 to 2 hectares . . .	8,998	21.46	0.3	25,028	11.59	2.8
2 to 5 „ . . .	11,049	26.35	1.1	30,275	14.03	2.7
5 to 20 „ . . .	15,344	36.59	1.0	70,916	32.85	4.6
20 to 100 „ . . .	5,676	13.54	2.0	58,439	27.07	10.3
100 hectares and over . .	863	2.06	3.4	31,213	14.46	36.1
Total . . .	41,930	100.00	0.8	215,871	100.00	5.1
1,000 hectares and over	21	—	3.7	1,822	—	87.0

Thus, here too, large-scale farming is in advance of the rest: The percentage of farmers engaged in the milk trade increases in proportion with the increase in the size of the farms, and is highest in the latifundia ("latifundia degeneration"). For example, the proportion of big farms (100 hectares and >) which sell milk to the cities is more than twice as large (3.4 and 1.5 per cent) as that of the middle peasant farms (5 to 20 hectares).

The fact that the big (in area) farms also engage in large-scale

ficult to imagine a strict scientist like him committing such a string of errors (and making such proud assertions into the bargain) in his "investigation." On the other hand, the identity of Mr. Bulgakov's tables with those in the German investigation (S. 40-41) is beyond doubt. . . . Oh, those "strict scientists"!

[1] We have included this column in order that the reader may get a clear idea of the methods employed by Mr. Bulgakov, for it is to this column alone (in the investigation) that Mr. Bulgakov refers in proof of his conclusions.

dairy farming is confirmed by the figures showing the number of cows per farm, *i.e.*, 36 per farm of 100 and > hectares, and even 87 in the latifundia. Generally speaking, the obviously capitalist farms (20 hectares and >) possess 41.5 per cent of the total number of cows whose milk is sold in the cities, notwithstanding the fact that the number of farmers owning these cows represent an insignificant percentage of the total number of farmers (5.52 per cent), and a very small percentage of the number of farmers who sell milk to the cities (15.6 per cent). The progress of precisely the capitalist farms, and the capitalist concentration of this branch of commercial stock-raising, are therefore beyond the shadow of doubt.

But the concentration of dairy farming is by no means fully brought out by the statistics of farms grouped according to area. It is clear *a priori* that there can and must be farms equal in area but unequal in the number of livestock in general, and of dairy cattle in particular, owned by them. First of all, we shall compare the distribution of the *total number* of horned cattle among the various groups of farms with the distribution of the total number of cows whose milk is sold to the cities:

	Percentage of all cattle	Percentage of cows whose milk is sold to cities	Difference
0 to 2 hectares	8.3	11.6	+3.3
2 to 5 „	16.4	14.0	−2.4
5 to 20 „	36.5	32.8	−3.7
20 to 100 „	27.3	27.1	−0.2
100 hectares and over . . .	11.5	14.5	+3.0
Total . . .	100.0	100 0	

Again we see that it is *the middle peasant farms that are worst off*: this group utilises the smallest share of its cattle for the urban milk trade (*i.e.*, the most profitable branch of dairy farming). On the other hand, the big farms occupy a very favourable position and utilise a relatively large proportion of their cattle for the

urban milk trade.[1] But the position of the smallest farmers is most favourable of all, for they utilise the *largest* proportion of their cattle for the milk trade with the cities. Consequently, in this group of farms, special "milk" farms are developing on which agriculture is forced into the background, or even abandoned altogether (out of 8,998 farms in this group which sell milk to the cities, 471 have no arable land, and these farmers possess a total of 5,344 cows, *i.e.*, 11.3 cows per farm). We shall obtain an interesting picture of the concentration of dairy farming within a given group according to area of tilled land if, with the aid of German statistics, we single out the farms with one and two cows each:

FARMS SELLING DAIRY PRODUCE TO THE CITIES

	Total number of farms	With one cow	With two cows	With three cows and more			Total number of cows
				Number of farms	Total number of cows	Cows per farm	
0 to 50 ares [2] . . .	1,944	722	372	850	9,789	11.5	11,255
50 ares to 2 hectares	7,054	3,302	2,552	1,200	5,367	4.5	13,773
0 to 2 hectares . .	8,998	4,024	2,924	2,050	15,156	7.4	25,028
2 to 5 hectares . .	11,049	1,862	4,497	4,690	19,419	4.3	30,275

Among the farms with quite a negligible quantity of agricultural land (0 to 0.5 hectares) we observe an enormous concentration of dairy farming: less than one-half of these farmers (850 out of 1,944) concentrate in their hands almost nine-tenths of the total number of cows in this group (9,789 out of 11,255), with an average of 11.5 cows per farm. These are by no means "small" farmers—they are farmers having a turnover amounting in all probability (especially those adjacent to big cities) to several thousand marks per annum, and it is doubtful whether they dispense with hired

[1] This difference is not to be explained by the fact that the proportion of oxen to the total number of horned cattle is unequal, for the percentage of oxen (at all events those employed for field work) is higher on the large farms than on the middle peasant farms.

[2] 1 are=.01 hectare.—*Ed.*

labour. The rapid growth of the cities causes a steady increase in the number of these "dairy farmers," and, of course, there will always be found Hechts, Davids, Hertzes and Chernovs (and, not to offend France, also Maurices, of whom we shall speak later) to console the mass of the small peasants who are crushed by poverty with the example of these isolated cases of their fellow farmers who have "made good" by means of dairy farming, tobacco cultivation, etc.

In the group of farms from one-half to two hectares, we observe that less than one-fifth of the total number of farmers (1,200 out of 7,054) concentrate in their hands over two-fifths of the total number of cows (5,367 out of 13,773); in the group from two to five hectares, less than one-half of the farmers (4,690 out of 11,049) concentrate in their hands more than three-fifths of the total number of cows (19,419 out of 30,275), etc. Unfortunately, German statistics do not enable us to single out the groups having a larger number of cows.[1] But even the figures quoted fully con-

[1] Or, to be more exact, the manner in which the German statistics *are analysed* does not enable us to do so; for the authors of the investigation had the figures for each farm separately (in the replies given to the questions on the enquiry form sent out to the farmers). In passing, we would state that this practice of collecting information from each farm separately adopted by German agricultural statistics is superior to the French method and apparently also to the English and other methods. Such a system enables us to single out the various types of farms not only according to area, but also according to scale of farming (dairy farming, for example), according to the extent of employment of machinery, degree of development of technical production, etc. But this system requires a more comprehensive analysis of the information obtained. First of all, the farms must not be classified only according to one single feature (area of farms); they must be classified according to several features (number of machines, livestock, area of land under special crops, etc.); and secondly, combined classifications must be made, *i.e.*, each area group must be divided into sub-groups according to number of livestock, etc. The statistics on peasant farming compiled by the Russian Zemstvos can serve as a model in this respect. While German government statistics are superior to Russian *government* statistics in their completeness and comprehensiveness, uniformity and exactness, rapidity of preparation and publication, our *Zemstvo* statistics are superior to the European partial enquiries and investigations because of the remarkable completeness and detailed analysis of certain particular data. Russian Zemstvo statistics have for a long time consisted of investigations of individual farms and have been presented in a variety of group tables and sub-group tables, such as we have already mentioned. A close study of Russian Zemstvo statistics by Europeans would no doubt give a strong impetus to the progress of social statistics generally.

firm the general conclusion that *the concentration of capitalist agriculture is in reality much greater* than the statistics of the area of farms alone would lead us to suppose. The latter combine in one group farms small in area and grain production with farms which produce dairy produce, meat, grapes, tobacco, vegetables, etc., on a large scale. Of course, all these branches take second place compared with the production of grain; and certain *general* conclusions hold good even in regard to statistics of area. But, in the first place, certain special branches of commercial agriculture are growing with particular rapidity in Europe, and this is a strongly marked feature of her *capitalist* evolution. Secondly, the circumstance referred to is frequently forgotten in reference to certain methods, or to certain districts, and this opens a very wide field for petty-bourgeois apologetics, examples of which were presented by Hecht, David, Hertz and Chernov. The latter referred to tobacco cultivators, who, judged by the size of their farms, are *echte und rechte Kleinbauern*,[1] but, if judged by the extent of their tobacco plantations, are by no means "small" farmers. Moreover, if we examine the figures of tobacco cultivation especially, we shall find capitalist concentration in this branch also. For example, the total number of tobacco cultivators in Germany in 1898 was estimated at 139,000, who cultivated 17,600 hectares of tobacco land. But of these, 88,000, *i.e.*, 63 per cent, together owned not more than 3,300 hectares, *i.e.*, only one-fifth of the total area of land under tobacco cultivation. The other four-fifths were in the hands of 37 per cent of the tobacco cultivators.[2]

[1] Genuine small peasants.—*Ed.*

[2] *Die deutsche Volkswirtschaft am Schlusse des 19. Jrhd.* [*German National Economy at the End of the 19th Century—Ed.*]. Berlin 1900, S. 60. This is a rough computation based on the fiscal returns. For Russia, we have the following figures of the distribution of tobacco cultivation in three counties in the province of Poltava: of the total of 25,089 peasant farms cultivating tobacco, 3,015 farms (*i.e.*, less than one-eighth) have 74,565 desyatins of land under grain out of a total of 146,774 desyatins, *i.e.*, more than one-half, and 3,239 desyatins of land under tobacco out of a total of 6,844 desyatins, or nearly one-half. By grouping these farms according to the area of tobacco plantations we get the following: 324 farms (out of 25,089) have two or more desyatins of land under tobacco, comprising a total of 2,360 desyatins out of 6,844 desyatins. These are the big capitalist tobacco planters, whose outrageous exploitation of the workers is so notorious. Only 2,773

The same applies to vine growing. As a general rule, the area of the "average" vineyard, in Germany, for example, is very small: 0.36 hectares (344,850 vine growers and 126,109 hectares of vineyards). But the vineyards are distributed as follows: 49 per cent of the vine growers (having vineyards up to 20 ares each) have only 13 per cent of the total area of vineyards; the "medium" vine growers (from 20 to 50 ares), representing 30 per cent of the total, hold 26 per cent of the total area of vineyards, whereas the big vine growers (one-half hectare and over), representing 29 per cent of the total, hold 61 per cent of the total area of vineyards, *i.e.*, more than three-fifths.[1] Still more concentrated is market gardening (*Kunst- und Handelsgärtnerei*), which is rapidly developing in all capitalist countries as a direct result of the growth of the large cities, big railroad stations, industrial districts, etc. The number of market gardening enterprises in Germany in 1895 is estimated at 32,540, occupying an area of 23,570 hectares, or an average of less than one hectare each. But more than one-half of this area (51.39 per cent) is concentrated in the hands of 1,932 market gardeners, or 5.94 per cent of the total. The size of the market gardens, and the area of the rest of the land utilised for agriculture held by these big farmers, can be judged from the following figures: 1,441 market gardeners have vegetable gardens ranging from two to five hectares, making on an average 2.76 hectares per vegetable farm; but the average total land possessed by these farmers is 109.6 hectares per farm; 491 farmers have vegetable gardens of five hectares and

farms (a little more than one-tenth) had over half of a desyatin each under tobacco, comprising altogether 4,145 desyatins out of 6,844 desyatins under tobacco. See *A Review of Tobacco Cultivation in Russia*, Vols. II-III, St. Petersburg, 1894.

[1] It is of interest to note that in France, where vine growing is ever so much more developed than in Germany (1,800,500 hectares), the concentration of vine growing is also more considerable. However, we have only the statistics on the area of land to enable us to judge of it; for in France information is not collected according to separate farms, and, consequently, the actual number of vine growers is unknown. In Germany, 12.83 per cent of the total vineyards belong to vine growers owning ten or more hectares of land. In France, however, 57.02 per cent of the vineyards belong to this category of vine growers.

over, making an average of 16.54 hectares per farm, and total land amounting to an average of 134.7 hectares per farm.

We shall now return to dairy farming, the statistics of which will enable us to judge the significance of co-operative societies, which Hertz regards as a panacea for all the evils of capitalism. Hertz is of the opinion that "the principal task of socialism" is to support these co-operative societies (S. 21; 89); and Chernov, who, as might be expected, bruises his forehead against the ground in zealous worship of the new gods, has invented a theory of the "non-capitalist evolution of agriculture" with the aid of co-operative societies. We shall have a word or two to say below concerning the theoretical significance of this remarkable discovery. For the moment, we shall observe that the worshippers of co-operative societies are always eager to talk about what it is "possible" to achieve by co-operative societies. (See the example quoted above.) We, however, prefer to show what is actually achieved by the aid of co-operative societies under the present capitalist system. During the census of enterprises and occupations in Germany in 1895 a register was made of all farms belonging to dairy farm co-operatives (*Molkereigenossenschaften und Sammelmolkereien*), and also of the number of cows from which each farmer obtained milk and milk products for sale. As far as we know, these are the only *mass* statistics which strictly define, not only the extent to which farmers of various categories belong to co-operative societies, but also, and this is particularly important, the, so to speak, economic extent of this membership, *i.e.*, the dimensions of the particular branch of each farm that enters the co-operative society (the number of cows providing produce for sale organised by co-operative societies). Below we quote the figures, divided into the five principal groups according to area of farms. (See table on p. 162.)

Thus, only an insignificant minority (3 to 5 per cent) of the small farmers belong to co-operative societies—in all probability a smaller percentage than that of capitalist farms in the lower groups. On the other hand, the percentage of the big, obviously capitalist farms which belong to co-operative societies is from three to seven times larger than that of even the middle peasant farms. The percentage of the latifundia is largest of all. We can now judge

FARMS BELONGING TO CO-OPERATIVE SOCIETIES FOR THE SALE OF DAIRY PRODUCE

	Number of such farms	Per cent of farms in given category	Per cent of farms in all categories[1]	Number of cows in such farms	Per cent of total number of cows	Average number of cows per farmer
0 to 2 hectares	10,300	0.3	6.95	18,556	1.71	1.8
2 to 5 „	31,819	3.1	21.49	73,156	6.76	2.3
5 to 20 „	53,597	5.4	36.19	211,236	19.51	3.9
20 to 100 „	43,561	15.4	29.42	418.563	38.65	9.6
100 hectares and over	8,805	35.1	5.95	361,435	33.37	41.0
Total . . .	148,082	2.7	100.00	1,082,946	100.00	7.3
1,000 hectares and over	204	35.6	—	18,273	—	89.0

(72.02)

of the boundless naiveté of the Austrian Voroshilov, Hertz, who, in replying to Kautsky, states that the "German Agricultural Co-operative Wholesale Society [*Bezugsvereinigung*], with which the biggest co-operative societies are affiliated, represents *1,050,000 farmers*" (S. 112, Hertz's italics), and argues that *this means* that not only big farmers (holding more than 20 hectares, and these number 306,000) belong to these co-operative societies, but peasants also! Had Hertz pondered a little over the assumption he himself makes (that *all* the big farms belong to co-operative societies), he would have realised that the affiliation of *all* big farmers to co-operative societies *implies that a smaller percentage* of the rest belong to them—which in its turn means that Kautsky's conclusion concerning *the superiority of large-scale farming over small farming even in regard to co-operative organisation* is fully confirmed.

But still more interesting are the figures showing the number

[1] Mr. Bulgakov stated: "The share of large-scale farming in this will be seen from the following figures" (Part II, p. 117), and he quoted *only* these figures, which do not reveal "the share of large-scale farming" but (unless compared with other figures) rather serve to *obscure* it.

of cows furnishing the products the sale of which is organised by the co-operatives. The *overwhelming majority* of these cows, *almost three-fourths* (72 per cent) belong to big farmers engaged in *capitalist dairy farming* and owning ten, forty and even eighty (in the latifundia) cows per farm. And now listen to Hertz:

"We assert that *co-operative societies bring most benefit to the small and smallest farmers. . . .*" (S. 112, Hertz's italics.)

The Voroshilovs are alike all over the world. When the Voroshilovs in Russia and in Austria beat their breasts and exclaim vehemently: "We assert," we can be quite sure that they are asserting something that is the very opposite of the truth.

To conclude our review of German agrarian statistics we shall briefly examine the general situation in regard to the distribution of the agricultural population according to their economic position. Of course, we take agriculture proper (A 1, and not A 1 to 6, according to the German nomenclature, *i.e.*, we do not include fishermen, lumbermen, and hunters), and then we take the figures showing the number of persons for whom agriculture is the *principal occupation*. German statistics divide this population into three main groups: a) independent (*i.e.*, farmer owners, tenant farmers, etc.); b) non-manual employees (managers, foremen, supervisors, office clerks, etc.); and c) labourers, which group is divided up into the following four sub-groups: c^1) "Members of families employed on the farm of the head of the family: father, brother, etc.," in other words, labourers who are members of the family, as distinct from hired labourers, to which all the other sub-groups of group c belong. Clearly, therefore, in order to study the social composition of the population (and its capitalist evolution), the labourers who are members of the family must be grouped, not with the hired labourers, as is usually done, but with the farmers in group a, for the labourers who are members of the family are in fact the farmers' partners, enjoying the right of inheritance, etc. Then follow the sub-groups c^2) agricultural labourers, men and women (*Knechte und Mägde*); and c^3) "agricultural day labourers and other labourers (shepherds, herdsmen) owning or renting land." Consequently, these represent a group of persons who are

at the same time farmers and wage labourers, *i.e.*, an intermediate and transitional group which should be placed in a special category. Finally, there is the sub-group c^4) "ditto—neither owning nor renting land." In this way, we obtain three main groups: I. Farmers—possessors of land and the members of their families. II. Farmers—possessors of land and at the same time wage labourers. III. Wage workers not possessing land (non-manual employees, labourers and day labourers). The following table illustrates the manner in which the rural population[1] of Germany was distributed among these groups in the years 1882 and 1895:

	Active (occupied) population engaged in agriculture as their principal occupation (in thousands)			
	1882	1895	Increase or decrease	Per cent increase or decrease
a) Farmer owners	2,253	2,522	+269	—
c^1) Members of farmers' families	1,935	1,899	— 36	—
I	4,188	4,421	+233	+5.6
c^2) Labourers with allotments (II)	866	383	—483	—55.8
I + II	5,054	4,804	—250	—
b) Non-manual employees	47	77	+ 30	—
c^3) Labourers	1,589	1,719	+130	—
c^4) Labourers without allotments	1,374	1,445	+ 71	—
III	3,010	3,241	+ 231	+ 7.7
Total	8,064	8,045	—19	—0.2

[1] We speak only of the "active" population, as it is called in French, or *Erwerbsthätige*, as it is called in German, *i.e.*, those actually engaged in agriculture, not including domestic servants and those members of families who are not properly and permanently engaged in agricultural work. Russian social statistics are so undeveloped that they have not yet invented a special term like "*active*," "*Erwerbsthätige*," "*occupied*." Yanson, in his analysis of the statistics on the occupied population of St. Petersburg (*St. Petersburg According to the Census of 1890*), employs the term "independent," but this is not a suitable term, for it usually implies masters, and, consequently, division ac-

Thus, the active population has diminished, although only slightly. Among this population we observe a diminution in the land-possessing section (I+II) and an increase in the landless section (III). This clearly shows that *the expropriation of the rural population is taking place,* and that it is precisely the small landowners who are being expropriated; for we know already that the wage labourers with small allotments of land belong to the group of smallest farmers. Furthermore, of the persons possessing land, the number of farmer-labourers is diminishing, while the number of farmers is increasing. We see, therefore, *the disappearance of middle groups and the growth of the extreme groups*: the intermediary group is disappearing; *capitalist contradictions are becoming more acute.* Of the wage labourers, there is an increase in the number of those who are entirely expropriated, while the number of those with land is diminishing. Of the farmers, there is an increase in the number of those directly owning enterprises, while the number of those employed in the enterprises of heads of families is diminishing. (In all probability the latter circumstance is connected with the fact that, in the majority of cases, working members of peasant families receive no pay whatever from the head of the family, and for this reason are particularly prone to migrate to the cities.)

If we take the figures of the population for whom agriculture represents a *subsidiary* occupation, we shall see an increase in this (active or occupied) population from 3,144,000 to 3,578,000, *i.e.*, an increase of 434,000. This increase is almost entirely due to the increase in the number of working members of farmers' families, which increased by 397,000 (from 664,000 to 1,061,000). The number of farmers increased by 40,000 (from 2,120,000 to 2,160,000); the number of labourers possessing land increased by 51,000 (from 9,000 to 60,000); while the number of landless

cording to participation or non-participation in industry (in the broad sense of the term) is confused with division according to the position occupied in industry (say, employer or worker working on his own account). The term "productive population" may be employed, but even that would be inexact, for the military, rentier, etc., classes are not at all "productive." Perhaps the most suitable term to employ would be: population "following a trade or profession," *i.e.*, those engaged in some sort of "trade" or other occupation (for gain), as distinct from those who live at the expense of others who "follow a trade or profession."

labourers diminished by 54,000 (from 351,000 to 297,000). This enormous increase from 664,000 to 1,061,000, *i.e.*, by 59.8 per cent, in the course of 13 years is further proof of the growth of proletarianisation—the growth in the number of *peasants*, members of peasants' families, who already regard agriculture merely as a *subsidiary occupation*. We know that in these cases the principal occupation is working for wages (next in importance being petty trading, handicraft, etc.). If we combine the numbers of all working members of peasant families—those for whom agriculture is the principal occupation and those for whom it is merely a subsidiary occupation—we shall get the following: 1882—2,559,000; 1895—2,960,000. This increase may very easily provide a pretext for erroneous interpretations and apologetic conclusions, especially if compared with the number of wage labourers, which, on the whole, is diminishing. As a matter of fact, the general increase is obtained by the *diminution* in the number of working members of peasant families for whom agriculture is the principal occupation, and by the *increase* in the number of those for whom it is a subsidiary occupation; so that the latter in 1882 represented only 21.7 per cent of the total number of working members of peasant families, whereas in 1895 they represented 35.8 per cent. Thus, the statistics covering *the whole* of the agricultural population quite distinctly reveal to us the two processes of proletarianisation to which orthodox Marxism has always pointed, and which opportunist critics have always tried to obscure by stereotyped phrases. These processes are: The growing divorcement of the peasantry from the land, the expropriation of the rural population, who either migrate to the towns or become converted from land-possessing labourers into landless labourers, on the one hand; and the development of "subsidiary employments" among the peasantry, *i.e.*, the combination of agriculture with industry, which marks the first stage of proletarianisation and always leads to increased poverty (longer working day, worse food, etc.), on the other. Regarded only from their external aspects, these two processes, to a certain extent, even appear to work in opposite directions: an increase in the number of landless labourers and an increase in the number of working members of peasant land-possessing families. For this reason, to confuse

these two processes, or to ignore either of them, may very easily lead to the crudest blunders, an example of which we shall see later on when we examine the conclusions Mr. Bulgakov draws from the French statistics. Finally, the occupation statistics reveal to us a remarkable increase in the number of non-manual workers,[1] from 47,000, to 77,000, *i.e.*, an increase of 63.8 per cent. Simultaneously with the increase in proletarianisation, there is a growth of large-scale capitalist production, which requires non-manual workers to a degree rising in proportion to the increase in the employment of machinery and the development of technical production.

Thus, notwithstanding his boast about having given "details," Mr. Bulgakov utterly failed to understand the German statistics. In the occupation statistics he merely observed an increase in the number of landless labourers and a diminution in the number of land-possessing labourers, and took this to be an index of the "changes which have taken place in the organisation of agricultural labour." (Part II, p. 106.) But these changes in the organisation of labour in German agriculture as a whole have remained for him an absolutely casual and inexplicable fact, in no way connected with the general structure and general evolution of agricultural capitalism. As a matter of fact, it is only one of the aspects of the process of capitalist development. Mr. Bulgakov's opinion notwithstanding, the technical progress of German agriculture is first and foremost the progress of large-scale production, as has been irrefutably proved by the statistics of the employment of machinery, the percentage of enterprises employing working animals and the kind of working animals, the development of industries connected with agriculture, the growth of dairy farming, etc. Inseparably connected with the progress of large-scale production are the growth of the proletarianisation and expropriation of the rural population; the increase in the number of small allotment farms and in the number of peasants whose principal source of livelihood are subsidiary occupations; increased poverty among

[1] In regard to this fact, Mr. Bulgakov gave utterance in *Nachalo* to a very flat joke. He talked about "the increase in the number of officers in a dwindling army." A vulgarised view of the organisation of labour in large-scale production!

the middle peasant population, whose farming conditions have deteriorated most (the largest increase in the percentage of horseless farms and in the percentage of those using cows for field work), and, consequently, whose general conditions of life and standard of land cultivation have deteriorated most.

XII[1]

The "Ideal Country" from the Point of View of the Opponents of Marxism on the Agrarian Question

Agrarian relations and the agrarian system in Denmark provide much that is of interest for the economist. We have already seen that Ed. David, the principal representative of revisionism in contemporary literature on the agrarian question, strongly stresses the example of the Danish agricultural unions and Danish (allegedly) "small peasant" farming. Heinrich Pudor, whose work Ed. David uses, calls Denmark "the ideal country of agricultural co-operative societies."[2] In Russia, too, the representatives of liberal and Narodnik views no less frequently use Denmark as their "trump card" against Marxism in support of the theory of the vitality of small farming in agriculture. As an example we will refer, say, to the speech of the liberal Hertzenstein in the First Duma and to that of the Narodnik Karavayev in the Second Duma.

Indeed, compared with other European countries, "small peasant" farming is most widespread in Denmark; and agriculture, which has managed to adapt itself to the new requirements and conditions of the market, is most prosperous. If it is possible for small farming to "flourish" in countries with commodity production, then of course, of all European countries, Denmark is in the

[1] Chapters X and XI of this work are omitted here. They deal with a book by the German revisionist Ed. David, entitled *Socialism and Agriculture*, which Lenin at the opening of Chapter X describes as "a particularly clumsy and bulky compilation of the mistaken methods and arguments employed by Messrs. Bulgakov, Hertz and Chernov." "We could very well have ignored David," Lenin adds.—*Ed.*

[2] Dr. Heinrich Pudor, *Das Landwirtschaftliche Genossenschaftswesen im Auslande* (*Agricultural Co-operative Societies Abroad*), I. B., Lpz. 1904, S. V; Pudor is an ardent opponent of Marxism.

best position in this respect. A detailed study of the agrarian system in Denmark is therefore a matter of twofold interest. We shall see from the example of a whole country the methods that are employed by revisionism in the agrarian question, and what are really the main features of the capitalist agrarian system in the "ideal" capitalist country.

The agricultural statistics of Denmark are compiled on the model of those of other European countries. But in several respects they give more detailed information and a better analysis of figures, which enable one to study aspects of the question that are usually left in the shade. We will start with the general data on the distribution of farms in groups according to area. We will calculate the "hartkorn," the customary unit of land measurement in Denmark, in terms of hectares, counting 10 hectares to one hartkorn, as indicated in the Danish agricultural statistics.[1]

Danish agricultural statistics give information on the distribution of farms for the years 1873, 1885 and 1895. All the farms are divided into 11 groups, as follows: owning no land; up to 0.03 hectares (to be more precise: up to 1/32 of a hartkorn); 0.03 to 2.5 ha.; 2.5 to 10 ha.; 10 to 20 ha.; 20 to 40 ha.; 40 to 80 ha.; 80 to 120 ha.; 120 to 200 ha.; 200 to 300 ha.; 300 ha, and over. In order not to distract the attention of the reader too much, we shall combine these groups into six larger groups. (See table on p. 170.)

The first thing that emerges from this data is the main conclusion which the bourgeois political economists and the revisionists who follow in their footsteps usually lose sight of. It is the conclusion that the great bulk of the land in Denmark is owned by farmers engaged in capitalist agriculture. There cannot be any doubt that not only farmers occupying 120 hectares and more conduct their farms with the aid of wage labour, but also those occupying 40 hectares and more. In 1895, these two higher groups represented only 11 per cent of the total number of farms; but in their hands was concentrated 62 per cent of the total land, *i.e.*, more than three-fifths. The basis of Danish agriculture is large-scale

[1] *Danmarks Statistik. Statistik Aarbog, 8-de aargang*, 1903, P. 31 (*Danish Statistics. Statistical Annual*, 8th year, 1903, p. 31), footnote. All the statistics following apply to Denmark proper, without Bornholm.

	1873				1885				1895			
	Number of farms	Per cent	Hectares	Per cent	Number of farms	Per cent	Hectares	Per cent	Number of farms	Per cent	Hectares	Per cent
No land	31,253	13.3	—	—	35,329	13.6	—	—	32,946	12.4	—	—
Up to 2.5 hectares	65,490	27.9	54,340	1.5	82,487	31.8	62,260	1.7	92,656	34.8	63,490	1.8
2.5 to 10 hectares	65,672	27.9	333,760	9.1	67,773	26.2	345,060	9.5	66,491	25.0	341,020	9.4
10 to 40 hectares	41,671	17.7	928,310	25.5	43,740	16.9	966,850	26.5	44,557	16.8	981,070	26.8
40 to 120 hectares	29,288	12.5	1,809,590	49.6	27,938	10.8	1,722,820	47.1	27,301	10.3	1,691,950	46.4
120 hectares and over	1,856	0.7	522,410	14.3	1,953	0.7	551,530	15.2	2,031	0.7	568,220	15.6
Total . . .	235,230	100.0	3,648,410	100.0	259,220	100.0	3,648,520	100.0	265,982	100.0	3,645,750	100.0

and medium *capitalist* agriculture. All the talk about a "peasant country" and about "small farming" is just bourgeois apologetics, a distortion of the facts by various titled and untitled ideologists of capital.

It must be noted in this connection that in Denmark, as in other European countries where the capitalist system of agriculture is fully established, the share of the higher capitalist groups in the whole national economy changes rather little in a given period of time. In 1873, 13.2 per cent of the capitalist farms occupied 63.9 per cent of the total land; in 1885, 11.5 per cent of the farms occupied 62.3 per cent of the land. This stability of large-scale farming must always be borne in mind when comparisons of the data for different years are made; for in literature we often observe that comparisons concerning changes in *details* obscure the *main* features of the given social-economic system.

As in other European countries, the mass of small farms in Denmark play an insignificant role in the general total of agricultural production. In 1895, the total number of farms occupying areas up to 10 hectares represented 72.2 per cent of the total number of farms; but they occupied only 11.2 per cent of the land. In the main, this ratio was the same in 1885 and in 1873. Often the small farms belong to semi-proletarians—as we have seen, the German statistics proved this completely in regard to farms up to two hectares, and partly also in regard to farms up to five hectares. Later on, in quoting the figures on the livestock owned by the farms in the various groups, we will show that there can be no talk about really independent and anything like stable agriculture in relation to the bulk of the celebrated representatives of "small farming." 47.2 per cent of the farms, *i.e.*, nearly half, are proletarian and semi-proletarian (those owning no land and those owning up to 2.5 hectares); 25 per cent, *i.e.*, another fourth of the farms (2.5 to 10 hectares) are needy small peasants—such is the *basis* of "flourishing" agricultural capitalism in Denmark. Of course, statistics referring to the area of land can enable us to judge of a country with a highly developed commercial stock-raising industry only in general outline, in sum totals. As the reader will see, however, the figures on stock-raising, which we

examine in detail below, only serve to *strengthen* the conclusions that have been drawn.

Now let us see what changes took place in Denmark between 1873 and 1895 in the distribution of land as between the big and the small farms. What strikes us immediately in this connection is the typically capitalistic increase in the extremes, and the diminution in the proportion of middle farms. Taking the agricultural farms (not counting farms without land), the proportion of the smallest farms, those up to 2.5 hectares, *increased*: 27.9 per cent in 1873, 31.8 per cent in 1885 and 34.8 per cent in 1895. The proportion of *all* the middle groups *diminished*, and *only* in the highest group, 120 hectares and over, did it remain unchanged (0.7 per cent). The proportion of the land occupied by the largest group, 120 hectares and over, *increased*: 14.3 per cent in 1873, 15.2 per cent in 1885 and 15.6 per cent in 1895; there was also an *increase*, but not to the same extent, among the middle peasant farms (from 10 to 40 hectares: 25.5 per cent, 26.5 per cent, and 26.8 per cent for the respective years), while the total number of farms in this group diminished. There is an unsteady *increase* in the farms of 2.5 to 10 hectares (9.1 per cent, 9.5 per cent and 9.4 per cent for the respective years) and a *steady increase* in the smallest farms (1.5 per cent, 1.7 per cent and 1.8 per cent for the respective years). As a result we have a very clearly marked tendency of growth among the largest and smallest farms. In order to picture this phenomenon to ourselves more clearly we must take the average area of farms according to groups for the respective years. Here are the figures:

Group of farms	Average area of farms (hectares)		
	1873	1885	1895
Up to 2.5 hectares	0.83	0.75	0.68
2.5 to 10 „	5.08	5.09	5.13
10 to 40 „	22.28	22.08	22.01
40 to 120 „	61.00	61.66	61.97
120 hectares and over . . .	281.40	282.30	279.80
Average	15.50	14.07	13.70

From these statistics we see that in the majority of groups the area of farms is extremely stationary. The variation is insignificant, one to two per cent (for example: 279.8 to 282.3 hectares, or 22.01 to 22.28 hectares, etc.). The *only* exceptions are the smallest farms, which are undoubtedly *breaking up*: the diminution in the average area of these farms (up to 2.5 hectares) by ten per cent from 1873 to 1885 (from 0.83 hectares to 0.75 hectares) and also from 1885 to 1895. The general increase in the total number of farms in Denmark is proceeding with almost no change in the total area of farm land (between 1885 and 1895 there was even a slight diminution). The increase in the main affects the smallest farms. Thus from 1873 to 1895 the total number of farms increased by 30,752; the number of farms up to 2.5 hectares increased by 27,166. Clearly, this diminution in the average area of all farms in Denmark (15.5 hectares in 1873, 14.1 in 1885 and 13.7 in 1895) really signifies *nothing more than the break-up* of the *smallest* farms.

The phenomenon we have noted becomes still more striking when the figures are divided up into smaller groups. The compilers of the statistics for 1895 (*Danmarks Statistik etc. Danmarks Jordbrug. 4-de Raekke*, Nr. 9, litra C)[1] show the following changes in the number of farms according to groups:

Group of farms	Per cent increase or decrease	
	1885 to 1895	1873 to 1885
300 hectares and over .	+ 4.2	+ 5.0
200 to 300 hectares . .	0	+ 6.1
120 to 200 „ . .	+ 5.2	+ 5.1
80 to 120 „ . .	— 1.5	— 2.1
40 to 80 „ . .	— 2.4	— 5.0
20 to 40 „ . .	+ 1.0	+ 3.6
10 to 20 „ . .	+ 2.8	+ 6.5
2.5 to 10 „ . .	— 1.9	+ 3.2
0.03 to 2.5 „ . .	+ 2.1	+17.8
0 to 0.03 „ . .	+25.1	+37.9

[1] *Danish Statistics, etc. Danish Agriculture*, 4th series, No. 9, litra C.—*Ed.*

Thus, the increase takes place in dwarf farms, which are either farms devoted to the cultivation of special crops or "farms" of *wage workers.*

This conclusion is worth noting, because apologetic professorial "science" is inclined to deduce from the diminution in the average area of all farms that small production is beating large-scale production in agriculture. Actually we see progress in agriculture conducted on the largest scale, stability in the area of farms in all groups except that of the smallest farms, and the *break-up* of the farms in the latter group. This break-up must be ascribed to the decline and impoverishment of the small farmer: the other possible explanation, namely, the transition from agriculture in the strict sense of the word to stock-raising, cannot be applied to all the smallest farms, for this transition is taking place in *all* groups, as we shall see in a moment. For the purpose of judging the scale on which farming is conducted in a country like Denmark, statistics on stock-raising are far more important than statistics on area of farms, because farming on different scales can be conducted on the same area of land when stock-raising and dairy farming are developing at a particularly fast rate.

It is precisely this phenomenon that is observed in Denmark, as is well known. The "flourishing" condition of Danish agriculture is due mainly to the rapid successes achieved by commercial stock-raising and the export of dairy produce, meat, eggs, etc., to Great Britain. Here we meet with the solemn statement by Pudor that Denmark

"*owes the colossal development of her dairy farming precisely to the decentralisation of her stock-raising and dairy farming.*" (L.c., p. 48, Pudor's italics.)

It is not surprising that an out-and-out huckster in his whole system of views like Pudor, who totally fails to understand the contradictions of capitalism, should take the liberty of distorting facts in this way. But what is very characteristic is that the philistine David, who owing to some misunderstanding is regarded as a socialist, uncritically follows in his wake!

As a matter of fact, Denmark serves as a striking example of the *concentration* of stock-raising in a capitalist country. Pudor could arrive at the opposite conclusion only because of his extreme

ignorance, and because he distorted the *fragments* of statistics which he quotes in his pamphlet. Pudor quotes, and David slavishly repeats after him, figures which show the distribution of the total number of livestock farms in Denmark according to the number of animals per farm. According to Pudor, it works out that 39.85 per cent of the total number of farms *having livestock* possess only from one to three animals each; that 29.12 per cent possess from four to nine animals each, etc. Consequently, argues Pudor, the majority of farms are "small"; "decentralisation," etc.

In the first place, Pudor quotes the *wrong* figures. This must be noted, because this Pudor boastfully states that in his book one may find all the "latest" figures; and the revisionists "refute Marxism" by quoting ignorant bourgeois scribblers. Secondly, and this is most important, the *method* of argument employed by the Pudors and Davids is repeated so often by our Cadets and Narodniki that we cannot refrain from dealing with it. *Such* a method of argument inevitably leads to the conclusion that *industry* in the most advanced capitalist countries is becoming "decentralised"; for *everywhere and always* the percentage of very small and small establishments is highest, and the percentage of large establishments is insignificant. The Pudors and the Davids forget a "trifle": the fact that by far the greater part of total production is concentrated in large enterprises, which comprise only a small proportion of the total number of enterprises.

The actual distribution of the total cattle in Denmark according to the last census, taken on July 15, 1898, was as shown in the table on the following page.[1]

From the above we see what role is played in the total livestock industry in Denmark by a large number of small and a small number of big farms, and what the notorious "decentralisation" of production in the "ideal country" really represents. Small farms with one to three head of cattle number 68,292, *i.e.*, 37.9 per cent of the total; they possess 140,730 head, *i.e.*, only 8.6 per cent of the

[1] *Danmarks Statistik. Statistik Tabelvoerk. Femte Raekke*, litra C., Nr. 2. *Kreaturholdet d. 15 juli 1898.* Kobenhavn 1901. (*Danish Statistics. Statistical Tables.* Fifth series, litra C, No. 2. *Census of Livestock, July 15, 1898.* Copenhagen, 1901.—*Ed.*)

total. An almost equal number, 133,802, *i.e.*, 7.7 per cent, is owned by 783 large farmers representing 0.4 per cent of the total number of farmers. Those in the first group possess on an average a little over two head of cattle each, *i.e.*, an obviously inadequate number with which to carry on commercial livestock farming; for under

Farms having	No. of farms	Per cent	Total cattle	Per cent
1 head of cattle	18,376	10.2	18,376	1.0
2 „ „	27,394	15.2	54,788	3.1
3 „ „ „	22,522	12.5	67,566	3.9
4 to 5 „ „ „	27,561	15.2	121,721	7.0
6 to 9 „ „ „	26,022	14.4	188,533	10.8
10 to 14 „ „ „	20,375	11.3	242,690	13.9
15 to 29 „ „ „	30,460	16.9	615,507	35.3
30 to 49 „ „ „	5,650	3.1	202,683	11.6
50 to 99 „ „ „	1,498	0.8	99,131	5.7
100 to 199 „ „ „	588	0.3	81,417	4.7
200 head of cattle and over	195	0.1	52,385	3.0
Total	180,641	100.0	1,744,797	100.0

these conditions it is possible to sell dairy and meat products only by cutting down household consumption (we will recall well-known facts: butter is sold and cheaper margarine is purchased, etc.). Those in the second group have on an average 171 head of cattle each. These are big capitalist farmers, "manufacturers" of milk and meat; "leaders" in technical progress and of all sorts of agricultural unions, about which philistine worshippers of "social peace" wax so enthusiastic.

If we combine the small and middle farmers we shall get a total of 121,875 farmers, *i.e.*, two-thirds of the total (67.5 per cent), who own up to nine head of cattle each. These farmers own a total of 450,984 head of cattle, *i.e.*, one-fourth of the total (25.8 per cent). An almost equal number, *i.e.*, 435,616 (25 per cent) is owned by farmers having 30 and more head of cattle each. These farmers number 7,931, *i.e.*, 4.3 per cent of the total. "Decentralisation" indeed!

By combining the small divisions of Danish statistics given above into three large groups we get the following:

Farms having	Number of farms	Per cent	Total cattle	Per cent	Average per farm
1 to 3 head of cattle .	68,292	37.9	140,730	8.0	2.1
4 to 9 head	53,583	29.6	310,254	17.8	5.8
10 head and over	58,766	32.5	1,293,813	74.2	22.0
Total . . .	180,641	100.0	1,744,797	100.0	9.7

Thus, *three-fourths* of the total livestock farming in Denmark is concentrated in the hands of 58,766 farmers, that is, less than *one-third* of the total number of farmers. This one-third enjoys the lion's share of the benefits of all the "prosperity" of capitalism in Danish agriculture. It is necessary to bear in mind that this high percentage of well-to-do peasants and rich capitalists (32.5 per cent, *i.e.*, nearly one-third) is obtained as a result of an artificial method of calculation which eliminates *all farmers who possess no livestock*. Actually, this percentage is much lower. According to the census of 1895, as we have seen, the total number of farmers in Denmark is 265,982; and the livestock census of July 15, 1898, puts the total number of farmers at 278,673. In relation to this actual total of farmers, 58,766 well-to-do and rich farmers represent only 21.1 per cent, *i.e., only one-fifth*. The number of "farmers" who own no land represents 12.4 per cent of the total number of farmers in Denmark (1895: 32,946 out of 265,982), while the farmers who own no livestock[1] represent 35.1 per cent of *the total number of farmers in Denmark, i.e., more than one-third* (1898: 98,032 out of 278,673). One can judge from this the "socialism" of Messrs. David, who fail to see that the capitalist prosperity of Danish agriculture rests on the *mass proletarianisation* of the rural population, on the *mass* of the "farmers" being deprived of the means of production.

We shall now pass on to the data which depict agriculture and

[1] To be more precise, farmers who own no cattle, for unfortunately the Danish statistics do not give the number of farmers who own *no animals whatever*. From these statistics we only learn the number of owners of each type of animal. But undoubtedly, cattle is the principal base of livestock farming in Denmark.

livestock farming in Denmark as a whole. The census of July 15, 1898, gives detailed information on the number of livesock owned by the various groups of farmers owning certain amounts of land. The number of these groups in the Danish statistics is particularly large (14 groups: owning no land; owning up to 1/32 of a hartkorn; 1/32 to 1/16; 1/16 to 1/8; 1/8 to ¼; ¼ to ½; ½ to 1; 1 to 2; 2 to 4; 4 to 8; 8 to 12; 12 to 20; 20 to 30; 30 and over); but we have reduced them to 6 large groups, as we did with the preceding figures. (See table on p. 179.)

From these figures we see first of all how great is the concentration of livestock farming *as a whole* in Denmark. Big capitalist farmers owning over 40 hectares of land represent only *one-tenth* of the total farmers (10.7 per cent); but they concentrate in their hands *more than three-fifths* of the total land (62.6 per cent) and *nearly one-half* of the total livestock: 45.6 per cent of the horses, 48.4 per cent of the cattle, 32.7 per cent of the sheep, and 44.6 per cent of the pigs.

If to these capitalist farmers we add the well-to-do peasants, *i.e.*, those owning from 10 to 40 hectares, we will get a little over one-fourth of the total number of farmers (27.0 per cent) who concentrate in their hands nine-tenths of the total land, three-fourths of the total number of horses, four-fifths of the total number of cattle, seven-tenths of the total number of pigs and nearly half the total number of poultry. The great bulk of the "farmers," nearly three-fourths (73 per cent), own less than 10 hectares of land each and, on the whole, represent the proletarianised and semi-proletarianised mass, which plays an insignificant part in the agriculture and livestock farming of the country as a whole.

As for the distribution of the various types of animals, sheep and pig raising deserve special attention. The first is a declining branch of livestock farming, which is unprofitable for the majority of European countries at the present time owing to market conditions, to overseas competition. The conditions of the international market call for the substitution of other forms of livestock farming for sheep farming. On the other hand, pig breeding is a particularly profitable and rapidly developing branch of meat livestock farming in Europe. Statistics show that sheep farming is also declining in

Group of farms	Number of farms	Per cent	Hectares	Per cent	Horses	Per cent	Cows	Per cent
Owning no land	13,435	4.8	—	—	1,970	0.5	3,707	0.3
Amount of land unknown	45,896	16.5	?	?	28,909	6.4	28,072	2.6
Up to 2.5 hectares	80,582	28.9	55,272	1.5	24,540	5.5	66,171	6.2
2.5 to 10 „	63,420	22.8	323,430	8.9	54,900	12.2	175,182	16.4
10 to 40 „	45,519	16.3	984,983	27.0	133,793	29.8	303,244	28.5
40 to 120 „	27,620	9.9	1,692,285	46.4	168,410	37.5	361,669	33.9
120 hectares and over	2,201	0.8	588,318	16.2	36,807	8.1	129,220	12.1
Total	278,673	100.0	3,644,288	100.0	449,329	100.0	1,067,265	100.0

Group of farms	Total cattle	Per cent	Sheep	Per cent	Pigs	Per cent	Poultry	Per cent
Owning no land	4,633	0.3	8,943	0.8	8,865	0.8	220,147	2.5
Amount of land unknown	42,150	2.4	42,987	4.0	42,699	3.7	780,585	8.9
Up to 2.5 hectares	88,720	5.1	99,705	9.3	94,656	8.1	1,649,452	18.8
2.5 to 10 „	247,618	14.2	187,460	17.5	191,291	16.4	1,871,242	21.4
10 to 40 „	515,832	29.6	383,950	35.7	308,863	26.4	1,957,726	22.3
40 to 120 „	639,563	36.6	310,686	28.9	409,294	35.0	1,998,595	22.8
120 hectares and over	206,281	11.8	40,682	3.8	112,825	9.6	289,155	3.3
Total	1,744,797	100.0	1,074,413	100.0	1,168,493	100.0	8,766,902	100.0

NOTE: The returns for 1898 differ from those for 1895 in regard to the distribution of farms according to the amount of land. This may be due to changes in time and also to the somewhat different methods adopted of collecting statistics. But the general relation between the groups remains the same. The census of 1895 takes into account 45,860 hectares of undistributed land in addition to the 3,645,750 hectares of distributed land. The group of farms with "amount of land unknown" 1898) consists largely of the lower groups, which is proved by the number of livestock.

Denmark, whereas pig breeding is increasing very rapidly. From 1861 to 1898 the number of sheep in Denmark diminished from 1,700,000 to 1,100,000. The number of cattle increased from 1,100,000 to 1,700,000. The number of pigs increased from 300,000 to 1,200,000, *i.e.*, a fourfold increase.

And so, comparing the distribution of sheep and pigs among the small and big farms, we clearly see in the former the maximum of routine, the least adaptability to the requirements of the market, and slowness in reorganising the farm to correspond to the new conditions. The big capitalist farms (40 to 120 hectares, 120 hectares and over) cut down unprofitable sheep farming most (sheep 28.9 per cent and 3.8 per cent, as against 33 per cent to 37 per cent and 8 per cent to 12 per cent of other types of livestock). The small farms adapted themselves to a lesser extent: they still maintain a larger number of sheep; for example, farms up to 2.5 hectares possess 9.3 per cent of the total number of sheep, as against 6 to 5 per cent of other types of livestock. They possess 8.1 per cent of the pigs—a *smaller* share than of sheep. The capitalists possess 35 per cent and 9.6 per cent, *i.e.*, a *larger* share than of sheep. Capitalist agriculture is much better able to adapt itself to the requirements of the international market. In regard to the peasant, we still have to say in the words of Marx: the peasant is becoming a merchant and manufacturer without the conditions under which it is possible to become a real merchant and manufacturer. The market *demands* from *every* master, as an absolute necessity, subordination to new conditions and speedy adaptation to them. But this speedy adaptation is impossible without *capital*. Thus, under capitalism, the small farm is doomed to the maximum of routine and backwardness and the least adaptability to the market.

To give a more definite picture of the real economic features of this needy mass and of the small wealthy minority, we shall quote the figures on the average amount of land and average number of livestock in the farms of the various groups. It is natural for bourgeois political economists (and for Messrs. the revisionists) to obscure capitalist contradictions; socialist political economists must ascertain the difference in the *types* of farms and in standard

of living between the flourishing capitalist farmers and the needy small farmers.

AVERAGE PER FARM

Group	Hectares	Horses	Cows	Total cattle	Sheep	Pigs	Poultry
Owning no land	—	0.1	0.3	0.3	0.7	0.7	16.4
Amount of land unknown	?	0.6	0.6	0.9	0.9	0.9	17.0
Up to 2.5 hectares.	0.6	0.3	0.8	1.1	1.2	1.2	20.4
2.5 to 10 „	5.1	0.9	2.7	3.9	2.9	3.0	29.5
10 to 40 „	21.6	2.9	6.6	11.3	8.4	6.8	43.0
40 to 120 „	61.3	6.1	13.8	23.1	11.2	14.9	72.4
120 hectares and over	267.3	16.7	58.7	93.7	18.5	51.2	131.3
Average	13.1	1.6	3.8	6.3	3.9	4.2	31.5

These figures obviously show that the three lower groups, comprising half the total number of farms, are *poor* farms. "Farmers" possessing no horses and no cows predominate. Only in the group with land up to 2.5 hectares is there one *whole* head of cattle, one sheep and one pig per farm. Clearly, there can be no talk of this *half* of the total number of farms making profit out of dairy and meat livestock farming. For this half, the flourishing condition of Danish agriculture means dependence upon the big farmers, the necessity of seeking "supplementary earnings," *i.e.*, of selling their labour power in one way or another, eternal poverty and a semi-ruined farm.

It goes without saying that this conclusion is correct only in regard to the whole *mass* of these poor farms. We have already shown with the aid of German, French and Russian agricultural statistics that even among the farms having a small amount of land there are big livestock breeders, tobacco growers, etc. The differentiation is much deeper than can be imagined from the returns of Danish statistics. But this differentiation, by singling out in each group an insignificant minority of farms engaged in the cultivation of special crops, only *emphasises* the poverty and need of the *majority* of the farms in the poorest groups.

It is also evident from the figures quoted that even the group of small peasants possessing from 2.5 hectares to 10 hectares cannot be regarded as being in a position of economic security. We will recall the fact that in this group there are 63,000 farms, *i.e.*, 22.8 per cent of the total, and that the average is 0.9 horses per farm. The farms which have no horses probably harness their cows and thus worsen the conditions of agricultural farming (shallower ploughing) and of livestock farming (weakening the cattle). The average number of cows in this group is 2.7 per farm. Even if the household consumption of milk and meat products were reduced, and such a reduction would be a direct sign of the most bitter need, this number of cows could provide only a very small quantity of products for sale. The share such farms with 2.7 cows and 3 pigs per household enjoy in the "flourishing" "national" export of milk and meat to England *can only be* very insignificant. With farming on such a scale, commercial agriculture and livestock farming mean partly selling what is necessary for the family, cutting down food consumption, increased poverty, and partly selling in very small quantities, *i.e.*, under the least profitable conditions and the impossibility of acquiring a fund of money for the purpose of meeting inevitable extra expenditure. And the natural economy of the small peasant in modern capitalist countries is doomed to stagnation, to painful extinction; it certainly cannot flourish. The whole "trick" of bourgeois and revisionist political economy lies in not investigating separately the conditions of this particular type of small farms, which is below the "average" (the "average" Danish farmer has 1.6 horses and 3.8 cows), and which represents the *overwhelming majority* of the total number of farms. Not only is this type of farm not especially investigated; it is obscured by references exclusively to "average" figures, to the general increase in "production" and "sales," and by hushing up the fact that only the well-to-do farms, which represent the small minority, *can* sell profitably.

It is only among the farmers having from 10 to 40 hectares that we see a sufficient number of livestock to create the *possibility* of "flourishing." But these farms represent only 16 per cent of the total. And it is questionable whether they entirely dispense with

wage labour, considering that they have on an average 21.6 hectares of land per farm. In view of the high state of intensive farming in Denmark, enterprises of such dimensions probably cannot be carried on without the assistance of agricultural labourers or day labourers. Unfortunately, the Danish statisticians and the majority of writers who write about Danish agriculture adhere entirely to the bourgeois point of view and do not investigate the question of wage labour, the size of farms requiring the employment of wage labour, etc. From the Danish census of occupations of 1901 we learn only that in the group of "day labourers," etc., there are 60,000 males and 56,000 females, *i.e.*, 116,000 out of a total of 972,000 of the rural population distributed according to occupation. Whether these tens of thousands of wage workers (and in addition to these, small peasants work for wages in the form of "auxiliary occupations") are employed exclusively by the 30,000 big capitalist farmers (27,620 owning from 40 to 120 hectares and 2,201 owning over 120 hectares), or whether some of them are also employed by the well-to-do peasants owning from 10 to 40 hectares, we do not know.

Of the two highest groups, of the upper "30,000" of Danish agriculture, there is no need to speak at length: the capitalist character of their agriculture and livestock farming is strikingly depicted by the figures quoted at the beginning.

Finally, the last data of general interest touched upon and partly analysed in Danish agricultural statistics is that relating to the question of whether the development of livestock farming, the main foundation of the "prosperity" of our "ideal country," is accompanied by a process of decentralisation or concentration. The statistics of 1898, which we have already quoted, provide extremely interesting material compared with those of 1893; and for one type of livestock, the most important, it is true, namely, total cattle, we can also make a comparison with the figures for 1876 and 1898.

From 1893 to 1898 the branch of livestock farming which made most progress in Denmark was pig breeding. In this period the number of pigs increased from 829,000 to 1,168,000, *i.e.*, by 40 per cent; whereas the number of horses increased only from

410,000 to 449,000, the number of cattle from 1,696,000 to 1,744,000, while the number of sheep even diminished. Who enjoyed most of the advantage of this colossal progress of the Danish farmers, who are united in innumerable societies? The compilers of the statistics of 1898 give a reply to this by comparing the returns of 1893 with those of 1898. The total number of pig owners is divided into four groups: big owners, owning 50 and more pigs; medium big, owning from 15 to 49; medium-small, owning from 4 to 14; and small, owning from 1 to 3 pigs. The compilers give the following information regarding these four groups:

Group	1893		1898		Per cent increase or decrease		Per cent distribution of pigs	
	Farms	Pigs	Farms	Pigs	Farms	Pigs	1893	1898
50 head and over	844	79,230	1,487	135,999	76.2	71.7	9.6	11.6
15 to 49	20,602	350,277	30,852	554,979	48.2	58.4	42.3	47.5
4 to 14	38,357	211,868	50,668	282,642	32.1	33.4	25.5	24.2
1 to 3	108,820	187,756	108,544	194,873	0.3	3.8	22.6	16.7
Total	168,623	829,131	191,551	1,168,493	13.6	40.9	100.0	100.0

These figures clearly show that a rapid progress of *concentration* of livestock farming is taking place. The larger the farm, the more advantage has it obtained from the "progress" of livestock farming. The large farms increased their number of livestock by 71.7 per cent; the medium-big farms increased theirs by 58.4 per cent; the medium-small by 33.4 per cent; and the small only by 3.8 per cent. The increase in wealth occurred mainly among the small "upper" minority. The total increase of pigs during the five years was 339,000; of these 261,000, *i.e., more than three-fourths*, went to the big and medium-big farms, numbering 32,000 (out of a total of 266,000-277,000 farms!). Small production in livestock farming of this type is being *eliminated* by large-scale production: during the five years there was an *increase* in the share of the big farms (from 9.6 per cent to 11.6 per cent) and that of the medium-big farms (from 42.3 per cent to 47.5 per cent); whereas that of the medium-small farms *diminished* (from 25.5 per cent to 24.2 per cent), and

that of the small farms diminished still more (from 22.6 per cent to 16.7 per cent).

If instead of the crude figures on the *area* we could get for agriculture statistics expressing the scale of production as precisely as the figures on the number of livestock express[1] the scale of livestock farming, there is no doubt that we would see the same process of *concentration* which the bourgeois professors and opportunists deny.

Still more interesting are the corresponding figures of total cattle. We can supplement the comparison of the figures of 1893 and 1898 made by the compilers of the 1898 statistics with the returns of the census of July 17, 1876. (*Danmarks Statistik. Statistik Tabelvoerk, 4-de Raekke*, litra C, Nr. 1. *Kreaturholdet d. 17 juli 1876*. Kobenhavn 1878.[2]) The following are the figures for the three years. (See table on p. 186.)

These figures, covering a longer period of time and a more important type of livestock, show the process of *capitalist concentration* as strikingly as the figures previously quoted. The growth of livestock farming in Denmark indicates the progress *almost exclusively* of large-scale capitalist farming. The total increase in livestock from 1876 to 1898 amounts to 424,000 head. Of these, 76,000 belong to farms having 50 head and more, and 303,000 to farms having from 15 to 49 head each, *i.e.*, these upper 38,000 farms gained 379,000 head, or *nearly nine-tenths of the total increase*. A more striking picture of capitalist concentration could not be imagined.

From 1876 to 1898 the number of farms owning cattle increased by 12,645 (180,641—167,996), *i.e.*, by 7.5 per cent. From 1880 to 1901 (*i.e.*, during a slightly shorter period of time) the total population of Denmark increased from 1,969,039 to 2,449,540,[3] *i.e.*, by 22.2 per cent. Clearly, the relative number of "haves," *i.e.*, owners

[1] We showed above, according to Drexler's figures, that the livestock in big farms are heavier. Here too, therefore, the gross statistics minimise the degree of concentration.

[2] *Danish Statistics. Statistical Table*, 4th series, litra C, No. 1. *Census of Livestock, July 17, 1876*, Copenhagen, 1878.—*Ed.*

[3] In 1880 the urban population represented 28 per cent, and in 1901, 38 per cent.

Group	1876		1893		1898		Per cent increase or decrease				Per cent distribution of cattle		
							1876 to 1893		1893 to 1898				
	Farms	Cattle	Farms	Cattle	Farms	Cattle	Farms	Cattle	Farms	Cattle	1876	1893	1898
50 head and over . . .	1,634	156,728	2,209	221,667	2,281	232,933	+35.2	+41.4	+3.3	+5.1	11.8	13.0	13.4
15 to 49 . .	24,096	514,678	35,200	793,474	36,110	818,190	+46.1	+54.1	+2.6	+3.1	39.0	46.8	46.8
4 to 14 . .	64,110	504,193	72,173	539,301	73,958	552,944	+12.5	+ 6.9	+2.5	+2.5	38.2	31.8	31.7
1 to 3 . .	78,156	144,930	70,218	141,748	68,292	140,730	−10.2	− 2.2	−2.7	−0.7	11.0	8.4	8.1
Total.	167,996	1,320,529	179,800	1,696,190	180,641	1,744,797	+ 7.0	+28.4	+0.5	+2.9	100.0	100.0	100.0

of livestock, *diminished*. The *smaller* proportion of the population belongs to the class of property owners. The absolute number of small owners (owning one to three head of livestock) steadily diminished. The number of medium-small owners (owning 4 to 14 head) increased extremely slowly (plus 12.5 per cent from 1876 to 1893, plus 2.5 per cent from 1893 to 1898) and lagged behind the increase of the population. A real and rapid increase is observed only in large-scale capitalist livestock farming. From 1876 to 1893 the medium-big farms increased more rapidly than the big farms; but from 1893 to 1898, the biggest farms increased most rapidly.

Taking the figures for 1876 and 1898 for the largest farms, *i.e.*, farms owning 200 head of cattle and over, we find that in 1876 they numbered 79 (0.05 per cent of the total number of livestock owners), possessing 18,970 head of cattle (1.4 per cent of the total); whereas in 1898 their number was twice as large, *viz.*, 195 (0.1 per cent of the total), possessing 52,385 head of cattle (3.0 per cent of the total). The number of the biggest farmers more than doubled; and their output nearly trebled.

The elimination of small production by large-scale production proceeded steadily from 1876 to 1898. The proportion of small farms to the total number of farms steadily diminished: from 11.0 per cent in 1876 to 8.4 per cent in 1893, and to 8.1 per cent in 1898. The proportion of medium farms also steadily diminished, although somewhat more slowly (38.2 per cent—31.8 per cent—31.7 per cent). The proportion of medium-big farms increased from 39.0 per cent in 1876 to 46.8 per cent in 1893, but remained at the same level from 1893 to 1898. Only the proportion of the biggest farms steadily increased, pushing aside all other categories (11.8 per cent—13.0 per cent—13.4 per cent).

The more favourable the conditions for livestock farming, the more rapid is the development and progress of commercial livestock farming, and the more intense is the process of capitalist concentration. For example, in the district of Copenhagen, which in 1880 had a population of 234,000 and in 1901 a population of 378,000, milk and meat products were, of course, most assured of a market. The farmers in that district were richer in cattle than all the other farmers in Denmark, both in 1876 and in 1898; they

had on an average 8.5 and 11.6 head of cattle each in the respective years, as against an average of 7.9 and 9.7 for the whole country. And in this district, in which the conditions were most favourable for the development of livestock farming, we see that the process of concentration is most intense.

The following are the figures for this district for 1876 and 1898, according to the groups which we have accepted:

Group	1876		1898	
	Number of farms	Number of cattle	Number of farms	Number of cattle
50 head and over	44	4,488	86	9,059
15 to 49	1,045	22,119	1,545	35,579
4 to 14	2,011	16,896	1,900	14,559
1 to 3	2,514	4,468	1,890	3,767
Total . .	5,614	47,971	5,421	62,964

During the 22 years, even the absolute number of owners diminished! Wealth in cattle was concentrated in the hands of a smaller number of farmers. Both the small and the middle farmers proved to be *smaller* in number and to have a *smaller* number of livestock. The medium-big farmers increased their possessions by fifty per cent (from 22,000 to 35,000). The big farmers *more than doubled* their possessions. Of the biggest farmers, owning 200 and more head of cattle, there were in 1876 *two*, who owned 437 head; in 1898, however, there were 10, who owned 2,896 head of cattle.

The fuss which the Pudors, Davids and other willing and unwilling servants of capital make about the improvements in the market, about the development of farmers' associations and about the technical progress in livestock farming and agriculture can have only one purpose: to create throughout the whole country and in all branches of agriculture the same conditions as exist in the Copenhagen district, *i.e.*, the particularly rapid concentration of production in the hands of the capitalists and the expropriation, the proletarianisation of the population, reduction of the proportion of property owners to the total population, increase in the propor-

tion of those whom capitalism is forcing out of the country into the towns, etc.

Summary: the "ideal country" from the point of view of the opponents of Marxism on the agrarian question reveals very clearly (notwithstanding the as yet low level and lack of analysis of social economic statistics) the capitalist agrarian system, the sharply expressed capitalist contradictions in agriculture and livestock farming, the growing concentration of agricultural production, the elimination of small production by large-scale production, and the proletarianisation and impoverishment of the overwhelming majority of the rural population.

1901-1907

NEW DATA ON THE LAWS OF DEVELOPMENT OF CAPITALISM IN AGRICULTURE

PART I

Capitalism and Agriculture in the United States of America

The foremost country of modern capitalism is particularly interesting for the study of the social-economic structure and evolution of modern agriculture. The United States is unequalled in rapidity of development of capitalism at the end of the nineteenth and beginning of the twentieth century, in the high level of development already attained, in the vastness of its territory—on which is employed the most up-to-date technical equipment suitable for the remarkable variety of natural and historical conditions—and in the degree of political freedom and the cultural level of the masses of the people. Indeed, this country is in many respects the model and ideal of our bourgeois civilisation.

The study of the forms and laws of the evolution of agriculture in this country is still further facilitated by the fact that in the United States a census of the population is taken every ten years, and these censuses are combined with remarkably detailed censuses of all industrial and agricultural enterprises. As a result there is available exact and copious material such as is not to be found in any other country; and this enables us to test a great many common assertions, which for the most part are carelessly formulated theoretically, are repeated uncritically, and usually propagate bourgeois views and prejudices.

Mr. Himmer, in *Zavyety* for June 1913, quoted certain data from the last, thirteenth, census of 1910, and on the basis of this data repeated over and over again the most common and profoundly bourgeois assertion—bourgeois both as regards its theoretical basis and its political significance—that "the great majority of farms in

the United States are *toiler* farms[1]"; that in the "more highly developed regions, agricultural capitalism is disintegrating"; that "in the vast majority of districts of the country" "small, toiler farming is extending the field of its domination"; that it is precisely "in the regions of older culture and of higher economic development" that "capitalist agriculture is disintegrating and breaking up into smaller units"; that "there is not a region, in which the process of colonisation has already ceased, where the disintegration of large-scale capitalist agriculture and its displacement by toiler farming are not proceeding," etc., etc.

All these assertions are monstrously untrue. They are diametrically opposite to the facts. They are nothing but a mockery of the truth. And it is all the more necessary to explain the fallacy of these assertions in greater detail for the reason that Mr. Himmer is not a stranger, not a casual author of a casual magazine article, but one of the most prominent economists representing the most democratic, the extreme left, *bourgeois* trend in Russian and European social thought. It is precisely for this reason that Mr. Himmer's views may become—and among the non-proletarian strata of the population have already become to a certain extent—particularly widespread and influential. For these are not his personal views, his individual mistakes; they are the expression of *common* bourgeois views—only particularly democratised, particularly embellished with pseudo-socialist phraseology—which in the conditions of capitalist society are most readily accepted by official professors who follow the beaten track, and by those small farmers who are distinguished among the millions of their kind for their intelligence.

The theory of the non-capitalist evolution of agriculture in capitalist society advocated by Mr. Himmer is in essence the theory of the vast majority of bourgeois professors, bourgeois democrats, and opportunists in the labour movement throughout the world, *i.e.*, of the latest variety of these very bourgeois democrats. It will not be an exaggeration to say that this theory is an illusion, a dream, the self-deception of the whole of bourgeois society. I shall devote

[1] A term used by the Narodniki, meaning farms cultivated exclusively by the farmer and the members of his family.—*Ed. Eng. ed.*

my further exposition to the refutation of this theory, and, in doing so, I shall try to depict capitalism in American agriculture as a whole; for one of the principal mistakes bourgeois economists make is that they tear particular facts, small details and figures from the general context of political and economic relations. All our data is taken from the official statistical publications of the United States; these are, first, *Volume V* of the *Twelfth Census* (1900), and *Volume V* of the *Thirteenth Census* (1910), which deal with agriculture[1]; and second, *Statistical Abstract of the United States* for 1911. Having indicated the sources, I need not refer to pages and numbers of tables in the case of every separate figure, as this would inconvenience the reader and needlessly overburden the text; those who are interested in the subject will easily find the corresponding data by referring to the tables of contents of these publications.

1. General Features of the Three Principal Regions. The Colonised West and the Homesteads

The vast territory of the United States, which is slightly smaller than that of the whole of Europe, and the enormous difference in the conditions of economic development in different parts of the country make it absolutely necessary to examine separately each of the principal regions, which differ materially from each other in economic position. American statisticians divided the country into five regions in 1900 and into nine in 1910: (1) New England Division, comprising six states in the north-east, on the Atlantic Coast (Maine, New Hampshire, Vermont, Massachusetts, Rhode Island and Connecticut). (2) Middle Atlantic Division (New York, New Jersey and Pennsylvania). In 1900 these two divisions together formed the North Atlantic Division. (3) East North-Central Division (Ohio, Indiana, Illinois, Michigan and Wisconsin). (4) West North-Central Division (Minnesota, Iowa, Missouri, North Dakota and South Dakota, Nebraska and Kansas). In 1900 these two divisions together formed the North-Central Division. (5) South

[1] Census Reports. *Twelfth Census 1900. Vol. V, Agriculture.* Washington, 1902; *Thirteenth Census of the United States, taken in the year 1910. Vol. V. Agriculture.* Washington, 1913.

Atlantic Division (Delaware, Maryland, District of Columbia, Virginia and West Virginia, North and South Carolina, Georgia and Florida). This division was the same in 1900. (6) East South-Central Division (Kentucky, Tennessee, Alabama and Mississippi). (7) West South-Central Division (Arkansas, Oklahoma, Louisiana and Texas). These two divisions comprised the South-Central Division in 1900. (8) Mountain Division (Montana, Idaho, Wyoming, Colorado, New Mexico, Arizona, Utah and Nevada) and (9) Pacific Division (Washington, Oregon and California). These last two comprised the Western Division in 1900.

The exceedingly motley character of these divisions induced the American statisticians in 1910 to reduce them to three large regions known as the North (1-4), the South (5-7) and the West (8-9). We shall see presently that this division into three main regions is really very important and materially necessary; although here too, of course, as in all other things, there are transitional types, and New England, as well as the Middle Atlantic States, will have to be singled out in connection with certain fundamental questions.

To express the fundamental differences between the three principal regions, we may call them the *industrial* North, the *formerly slave-owning* South, and the *colonised* West.

The total area, the percentage of improved farm land,[1] and the population of these regions are as follows:

Region	Total area (million acres)	Per cent improved farm land	Population 1910 (millions)
North	588	49	56
South	562	27	29
West	753	5	7
Total U. S. .	1,903	25	92

The total areas of the North and the South are about equal, while that of the West is nearly one and a half times the size of

[1] The term used in U. S. census returns for land under cultivation.—*Ed. Eng. ed.*

either. But the population of the North is eight times as large as that of the West. It may be said that the West is almost unpopulated. The rapidity with which it is being settled can be seen from the fact that during the decade 1900 to 1910 the population of the North increased 18 per cent, that of the South 20 per cent, and that of the West 67 per cent! The number of farms in the North hardly increased at all: 2,874,000 in 1900 and 2,891,000 in 1910 an increase of 0.6 per cent); in the South there was an increase of 18 per cent, from 2,600,000 to 3,100,000, and in the West there was (an increase of 54 per cent, *i.e.*, more than half as much again, from 243,000 to 373,000.

The form in which the land is being occupied in the West can be seen from the figures on *homesteads*—parcels of land, for the most part of 160 acres each, distributed by the government free of charge or for a nominal payment. During the ten years 1901 to 1910, the land occupied by homesteads in the North comprised 55.3 million acres (of which 54.3 million acres, *i.e.*, over 98 per cent, were in the West North-Central Division alone); 20 million acres in the South (of which 17.3 million were in one division alone—the West South-Central), and 55.3 million acres in the West, which includes both western divisions. This means that the West is entirely occupied by homesteads, *i.e.*, it is a region in which unoccupied land was distributed free of charge, something like the squatters' tenure in the outlying regions of Russia, regulated, however, not by a feudal landlord state, but democratically (I almost said, in a "Narodnik" way; the American Republic has carried out the "Narodnik" idea in a capitalist manner by giving unoccupied land to everyone who wanted it). The North and the South, however, have only *one* homestead district each, representing, as it were, a transitional type between the sparsely populated West and the densely populated North and South. We shall note, in passing, that only in two districts in the North have no homesteads been distributed during the past ten years, *viz.*, New England and the Middle Atlantic. We shall have to deal with these two most highly industrialised districts, in which the process of colonisation has ceased, later on.

The above figures on homesteads refer to applications for homesteads, and not to allotments actually occupied. No data on the

latter, divided according to regions, is available. But even if the above-mentioned figures are exaggerated as absolute figures, they, at any rate, correctly depict the relative positions of the regions. In the North, the total farm land in 1910 amounted to 414 million acres, so that the homesteads applied for during the last ten years comprised one-eighth of the total; in the South it was about one-seventeenth (20 million acres out of 354 million), while in the West it was *half* the total (55 million out of 111 million acres)! Obviously, to lump data on regions where there is practically speaking hardly any landed property as yet with data on regions where all the land is occupied would be a mockery of scientific investigation.

The case of America confirms in a particularly striking manner the truth emphasised by Marx in Vol. III of *Capital*, that capitalism in agriculture does not depend on the *form* of land ownership or land tenure. Capital finds mediæval and patriarchal land tenure of the most varied types: feudal, "allotment-peasant" (*i.e.*, dependent peasant), clan, communal, state, etc. Capital subordinates all these types of land tenure to itself; but this subordination assumes various forms and is achieved in various ways. If agricultural statistics were compiled sensibly and reasonably, different methods of investigation and classification would be adopted to correspond to the *forms* in which capitalism penetrates into agriculture; for example, homestead allotments would be singled out and their economic development would be traced. Unfortunately, however, routine—the senseless, trite repetition of uniform methods—reigns too often in statistics.

How extensive farming is in the West compared with the other regions can be seen, among other things, from the data showing expenditure on artificial fertilisers. In the North, in 1909, this expenditure amounted to 13 cents per acre of improved land; in the South, 50 cents, and in the West only 6 cents. The high figure for the South is explained by the fact that the cultivation of cotton requires large quantities of fertilisers; and cotton occupies the most prominent place in the South: cotton and tobacco account for 46.8 per cent of the total value of all agricultural products, while cereal crops account for only 29.3 per cent, and hay and grass 5.1 per cent. In the North, however, first place is occupied by cereal crops

—62.6 per cent, and hay and grass—18.8 per cent, sown grass being predominant. In the West, cereal crops account for 33.1 per cent of the total value of agricultural products; hay and grass account for 31.7 per cent, sown grass coming second after meadow grass. Fruit growing, a special branch of commercial agriculture which is rapidly developing on the Pacific Coast, accounts for 15.5 per cent.

2. The Industrial North

By 1910 the urban population of the North had grown to 58.6 per cent of the total population, as against 22.5 per cent in the South, and 48.8 per cent in the West. The role of industry may be seen from the following figures:

Region	Value of products (billion dollars)				Number of workers in industry (in millions)
	Crops	Live-stock	Total agriculture	Manufactures, exclusive of cost of raw materials	
North	3.1	2.1	5.2	6.9	5.2
South	1.9	0.7	2.6	1.1	1.1
West	0.5	0.3	0.8	0.5	0.3
Total U. S. .	5.5	3.1	8.6	8.5	6.6

The figure of the total value of agricultural produce given above is an overestimation, for part of the value of the agricultural products is duplicated in the value of the products of livestock farming, for instance, cattle feed. In any case, the absolutely obvious conclusion to be drawn is that five-sixths of all American industry is concentrated in the North, and that there industry predominates over agriculture. The South and West, on the contrary, are predominantly agricultural regions.

As can be seen from the above figures, the North differs from the South and West in its relatively much greater development of industry, which creates a market for agriculture and the conditions for its intensification. But while it is "industrial" in this sense, the

North, nevertheless, continues to be the principal producer of agricultural produce. More than half, actually about three-fifths, of the total agricultural production is concentrated in the North. How much more intensive farming is in the North compared with the other regions can be seen from the following figures of the value of all farm property—value of land, buildings, implements and machinery, and livestock—per acre of farm land: In the North, in 1910, this amounted to $66, compared with $25 in the South and $41 in the West. In particular, the value of implements and machinery per acre of land amounted to $2.07 in the North, 83 cents in the South and $1.04 in the West.

The New England and Middle Atlantic divisions are outstanding in this respect. As has been pointed out, colonisation has ceased in these divisions. From 1900 to 1910 there was an absolute decline in the number of farms as well as in the area of improved land and total farm land. Occupation statistics for these divisions show that only 10 per cent of the population was engaged in agriculture, as against an average of 33 per cent for the whole of the United States, 25 to 41 per cent in the other regions of the North, and 51 to 63 per cent in the South. In the respective divisions only from 6 to 25 per cent of the total improved land is under cereal crops (average for United States 40 per cent and for the North 46 per cent); grass (mostly cultivated) occupies 52 per cent and 29 per cent (as against 15 per cent and 18 per cent); vegetable crops occupy 4.6 per cent and 3.8 per cent (as against 1.5 per cent and 1.5 per cent). This is the region of most intensive agriculture. The average expenditure on fertilisers per acre of improved land in 1909 amounted to $1.30 and 62 cents respectively; the former figure being the maximum, while the latter is second only to that of one region in the South. The average value of implements and machinery per acre of cultivated land amounted to $2.58 and $3.88 respectively, both being the maximum figures for the entire United States. We shall see in our further exposition that these most industrialised districts of the industrial North, which are distinguished for the most intensive farming, are distinguished also by the most pronounced capitalist character of agriculture.

3. The Formerly Slave-Owning South

"The United States of America," writes Mr. Himmer, "is a country that never knew feudalism, and has none of its economic survivals." (P. 41 of the article mentioned.) This assertion is diametrically opposite to the truth; for the economic survivals of *slavery* differ in no way from similar survivals of feudalism; and in the formerly slave-owning South of the United States these survivals are *very strong to this day*. It would not be worth while dwelling on Mr. Himmer's mistake if it could be regarded as a mistake committed in a hastily written magazine article. But the whole liberal and Narodnik literature of Russia proves that with regard to the Russian *otrabotki* system[1]—our survival of feudalism—exactly the same "mistake" is made systematically and with extraordinary persistence.

The South of the United States was a slave-owning territory until the Civil War of 1861-65 swept slavery away. To this day the Negro population, which does not exceed 0.7 per cent to 2.2 per cent of the total population in the Northern and Western divisions, represents 22.6 to 33.7 per cent of the total population in the South. For the United States as a whole, the Negroes represent 10.7 per cent of the total population. That the Negroes are in a state of servitude goes without saying; in this respect the American bourgeoisie is no better than the bourgeoisie of other countries. Having "emancipated" the Negroes, it took good care, on the basis of "free" and republican-democratic capitalism, to restore all that possibly could be restored and to do all it possibly could to oppress the Negroes in the most shameful and despicable manner. To characterise the cultural level of the Negro it is sufficient to point to a slight statistical fact. While the proportion of illiterates among the white population of the United States in 1900 was 6.2 per cent of the population (of ten years of age and over), among the Negroes it was as high as 44.5 per cent!! More than seven times as high!! In the North and the West the proportion of illiterates was from

[1] The payment of rent by working for the landlord; a survival of the *barshchina*, or labour rent system, prevalent under serfdom. *Cf. Selected Works*, Vol. I, Part I.—*Ed. Eng. ed.*

4 to 6 per cent of the population (1900); in the South it was 22.9 to 23.9 per cent!! One can easily imagine the sum total of facts in the sphere of legal and social relations that corresponds to this most disgraceful fact in the sphere of elementary education.

What is the economic foundation on which this beautiful "superstructure" has arisen and now rests?

The foundation of the typically Russian, "truly Russian" *otrabotki* system, *i.e., share-cropping.*

The number of farms operated by Negroes in 1910 was 920,883, *i.e.,* 14.5 per cent of the total number of farms. Of the total number of farmers, 37.0 per cent were tenant farmers and 62.1 per cent were owners; the remaining 0.9 per cent of the farms were run by farm managers. Among the white farmers 39.2 per cent were tenant farmers, whereas among the Negro farmers 75.3 per cent were tenant farmers! The typical white farmer in the United States owns his farm. The typical Negro farmer is a tenant farmer. In the West, only 14.0 per cent of the farmers are tenant farmers. This region is still in the process of colonisation; it abounds in new, free land; it is the Eldorado (a shortlived, unenduring Eldorado) of the small "independent farmer." In the North 26.5 per cent of the farmers are tenant farmers; whereas in the South the proportion of tenant farmers is 49.6 per cent! Half the farmers in the South are tenant farmers.

But this is not all. The farmers we are discussing are not tenants in the European, civilised, modern capitalist sense; they are mainly semi-feudal or—what is the same in the economic sense—semi-slave *share tenants.* In the "free" West only a minority of the tenant farmers are share tenants (25,000 out of a total of 53,000). In the old North, which was colonised long ago, out of a total of 766,000 tenant farmers, 483,000, *i.e.,* 63 per cent, are share tenants. In the South, out of a total of 1,537,000 tenant farmers, *1,021,000, or 66* per cent, *are share tenants.*

In 1910, in free, republican-democratic America, there were one and a half million share tenants; and of this number *over one million were Negroes.* And the proportion of share tenants to the total number of farmers is not declining, but steadily and fairly rapidly rising. In 1880, 17.5 per cent of the total number of farmers in the

United States were share tenants; in 1890, 18.4 per cent; in 1900, 22.2 per cent; in 1910, 24.0 per cent.

"In the South," we read in the commentary of the American compilers of the 1910 census, "the conditions have at all times been somewhat different from those in the North, and many of the tenant farms are part of plantations of considerable size which date from before the Civil War." In the South "the system of farming by means of leasing the land to tenants, primarily to Negroes, replaced the system of farming by means of slave labour." "The tenant system is more conspicuous in the South, where the large plantations formerly operated by slave labour have in many cases been broken up into small parcels or tracts and leased to tenants. . . . These plantations are, in many cases, still operated substantially as agricultural units, the tenants being subjected to a degree of supervision more or less similar to that which hired farm labourers are subjected to in the North." (*Op. cit.*, Vol. V, pp. 102, 104.)

To characterise the South it is necessary to add that the population is fleeing from the South to other capitalist regions and towns, in the same way as in Russia the peasantry is fleeing from the most backward central agricultural gubernias, where the survivals of serfdom are most preserved, is fleeing from the tyranny of the Valyai-Markovs,[1] to the more capitalistically developed regions of Russia, to the capitals, to the industrial gubernias and to the South. (*Cf. The Development of Capitalism in Russia.*[2]) The share-cropping region, both in America and in Russia, is the region of the greatest stagnation, where the toiling masses are subjected to the greatest degradation and oppression. Immigrants to America, who play such an important part in its economic and social life, avoid the South. In 1910 the foreign-born population comprised 14.5 per cent of the total. In the South the proportion of the foreign-born population ranged from 1 per cent to 4 per cent, in the various regions; whereas for the rest of the country the proportion of the foreign-born population ranged from 13.9 per cent to 27.7 per cent (New England). Segregated, hidebound, a stifling atmosphere, a sort of prison for the "emancipated" Negroes—this is what the American South is like. The population is more settled, more "attached to the land": except for the district in which considerable colonisation is going on (the West South-Central). 91 to 92 per

[1] Slap-dash Markov, the nickname of the notorious reactionary, Black-Hundred deputy of the Tsarist State Duma, Markov the Second.—*Ed.*

[2] Lenin, *Selected Works*, Vol. I, pp. 370-75.—*Ed.*

cent of the population of the two other districts of the South reside in the districts in which they were born, whereas for the United States as a whole the proportion is 72.6 per cent, *i.e.*, the population is much more mobile. In the West, which is entirely a colonisation region, only 35 to 41 per cent of the population were born in the districts in which they reside.

From the two Southern regions where there has been no colonisation, the Negroes are fleeing: during the ten years between the last two censuses these two regions supplied other parts of the country with about 600,000 "coloured" people. The Negroes are fleeing mainly to the towns: in the South, 77 to 80 per cent of the Negro population live in villages; whereas in the other regions only 8 to 32 per cent of the Negroes live in villages. There is a striking similarity between the economic position of the American Negroes and that of the "*former landlords' peasants*"[1] of the central agricultural regions of Russia.

4. Average Size of Farms. "Disintegration of Capitalism" in the South

Having examined the main distinguishing features of the three principal regions of the United States, as well as the general character of their economic conditions, we can now proceed to examine the data commonly used. First of all, there is the statistics on the average size of farms. On the basis of these figures very many economists, including Mr. Himmer, arrive at the most categorical conclusions.

Average Size of Farms in the United States (acres)

Year	All farm land	Improved farm land
1850	202.6	78.0
1860	199.2	79.8
1870	153.3	71.0
1880	133.7	71.0
1890	136.5	78.3
1900	146.2	72.2
1910	138.1	75.2

[1] The ex-serfs. See *The Development of Capitalism in Russia*, in *Selected Works*, Vol. I.—*Ed. Eng. ed.*

In general, we get at first glance a diminution in the average area of farm land, and indefinite fluctuations—now diminution and now increase—in the average area of improved land. But the period 1860-1870 serves as a definite dividing line, and we have therefore indicated this in the table by a thick black line. During that period there was a very marked *diminution* in the average area of all farm land of 46 acres (from 199.2 to 153.3), as well as a marked diminution in the average area of improved farm land (from 79.8 to 71.0).

What caused this? Evidently, the Civil War of 1861-65 and the abolition of slavery. A decisive blow was dealt to the great slave latifundia.[1] Later on we shall have repeated confirmation of this fact, which, incidentally, is so well known that it is surprising that it should need any proof. We shall now give separate statistics for the South and the North.

Year	In the South		In the North	
	Average area of land per farm	Average area improved land per farm	Average area of land per farm	Average area improved land per farm
1850	332.1	101.1	127.1	65.4
1860	335.4	101.3	126.4	68.3
1870	214.2	69.2	117.0	69.2
1880	153.4	56.2	114.9	76.6
1890	139.7	58.8	123.7	87.8
1900	138.2	48.1	132.2	90.9
1910	114.4	48.6	143.0	100.3

Thus, from 1860 to 1870 the average area of improved land per farm greatly *diminished* in the South (from 101.3 to 69.2), whereas in the North it changed only slightly, *increasing* from 68.3 to 69.2. The cause, therefore, is precisely the specific conditions of the evolution of the South. Even after the abolition of slavery we

[1] By latifundia Lenin means farms of 1,000 acres and over.—*Ed.*

observe in the South a diminution, although slow and unsteady, in the average size of farms.

"Small-scale toiler farming is extending its sphere of domination," concludes Mr. Himmer, "and capital is leaving agriculture to find other spheres for its application. . . ." "The rapid disintegration of agricultural capitalism in the South Atlantic States. . . ."

This is a curiosity for which a parallel can be found, perhaps, only in the arguments of our Narodniki about "the disintegration of capitalism" in Russia after 1861 caused by the landlords passing from the *barshchina* system to the *otrabotki* (*i.e.*, semi-*barshchina*!). The break-up of the slave-owning latifundia is presented as the "disintegration of capitalism." The transformation of yesterday's slave-owners' unimproved land into small farms operated by Negroes, half of whom are share-croppers (and it should be remembered that the proportion of share-croppers is continually *increasing* from census to census!) is called "disintegration of capitalism." It is hardly possible to go farther in distorting the fundamental concepts of economic science.

In Chapter XII of the explanatory text of the 1910 census the American statisticians refer to typical "plantations" of the South—in our day, and not in the time of slavery. On 39,073 plantations there are 39,073 "landlord farms" and 398,905 tenant farms. Thus, on the average, there are ten tenant farmers to one "landlord." The average size of a plantation is 724 acres. Of this total only 405 acres are improved land; over 300 acres are unimproved land. Not a bad reserve for the future plans of exploitation of Messieurs the slave-owners of yesterday. . . .

The land of the average plantation is divided up as follows: the "landlord farm" has a total area of 331 acres, of which 87 acres are improved land. The "tenant farms," *i.e.*, allotments of land leased out to Negro share-croppers who work in the old way for their "landlord," and under his supervision, consist on the average of 38 acres, of which 31 acres are improved land.

Yesterday's slave-owners of the South, owning vast latifundia, nine-tenths of the land of which are still uncultivated, are gradually, as the population grows and the demand for cotton increases,

selling these lands to the Negroes, and more frequently leasing them out in small allotments on a share-cropper basis. (From 1900 to 1910 the number of farmers who are full owners of their land increased in the South from 1,237,000 to 1,329,000, or 7.5 per cent; whereas the number of share-croppers increased from 772,000 to 1,021,000, *i.e.*, by 32.2 per cent.) But along comes an economist who calls this "disintegration of capitalism.". . .

By latifundia we mean farms of 1,000 acres and over. The percentage of such farms in the United States in 1910 was 0.8 (50,135 farms), comprising 167,100,000 acres, *i.e.*, 19 per cent of the total acreage. This makes on the average 3,332 acres per latifundium. Of the total area of latifundia, only 18.7 per cent is improved land; whereas the proportion of improved land of all farms is 54.4 per cent. The *smallest* proportion of latifundia farms is to be found in the capitalist North: 0.5 per cent of the total number of farms, comprising 6.9 per cent of the total area of land; the proportion of improved land in the latifundia is 41.1 per cent. The West has most latifundia: 3.9 per cent of the total number of farms, comprising 48.3 per cent of the total area of land; 32.3 per cent of latifundia land is improved land. The *largest* percentage of unimproved latifundia land is found in the formerly slave-owning South: 0.7 per cent of the farms are latifundia; these comprise 23.9 per cent of the total area of land; but of this latifundia land, *only 8.5 per cent* is improved land!! These detailed statistics clearly show, by the way, how unfounded is the widespread custom of placing latifundia in the category of *capitalist* enterprises, without examining the concrete conditions in each separate country and in each separate district.

During the ten years from 1900 to 1910 it was precisely in the latifundia, and in the latifundia only, that the total acreage *diminished*. This diminution was very considerable: from 197,800,000 acres to 167,100,000 acres, *i.e.*, a diminution of 30,700,000 acres. But in the South this diminution amounted to 31,800,000 acres (in the North the total acreage increased by 2,300,000 acres, and in the West there was a reduction of 1,200,000 acres). Thus, it is the South, and only the slave-owning South, that is characterised by

the process of parcellisation of the latifundia on an enormous scale, while the percentage (8.5) of improved land in these latifundia is negligible.

From all this it inevitably follows that the only correct definition of the economic process that is taking place will be as follows: a transition from slave-owning latifundia, nine-tenths of the land of which is uncultivated, to the system of small *commercial* farming. It is not a transition to the "toiler" farming that Mr. Himmer and the Narodniki, together with all the bourgeois economists who sing cheap hymns to the "toiler," love to talk about, but a transition to commercial farming. The word "toiler" is meaningless in political economy, and, indirectly, it is misleading. It is meaningless because under all economic systems, under slavery, serfdom, or capitalism, the small farmer "toils." The word "toiler" is an empty phrase, a meaningless declamation, which conceals the *confusion* of entirely different social forms of economy, to the advantage only of the bourgeoisie. The term "toiler" misleads and deceives people, for it suggests the absence of *wage* labour.

Like all bourgeois economists, Mr. Himmer evades precisely the data on wage labour, although this is the most important data on the question of capitalism in agriculture, and although this data is given, not only in the 1900 census, but also in the very "Bulletin" of the 1910 census (*Abstract—Farm Crops, by States*) which Mr. Himmer quotes. (Footnote to his article on p. 49.)

That the growth of small farming in the South is precisely the growth of commercial farming is confirmed by the nature of the principal agricultural product of the South. This crop is cotton. Cereal crops amount to only 29.3 per cent of the total value of all crops in the South, hay and fodder crops to 5.1 per cent, and cotton to 42.7 per cent. From 1870 to 1910 the production of wool in the United States doubled, increasing from 162,000,000 pounds to 321,000,000 pounds; the production of wheat increased less than threefold, from 236,000,000 to 635,000,000 bushels; the production of corn (maize) also increased less than threefold, from 1,094,000,000 to 2,886,000,000 bushels; whereas the production of cotton trebled, increasing from 4.000.000 to 12,000,000 bales (500 pounds to the bale). The increase in the production of this primar-

ily commercial product has exceeded the increase in the production of less commercial agricultural products. Moreover, in the principal region of the South, the South Atlantic, there is a fairly considerable development of the production of tobacco (12.1 per cent of the total value of farm products in Virginia), vegetables (21 per cent of the total value of farm products in Delaware and 23.2 per cent in Florida), fruit (21.3 per cent of the total value of farm crops in Florida), etc. All these crops are of a nature which indicates the intensification of farming, an increase in the scale of farming attended by a diminution in the area of farms and an increase in the employment of wage labour.

We will proceed in a moment to examine in detail the data on wage labour; here we merely observe that although the South lags behind the other regions in this respect—*less* wage labour is employed there, because of the *greater* development of the semi-slave system of share-cropping—nevertheless, even in the South, the employment of wage labour is increasing.

5. The Capitalist Character of Agriculture

Usually, the degree of capitalism in agriculture is gauged by the size of farms or the number and importance of farms of large area. We have already examined part of the data on this point, and shall examine the rest later, but we must observe that all of it is only indirect data, because the area of a farm does not always and does not directly indicate that it is really large-scale *farming* that is conducted, nor its capitalist nature.

The data on wage labour is of incomparably greater value as evidence and proof in this respect. The agricultural censuses of recent years, such as the Austrian census of 1902 and the German census of 1907, which we shall examine in detail elsewhere,[1] show that the employment of wage labour in modern agriculture, and especially in small farming, is much more considerable than is generally believed. Nothing so obviously and categorically refutes the philistine fable about "toiler" small farming as these figures do.

[1] *Cf.* pp. 208 and 210, and also the articles: "Messieurs the Bourgeoisie On 'Toiler' Farming," and "The Peasantry and the Working Class," in this volume.—*Ed.*

American statistics contain a vast amount of material on this question; for the questionnaire sent to each farmer contains the question whether he has an expenditure on hired labour, and if so, how much. Unlike European statistics, such as those of the two countries mentioned above, American statistics do not register the number of hired labourers each farmer employed at the time, although this could be very easily ascertained, and the scientific value of such data, in conjunction with the data on the total amount expended on hired labour, would be very great. Worst of all, however, is the worthless manner in which this material is compiled in the 1910 census, the general analysis of which is incomparably inferior to that of the 1900 census. In the 1910 census all the farms are divided according to area, just as is done in the 1900 census; but, unlike the 1900 census, the 1910 census does not divide the employment of hired labour according to the same classification. Thus, we are deprived of the opportunity of comparing the small and large area farms according to the number of hired labourers they employ. The only data available are average figures by states and regions, that is, data which lumps together capitalist and non-capitalist farms.

Later on we shall examine separately the data for 1900, which is better compiled; for the present, we will examine the data for 1910. This data really refers to the years 1899 and 1909.

Region	Per cent farms employing hired labour (1909)	Per cent increase in expenditure for hired labour (1899 to 1909)	Average expenditure for hired labour per acre of improved land (dollars)	
			1909	1899
North . .	55.1	+ 70.8	1.26	0.82
South . .	36.6	+ 87.1	1.07	0.69
West . .	52.5	+119.0	3.25	2.07
Total U. S.	45.9	+ 82.3	1.36	0.86

From these figures it follows without a doubt firstly, that agriculture is most capitalistic in the North (55.1 per cent of all the

farms employing hired labour); the West comes next (52.5 per cent), and the South is last in this respect (36.6 per cent). And so it should be, considering the relation between a populated and industrial region, a region in the process of colonisation, and a share-cropping region. Of course, figures giving the percentage of farms employing hired labour are more useful for a precise comparison between the regions than figures showing the amount expended on hired labour per acre of improved land. For data of the latter kind to be comparable, the rate of wages paid would have to be equal in all regions. We have no data on the rates of wages paid in agriculture in the United States; but in view of the radically different conditions known to prevail in the various regions, it is improbable that wages are the same in all of them.

Thus, in the North and West—the regions in which two-thirds of the total improved land and two-thirds of the total livestock are concentrated—*more than half* the farmers cannot dispense with hired labourers. In the South, this proportion is smaller only because the semi-feudal (*i.e.*, semi-slave) system of exploitation in the form of share-cropping is still powerful in that region. There is no doubt that in America, as in all capitalist countries in the world, the section of farmers who are most badly off are obliged to sell their labour power. Unfortunately, American statistics provide no data whatever on this subject, unlike the German statistics for 1907, for example, in which such figures are compiled and thoroughly analysed. According to the German figures, out of a total of 5,736,082 owners of agricultural enterprises (the total figure includes even the smallest "owners"), the *principal* occupation of 1,940,867, *i.e.*, over 30 per cent, is that of hired labourers. Of course, the majority of these farm labourers and day labourers possessing strips of land belong to the very lowest groups of farmers.

Let us assume that in the United States, where the smallest farms (of three acres or less) are as a rule not registered at all, only 10 per cent of the farmers are compelled to sell their labour power. Even on this basis we find that *more than one-third* of the farmers are *directly* exploited by the landlords and capitalists (24.0 per cent as share-croppers exploited by the former slave-owners in a feudal or semi-feudal manner, and 10 per cent who are exploited

by capitalists, making a total of 34 per cent). Hence, of the total number of farmers, only a *minority*, barely more than *one-fifth*, or *one-fourth*, neither hire workers, nor hire, or go into bondage, themselves.

Such is the actual state of affairs in the land of "model and advanced" capitalism, in the country where millions of acres of land are distributed free. Even here the notorious "toiler," non-capitalist, small farming is a myth.

How many hired labourers are employed in American agriculture? Is their number increasing or decreasing in proportion to the total number of farmers and the total rural population?

Unfortunately, American statistics provide no direct answer to these important questions. We shall try to find an approximate answer.

Firstly, an approximate answer is provided by the occupational statistics (Vol. IV of the census). The Americans have "made a mess" of these statistics. They have been compiled in such an official, routine and absurd way that they contain no information about the position a person occupies in the particular trade; *i.e.*, they do not distinguish between the master, the member of the family working on the farm, and the hired worker. Instead of giving a precise economic classification they were satisfied with the "common," "ordinary" verbal usage, and senselessly lumped together under the one head "farm labourers" both the members of the farmer's family and the hired labourers. As is well known, it is *not only* in American statistics that complete chaos reigns on this question.

The 1910 census makes an attempt to bring some order into this chaos, to correct obvious mistakes and to separate; at least partly, the hired labourers who "work out" from the members of the farmer's family, who "work on the home farm." After a series of calculations, the statisticians alter the total number of persons engaged in agriculture and reduce it by 468,100. (Vol. IV, p. 27.) Then the number of *female* hired labourers is estimated at 220,048 in 1900 and at 337,522 in 1910 (53 per cent increase). The number of male hired labourers in 1910 was 2,299,444. If we assume that the proportion of hired labourers to the total number of rural

workers in 1900 was the same as in 1910, the number of male hired labourers in 1900 will be 1,798,165. We thus obtain the following picture:

	1900	1910	Per cent increase 1900 to 1910
Total number of persons engaged in agriculture . . .	10,381,765	12,099,825	16
Number of farmers	5,674,875	5,981,522	+ 5
Number of hired labourers . .	2,018,213	2,566,966	+ 27

Thus, the per cent of increase in the number of hired labourers is more than five times greater than the per cent of increase in the number of farmers (27 per cent as against 5 per cent). The proportion of farmers to the total rural population *diminished*; whereas that of hired workers *increased*. The number of independent farmers diminished in proportion to the whole rural population; whereas the number of the dependent, the exploited, increased.

In Germany, in 1907, the number of hired workers in agriculture was estimated at 4,500,000 out of a total of 15,000,000 working members of families and hired labourers. Thus, 30 per cent were hired labourers. In America, according to the approximate figures given above, 2,500,000 out of a total of 12,000,000 persons, *i.e.*, 21 per cent, were hired labourers. Possibly, the availability of unoccupied land, distributed gratis, and the very large percentage of share-croppers, reduced the percentage of hired labourers in America.

Secondly, an approximate answer may be provided by the figures of the amount expended on hired labour in 1899 and 1909. In the period between these two dates, the number of wage workers in industry increased from 4,700,000 to 6,600,000, *i.e.*, by 40 per cent; and the total amount paid in wages to these workers increased from $2,008,000,000 to $3,427,000,000, *i.e.*, by 70 per cent. (It should not be forgotten that the rise in the cost of living nullified this nominal increase in wages.)

Judging from these figures we may assume that an increase of 82 per cent in the total expenditure on hired labour in agriculture

corresponds to an approximate increase of 48 per cent in the number of hired workers. By making a similar assumption for the three principal regions we shall get the following picture:

PER CENT INCREASE, 1900 TO 1910

Region	Total rural population	Total number of farms	Hired labourers
North . .	3.9	0.6	40
South . .	14.8	18.2	50
West . . .	49.7	53.7	66
Total U. S.	11.2	10.9	48

These figures, too, show that the increase in the number of farmers for the country as a whole lags behind the increase in the rural population; while the increase in the number of hired labourers exceeds that of the rural population. In other words, the proportion of independent farmers is declining, while the proportion of dependent persons is increasing.

We will observe that the enormous difference between the increase in the number of hired labourers according to the first computation (+27 per cent) and according to the second (+48 per cent) is quite possible; for in the first instance only *professional* hired labourers were taken into account, whereas in the second *every case* of employment of hired labourers was taken into account. The casual employment of labourers is of great importance in agriculture, and therefore we must make it the rule never to be satisfied with merely determining the number of hired labourers, permanent or temporary; we must as far as possible determine also the total amount expended on hired labour.

At all events, both computations show without a doubt the *growth* of capitalism in United States agriculture and an *increase* in the employment of hired labour which exceeds the increase in the rural population and in the number of farmers.

6. Regions of Most Intensive Farming

Having examined the general data on wage labour as the most direct index of capitalism in agriculture, we can now proceed to examine in greater detail the specific *forms* capitalism assumes in each branch of national economy.

We have studied one region where the average size of farms is diminishing, *viz.*, the South, where this process indicates the transition from slave-owning latifundia to small commercial agriculture. There is another region where the average size of the farm has diminished, *viz.*, part of the North: New England and the Middle Atlantic States. The following are the figures for these regions:

Average Area of Farms (Improved Land)
(acres)

Year	New England	Middle Atlantic States
1850	66.5	70.8
1860	66.4	70.3
1870	66.4	69.2
1880	63.4	68.0
1890	56.5	67.4
1900	42.4	63.4
1910	38.4	62.6

The average size of farms in New England is smaller than in any other region of the United States. In two regions of the South the average per farm is from 42 to 43 acres; in the third, the West South-Central Division, where colonisation is still going on, the average per farm is 61.8 acres, that is, almost the same as in the Middle Atlantic States. It was the diminution in the average size of farms in New England and the Middle Atlantic States, "in the regions of older culture and of higher economic development" (p. 60 in Mr. Himmer's book), where colonisation has ceased, that led this author, as well as many other bourgeois economists, to draw the conclusion that "capitalist agriculture is disintegrating," that "production is breaking up into small units," and that "there is not a region where the process of colonisation has already ceased and where the disintegration of large-scale capitalist agriculture and its displacement by toiler farming are not proceeding."

Mr. Himmer arrived at conclusions which are diametrically opposite to the truth because he forgot . . . a "trifle," namely, the process of intensification of farming! This seems incredible, but it is a fact. And since many bourgeois economists, nearly all, also manage to forget to take this "trifle" into account when discussing small and large-scale production in agriculture, although "theoretically" they all "know" perfectly well and admit that a process of intensification of agriculture is taking place, we must deal with this problem in detail. This precisely is one of the principal causes of all the misadventures that befall the bourgeois economists (including the Narodniki and opportunists) on the question of small, "toiler" farming. They forget the "trifle" that because of the technical peculiarities of agriculture the process of intensification frequently leads to an increase in the *scale of farming, to increased production* and *capitalism*, while the average area of improved land *diminishes*.

Let us see, first of all, whether there are any fundamental differences in the technique of agriculture, its general character and its intensification in New England and the Middle Atlantic States, on the one hand, and the rest of the North and the other regions of the country, on the other.

The differences in the agriculture of these regions are illustrated by the following figures:

PER CENT OF CROP TO TOTAL VALUE OF FARM PRODUCTS (1910)

Region	Cereals	Hay and fodder	Vegetables, fruits and other special crops
New England	7.6	41.9	33.5
Middle Atlantic	29.6	31.4	31.8
East North-Central . . .	65.4	16.5	11.0
West North-Central . . .	75.4	14.6	5.9

The difference in the type of farming is fundamental. In the first two regions farming is highly intensive, while in the two latter regions it is extensive. In the latter, cereals account for much the greater part of the total value of products; in the former they account not only for a minor part of the total value, but in some

cases an insignificant part (7.6 per cent), while the special "commercial" crops (vegetables, fruits, etc.) account for a *larger* part of the total value of all products than the grain crops. Extensive farming has given way to intensive farming. The sowing of grass is assuming increasing dimensions. In New England, out of 3,800,000 acres under hay and fodder, 3,300,000 acres were under *cultivated* grasses. In the Middle Atlantic States the corresponding figures are 8,500,000 and 7,900,000 acres respectively. In the West North-Central States, on the other hand (the region of colonisation and extensive farming), out of 27,400,000 acres yielding hay and grass, 14,500,000 acres, *i.e.*, over one-half, were "natural" grass land, etc.

The yield in the "intensive" states is considerably higher:

Region	Yield per acre (bushels)			
	Corn		Wheat	
	1909	1899	1909	1899
New England	45.2	39.4	23.5	18.0
Middle Atlantic	32.2	34 0	18 6	14.9
East North-Central	38.6	38.3	17.2	12.9
West North-Central	27.7	31.4	14.8	12.2

The same thing is observed in the case of commercial livestock farming and dairy farming, which are particularly highly developed in these regions:

Region	Average number dairy cows per farm	Average milk output per cow (gallons)	
	1909	1909	1899
New England	5.8	476	548
Middle Atlantic	6.1	490	514
East North-Central	4.0	410	487
West North-Central	4.9	325	371
The South (3 geographical divisions)	1.9-3.1	232-286	290-395
The West (2 geographical divisions)	4.7-5.1	339-475	334-470
United States (average)	3.8	362	424

From this table it can be seen that there is considerably more

large-scale dairy farming in the "intensive" states than in all other states. Those regions of the country that have the *smallest* farms—in acreage of improved land—are regions of the *largest*-scale dairy farming. This fact is of immense importance, for, as is well known, dairy farming develops most rapidly in suburban localities and in very highly industrialised countries or districts. The statistics of Denmark, Germany and Switzerland, which we consider elsewhere,[1] also reveal the *growing concentration* of livestock for dairy farming.

As we have seen, in the "intensive" states hay and fodder account for a considerably larger share of the total value of products than cereals. And even so, livestock farming is developing here largely on the basis of *purchased fodder*. The following are the figures for 1909 (in millions of dollars):

Region	Income from sale of fodder	Expenditure for purchase of fodder	Excess of income over expenditure (+) or *vice versa* (—)
New England . . .	+ 4.3	— 34.6	— 30.3
Middle Atlantic . .	+ 21.6	— 54.7	— 33.1
East North-Central	—195.6	— 40.6	+155.0
West North-Central	—174.4	— 76.2	+ 98.2

The extensive farming states of the North sell fodder. The intensive farming states purchase fodder. Obviously, the purchase of fodder permits of *large-scale* farming of a highly capitalistic nature on a *small* area of land.

Let us compare the two intensive regions of the North—New England and the Middle Atlantic States—with the most extensive region of the North—the West North-Central.

Region	Improved land (million acres)	Value of livestock (million dollars)	Income from sale of fodder (million dollars)	Expenditures for purchase of fodder (million dollars)
New England and Middle Atlantic	36.5	447	26	89
West North-Central	164.3	1.552	174	76

[1] For Denmark and Germany *cf.* pp. 185-89 and 155-63, in this volume.—*Ed.*

We see that in the intensive farming states there is more livestock per acre of improved land (447:36=$12 per acre) than in the extensive farming states (1,552:164=$9). More capital in the form of livestock is invested per unit of improved land. The general turnover in the trade in fodder (purchase and sale) is also very much larger per unit of land in the intensive farming states (26 +89=$115,000,000 on 36,000,000 acres) than in the extensive farming states (174+76=$250,000,000 on 164,000,000 acres). Clearly, agriculture bears more of a *commercial* character in the intensive farming states than in the extensive farming states.

Figures showing expenditure on fertilisers and the cost of implements and machinery serve as the most precise statistical expression of the degree of intensification of farming. These figures are as follows:

Region	Per cent farms reporting expenditures for fertiliser	Average expenditures for fertiliser per farm (dollars)	Average expenditures for fertiliser per acre of improved land (dollars)		Average area improved land per farm (acres)
			1909	1899	1909
The North					
New England . .	60.9	82	1.30	0.53	38.4
Middle Atlantic .	57.1	68	0.62	0.37	62.6
East North-Central	19.6	37	0.09	0.07	79.2
West North-Central	2.1	41	0.01	0.01	148.0
The South					
South Atlantic . .	69.2	77	1.23	0.49	43.6
East South-Central	33.8	37	0.29	0.13	42.2
West South-Central	6.4	53	0.06	0.03	61.8
The West					
Mountain	1.3	67	0.01	0.01	86.8
Pacific	6.4	189	0.10	0.05	116.1
United States .	28.7	63	0.24	0.13	75.2

Here the difference between the extensive farming regions of the North—where an insignificant percentage of farms purchase fertili-

sers (from 2 to 19 per cent) and an insignificant expenditure is made on fertilisers per acre of improved land (from one cent to nine cents)—on the one hand, and the intensive farming states—where the *majority* of farms (57 to 60 per cent) purchase fertilisers and where the expenditure on the latter amounts to a considerable sum—on the other, is very marked.

For instance, in New England this expenditure amounts to $1.30 per acre—the *highest* for all regions (here again we see that farms of the smallest acreage have the highest expenditure on fertilisers!) and exceeds the figure for one of the regions of the South (South Atlantic). It should be noted that in the South cotton growing, in which, as we know, the labour of the Negro share-cropper is most largely employed, requires particularly large quantities of artificial fertilisers.

In the Pacific States we find a very low percentage of farms which use fertilisers (6.4 per cent), but the highest average expenditure on fertilisers per farm ($189), taking into account, of course, only those farms that use fertilisers. Here we have another example of the development of *large-scale* and capitalist agriculture with a simultaneous *diminution* in the area of farms. In two out of the three Pacific States—Washington and Oregon—the use of fertilisers is generally very insignificant, amounting to only one cent per acre. Only in the third state, California, is this figure comparatively high: 8 cents in 1899 and 19 cents in 1909. In this state fruit growing is of particular importance; it is developing very rapidly in purely capitalist forms. In 1909 fruit accounted for 33.1 per cent of the total value of all products, as against 18.3 per cent for cereals, and 27.6 per cent for hay and fodder. The typical fruit growing farm has an acreage *below the average*, although it uses fertilisers and hired labour to an extent *much above* the average. We shall have another occasion to deal with these relationships, which are typical of capitalist countries with intensive farming, and which are most ignored by statisticians and economists.

But let us return to the "intensive" states of the North. In New England not only is expenditure on fertilisers higher than in any other region ($1.30 per acre), although the average area of farm is lowest (38.4 acres), but the rate of increase of expenditure on

artificial fertilisers is more rapid than in other regions. During the ten years from 1899 to 1909 this expenditure increased from 53 cents to $1.30 per acre, *i.e.*, an increase of 150 per cent. Consequently, the intensification of farming, its technical progress, the improvement of crops, are proceeding very rapidly. To give a clearer idea of the significance of this fact, we shall compare the most intensive region of the North, New England, with the most extensive region, West North-Central. In the latter region almost no artificial fertilisers are used (2.1 per cent of the farms and one cent expenditure per acre); here the average area of farms is larger than in any other region in America (148.0 acres) and is constantly increasing. Usually, this region is taken—and Mr. Himmer takes it—as a model of capitalism in United States agriculture. This common opinion is a wrong one, as we will show in detail later. It is based on the confusion of the crude, primitive form of extensive farming with the technically progressive form of intensive farming. In the West North-Central region the area of farms is almost four times as large as in New England (148 acres as against 38.4 acres), whereas the expenditure on fertilisers, taking the average per farm using fertilisers, is only half that in New England ($41 as against $82).

Hence, in conditions of real life, there are cases where an enormous *diminution* in farm area is accompanied by an enormous *increase* in expenditure on fertilisers, with the result that "small" production according to area of farms—that is, if we continue, in a routine way, to regard it as small—turns out to be "large-scale" production as far as the amount of capital invested in the land is concerned. These cases are not unique; they are typical for every country where extensive farming is being replaced by intensive farming. This applies to *all* capitalist countries; and the ignoring of this typical, material and fundamental feature of agriculture gives rise to the mistakes commonly committed by the worshippers of small farming, who judge only by the area of farms.

7. Machinery and Wage Labour in Agriculture

Let us take another form of capital investment in land, which differs technically from that considered above, namely, the use of

implements and machinery. All European agricultural statistics show convincingly that the larger the area of farms the greater is the proportion of farms using machinery of all types, and the greater is the amount of machinery thus used. The superiority of large-scale farming in this very important respect has been fully established. American statistics are somewhat peculiar on this point too. Implements and agricultural machinery are not classified separately; only their total value is estimated. Data of this sort may, of course, be less precise in each individual case; but taken as a whole it enables us to make certain comparisons between the regions and groups of farms which would be impossible with different data.

The following are the figures on agricultural implements and machinery by regions:

VALUE OF IMPLEMENTS AND MACHINERY, 1909
(dollars)

Region	Average per farm	Average per acre of farm land
North		
New England	269	2.58
Middle Atlantic	358	3.88
East North-Central	239	2.28
West North-Central	332	1.59
South (3 divisions)	72-88-127	0.71.0.92.0.95
West (2 divisions)	269-350	0.83-1.29
United States	199	1.44

The formerly slave-owning South, the share-cropping region, occupies last place in regard to use of machinery. Here the value of implements and machinery per acre of land is one-third, one-fourth and even one-fifth—in the respective regions—of that in the intensive states of the North. The latter states occupy first place among all other states, and, in particular, are far in advance of the most agricultural region, the granary of America, the West North-Central States, which superficial observers often still regard

as the model region in respect to the use of machinery and capitalist development of agriculture.

We shall observe that the method employed by American statisticians of estimating the value of machinery, land, livestock and farm buildings per acre of the *total* farm land and not per acre of improved land causes the superiority of the "intensive" states of the North to appear less marked; and in general, this cannot be regarded as a correct method. The difference among the regions with regard to percentage of improved land is very great: in the West this percentage is as low as 26.7 per cent of the total farm land in the Mountain States; whereas in the North it reaches 75.4 per cent in the East North-Central States. For economic statistics it is undoubtedly more important to take into account improved land and not the total acreage. In New England, the area of improved farm land, as well as its percentage of the total, has diminished considerably, especially since 1880, probably as a result of the competition of the free lands of the West (*i.e.*, free from the obligation to pay ground rent, tribute to Messieurs the landlords). In this region, however, the use of machinery is particularly highly developed, and the value of machinery per acre of *improved land* is particularly high: In 1910 it amounted to $7 per acre, while in the Middle Atlantic States it amounted to about $5.50 per acre, and in the other regions to no more than $2 to $3 per acre.

The region having the *smallest* farms according to area again proves to be the region of the *largest* investment of capital in the land in the form of machinery.

If we compare one of the "intensive" regions of the North—the Middle Atlantic States—with the most extensive region of the North—the West North-Central States—we shall find that, in respect to area of improved land per farm, farming in the first region is *more than twice as "small"* as in the second region (62.6 acres as against 148 acres); but in respect to the value of machinery employed, the first region *surpasses* the second region—$358 per farm as against $332. The small farms turn out to be larger in respect to the value of the machinery employed.

We still have to compare the data on intensive farming with the data on the employment of hired labour. In section 5 we quoted

this data in an abbreviated form. Now we must examine it in greater detail, according to regions.

EMPLOYMENT OF HIRED LABOUR PER FARM AND PER ACRE OF IMPROVED LAND BY REGIONS IN 1899-1909

Region	Per cent of farms employing hired labour in 1909	Average expenditure for hired labour per farm (dollars)	Average expenditure for hired labour per acre improved land		Per cent increase 1899-1909
			1909	1899	
North					
New England	66.0	277	4.76	2.55	+86
Middle Atlantic	65.8	253	2.66	1.64	+62
East North-Central	52.7	199	1.33	0.78	+71
West North-Central	51.0	240	0.83	0.56	+48
South					
South Atlantic	42.0	142	1.37	0.80	+71
East South-Central	31.6	107	0.80	0.49	+63
West South-Central	35.6	178	1.03	0.75	+37
West					
Mountain	46.8	547	2.95	2.42	+22
Pacific	58.0	694	3.47	1.92	+80
United States	45.9	223	1.36	0.86	+58

We see from this table, firstly, that in the intensive states of the North capitalism in agriculture is absolutely and in all respects more highly developed than in the extensive states; secondly, that capitalism is developing more rapidly in the intensive states than in the extensive states; thirdly, that the region in which the smallest farms are situated—New England—occupies first place among all the regions of the country both in regard to the degree of development of capitalism in agriculture and in regard to its rate of development. The increase in expenditure on hired labour per acre of improved land in this state amounts to 86 per cent; the Pacific States come second in this respect. Among the Pacific States, California is most outstanding in this respect; as we have

already mentioned, in that state "small" capitalist fruit farming is growing rapidly.

Usually the West North-Central States are regarded as the "model" capitalist region of American agriculture, because in these states the largest farms are to be found (an average of 148 acres per farm in 1910, taking into account improved land only), and because since 1850 the area of farms has been increasing more rapidly and more steadily there than in the rest of the country. We can see now that this opinion is profoundly mistaken. The extent to which hired labour is employed is certainly the best and most direct index of the development of capitalism. And this index shows that the "granary" of America, the region of the famous "wheat factories," which attract so much attention, is *less* capitalistically developed than the industrial and intensive farming region, where agricultural progress is manifested not in an increase in the area of improved land, but in an *increase* in the capital invested in the land, simultaneously with a *diminution* in the area of improved land.

One can easily imagine how rapidly the cultivation of "black soil," or unploughed virgin soil in general, can expand if machinery is employed, notwithstanding the comparatively small increase in the employment of hired labour. In the West North-Central States the expenditure on hired labour per acre of improved land amounted to 56 cents in 1899 and 83 cents in 1909, an increase of only 48 per cent. In New England, where the area of improved land is diminishing and not increasing, where the average area of farms is also diminishing and not increasing, the expenditure on hired labour was not only much higher in 1899 ($2.55 per acre) and 1909 ($4.76), but increased during this period at a much more rapid rate (86 per cent).

The average farm in New England is *one-fourth* the area of that in the West North-Central States (38.4 acres as against 148 acres); whereas the average expenditure on hired labour is *greater*: $277 per farm as against $240. Hence, a diminution in the area of farms in such cases means an increase in the amount of capital applied to agriculture, the enhancement of its capitalist character, the growth of capitalism and capitalist production.

While the West North-Central States, which contain 34.3 per cent of the total area of improved land in the United States, are the most typical region of "extensive" capitalist farming, the *Mountain* States serve as an example of similar extensive farming under conditions of the most rapid colonisation. The percentage of farms employing hired labour is smaller in these states than in the West North-Central States; but the average expenditure on hired labour is much higher. The rate of increase in the employment of hired labour, however, is much slower here than in any other region of the United States, the total increase amounting to only 22 per cent. Probably, farming developed in this way owing to the following circumstances: In this region colonisation and the distribution of homesteads proceeded at an extraordinarily rapid rate. The area of improved land increased more than in any other region: 89 per cent increase from 1900 to 1910. The settlers, the owners of the homesteads, naturally employed little hired labour, at least during their early period of farming. On the other hand, hired labour must be employed on an extensive scale, firstly by certain of the latifundia, which are very numerous in this region, as in the West generally, secondly, by farms cultivating special and highly capitalist crops. For example, in some states of this region fruit comprises a very high percentage of the total value of products (Arizona—6 per cent, Colorado—10 per cent), as also do vegetables (Colorado—11.9 per cent, Nevada—11.2 per cent), etc.

In summing up we must say that Mr. Himmer's assertion that "there is not a region, in which the process of colonisation has ceased, where the disintegration of large-scale capitalist agriculture and its displacement by toiler farming are not proceeding," is a mockery of the truth, diametrically opposed to the truth. In the region of New England, where there is no colonisation, where the farms are smaller than elsewhere, and where farming is most intensive, capitalism in agriculture is most highly developed and is developing most rapidly. This conclusion is most essential and fundamental for the purpose of understanding the process of development of capitalism in agriculture in general; for the intensification of farming and the diminution in the average area of farm land connected with it is not a casual, local, temporary phe-

nomenon; it is *common* to all civilised countries. The endless mistakes committed by all and sundry bourgeois economists in connection with the data on the evolution of agriculture in Great Britain, Denmark and Germany, for example, are explained by the fact that this common phenomenon is not sufficiently known, understood, assimilated, and pondered over.

8. Elimination of Small Farms by Large-Scale Farms

Area of Improved Land

We have examined the principal forms the process of development of capitalism in agriculture assumes, and we have found that they are extremely varied. The disintegration of the slave-owning latifundia in the South, the growth of large-scale extensive farming in the extensive part of the North, the most rapid development of capitalism and at the same time the smallest average area of farms in the intensive part of the North—such are the most important of these forms. The facts clearly show that in some cases an increase in the area of farms, and in other cases an increase in their number, indicate the growth of capitalism. In view of these circumstances, general statistics for the whole country on the average area of farms tell us nothing.

How should the various peculiar local and agricultural features be summed up? The data on hired labour indicated how this should be done. The increasing employment of hired labour is a common process running through *all* the peculiar features. But in the great majority of civilised countries agricultural statistics pay willing and unwilling tribute to the prevailing bourgeois views and prejudices; they utterly fail to give systematic information about hired labour, or began to give it only recently (the German agricultural census of 1907), so that no comparison can be made with the past. As we shall show in detail in the proper place, from 1900 to 1910 the compilation and analysis of data on hired labour in American statistics have greatly deteriorated.

The customary and most widespread method of summing up returns in America, and in the majority of other countries, is to

compare small and large farms on the basis of area. We shall now proceed to examine this data.

In classifying farms according to area American statistics take into account the total area, and not only the area of improved land. The latter, of course, would have been a more correct method, and it is the method adopted by German statistics. No sensible reason is given for the method adopted in the United States of classifying farms in the 1910 census into *seven* groups: up to 20 acres, 20 to 49 acres, 50 to 99, 100 to 174, 175 to 499, 500 to 999, and 1,000 and over. Evidently, the principal reason is statistical routine. We shall call the groups consisting of farms of 100 to 174 acres medium farms, because they include mostly homesteads (the official size of a homestead being 160 acres), and because, for the most part, it is precisely this size of holding that secures the greatest amount of "independence" for the farmer with the minimum employment of hired labour. The groups consisting of farms exceeding 174 acres we shall call big, or capitalist, farms, since, as a general rule, no farming is done on these farms without the employment of hired labour. Farms of 1,000 acres and over—of which three-fifths in the North, nine-tenths in the South and two-thirds in the West consist of uncultivated land—we shall call latifundia. Farms of less than 100 acres we shall call small farms. The fact that in the three groups in this category the number of farmers owning no horses represents 51 per cent, 43 per cent and 23 per cent respectively, counting from the lowest to the highest, enables us to judge, to some extent, what their economic independence amounts to. It goes without saying that the above description should not be taken as absolute, and should not be applied without special analysis to every region, or even to every separate locality in which certain special conditions prevail.

We cannot give complete data for all these seven groups in every main division of the United States, for this would overburden the text with an enormous amount of statistics. We shall therefore confine ourselves to briefly indicating the most important differences between the North, the South and the West, and shall give complete data only for the United States as a whole. We will remind the reader that the North contains three-fifths of the total improved

land (60.6 per cent), the South less than one-third (31.5 per cent). and the West less than one-twelfth (7.9 per cent).

The most striking difference between the three principal regions is that the *smallest number* of latifundia are to be found in the capitalist North; but their number, their total area and their area of improved land are increasing. In 1910, 0.5 per cent of the farms in the North were of an area of 1,000 acres and over. These accounted for 6.9 per cent of the total land and 4.1 per cent of the total improved land. In the South, the proportion of such farms was 0.7 per cent, accounting for 23.9 per cent of the total land and 4.8 per cent of the total improved land. In the West, the proportion of these farms is 3.9 per cent, accounting for 48.3 per cent of the total land and 32.3 per cent of the total improved land. This is a familiar picture: slave-owning latifundia in the South, and still more extensive latifundia in the West, the latter being partly the basis of very extensive livestock farming and partly regions seized by "settlers"; spaces of reserve land which are re-sold or (less frequently) leased to the actual tillers of the soil who are cultivating the "Far West."

The example of America clearly shows how careful one must be not to confuse the latifundia with large-scale capitalist farming; how frequently the latifundia are merely a survival of pre-capitalist relations—slave-owning, feudal or patriarchal. In the South and in the West, the latifundia are undergoing a process of disintegration. In the North, the total area of farm land increased by 30,700,000 acres; of this total, 2,300,000 are latifundia, while large-scale capitalist farms (ranging from 175 to 999 acres) accounted for 22,000,000 acres. In the South, the total area of farm land diminished by 7,500,000 acres. The total area of latifundia farm land *diminished* by 31,800,000 acres. On the other hand, the total area of the small farms increased by 13,000,000 acres, and that of the medium farms by 5,000,000 acres. In the West, the total area of farm land increased by 17,000,000 acres; that of latifundia farm land diminished by 1,200,000 acres; the total area of small farms increased by 2,000,000 acres, that of medium farms increased by 5,000,000 acres, and that of big farms increased by 11,000,000 acres.

The total area of *improved* latifundia land increased in all three

regions: considerably in the North (+3,700,000 acres, or +47 per cent), very slightly in the South (+300,000 acres, or +5.5 per cent), and to a larger degree in the West (+2,800,000 acres, or+29.6 per cent). But in the North the largest increase in improved land occurred in *big* farms (175 to 999 acres), in the South in the *small* and *medium* farms, and in the West in the *big* and *medium* farms. The result is that in the North the *proportion* of improved land is increasing in the big farms, while in the South and West it is increasing in the small farms and partly in the medium farms. This description fully corresponds to what we know about the different conditions prevailing in these regions. In the South, small commercial farming is growing at the expense of the slave-owning latifundia, which are becoming disintegrated; in the West the same process is taking place, with a slower disintegration of the larger, *not* slave-owning but extensive livestock farms and "squatter" latifundia. Moreover, with regard to the Pacific States of the West, the American statisticians say:

"The rapid development of small fruit and other farms on the Pacific Coast is at least partly a result of the irrigation works which were constructed in recent years. This has resulted in an increase in the number of small farms with an acreage of less than 50 acres in the Pacific States." (P. 264, Vol. V.)

In the North there are neither slave-owning nor "primitive" latifundia; there is no disintegration of latifundia, no increase of small farms at the expense of big farms.

Taking the United States as a whole, the process may be depicted as follows:

Group	Number of farms (thousands)		Per cent of total farms		Per cent increase or decrease
	1900	1910	1900	1910	
Under 20 acres . . .	674	839	11.7	13.2	+1.5
20 to 49 " . . .	1,258	1,415	21.9	22.2	+0.3
50 to 99 " . . .	1,366	1,438	23.8	22.6	—1.2
100 to 174 " . . .	1,422	1,516	24.8	23.8	—1.0
175 to 499 " . . .	868	978	15.1	15.4	+0.3
500 to 999 " . . .	103	125	1.8	2.0	+0.2
1000 acres and over . . .	47	50	0.8	0.8	—
Total . . .	5,738	6,361	100.0	100.0	—

Thus, the number of latifundia in proportion to the total number of farms remains unchanged. The change in the relation between the other groups is marked by the *washing out* of the *medium* groups and an increase in the extreme groups. The medium group (100 to 174 acres) and the group of small farms which is closest to it are losing ground. The largest increase occurred in the smallest and small farm groups, and also in the big capitalist farm group (175 to 999 acres).

Let us now examine the total area of farm land.

Group	Total area of farm land (thousand acres)		Per cent of total farm land		Per cent increase or decrease
	1900	1910	1900	1910	
Under 20 acres	7,181	8,794	0.9	1.0	+0.1
20 to 49 „	41,536	45,378	5.0	5.2	+0.2
50 to 99 „	98,592	103,121	11.8	11.7	—0.1
100 to 174 „	192,680	205,481	23.0	23.4	+0.4
175 to 499 „	232,955	265,289	27.8	30.2	+2.4
500 to 999 „	67,864	83,653	8.1	9.5	+1.4
1000 acres and over	197,784	167,082	23.6	19.0	—4.6
Total	838,592	878,798	100.0	100.0	—

Here we see, first of all, a very considerable reduction in the proportion of latifundia land. We will remind the reader that there was an absolute diminution only in the South and West, where the proportion of *uncultivated* latifundia land in 1910 was 91.5 per cent and 77.1 per cent, respectively. An insignificant reduction in the total area of farm land is observed among the highest of the small groups (—0.1 per cent in the group of 50 to 99 acres). The largest increase took place in the big capitalist farm groups, 175 to 499 acres and 500 to 999 acres. The increase in the proportion of the total farm land of the groups of smallest farms is comparatively slight. The group of medium farms (100 to 174 acres) remained almost stationary (+0.4 per cent).

Let us now examine the data on the area of improved land.

Group	Area of improved farm land (thousand acres)		Per cent of total improved farm land		Per cent increase or decrease
	1900	1910	1900	1910	
Under 20 acres	6,440	7,992	1.6	1.7	+0.1
20 to 49 „	33,001	36,596	8.0	7.6	—0.4
50 to 99 „	67,345	71,155	16.2	14.9	—1.3
100 to 174 „	118,391	128,854	28.6	26.9	—1.7
175 to 499 „	135,530	161,775	32.7	33.8	+1.1
500 to 999 „	29,474	40,817	7.1	8.5	+1.4
1000 acres and over	24,317	31,263	5.9	6.5	+0.6
Total	414,498	478,452	100.0	100.0	—

The *scale of farming* is indicated with a certain degree of accuracy—but with a number of exceptions, of which we have spoken and will speak again—only by the area of improved land and not by the total area of land. In this respect too we see that the percentage of latifundia land, which diminished considerably in relation to the total land area, has *increased* in relation to the area of improved land. All the capitalist groups have increased; and the 500 to 999 acres group has increased most of all. The greatest reduction occurred in the medium group (—1.7 per cent), followed by all the small farm groups, except the smallest, up to 20 acres, which slightly increased (+0.1 per cent).

Running ahead somewhat, we will observe that the smallest farm group (up to 20 acres) includes the farms with an area up to three acres, and that American statistics do not register all these farms, but only those whose annual production amounts to not less than $250. For this reason, these smallest farms (up to three acres) have a higher rate of production and are of a more highly developed capitalist character than the adjacent group of farms of larger area. In order to illustrate this point we give below the data for 1900. Unfortunately, the corresponding data for 1910 is not available.

AVERAGE PER FARM

Group	Improved farm land (acres)	Value of total products (dollars)	Expenditure for hired labour (dollars)	Value of implements and machinery (dollars)	Value of livestock (dollars)
Under 3 acres	1.7	592	77	53	867
3 to 10 „	5.6	203	18	42	101
10 to 20 „	12.6	236	16	41	116
20 to 50 „	26.2	324	18	54	172

To say nothing of farms under three acres, even the farms of three to ten acres prove, in certain respects, to be "larger" (expenditure on hired labour, value of implements and machinery), than the farms of ten to twenty acres.[1] Thus, we have every reason to assume that the increase in the percentage of improved land in farms up to 20 acres is due to the highly developed capitalist character of the very small (in area) farms.

On the whole, concerning the data on the distribution of improved land among small and big farms in 1900 and 1910 over the whole of the United States, we can draw the following absolutely definite conclusion, about which there can be no doubt: *the large farms are becoming stronger, while the medium and small farms are becoming weaker.* Hence, *in so far* as the statistics on the groups of farms according to area enable us to judge of the capitalist or non-capitalist character of agriculture, the United States during the last decade has shown as a general rule the growth of big capitalist farms and the elimination of small farms.

[1] For 1900 we have data on the number of farms having a high income (that is, of farms with a total value of products amounting to over $2,500), divided into groups according to area. Here are the figures: of farms having an area up to 3 acres, the proportion of high income farms was 5.2 per cent; of farms with areas from 3 to 10 acres, 0.6 per cent; from 10 to 20 acres, 0.4 per cent; from 20 to 50 acres, 0.3 per cent; from 50 to 100 acres, 0.6 per cent; from 100 to 175 acres, 1.4 per cent; from 175 to 260 acres, 5.2 per cent; from 260 to 500 acres, 12.7 per cent; from 500 to 1,000 acres, 24.3 per cent; 1,000 acres and over, 39.5 per cent. Thus, in all groups with an area up to 20 acres the percentage of high income farms is *larger* than in the 20 to 50 acre group.

The statistics showing the extent to which the number of farms and the area of improved land have increased in each group bring this conclusion out more strikingly.

PER CENT INCREASE—1900 TO 1910

Group	Number of farms	Area of improved land
Under 20 acres	24.5	24.1
20 to 49 „	12.5	10.9
50 to 99 „	5.3	5.7
100 to 174 „	6.6	8.8
175 to 499 „	12.7	19.4
500 to 999 „	22.2	38.5
1000 acres and over . . .	6.3	28.6
Total	10.9	15.4

The largest percentage of increase in improved land occurred in the last two of the highest groups. The smallest increase occurred in the medium group and in the small area group nearest to it (50 to 99 acres). In the two smallest groups the percentage of increase in the area of improved land was smaller than the percentage of increase in the number of farms.

9. CONTINUATION. STATISTICS ON THE VALUE OF FARMS

Unlike European statistics, American statistics define the value of the various elements of farming: land, buildings, implements, livestock, as well as the total value of the enterprise, for each farm and for each group of farms. Probably these statistics are less accurate than those on area; but on the whole they are no less reliable, bearing in mind, moreover, the (to a certain extent) general capitalist conditions of agriculture.

To supplement what has already been said on the subject, we shall take the figures of the total value of farms, including all farm property, and also the figures of the value of implements and machinery. We single out implements and machinery from the various elements of farming because they directly indicate the type of farming that is carried on and the way it is carried on, whether intensive or extensive, whether technical improvements are em-

ployed to a larger or smaller extent. Below we give the data for the United States as a whole.

DISTRIBUTION OF VALUE (PER CENT)

Group	Total value of farms		Increase or decrease	Value of implements and machinery		Increase or decrease
	1900	1910		1900	1910	
Under 20 acres . .	3.8	3.7	—0.1	3.8	3.7	—0.1
20 to 49 „ . .	7.9	7.3	—0.6	9.1	8.5	—0.6
50 to 99 „ . .	16.7	14.6	—2.1	19.3	17.7	—1.6
100 to 174 „ . .	28.0	27.1	—0.9	29.3	28.9	—0.4
175 to 499 „ . .	30.5	33.3	+2.8	27.1	30.2	+3.1
500 to 999 „ . .	5.9	7.1	+1.2	5.1	6.3	+1.2
1000 acres and over .	7.3	6.9	—0.4	6.2	4.7	—1.5
Total . . .	100.0	100.0	—	100.0	100.0	—

The absolute figures reveal a more than twofold increase in the total value of farm property during the period from 1900 to 1910, an increase from $20,440,000,000 to $40,991,000,000 or 100.5 per cent. The rise in the price of agricultural produce and increased rents caused millions and billions of dollars to flow into the pockets of the landlords at the expense of the working class. Which gained most by this, the small or the big farms? The reply to this question can be found in the figures given above. They indicate a diminution in the latifundia (we remind the reader that total area of latifundia land dropped from 23.6 to 19.0 per cent, a drop of 4.6 per cent) and also that *the small and medium farms are being eliminated by the big capitalist farms* (175 to 999 acres). Combining the figures for all small and medium farms, we find that their share of the total value of all farm property *diminished* from 56.4 per cent to 52.7 per cent. Combining the figures for the big farms and latifundia we find that their combined share of the total value of all farms *increased* from 43.7 per cent to 47.3 per cent. Exactly the same changes took place in the relative positions of the small and big farms in regard to the distribution of the total value of implements and machinery.

In the case of latifundia these figures also show what we have already noted above. The diminution of latifundia is limited to two regions: the South and the West. This is the diminution of the slave-owning latifundia, on the one hand, and of the primitive squatter and primitive extensively farmed latifundia, on the other. In the more densely populated and industrially developed North we find an *increase* in latifundia: the number of farms of this type, their total area and area of improved land, their share of the total value of all farm property (2.5 per cent in 1900; 2.8 per cent in 1910), and their share of the total value of implements and machinery, all increased.

The increased importance of latifundia is observed not only in the North in general, but in the *two* regions of intensive farming in particular, in which there is no colonisation whatever, *viz.*, New England and the Middle Atlantic States. It is necessary to deal with these regions in greater detail because they have led Mr. Himmer and many others into error owing to the particularly small average size of farms in these regions and the diminution of this average, and also because it is precisely these highly intensive regions that are most typical of the older, long-settled and civilised countries of *Europe*.

Both the above-mentioned regions show a reduction in the number of farms, in the total area of farm land and in the area of improved land in the period 1900-1910. In New England there was an increase only in the number of the *smallest* farms, under 20 acres, of 22.4 per cent (area of improved land increased 15.5 per cent) and in the number of latifundia, by 16.3 per cent (area of improved land increased 26.8 per cent). In the Middle Atlantic States there was an increase in the number of the *smallest* farms (+7.7 per cent in number of farms and +2.5 per cent in area of improved land), an increase in the number of farms in the 175 to 499 acres group (+1.0 per cent), and an increase in the area of improved land in the 500 to 999 acres group (+3.8 per cent). In both these regions the share of the smallest farms and the latifundia in the total value of all farm property, including value of implements and machinery, *increased*. The following is more illustrative and more complete data on each of these regions:

PER CENT INCREASE—1900 TO 1910

Group	New England States		Middle Atlantic States	
	Total value of farms	Value of implements and machinery	Total value of farms	Value of implements and machinery
Under 20 acres	60.9	48.9	45.8	42.9
20 to 49 "	31.4	30.3	28.3	37.0
50 to 99 "	27.5	31.2	23.8	39.9
100 to 174 "	30.3	38.5	24.9	43.8
175 to 499 "	33.0	44.6	29.4	54.7
500 to 999 "	53.7	53.7	31.5	50.8
1000 acres and over	102.7	60.5	74.4	65.2
Total	35.6	39.0	28.1	44.1

From this we can see that in both these regions it is *precisely the latifundia* that grew most, gained most economically, and made the greatest technical progress. The biggest capitalist farms are *eliminating* all the other, smaller farms. The lowest increase in the value of total property and of implements and machinery is observed in the medium and small farm groups, but not in the smallest farms. Hence, it is the medium and small farms that lag behind most.

In both regions the increase in the smallest farms (up to 20 acres) was *above the average*, being second in this respect only to the latifundia. We already know the cause of this: in both these intensive regions, from 31 per cent to 33 per cent of the total value of all crops consists of highly capitalist crops such as vegetables, fruit, flowers, etc., which are distinguished by an extremely high total value of products obtained on an extremely small area. In these regions cereals supply only from 8 to 30 per cent of the total value of products; whereas hay and grass supply 31 to 42 per cent of the total. Dairy farming, which is also characterised by a *below* average area and *above* average value of products and expenditure on hired labour, is developing.

In the states where intensive farming is most developed there is a diminution in the average area of improved farm land, because this average is obtained by grouping together latifundia and the

smallest farms, the number of which is growing more rapidly than that of the medium farms. The smallest farms are also growing in number more rapidly than the latifundia. But capitalism is developing along two lines, *viz.*, an increase in the size of farms on the old technical basis; and the creation of new farms, particularly farms small and very small in area, producing special commercial crops, farms which are distinguished for their extremely large scale of production and the employment of hired labour on very small areas of land.

The result is that the latifundia and big farms are increasing most, the medium and small farms are being forced into the background, and the smallest, but highly capitalist farms are increasing.

We shall see presently how the summary of these contradictory —contradictory on the surface—manifestations of capitalism in agriculture can be expressed in statistics.

10. Defects of the Usual Methods of Economic Investigation

Marx on the Specific Features of Agriculture

The grouping of farms according to area, total farm land, or total improved land, is the only method of grouping employed in the American census of 1910, as well as in the great majority of European countries. Generally speaking, it is incontestable that, in addition to fiscal and administrative considerations, there are certain scientific considerations which make such a grouping necessary and proper. Nevertheless, it is obviously inadequate; for it completely fails to take into account the process of intensification in agriculture and the growth of expenditure of capital per unit of land area on livestock, machinery, improved seeds, improved methods of cultivation, etc. And yet, except for a very few regions and countries with a primitive and purely extensive agriculture, it is precisely this process that is most characteristic of capitalist countries. That is why, in the vast majority of cases, the grouping of farms according to area introduces undue simplification and crudeness into the conception of the development of agriculture in general, and of the development of capitalism in agriculture in particular.

When one reads the long disquisitions of economists and statis-

ticians, who express the most popular bourgeois views, on the dissimilarity of conditions in agriculture and industry, on the peculiar character of the former, etc., etc., one always wants to remark: Gentlemen! You are to blame more than any one for fostering and spreading simplified and crude views on the evolution of agriculture! Remember Marx's *Capital*. There you will find references to the extreme variety of forms of land tenure, such as feudal, clan, communal (we will add primitive squatter), state, etc., which capital found when it entered into the arena of history.[1] Capital subordinates to itself all these varied forms of land tenure and reorganises them in accordance with its own needs. But in order to understand, estimate, and give statistical expression to this process, the presentation of the problem and the methods of investigation must be changed to suit the different *forms* this process assumes. Capitalism subordinates to itself the communal-allotment land tenure in Russia, squatters' tenure, the regulated free granting of land by a democratic or feudal state, as for example in Siberia or in the "Far West" of America, the slave-owner land ownership of the Southern states of America as well as the semi-feudal land tenure in the "truly Russian" gubernias in Russia. In all these cases there is a similar process of growth and victory of capitalism; but the process is not identical in form. In order to understand and to study the precise nature of this process we must avoid confining ourselves to hackneyed, petty-bourgeois phrases about "toiler" farming, or to a routine method of comparing only areas of land.

Further you will find that Marx analyses the origin of capitalist ground rent and its relationship to the historically preceding forms of rent, such as, for instance, rent in kind, labour rent (*corvée* and its survivals), money rent (quit-rent, etc.). Is there any bourgeois, or petty-bourgeois, "Narodnik" economist or statistician who ever thought seriously of applying these theoretical guiding principles of Marx to the study of the rise of capitalism *from* the slave economy in the South of the United States or *from* the *barshchina*[2] system in Central Russia?

[1] *Capital*, Vol. III, C. H. Kerr edition, pp. 723-24.—*Ed. Eng. ed.*

[2] The Russian term for the *corvée* system.—*Ed. Eng. ed.*

Finally, you will find throughout Marx's analysis of ground rent systematic references to the varied conditions of agriculture which arise not only from differences in the quality and location of land, but also from *differences in the amount of capital invested in land*. And what does this investment of capital in land mean? It means technical changes in agriculture, its intensification, the transition to higher forms of land cultivation, the increased use of artificial fertilisers, improved implements and machines, increased employment of the latter, increased employment of hired labour, etc. The mere computation of the area of farms cannot express all these complex and varied processes; and the general process of development of capitalism in agriculture is precisely a compound of all these processes.

The Russian Zemstvo statisticians, especially those of the "good old" pre-revolutionary times, deserve our respect because they approached their subject, not in a routine way, not merely with a fiscal or administrative interest, but with a certain scientific interest. They were, perhaps, the first statisticians to notice the inadequacy of grouping farms on the basis of area alone, and they introduced other methods of grouping: by sown area, by the number of working animals, by the number of hired labourers employed, etc. Unfortunately, the desultory and unsystematic character of our Zemstvo statistics, which have always been, so to speak, an oasis in the desert of feudal ignorance, bureaucratic routine, and stupid red-tape, accounts for the fact that no permanent results were achieved either for Russian or European economic science.

We shall observe that the problem of grouping the material collected by modern agricultural censuses is by no means a purely technical question, of interest only to specialists, as may appear at first sight. This material contains a wealth of complete data on every single farm. But owing to the clumsy, thoughtless, routine method of compiling and grouping the data, all this wealth of material is completely lost, wasted, rendered colourless and often worthless for studying the laws of evolution of agriculture. On the basis of the material collected it is possible to state without error whether a particular farm is a capitalist enterprise and to what extent, whether it is intensive and to what extent, etc. But in com-

piling statistics covering millions of farms it is precisely these most essential differences, features and characteristics which *should be* most of all *brought out*, defined and taken into account that are entirely lost; and all the economist has at his disposal is nothing but routine, meaningless columns of figures, a kind of statistical "number game," instead of a thoughtful statistical analysis of the material.

The United States census of 1910, with which we are dealing at present, is a striking example of how excellent, abundant and complete material has been rendered worthless and spoiled by the routine and unscientific approach and ignorance of those who worked on it. Compared with the census of 1900 the compiling is considerably inferior, and even the traditional grouping of farms by area has not been carried out completely; and so we are deprived of the opportunity of comparing the farms in the different groups according to the amount of hired labour employed, methods of cultivation, the use of fertilisers, etc.

We are therefore compelled to go back to the census of 1900. That census, as far as we know, is the only example of the employment of not one but *three* different methods of grouping or "classification" (as the Americans term it) of very abundant material concerning a single country, for a single period, according to a single programme and covering over five and a half million farms.

It is true that even here not a single grouping has been carried out completely as regards all the essential features relating to type and scale of farming. Nevertheless, the picture of capitalist agriculture and of the capitalist evolution of agriculture as given here is, as we hope to show, incomparably more complete and reflects the real situation more correctly than can ever be the case when the ordinary, one-sided, and inadequate single method of grouping is employed. The most serious mistakes and prejudices of bourgeois and petty-bourgeois Narodnik political economy are discovered and exposed as soon as an opportunity is afforded for a more complete study of these facts and trends, which may be regarded as being common to all capitalist countries in the world.

In view of the great importance of the material in question, we shall have to deal with it in detail and resort to tables more fre-

quently than heretofore. Fully realising that statistics burden the text and make reading more difficult, we tried, in the foregoing, to reduce the number of tables to the minimum. We hope our readers will forgive us for being obliged to increase that minimum now; for the analysis of the problems discussed will determine not only the general conclusion to be drawn on the main question before us—the trend, type, character, and law of evolution of modern agriculture—but also the estimate of all data provided by modern, frequently quoted and misquoted, agricultural statistics.

The first method of grouping—"according to area"—gives the following picture of American agriculture in 1900:

Group	Number of farms (per cent of total)	Acreage (per cent of total)	Average per farm			
			Improved land (acres)	Expenditure on hired labour (dollars)	Value of products[1] (dollars)	Value of implements and machinery (dollars)
Under 3 acres	0.7	—[2]	1.7	77	592	53
3 to 10 „	4.0	0.2	5.6	18	203	42
10 to 20 „	7.1	0.7	12.6	16	236	41
20 to 50 „	21.9	4.9	26.2	18	324	54
50 to 100 „	23.8	11.7	49.3	33	503	106
100 to 175 „	24.8	22.9	83.2	60	721	155
175 to 260 „	8.5	12.3	129.0	109	1,054	211
260 to 500 „	6.6	15.4	191.4	166	1,354	263
500 to 1000 „	1.8	8.1	287.5	312	1,913	377
1000 acres and over	0.8	23.8	520.0	1,059	5,334	1,222
Total	100.0	100.0	72.3	—	656	133

One can say with certainty that the statistics of every other capitalist country present a similar picture. There may be differences only in unessential details. The latest censuses in Germany, Austria, Hungary, Switzerland, and Denmark confirm this. With the increase in the total area of farms from group to group, there is also an increase in the average area of improved land, the average value of products, the value of implements and machinery,

[1] Value of products does not include feed for livestock.
[2] Less than one-tenth of one per cent.

of livestock (we omitted the figures for livestock from our table), as well as the expenditure for hired labour. (The significance of the minor exception in the case of the group of farms under 3 acres, and partly of the 3 to 10 acres group, has already been referred to above.)

It would seem that it could not be otherwise. The increase in the expenditure on hired labour, apparently, definitely confirms the fact that a division of farms into small and big according to area fully corresponds to their division into non-capitalist and capitalist farms. Nine-tenths of the usual arguments about "small" farming are based on such an identification and on similar data.

Let us now take average figures, not per farm, but per acre of (total) land:

Group	Average per acre of land (dollars)			
	Expenditure on hired labour	Expenditure on artificial fertiliser	Value of livestock	Value of implements and machinery
Under 3 acres	40.30	2.36	456.76	27.57
3 to 10 „	2.95	0.60	16.32	6.71
10 to 20 „	1.12	0.33	8.30	2.95
20 to 50 „	0.55	0.20	5.21	1.65
50 to 100 „	0.46	0.12	4.51	1.47
100 to 175 „	0.45	0.07	4.09	1.14
175 to 260 „	0.52	0.07	3.96	1.00
260 to 500 „	0.48	0.04	3.61	0.77
500 to 1000 „	0.47	0.03	3.16	0.57
1000 acres and over	0.25	0.02	2.15	0.29

Apart from very minor exceptions, we see a steady diminution in all the characteristics of intensive farming as we pass from the lower to the higher groups.

Apparently, this leads to an incontrovertible conclusion that "small" production in agriculture is more intensive than large-scale production; that with a diminution in the "scale" of production there is an increase in the intensiveness and productivity of farming; and, "consequently," that capitalist production in agricul-

ture is sustained only by the extensive and primitive nature of farming, etc., etc.

As every capitalist country can, if farms are grouped according to area (and this is not only the usual but almost the sole method of grouping adopted), present the same picture, *i.e.*, show a similar diminution in the features of intensive farming as we pass from the small farm groups to the big farm groups, this is the conclusion that is drawn at every step in the whole of petty-bourgeois (opportunist-"Marxist" and Narodnik) literature. Recall, for instance, the well-known work of the well-known Edouard David, *Socialism and Agriculture*, that compilation of bourgeois prejudices and bourgeois lies camouflaged by "socialist" catchwords. In this book similar data is quoted to prove the "superiority," "vitality," etc., of "small" production.

One fact especially facilitates the drawing of such conclusions, *viz.*, the fact that figures analogous to those given above are available only for the amount of livestock; figures showing the amount of hired labour employed, particularly in such a generalised form as total expenditure on hired labour, are collected hardly anywhere; and it is precisely the data on the employment of hired labour that exposes the falsity of all such conclusions. Indeed, while, for example, the increase in the value of livestock (or, what amounts to the same thing, the increase in the number of livestock) per unit of area which has taken place simultaneously with the diminution in the area of farms is to be taken as proof of the "superiority" of "small" farming, this "superiority" turns out to be *connected* with the *increase* in expenditure on hired labour in proportion to the diminution in the area of farms!! But this increase in expenditure on hired labour—the reader should note that we are referring all the time to expenditure per unit of land, that is, per acre, per hectare, per desyatin—signifies an increase in the *capitalist* nature of the farm! And the capitalist nature of the farm contradicts the ordinary popular conception of "small" production, for by "small" production is usually meant a form of production that is *not* based on hired labour.

We thus seem to get a tangle of contradictions. The general statistics on groups of farms according to area show that "small"

farms are not capitalist farms, whereas big farms are. Yet the very same data show that the "smaller" the farm the more intensive is the method of farming and the larger is the expenditure on hired labour per unit of land!

In order to explain this point we shall turn to a different method of classification.

11. A More Accurate Comparison of Small and Big Farms

As we have already pointed out, American statistics take into account for this purpose the total value of agricultural products, exclusive of those products fed to livestock. Taken by themselves, such figures, which, perhaps, are available only in American statistics, are of course less accurate than the data on area, on the number of livestock, etc. But considered as a whole in relation to several million farms, and, in particular, if used to determine the *inter-relation* between the various groups of farms throughout the country, this data is certainly no less suitable than the others. In any case, as far as the volume of *production* is concerned, and particularly the volume of marketable production, that is, the volume of products intended for sale, this data gives more direct information than any other. Indeed, in all arguments on the subject of the evolution of agriculture and its laws the discussion centres precisely on the question of small and large-scale *production*.

Moreover, in all such cases we speak of the evolution of agriculture under capitalism, or in connection with capitalism, under its influence, etc. In order to calculate this influence it is absolutely necessary first of all to try to separate natural economy in agriculture from commodity economy. It is well known that "natural" economy, that is, production not for the market but for consumption by the producer's family, plays a relatively large part in agriculture, and gives way to commercial farming very slowly. And if we apply the established theoretical propositions of political economy, not in a stereotyped or mechanical way, but thoughtfully, it will be evident, for instance, that the law according to which small production is eliminated by large-scale production can apply *only* to commercial farming. It is hardly likely that anyone will

question this thesis theoretically. Nevertheless, very rarely do economists and statisticians consciously attempt to single out, trace and examine, as far as possible, these very features which bear witness to the transformation of natural economy into commodity economy in agriculture. The grouping of farms according to the monetary value of products, exclusive of the part fed to livestock, does much to meet this important theoretical requirement.

We shall note that when we speak of the indisputable fact that in industry small production is eliminated by large-scale production, the classification of industrial enterprises is always made according to the total value of products, or according to the number of wage workers employed. It is much easier to do this in regard to industry, owing to its special technical features. In agriculture, however, the relationships are incomparably more complex and confused, and it is therefore much more difficult to determine the volume of production, the monetary value of products and the amount of hired labour employed. In regard to the last item, it is necessary to take into account the total annual amount of hired labour employed, and not merely the number of workers employed on the day the census was taken, for agricultural production is particularly "seasonal" in character; moreover, it is necessary to take into account, not only permanent hired labourers, but also day labourers, who play a very important role in agriculture. But what is difficult is not impossible. The employment of methods of investigation that are rational and adapted to the technical peculiarities of agriculture, especially the method of grouping according to volume of production, monetary value of products, frequency of employment of hired labourers and number of hired labourers employed, will increase and cut a path for itself through the close network of bourgeois and petty-bourgeois prejudices and attempts to paint bourgeois reality in rosy colours. And one can boldly assert that every step forward in employing rational methods of investigation is a step towards confirming the truth that in capitalist society small production is eliminated by large-scale production, not only in industry, but also in agriculture.

The following table shows the grouping of farms in America in 1900 according to the value of products.

Group by value of products (dollars)	Farms (per cent of total)	Farm land (per cent of total)	Average per farm		
			Improved land (acres)	Expenditure on hired labour (dollars)	Value of implements and machinery (dollars)
0 . . .	0.9	1.8	33.4	24	54
1 to 50 . . .	2.9	1.2	18.2	4	24
50 to 100 . . .	5.3	2.1	20.0	4	28
100 to 250 . . .	21.8	10.1	29.2	7	42
250 to 500 . . .	27.9	18.1	48.2	18	78
500 to 1000 . . .	24.0	23.6	84.0	52	154
1000 to 2500 . . .	14.5	23.2	150.5	158	283
2500 and over . .	2.7	19.9	322.3	786	781
Total . . .	100.0	100.0	72.3	—	133

Probably, the farms without income (0 value of products) are mainly newly occupied homesteads whose owners had not yet had time to construct the necessary buildings, procure livestock, sow crops and gather the harvest. In a country like the United States, where colonisation is still proceeding on a large scale, the question of how long the farmer has been in possession of his farm is of special importance.

Leaving aside the farms showing no income, we get a picture similar to the one depicted in the previously quoted classification of the same data according to area of farms. As the value of products of the farm increases, the average area of improved farm land, the average expenditure on hired labour and the average value of implements and machinery also increase. On the whole, the farms showing the highest income, that is, those with the largest gross value of products, are also the biggest in area. Evidently, the new method of grouping reveals absolutely nothing that is new.

We shall now take the average figures (value of livestock and implements, expenditure on hired labour and on fertilisers) not per farm, but per acre of land.

Group by value of products (dollars)	Average per acre of land (dollars)			
	Expenditure on hired labour	Expenditure on fertiliser	Value of livestock	Value of implements and machinery
0	0.08	0.01	2.97	0.19
1 to 50	0.06	0.01	1.78	0.38
50 to 100	0.08	0.03	2.01	0.48
100 to 250	0.11	0.05	2.46	0.62
250 to 500	0.19	0.07	3.00	0.82
500 to 1000	0.36	0.07	3.75	1.07
1000 to 2500	0.67	0.08	4.63	1.21
2500 and over	0.72	0.06	3.98	0.72

The farms without income, which, in general, occupy a very special position, and those with the very largest incomes, which according to three of the four distinctive features we have selected appear to be less intensive than the adjacent group, are exceptional in several respects. In general, however, we observe a normal *increase* in the intensiveness of farming *in proportion to the increase* in the value of products produced by the farm.

The picture obtained is the very opposite to that obtained by classifying farms according to area.

Thus, when different methods of classification are employed, the same material leads to diametrically opposite conclusions.

If the scale of farming is judged by area of land, the degree of intensive farming *diminishes* with the increase in the size of farms; but it *increases* if the scale of farming is judged by the value of products.

Which of these two conclusions is the correct one?

Clearly, the area of land gives *no* idea of the scale of farming if the land is not improved land (we must remember that in America the whole land area, and not only improved land, is taken as the basis of classification, and that in this country the percentage of improved land ranges according to groups of farms from 19 to 91 per cent. and according to regions from 27 to 75 per cent); it gives *no true idea* of it if in a considerable number of cases there are substantial differences among the individual farms in methods

of cultivation, in intensiveness of farming, in the kind of crops cultivated, in the quantities of fertilisers employed, in the employment of machinery, in the character of the livestock, etc.

It is precisely this case that obviously applies to *all* capitalist countries, and even to all those countries where agriculture is affected by capitalism.

We now see one of the most fundamental and general reasons why the erroneous views on the "superiority" of small farming are so persistently adhered to; and why bourgeois and petty-bourgeois prejudices of this kind can exist side by side with the great progress of social statistics in general, and of agricultural statistics in particular, during recent decades. It is true that the persistence with which these mistakes and prejudices are adhered to is fostered also by the *interests* of the bourgeoisie, who seek to obscure the profundity of class antagonisms in modern bourgeois society; and, as is well known, when interests are concerned the most incontrovertible truths are disputed.

We shall confine ourselves, however, to an examination of the theoretical sources of the mistaken opinion that small farming is "superior." There is no doubt that the most important of these sources is the uncritical routine attitude towards the hackneyed methods of comparing farms only according to total area, or to area of improved land.

The United States of America is an exception among capitalist countries in that it still has vast territories of unoccupied, free land, which is distributed gratis. Agriculture can still develop there, and is actually developing, by squatting on unoccupied lands, by the cultivation of new land which has never before been cultivated; it is developing in the form of most primitive and extensive livestock farming and agriculture. There is nothing similar to it in the old civilised countries of capitalist Europe. In those countries agriculture is developing *mainly* in the form of intensive farming, not by increasing the *amount* of cultivated land, but by improving the *quality* of cultivation, by increasing the amount of capital invested in the original area of land. And it is this main line of development of capitalist agriculture—which is gradually becoming the main line of development even in America—that is

overlooked by those who confine themselves to comparing farms according to area alone.

The main line of development of capitalist agriculture is that *small* farms, while still *remaining small* as regards area, *are being converted into big farms* as regards scale of production, the development of livestock farming, the quantity of fertiliser used, the extent to which machinery is employed, etc.

Hence, the conclusion drawn from a comparison of the various groups of farms according to area, *viz.*, that an increase in the size of the farm is accompanied by a diminution in intensiveness of farming, is absolutely wrong. The only correct conclusion is the one obtained from a comparison of the various farms according to value of products, *viz.*, that an increase in the size of farms is accompanied by an increase in intensiveness of farming.

The reason for this is that the area of land indicates the scale of farming only indirectly; and the greater and more rapid the intensification of farming, the less reliable is this "evidence." The value of farm products, however, is not indirect but direct evidence of the scale of production, and is so in all cases. When people speak of small farming they always have in mind farming that is *not* based on hired labour. But the transition to the exploitation of hired labour is determined not only by the expansion of the area of the farm on the old technical basis—this happens only in the case of extensive and primitive farming—but also by raising the level of the technique of farming, by substituting a new technique for the old, by investing additional capital in the same land area in the form, for instance, of new machinery or artificial fertilisers, or by increasing the number and improving the quality of livestock, etc.

The grouping of farms according to value of farm products puts into the same category farms that have an *identical scale of production*, irrespective of their area. Under this classification a highly intensive farm, although small in area, will be put in the same group as a farm of large area, but employing comparatively extensive methods of farming. Both these types of farms will actually be large-scale enterprises as regards scale of production and the extent to which hired labour is employed.

On the other hand, the grouping of farms according to area puts big and small farms into the same category only for the reason that they are of the same area; it groups together farms with totally different scales of production, farms in which the labour of the farmer and his family predominates and those in which hired labour predominates. The result is a totally false and utterly misleading picture—but one which pleases the bourgeoisie—*of the blunting of class antagonisms* under capitalism. From this we get a no less false—but no less pleasing to the bourgeoisie—picture which *depicts the position of small farmers in attractive colours;* we get an apologia for capitalism.

Indeed, the fundamental and main trend of capitalism is the elimination of small production by large-scale production both in industry and in agriculture. But this process must not be taken *only* in the sense of immediate expropriation. This elimination process also includes a process of ruination, of deterioration of the conditions of farming of the small farmers, which may extend over years and decades. This deterioration manifests itself in overwork or underfeeding of the small farmer; in an increased burden of debt; in the deterioration of cattle fodder and the condition of the cattle in general; in the deterioration of the methods of cultivating and manuring the land; in the stagnation of technical progress, etc. The task of the scientific investigator, if he wishes to avoid the charge of consciously or unconsciously serving the bourgeoisie by depicting the position of the ruined and oppressed small farmers in attractive colours, is first of all precisely to define the symptoms of their ruin, which are by no means simple or uniform; and secondly, to reveal these symptoms, to trace them, and, as far as possible, to calculate how widespread they are and what changes they undergo at various times. But present-day economists and statisticians pay very little attention to this exceptionally important aspect of the problem.

Picture to yourself ninety small farmers who lack capital for the improvement of their farms, who lag behind the times, and are gradually being ruined; to these the statistician adds another ten farmers who have sufficient capital and who on equally small farms carry on large-scale production on the basis of hired labour.

In this way, if the average is taken, the position of the whole hundred small farmers is made to appear better than it really is.

It is precisely such an embellished picture—embellished, objectively speaking, to please the bourgeoisie—that was presented by the United States census of 1910, primarily because it abandoned the method employed by the census of 1900 of comparing the classification according to area with the classification according to value of products. All we learn, for instance, is that expenditure on fertilisers increased very much, *viz.*, by 115 per cent, that is, more than doubled, whereas expenditure on hired labour increased only 82 per cent, and the total value of all products increased 83 per cent. This is enormous progress; the progress of national agriculture. And perhaps some economists will draw the conclusion, if indeed they have not done so already, that this is the progress of small "toiler" farming: for, generally speaking, the figures for farms grouped according to area show that "small" farming has a much higher expenditure for fertilisers per acre of land.

Now we know, however, that such a conclusion would be false, for the grouping of farms according to area lumps together small farmers who are facing ruin, or who, at all events, are suffering from want and lack the wherewithal to buy fertilisers, and *capitalist* farmers (small, perhaps, but capitalist nevertheless), who on their small farms carry on improved, intensive, large-scale farming with the aid of hired labour.

If small farming in general is being eliminated by large-scale farming, as the figures of the total value of farm property in 1900 and 1910 show; if during this period, as we shall see below, the cultivation of highly capitalist crops on farms of small acreage has developed with particular rapidity; if, according to the general statistics on small and big farms classified according to value of products, the expenditure on fertilisers increases in proportion to the increase in the scale of farming—it inevitably follows that the "progress" made in the use of fertilisers during the period 1900-1910 has still further increased the predominance of capitalist farming over small farming; that the former has pushed back and crushed the latter more than ever.

12. Different Types of Economy in Agriculture

What has been said above about intensive, large-scale, capitalist farms conducted on small areas raises the following question: is there reason to believe that intensive farming must lead to a reduction in the area of farm land? In other words, are there any factors inherent in the technology of modern agriculture that necessitate a reduction in the area of farm land in order to increase the intensivity of farming?

Neither general theoretical arguments nor examples can provide an answer to this question. What we are discussing is the definite level of technical development under the given conditions of agriculture and the actual amount of capital necessary for a given system of farming. In theory, the investment of any amount of capital on any area of land is conceivable, but it goes without saying that "this depends" on the economic, technical, cultural and other conditions prevailing in the given country at the given time. Examples are worthless because in the sphere of the economics of modern agriculture, where there are so many complicated, varied, confused and contradictory trends, one can always find examples to confirm contradictory views. What is needed here in the first place, and to a larger extent than in any other field, is a picture of the process *as a whole*, the calculation of all tendencies and the determination of their resultant, or their sum total, their result.

The third method of grouping employed by the American statisticians in 1900 helps us to answer this question. This is the method of grouping according to the *principal source of income*. On this principle all farms are divided into the following categories: (1) hay and grains as the principal source of income; (2) mixed; (3) livestock; (4) cotton; (5) vegetables; (6) fruit; (7) dairy products; (8) tobacco; (9) rice; (10) sugar; (11) flowers; (12) greenhouse products; (13) taro; (14) coffee. The last seven categories (8 to 14) together make up only 2.2 per cent of the total number of farms, *i.e.*, so insignificant a number that we need not deal with them separately. In their economic characteristics and importance these categories of farms (8 to 14) are quite identical

with the preceding three categories (5 to 7), and with them form a single type.

The following figures illustrate the different types of farms:

Types of farms according to principal source of income	Per cent of total number of farms	Average acreage per farm		Average per acre of total land (dollars)			
		Total land	Improved land	Expenditure for hired labour	Expenditure for fertiliser	Value of implements and machinery	Value of livestock
Hay and grains . . .	23.0	159.3	111.1	0.47	0.04	1.04	3.17
Mixed	18.5	106.8	46.5	0.35	0.08	0.94	2.73
Livestock	27.3	226.9	86.1	0.29	0.02	0.66	4.45
Cotton	18.7	83.6	42.5	0.30	0.14	0.53	2.11
Vegetables	2.7	65.1	33.8	1.62	0.59	2.12	3.74
Fruit	1.4	74.8	41.6	2.46	0.30	2.34	3.35
Dairy products	6.2	121.9	63.2	0.86	0.09	1.66	5.58
Total all types .	100.0	145.6	72.3	0.43	0.07	0.90	3.66

We see that the first two categories of farms (hay and grains, and mixed crops) may be regarded as the average both in degree of capitalist development (their expenditure on hired labour approximates to the average—from 35 cents to 47 cents, the average for the United States being 43 cents) and in degree of intensive farming. All the features usually accompanying intensive farming, such as expenditure on fertilisers and value of machinery and livestock per acre, correspond most nearly to the general average for the whole of the United States.

There is no doubt that both these groups of farms are especially typical of the majority of agricultural farms. Hay and grains, and the combination of various agricultural products ("mixed" sources of income)—such are the main types of farms in all coun-

tries. It would be extremely interesting to obtain more detailed data about these groups, *e.g.*, their subdivision according to degree of commercialisation, etc. But, as we have seen, American statistics, after having taken one step in this direction, did not proceed further forward, but actually retreated.

The next two categories of farms, livestock and cotton growing, are examples of farms having the least capitalist development (their expenditure on hired labour being only 29 to 30 cents per acre, the average being 43 cents) and employing the least intensive methods. The value of implements and machinery is the lowest, being considerably below the average (66 cents and 53 cents as against 90 cents). The farms which derive their principal income from livestock naturally have a larger number of livestock per acre of land than the average for the United States ($4.45 as against $3.66); but this, evidently, is on account of extensive livestock farming, for expenditure on fertilisers is very small, the average area of farms reaches the maximum figure (226.9 acres), while the area of improved land is the lowest of all (86.1 of the total of 226.9). The cotton growing farms show an above average expenditure for fertilisers, while all the other indexes of intensive farming (value of livestock and machinery per acre) are extremely low.

Finally, the last three categories of farms—those producing vegetables, fruit, dairy products—consist, in the first place, of farms of the smallest area (33 to 63 acres of improved land as against 42 to 86 acres and 46 to 111 acres in the other categories); secondly, they show the greatest capitalist development: their expenditure on hired labour reaches the maximum and is twice to six times the average; thirdly, they employ the most intensive methods. Thus we see that nearly all the features of intensive farming exceed the average: expenditure on fertiliser, value of machinery, value of livestock (fruit farms are an exception in this respect; they are somewhat below average, but above the average for farms deriving their principal income from hay and grains).

We shall, in a moment, take up the question as to what proportion of the country's total farm products comes from these highly capitalist farms. But first we must deal in somewhat greater detail with their more intensive character.

We shall take the farms whose principal income is derived from vegetable growing. It is well known that in all capitalist countries the development of towns, factories, industrial villages, railway stations, seaports, etc., has given rise to an increased demand for vegetables, has caused a rise in the price of vegetables and an increase in the number of farms engaged in raising these products for sale. The average "vegetable" farm occupies *less than one-third* of the area of improved land occupied by the "ordinary" farm which derives its income mainly from hay and grains; the former occupies an average of 33.8 acres, and the latter an average of 111.1 acres. Hence, the present stage of technical development and the existing accumulation of capital in agriculture demand "vegetable" farms of smaller area; in other words, in order to invest capital in agriculture and to obtain a profit not less than the average, it is necessary, at the present stage of technical development, to organise farms for the production of vegetables on a *smaller area* than is necessary for the production of hay and grains.

But this is not all. The growth of capitalism in agriculture is expressed primarily in the transition from natural agriculture to commercial agriculture. This is always forgotten and it must therefore be emphasised again and again. But the development of commercial agriculture does not proceed in a "simple" way, as bourgeois economists imagine or assume—*i.e.*, by increasing the production of the *same* products. Far from it. The development of commercial agriculture is very often expressed in the transition from the production of one type of produce to another. The transition from the production of hay and grains to the production of vegetables is typical of this process. But what does such a transition mean in connection with the present question of the area of farms and the growth of capitalism in agriculture?

This transition means the *break-up* of the "big" farm of 111.1 acres into more than three "small" farms of 33.8 acres each. The output of the former amounted to $760—that is, the average value of products, exclusive of feed for livestock, in the case of farms deriving their income mainly from hay and grains. The output of every new farm amounted to $665. The total output is $665×3= $1,995, *i.e.*, more than twice as much as before.

Thus, small production is being eliminated by large-scale production, while the area of farm land is *diminishing*.

The average expenditure on hired labour on the old farm amounted to $76 and on the new farm to $106, that is, almost half as much again, whereas the area of the farm was reduced to one-third or even less. The expenditure on fertilisers increased from four cents per acre to 59 cents, or almost fifteen times, whereas the value of implements and machinery doubled, from $1.04 to $2.12, etc.

The objection may be raised, as is usually done, that the number of such highly developed capitalist farms with special "commercial" crops is very small compared with the total number of farms. We shall reply, however, that, in the first place, the number and the *role* of these farms, their economic role, is much greater than is usually believed; secondly—and this is the main point—it is *precisely these crops* that are increasing *more rapidly* than other crops in capitalist countries. That is why, when intensive farming is being introduced, a diminution in the area of farms very frequently means an increase and not a decrease in scale of production, an increase and not a decrease in the exploitation of hired labour.

We give below figures taken from American statistics illustrating this point for the country as a whole. We shall take *all* the special or "commercial" crops enumerated above under numbers 5 to 14, that is, vegetables, fruit, dairy products, tobacco, rice, sugar, flowers, greenhouse products, taro and coffee. Farms deriving their *principal* income from these products in 1900 amounted to 12.5 per cent of the total number of farms in the United States. Thus, they were a small minority, only one-eighth of the total. The total area of these farms amounted to only 8.6 per cent of the total area of farm land in the United States, that is, about one-twelfth. But let us go further. Let us take the total value of products in American agriculture exclusive of that fed to livestock. Of this total, the above-mentioned farms contribute 16.0 per cent, *i.e.*, nearly twice as much as the percentage of area they occupy.

Hence, the productivity of labour and of the land on these farms is almost twice the average.

We shall take the total expenditure on hired labour in American agriculture. Of this total, 26.6 per cent, *i.e.*, more than one-fourth, falls to the share of the farms mentioned. This share is more than three times their share of the land, more than three times the average. This means that the capitalist character of these farms is incomparably above the average.

Their share of the total value of implements and machinery amounted to 20.1 per cent, and their share of the total expenditure on fertilisers amounted to 31.7 per cent, *i.e.*, a little less than *one-third* of the total, a little less than *four times* the average.

Summing up, then, we come to the following fact established for the whole country: that particularly intensive farms are distinguished by particularly small areas of land, particularly extensive employment of hired labour and particularly high productivity of labour; that the role of these farms in the agriculture of the whole country is twice, three times, and more, as high as the proportion they comprise of the total number of farms, to say nothing of the share of the total area of farm land they occupy.

The question is whether the role of these highly capitalist and highly intensive crops and farms is growing or diminishing as compared with other crops and farms?

The answer to this question is provided by a comparison of the last two censuses, which undoubtedly shows that this role is *growing*. Take the area of land under different crops. From 1900 to 1910, the area under grain crops of all types in the United States increased only 3.5 per cent; that under beans, peas, etc., 26.6 per cent; under hay and fodder, 17.2 per cent; under cotton, 32.0 per cent; under vegetables, 25.5 per cent; under sugar beets, sugar cane, etc., 62.6 per cent.

Take the figures on the production of agricultural produce. The total yield of all grain crops during the period 1900 to 1910 increased only 1.7 per cent; but that of beans increased 122.2 per cent; hay and fodder, 23.0 per cent; sugar beet, 395.7 per cent; sugar cane, 48.5 per cent; potatoes, 42.4 per cent; grapes, 97.6 per cent; the failure of berry, apple, etc., crops in 1910 was accompanied by a trebled yield of oranges, lemons, etc.

Thus, the following apparently paradoxical but nevertheless

true fact has been shown to apply to American agriculture as a whole, namely, that generally speaking, small farming is not only being eliminated by large-scale farming, but that this process is taking place also in the following form:

Small farming is being eliminated by large-scale farming by the process of elimination of farms which are "bigger" in area, but smaller in productivity, less intensive and less capitalistic, by farms which are "smaller" in area, but are more productive, more intensive and more capitalistic.

13. How the Elimination of Small Production by Large-Scale Production in Agriculture is Minimised

The objection may be raised: if small *production* is "also" being eliminated owing to the intensification (and "capitalisation") of the smaller *farms*, is it possible to regard the classification of farms according to area as being of any use at all? Do we not get two contradictory trends which make it impossible to draw any general conclusion?

In order to reply to this objection it is necessary to depict American agriculture and its evolution *as a whole*. To do this we must try to compare the three classifications mentioned above, which represent, so to speak, the most that social statistics have done in the sphere of agriculture during recent years.

Such a comparison is possible. All that is required is a table, which at first glance may seem too abstract and complicated, and thus may "frighten" the reader. But the "reading," the mastering and the analysis of this table will not be difficult if a little attention is paid to it.

In order to compare these three different classifications it is necessary to take into account only the *percentage relations* between the different groups. All necessary computations are contained in the United States census of 1900. We shall divide each classification into *three* main groups. According to area we shall take: (1) small farms (up to 100 acres); (2) medium farms (100 to 175 acres); (3) big farms (175 acres and over). According to

value of products we shall take: (1) farms of a non-capitalist type (production under $500); (2) medium farms ($500 to $1000); (3) capitalist farms ($1000 and over). According to the principal source of income we shall take: (1) farms of slight capitalist development (livestock farming and cotton farms); (2) medium farms (hay and grains, mixed crops); (3) highly capitalistic farms (those special, "commercial" crops enumerated in section 12 in groups 5 to 14).

For each group we shall first of all take the percentage of farms, *i.e.*, the percentage of farms in the given group to the total number of farms in the United States. Next we shall take the percentage of the area of the farms in the given group to the total area of farm land in the United States. The statistics on area of land may serve to indicate to what degree these farms are run on the basis of extensive farming (unfortunately, only figures showing *total* land area are available, instead of figures of improved land only, which would be more accurate). If the percentage of the total area of farm land is *higher* than the percentage of the total number of farms, for example, if 17.2 per cent of the farms occupy 43.1 per cent of the land, it will show that these are big farms, above the average, in fact, more than twice the average. If the percentage of area is *smaller* than the percentage of farms, it will show that the position is the reverse of the above.

Further, we shall take the indices showing the degree of *intensive* farming: value of implements and machinery and total expenditure on fertilisers. In this case, too, we take the percentage of total value and total expenditure in the given group to that of the whole country. Here, too, if this percentage is *higher* than the percentage of *area*, we must conclude that intensiveness is *above* the average, etc.

Finally, in order to determine more precisely the capitalist character of the farms, we employ the same method as regards the total expenditure on wages; and in order to determine the scale of production we employ this method as regards the total value of agricultural products for the whole country.

In this way we obtain the following table, which we shall now proceed to examine and explain.

THREE CLASSIFICATIONS COMPARED
(Figures are per cent of total; the sum of each horizontal row of three figures is 100 per cent)

	Principal source of income			Area of land			Value of products			
	Slightly capitalistic	Medium	Highly capitalistic	Small	Medium	Big	Non-capitalistic	Medium	Capitalistic	
Number of farms	46.0	41.5	12.5	57.5	24.8	17.7	58.8	24.0	17.2	Index of extensiveness of farming
Total land (acres)	52.9	38.5	8.6	17.5	22.9	59.6	33.3	23.6	43.1	
CONSTANT CAPITAL										
Value of implements and machinery	37.2	42.7	20.1	31.7	28.9	39.4	25.3	28.0	46.7	Index of intensiveness of farming
Expenditure on fertiliser	36.5	31.8	31.7	41.9	25.7	32.4	29.1	26.1	44.8	
VARIABLE CAPITAL										
Expenditure on hired labour	35.2	38.2	26.6	22.3	23.5	54.2	11.3	19.6	69.1	Index of capitalistic character of farming
SCALE OF PRODUCTION										
Value of products	35.0	39.0	16.0	33.5	27.3	39.2	22.1	25.6	52.3	

Let us take the first heading—principal source of income. In this case the farms are grouped, as it were, according to their agricultural specialty—which is somewhat analogous to the way in which industrial enterprises are classified according to branches of industry. The only point is that in agriculture it is far more complicated.

The first column under this heading shows the group of farms of very slight capitalist development. This group comprises almost half the total number of farms, 46.0 per cent. They occupy 52.9 per cent of the land, that is, they are bigger than the average

(this group includes very large, extensive, livestock farming, as well as cotton farms, which are smaller than the average). Their share of the value of machinery (37.2 per cent) and expenditure on fertilisers (36.5 per cent) is less than their share of the land: this shows that the intensiveness of their farming is below the average. The capitalist character of these farms (35.2 per cent) and the value of products (35.0 per cent) are likewise below average. The productivity of labour is below average.

The second column gives the medium farms. Precisely because this medium category under *all* three headings consists of what in *all* respects are "medium" farms, we see here the closest approximation of *all* the percentages to each other. The fluctuations are comparatively slight.

The third column gives the highly capitalistic farms. We have already examined in detail the significance of the figures in this column. We shall merely observe that it is *only* with regard to this type of farm that we have accurate and comparative data for 1900 and for 1910, testifying to the fact that these highly capitalistic farms are developing at above average rate.

In what way is this more rapid development reflected in the method of classification usually employed in most countries? This is shown by the figures in the next column—the small farms under the heading: area of land.

This is a very big group as regards the number of farms (57.5 per cent of the total). It comprises only 17.5 per cent of the total area of farm land, that is, less than one-third of the average. Hence, this is the group with the least land, the poorest group. But we find that the intensiveness of farming (value of machinery and expenditure on fertilisers), capitalist character (expenditure on hired labour), and productivity of labour (value of products) are *above* the average: 22.3 to 41.9 per cent, with only 17.5 per cent of the total area.

How is this to be explained? Obviously by the fact that very many *highly capitalistic* farms—see the preceding column—come into this group of farms which are "small" in area. To the majority of really small farmers who have little land and little capital is added the *minority* of rich farmers, strong in ownership of

capital, who on small areas of land have organised farms which are big from the standpoint of volume of output, and are capitalistic in character. There are only 12.5 per cent of the farmers in America (equal to the percentage of highly capitalistic farms); so that even if all these were included entirely in the group of small area farms there would still remain in this group 45 per cent (57.5 per cent—12.5 per cent=45 per cent) of farmers with insufficient land and without capital. In reality, of course, a part, though a small one, of these highly capitalistic farms belongs to the group of medium and big area farms, so that the figure 45 per cent really *minimises* the actual number of farmers without capital and with insufficient land.

It is not difficult to see how much *better* the position of the forty-five per cent (minimum 45 per cent) of farmers with little land and no capital is made to appear by the inclusion in the same group of some 10 to 12 per cent of farmers who possess more than the average amount of capital, implements and machinery, funds for buying fertilisers and employing labourers, etc.

We shall not deal separately with the medium and big farms included under this heading, for this would mean repeating, in slightly different terms, what has been said already about the small farms. For instance, while the figures for the small area farms obscured the wretched position of small *production*, the figures for the big area farms clearly *minimise* the real *concentration* of agriculture in large-scale production. We shall see in a moment the precise statistical expression of this minimising of concentration.

We get the following general principle, which may be formulated as the law relating to the grouping of farms according to area in all capitalist countries:

The broader and more rapid the development of intensive farming, the more the grouping according to area *obscures* the wretched position of small production in agriculture, the position of the small farmer who lacks *both* land *and* capital; it *blunts* the real sharpness of class antagonisms between the prosperous big producers and the ruined small producers; it *minimises* the concentration of capital in the hands of large-scale producers and the elimination of the small producers.

This principle is strikingly confirmed by the figures given under the third and last heading—value of products. The proportion of non-capitalist farms (those having a small income, counting total gross income) is 58.8 per cent, *i.e.*, somewhat higher than the percentage of "small" farms (57.5 per cent). The farms in this group have considerably *more* land—33.3 per cent (as against 17.5 per cent possessed by the group of "small" farms). But their share of the total value of products *is one-third less*: 22.1 per cent as against 33.5 per cent!

How is this to be explained? By the non-inclusion in this group of the highly capitalistic farms on small areas of land, which *artificially* and *falsely* raised the share of *capital* in the form of machines, fertilisers, etc., belonging to the small farmers.

The dispossession, the oppression—and hence the ruin—of small *production* in agriculture thus turns out to be *much more serious* than one is led to think by the figures on small *farms*.

The statistics of small and large farms according to area entirely leaves out of account the *role of capital*. Naturally, the failure to take such a "trifle" in capitalist economy into account distorts the position of small farming, falsely embellishes it, for the latter "might be" tolerable "if" there were no capital, *i.e.*, if the power of money, and the relations: wage labourer and capitalist, farmer and merchant and creditor, etc., did not exist!

The concentration of agriculture in big farms is therefore less marked than its concentration in large-scale, *i.e.*, capitalist production: the 17.7 per cent of "big" farms concentrate in their hands 39.2 per cent of the total value of the agricultural products (slightly more than twice the average). On the other hand, the 17.2 per cent of *capitalist* farms concentrate in their hands 52.3 per cent of the total value of products, *i.e.*, more than three times the average.

More than half the total agricultural production of the country—where enormous tracts of unoccupied land are distributed gratis, and which is regarded by the Manilovs[1] as a country where

[1] A character in Gogol's *Dead Souls*, characterising a landlord whose head is filled with fantastic schemes.—*Ed. Eng. ed.*

"toiler" farming prevails—is concentrated in *capitalist* farms that comprise only one-sixth of the total number of farms, yet spend on hired labour four times more than the average per farm (17.2 per cent of the farms spend 69.1 per cent of the total expenditure on hired labour), and half as much again as the average per acre (69.1 per cent of the total expenditure on hired labour falls on farms comprising 43.1 per cent of the total area).

At the other extreme, more than half (almost three-fifths) of the total number of farms (58.8 per cent) are non-capitalist farms. They comprise one-third of the total farm land (33.3 per cent), but this land is much more poorly equipped with machinery than the average (value of machinery—25.3 per cent); and they use less fertilisers than the average, only 29.1 per cent of the total expenditure on fertilisers. Accordingly, their productivity is *only one-third of the average*. Occupying one-third of the total farm land, this immense number of farms, which are most oppressed by the yoke of capital, contribute less than one-fourth (22.1 per cent) of the total output, of the total value of products.

Hence, in regard to the significance of grouping according to farm area we may draw the general conclusion that there is no reason to regard this method of grouping as being utterly useless. But we must never forget that this method minimises the degree to which small production is eliminated by large-scale production; and the more rapidly and widely intensive farming develops, the greater the differences among farms as regards the amount of capital invested per unit of area, the more this is minimised. With modern methods of investigation, which give excellent and abundant information on each individual farm, it would be sufficient to combine two methods of grouping—for instance, each of the five groups of farms classified according to area could be subdivided into two or three sub-groups according to number of hired labourers employed. If this is not done, it is largely because of the fear to describe reality too outspokenly, to present too striking a picture of the oppression, pauperisation, ruin and expropriation of the masses of small farmers, whose position is so "conveniently" and "imperceptibly" embellished by the inclusion of the "model" capitalist farms, which are also "small" as far as their acreage is con-

cerned, but which represent an insignificant minority among a mass of impoverished farms. From the scientific point of view, no one would dare to object to the statement that not only land but also capital plays a part in modern agriculture. From the point of view of statistical technique, or the amount of statistical work involved, a total of 10 to 15 groups is by no means excessive compared, for instance, with the 18 plus 7 groups in the German statistics of 1907. These statistics, which group the very abundant data on 5,736,082 farms into a large number of groups according to area, are an example of bureaucratic routine, of scientific lumber, of a senseless number game; for there is *no* reasonable or rational ground *whatever* that science or practical life would justify for considering such a number of groups of this kind as being in any way typical.

14. The Expropriation of the Small Farmers

The question of the expropriation of the small farmers is of enormous importance for understanding and appraising capitalism in agriculture in general. That this question has hardly been studied, or has been studied with the least care, is extremely characteristic of modern political economy and statistics, which are thoroughly imbued with bourgeois views and prejudices.

General statistics in all capitalist countries reveal a process of growth of the urban population at the expense of the rural population—the flight of the population from the rural districts. In the United States, this process is going on continuously. The proportion of the urban population increased from 29.5 per cent of the total in 1880 to 36.1 per cent in 1890, to 40.5 per cent in 1900, and to 46.3 per cent in 1910. In all regions of the country the urban population is growing more rapidly than the rural population: from 1900 to 1910 the rural population of the industrial North increased by 3.9 per cent, whereas the urban population increased by 29.8 per cent; in the formerly slave-owning South the rural population increased 14.8 per cent, whereas the urban population increased 41.4 per cent; and in the West, which is still being colonised, the rural population increased 49.7 per cent and the urban population 89.6 per cent.

One would have thought that so universal a process would certainly have been studied in agricultural censuses. A very important question from the scientific point of view forces itself upon us, *viz.*, what elements, strata and groups of the rural population do these migrants from the country come from, and under what conditions do they migrate? Since the most detailed information on every farm, on every head of cattle is collected every ten years, it should not be difficult to include the question as to how many and what kind of farms were sold or leased with the view to moving to the cities, and how many members of the farmer's family abandoned agriculture temporarily or permanently, and under what conditions. But no such questions were asked; and beyond the bureaucratic routine statement that "the rural population dropped from 59.5 per cent in 1900 to 53.7 per cent in 1910," the investigation did not go. The investigators did not even seem to suspect the amount of privation, oppression and pauperisation that is hidden beneath these routine figures. Very often bourgeois and petty-bourgeois economists even refuse to see the obvious connection between the flight of the population from the rural districts and the ruin of the small producers.

There is nothing left for us to do but to attempt to collect the relatively scanty and badly compiled data on the expropriation of the small farmers that is available in the census of 1910.

Figures are available on the forms of tenure: the number of landowners classified according to those who own *all* the land on their farm and those who own only *part* of it; the number of share tenants; and the number of tenants paying a money rent. These statistics are arranged according to regions of the country, but not according to groups of farms.

We take the total returns for 1900 and 1910 and we get, first of all, the following picture:

The total rural population increased	11.2 per cent
The total number of farms increased	10.9 „ „
The total number of owners increased . . .	8.1 „ „
The total number of *full* owners increased. . .	4.8 „ „

This table clearly reveals the growing expropriation of small farming. The rural population is increasing more slowly than the

urban population. The number of farmers is increasing more slowly than the rural population; the number of landowners is increasing more slowly than the number of farmers; the number of *full* owners is increasing more slowly than the total number of landowners.

The percentage of owners to the total number of farmers has been steadily declining for several decades. This percentage was as follows:

1880	74.0 per cent
1890	71.6 " "
1900	64.7 " "
1910	63.0 " "

The percentage of tenant farmers is increasing correspondingly, but the number of share tenants is growing more rapidly than the number of cash tenants. The proportion of share tenants was 17.5 per cent in 1880; later it rose to 18.4 per cent and 22.2 per cent, and in 1910 it reached 24.0 per cent.

That the reduction in the proportion of landowners and the increase in that of tenant farmers signify, on the whole, the ruin and elimination of the small farmers is proved by the following table:

Type of farms	Percentage of farms possessing					
	Domestic animals			Horses		
	1900	1910	Increase or decrease	1900	1910	Increase or decrease
Owners	96.7	96.1	—0.6	85.0	81.5	—3.5
Tenant farmers	94.2	92.9	—1.3	67.9	60.7	—7.2

According to all the data for both census years, the owners are economically better off. The position of the tenant farmers is deteriorating *more rapidly* than the position of the owners.

We will examine the statistics for the various regions of the country.

The largest number of tenant farmers are to be found in the South, as we pointed out previously; and here, too, tenant farming is growing most rapidly: from 47.0 per cent in 1900 to 49.6 per

cent in 1910. Capital destroyed the slave system half a century ago only to *restore* it in a new form, that is, in the form of share-cropping.

In the North the number of tenant farmers is considerably smaller, and is increasing at a much slower rate: from 26.2 per cent in 1900 to only 26.5 per cent in 1910. In the West we find the smallest number of tenant farmers, and this is the *only* region in which their number is not increasing, but diminishing: from 16.6 per cent in 1900 to 14.0 per cent in 1910.

"The exceedingly low percentage of tenant farms," says the summary of the census of 1910, "observed in the Mountain and Pacific regions [these two regions form the so-called "West"] leaves no doubt that this was caused mainly by the fact that both these regions have been settled only recently and that many farmers here are holders of homesteads [*i.e.*, farmers who have received unoccupied land gratis, or for a very negligible payment] who have received their land from the government." (Vol. V, page 104.)

Here we have a striking illustration of that peculiar feature of the United States which we have already referred to several times above, *viz.*, the availability of unoccupied, free land. On the one hand, this peculiar feature explains the extremely wide and rapid development of capitalism in the United States. For the benefit of our Narodniki, let us note that the absence of private property in land in certain regions of an immense country does not avert capitalism, but, on the contrary, broadens its basis and accelerates its development. On the other hand, this peculiar feature, entirely unknown to the old capitalist countries of Europe, which were settled long ago, serves in the United States *to conceal* the process of expropriation of the small farmers—a process taking place in the regions which have already been settled, and which are most industrially developed.

Take the North. Here we get the following picture:

	1900	1910	Per cent increase or decrease
Total rural population (millions) . . .	22.2	23.1	+3.9
Total number of farms (thousands) . .	2,874	2,891	+0.6
Total number of owners (thousands) . .	2,088	2,091	+0.1
Total number of *full* owners (thousands)	1,794	1,749	−2.5

We see not only a relative diminution in the number of owners, not only that they are being pushed back in comparison with the total number of farmers, etc., but an *absolute diminution* in the number of owners simultaneously with an increase in production, in the principal region of the United States, which contains 60 per cent of the total area of improved land of the country!

Moreover, it must not be forgotten that in *one* of the four regions of the North—the West North-Central region—*homesteads are still being distributed,* and during the ten years 1901-1910 a total of 54,000,000 acres was distributed.

The tendency of capitalism to expropriate small farming acts with such force that the North shows an *absolute diminution* in the number of owners of farms, *notwithstanding* the distribution of tens of millions of acres of unoccupied, free land.

There are only two circumstances that still counteract this tendency in the United States: (1) the existence in the South, where the oppressed and downtrodden Negroes live, of the formerly slave-owning plantations that have not yet been parcelled out; (2) the fact that the West is not yet completely settled. It is clear that both these factors combined serve to broaden the future basis for capitalism and to prepare the conditions for its still more rapid and extensive development. The sharpening of contradictions and the elimination of small production are not stopped, but merely transferred to a wider arena. The capitalist conflagration is, as it were, "checked" by means which accumulate for it huge quantities of new and still more inflammable material.

To proceed. On the question of the expropriation of small farming the following figures are available showing the number of farms possessing livestock. These are total figures for the United States:

Per cent of farms possessing	1900	1910	Increase or decrease
Domestic animals in general . . .	95.8	94.9	—0.9
Dairy cows	78.7	80.8	+2.1
Horses	79.0	73.8	—5.2

These figures show that on the whole there has been a reduction in the number of owners in proportion to the total number of farmers. The percentage of owners of dairy cows increased, but not to the degree to which the percentage of owners of horses diminished.

We will now examine the statistics on the two chief kinds of domestic animals owned by the various groups of farms.

Group	Per cent of farms possessing dairy cows		
	1900	1910	Increase or decrease
Under 20 acres . .	49.5	52.9	+3.4
20 to 49 „ . .	65.9	71.2	+5.3
50 to 99 „ . .	84.1	87.1	+3.0
100 to 174 „ . .	88.9	89.8	+0.9
175 to 499 „ . .	92.6	93.5	+0.9
500 to 999 „ . .	90.3	89.6	—0.7
1000 acres and over .	82.9	86.0	+3.1
U. S. (average)	78.7	80.8	+2.1

We see that the largest increase occurred in the *small* farm group possessing dairy cows; the next largest occurred in the latifundia group; and last comes the medium group. The big farm group with an area of 500 to 999 acres shows a reduction in the number of farms owning dairy cows.

The general impression is that the small producers have gained. We shall remind the reader, however, that the possession of dairy cows has a two-fold significance in agriculture: On the one hand, it may mean a general increase in prosperity and improved nourishment. On the other hand, and more frequently, it signifies the development of one of the branches of commercial farming and livestock farming: the production of milk for sale in the towns and industrial centres. We have seen above that the farms of this type, "dairy" farms, are classified by American statisticians in a special group, according to principal source of income. The distinguishing feature of this group is that while its total land area

as well as its improved area are *below* the average, the total volume of products is *above* the average, and the employment of hired labour per acre of land is *double* the average. The increasing importance of small farms in dairy farming may simply mean, and certainly does mean, the growth of *capitalist* dairy farms on small areas of land, of the type described in preceding pages. We give below for comparison the figures on the *concentration* of dairy cows in America:

Region	Average number of dairy cows per farm		Increase
	1900	1910	
The North	4.8	5.3	+0.5
The South	2.3	2.4	+0.1
The West	5.0	5.2	+0.2
United States	3.8	4.0	+0.2

We see that the North, which is richest of all in dairy cows, showed the greatest increase in wealth. The following figures show the increase according to the different groups:

North Group of farms	Per cent increase or decrease of dairy cows, 1900-1910	Per cent increase or decrease in number of farms
Under 20 acres .	— 4	+10.0
20 to 49 „ .	— 3	—12.6
50 to 99 „ .	+ 9	— 7.3
100 to 174 „ .	+14	+ 2.2
175 to 499 „ .	+18	+12.7
500 to 999 „ .	+29	+40.4
1000 acres and over.	+18	+16.4
All groups .	+14	+ 0.6

The more rapid increase in the *number* of small farms owning dairy cows did not in any way hinder the more rapid *concentration* of dairy cows in the big farms.

We will examine the figures showing the number of farms possessing horses. Here we get figures relating to working animals,

showing the structure of the farms in general, and not of any special branch of commercial farming.

Group	Percentage of farms owning horses		Decrease
	1900	1910	
Under 20 acres . . .	52.4	48.9	— 3.5
20 to 49 „ . . .	66.3	57.4	— 8.9
50 to 99 „ . . .	82.2	77.6	— 4.6
100 to 174 „ . . .	88.6	86.5	— 2.1
175 to 499 „ . . .	92.0	91.0	— 1.0
500 to 999 „ . . .	93.7	93.2	— 0.5
1000 acres and over. .	94.2	94.1	— 0.1
U.S. (average)	79.0	73.8	— 5.2

Here we see that the smaller the farms, the larger the increase in the number of horseless farms. With the exception of the smallest farm group (under 20 acres), which, as we know, contains a comparatively larger number of capitalist farms than the adjacent groups, we observe a rapid decline in horseless farms and a much slower increase in them. It is possible that on rich farms the use of steam ploughs and other types of mechanical motive power partly compensates for the reduction in the number of working animals; but such an assumption cannot be made in regard to the mass of the poorest farms.

Finally, the growth of expropriation may be seen from the figures showing the number of mortgaged farms:

Region	Percentage of mortgaged farms		
	1890	1900	1910
The North . . .	40.3	40.9	41.9
The South . . .	5.7	17.2	23.5
The West	23.1	21.7	28.6
United States	28.2	31.0	33.6

The percentage of mortgaged farms is steadily rising in all regions of the country, but it is highest in the most densely populated industrial and capitalist region, the North. The American statisticians point out (Vol. V, page 159) that the increase in the number of mortgaged farms in the South is probably due to the "parcelling out" of the plantations, which are sold in small allotments to Negro and white farmers, only a part of the price of the land being paid in cash, the remainder being covered by a mortgage on the property. Thus we get a peculiar *buying out operation* in the slave-owning South. We will observe that in 1910 Negroes operated 920,883 farms in the United States, or 14.5 per cent of the total; and between 1900 and 1910 the number of farms operated by white farmers increased by 9.5 per cent, whereas the number operated by Negroes increased twice as rapidly—by 19.6 per cent. The striving of the Negroes for emancipation from the plantation owners half a century after the "victory" over the slave-owners is still very marked.

Generally speaking, the mortgaging of farms is not always evidence of poverty, American statisticians write; sometimes it is a means of securing capital for improvements, etc. This is undoubtedly true. But this true observation should not conceal the fact—as frequently happens with bourgeois economists—that it is only a minority of prosperous farmers who are able to secure capital for improvements, etc., in this way and to use it productively; the majority of farmers are only ruined still more by thus falling into the hands of finance capital.

Investigators could, and should, have paid considerably more attention to the farmers' dependence on finance capital. Notwithstanding its enormous significance, however, this aspect of the question has remained in the shade.

At all events, the increase in the number of mortgaged farms indicates that the control over such farms has actually passed into the hands of capital. It goes without saying that besides the farms that have been mortgaged officially and legally, a large number of farms are entangled in the net of private, unofficial debt, which is not recorded by the census.

15. The Evolution of Industry and Agriculture Compared

Despite all their shortcomings, the figures provided by American statistics compare favourably with those obtained in other countries because of the completeness and uniformity with which they have been compiled. This enables us to compare the data on industry and on agriculture for the years 1900 and 1910; to compare the general picture of the economic system in these two sections of national economy, as well as the evolution of this system. The most common idea to be found in bourgeois political economy—an idea, by the way, repeated by Mr. Himmer—is that of *contrasting* industry with agriculture. Let us see whether such a contrast is justified on the basis of accurate and mass data.

We shall begin with the number of enterprises in industry and agriculture.

	Number of enterprises (thousands)		Per cent increase	Increase of population: urban and rural (per cent)
	1900	1910		
Industry . . .	207.5	268.5	+ 29.4	+ 34.8
Agriculture . .	5,737	6,361	+ 10.9	+ 11.2

The number of enterprises is larger in agriculture than in industry, but they are of smaller size. This expresses its backwardness, its disintegrated and scattered character.

The rate of increase of the total number of enterprises is much slower in agriculture than in industry. There are two factors operating in the United States—non-existent in other advanced countries—which greatly increase and accelerate the growth of the number of enterprises in agriculture. They are, first, the still continuing process of parcellisation of the slave-owning latifundia in the South, and the "buying out" of small parcels of this land from the planters by Negro and white farmers; second, the enormous areas of unoccupied, free land that is still available, and is being distributed by the government to all applicants. Nevertheless, the number of enterprises in agriculture is growing far more slowly than in industry.

There are two causes for this. On the one hand, agriculture has

to a fairly considerable extent preserved its natural economy character, and various kinds of work formerly performed by the peasant family, for instance, the production and repair of various tools, utensils, etc., are continuing to fall away, and now represent special branches of industry. On the other hand, agriculture possesses a special monopoly which is peculiar to it, which is unknown in industry, and which cannot be eliminated under capitalism, *viz.*, the monopoly of land. Even if there is no private ownership of land—in the United States it is still practically non-existent in many large areas of the country—the very possession of land, its occupation by individual, private farmers, creates a monopoly. In the principal regions of the country all the land is occupied, and an increase in the number of agricultural enterprises is possible only if the existing enterprises are parcelled out into smaller ones; the unimpeded creation of new enterprises side by side with the old ones is impossible. The monopoly of land is a brake, which retards the development of agriculture, retards the development of capitalism in agriculture. This is not the case in industry.

The amounts of capital invested in industrial and in agricultural enterprises are not quite comparable because the value of land includes ground rent. The amount of capital invested in industry and the value of industrial production must therefore be compared with the total value of all farm property and the value of the principal agricultural products. Only the percentages showing the increase in total values in the two branches are strictly comparable.

	Million dollars		Per cent increase
	1900	1910	
Industry			
Total capital of all enterprises .	8,975	18,428	105.3
Value of products	11,406	20,671	81.2
Agriculture			
Value of all farm property . . .	20,440	40,991	100.5
Value of all cereal crops	1,483	2,665	79.8
Production of cereals (million bushels)	4,439	4,513	1.7

Thus we see that the value of the capital invested in industry and the value of all farm property *doubled* in the ten year period from 1900 to 1910. But the great and fundamental difference lies in the fact that in agriculture the output of the principal product, grain crops, increased by a very insignificant amount, *i.e.*, 1.7 per cent, although during the same period the population increased 21 per cent.

The development of agriculture lags behind that of industry. This is characteristic of *all* capitalist countries and is one of the most important causes of the disproportion in the development of the different branches of national economy, of crises, and of the high cost of living.

Capital liberated agriculture from feudalism, drew it into commercial exchange and thus into world-wide economic development, and lifted it from the stagnation and inertia of mediævalism and patriarchalism. But capital did not abolish the oppression, the exploitation and poverty of the masses; on the contrary, it created these evils in a new form and restored their old forms on a "modern" basis. Capitalism has not only failed to remove the contradiction between industry and agriculture; on the contrary, it has still further extended and sharpened it. Agriculture is being more and more borne down by the yoke of capital, which is formed primarily in the sphere of trade and industry.

On the one hand, the negligible increase in the quantity of agricultural products (+1.7 per cent) and the enormous increase in their value (+79.8 per cent) clearly show the part played by ground rent, the tribute which the landowners impose on society. Their monopolist position enables the landowners to take advantage of the backwardness of agriculture, whose development lags behind that of industry, and to fill their pockets with millions and billions of profit. The total value of farm property increased during the ten years by *twenty and a half billion dollars*. Of this total, the increase in the value of buildings, livestock, and other property amounted to only five billion dollars. The balance of the increase during these ten years, *fifteen billion* dollars (+118.1 per cent), is the increase in the value of the land, *i.e.*, capitalised ground rent.

On the other hand, here we very distinctly see the difference between the *class* position of the small farmers and that of wage workers. Of course, both are "toilers"; of course, both are subject to the exploitation of capital, although in entirely different ways. But it is only the vulgar bourgeois democrats who, on these grounds, can lump together these different classes and speak of "small" and "toiler" farming. This is equivalent to covering up and confusing the *social* structure of agriculture, its bourgeois form, by putting into the forefront a feature which is common to *all* preceding forms of economy, *viz.*, that in order to subsist the small farmer must toil, must toil himself, must engage in physical toil.

Under capitalism the small farmer becomes a commodity producer, whether he wishes to or not, whether he is aware of it or not; and it is this change that is the essence of the problem. This change alone, even when the small farmer does not as yet exploit hired labourers, converts him, nevertheless, into an antagonist of the proletariat, makes a petty bourgeois of him. He sells his product, whereas the proletarian sells his labour power. The small farmers, as a class, cannot but strive to raise the price of agricultural products; but this is equivalent to their participation, jointly with the big landowners, in the division of ground rent; and this unites them with the landlords against the rest of society. Owing to his *class* position, and in proportion as commodity production develops, the small farmer inevitably becomes a *small agrarian.*

Even among wage workers cases occur when a small section combines with the masters against the whole class of wage workers. But this is really the combination of a *particle* of a class with its enemies, against the *whole* class. It is impossible to conceive of the wage workers as a class improving their conditions without causing a rise in the standard of living of the masses, or without a sharpening of the antagonisms between the masses and capital, the whole capitalist class, which rules modern society. It is quite possible to conceive, however, and it is even typical of capitalism, of the improvement of the conditions of the small farmers as a class as the result of their uniting with the landlords, as a result of their participating in the system of exacting a higher ground rent from the whole of society, as a result of their antagonism to-

wards the mass of proletarians and semi-proletarians who are entirely, or mainly, dependent for their livelihood on the sale of their labour power.

Below we give comparative data from American statistics on the position—and number—of wage workers as compared with small farmers.

	1900	1910	Per cent increase
Industry			
Number of wage workers (thousands)	4,713	6,615	+ 40.4
Total wages (million dollars)	2,008	3,427	+ 70.6
Agriculture			
Number of hired labourers	?	?	+ 47.1 (approx.)
Total wages (million dollars)	357	652	+ 82.3
Number of farmers (thousands)	5,737	6,361	+ 10.9
Value of major product, cereal crops (million dollars)	1,483	2,665	+ 79.8

The industrial workers *lost*, for their wages increased only 70.6 per cent ("only," because the price of a quantity of grain equal to 101.7 per cent of a given quantity in 1900 is now 179.8 per cent of the price of 1900!!), while the number of workers increased 40 per cent.

As small agrarians, the small farmers *gained* at the expense of the proletariat. The number of small farmers increased only 10.9 per cent (even if we group small tenant farmers separately, the increase will be only 11.9 per cent), the amount of products showed practically no increase (+1.7 per cent), while the value of the products increased 79.8 per cent.

Of course, merchant and finance capital took the lion's share of the ground rent. Nevertheless, the class relation between the small farmer and the wage worker wholly approximates to the class relation between the petty bourgeois and the proletarian.

The increase in the number of wage workers is *more rapid* than the increase in population (+40 per cent as against +21 per cent). The expropriation of the small producers and small

farmers is growing. The proletarianisation of the population is also growing.[1]

The increase in the number of farmers—and to an even greater extent, as we already know, the increase in the number of farmer-owners—*lags behind* the growth of the population (10.9 per cent as against 21 per cent). The small farmers are to an increasing extent becoming monopolists, small agrarians.

Let us now glance at the relation between small production and large-scale production in industry and agriculture. In the case of industry, the figures refer not to 1900 and 1910, but to 1904 and 1910.

We shall divide industrial enterprises into three main groups according to output; those with a total output under $20,000 are grouped as small enterprises, those with an output of $20,000 to $100,000 as medium enterprises, and those with an output of $100,000 and over as big enterprises. We have no means of grouping agricultural enterprises except according to area. Those with an area under 100 acres we group as small farms, those with an area of 100 to 175 acres we group as medium farms, and those with an area of 175 acres and over we group as big farms.

Groups of enterprises	Number of enterprises				Increase 1900-1910 (per cent)
	1900		1910		
	Thousands	Per cent	Thousands	Per cent	
Industry					
Small	144	66.6	180	67.2	25.0
Medium	48	22.2	57	21.3	18.7
Big	24	11.2	31	11.5	29.1
Total	216	100.0	268	100.0	24.2
Agriculture					
Small	3,297	56.5	3,691	58.0	11.9
Medium	1,422	24.8	1,516	23.8	6.6
Big	1,018	17.7	1,154	18.2	13.3
Total	5,737	100.0	6,361	100.0	10.9

[1] The number of wage workers in agriculture, or rather, their increase, is determined by the ratio: 82.3:70.6=*X*:40.4, whence *X*=47.1

We observe a remarkable uniformity of evolution.

Both in industry and in agriculture it is precisely the share of medium enterprises that is diminishing; their number is growing more slowly than that of either the small or the large enterprises.

Both in industry and in agriculture the number of small enterprises is growing more slowly than that of big enterprises.

What changes have occurred in the economic power, or in the economic role, of the various types of enterprises? For industrial enterprises we have figures of the value of output; for agricultural enterprises we have figures of the total value of farm property.

Group	1900		1910		Increase 1900-1910 (per cent)
	Million dollars	Per cent	Million dollars	Per cent	
Industry					
Small	927	6.3	1,127	5.5	21.5
Medium	2,129	14.4	2,544	12.3	19.5
Big	11,737	79.3	17,000	82.2	44.8
Total . .	14,793	100.0	20,671	100.0	39.7
Agriculture					
Small	5,790	28.4	10,499	25.6	81.3
Medium	5,721	28.0	11,089	27.1	93.8
Big	8,929	43.6	19,403	47.3	117.3
Total . .	20,440	100.0	40,991	100.0	100.5

In this case, too, we observe a remarkable uniformity of evolution.

In industry and in agriculture the proportion of the small as well as of the medium enterprises is diminishing; only the share of the big enterprises is increasing.

In other words, in industry and in agriculture, small production is being eliminated by large-scale production.

The difference between industry and agriculture in this connection is that in industry the share of the small enterprises has

grown somewhat more rapidly than that of medium enterprises (+21.5 per cent as against +19.5 per cent); whereas in agriculture the opposite is the case. Of course, this difference is not very great, and no general conclusions can be drawn from it. Nevertheless, it is a fact that in the most advanced capitalist country in the world small production in industry has grown more than medium production during the last ten years, whereas in agriculture the reverse was the case. This fact shows how childish are the common assertions of bourgeois economists that industry absolutely and without exception confirms the law that small production is eliminated by large-scale production, whereas agriculture refutes this law. Not only is small production being eliminated by large-scale production in United States agriculture; but this process is taking place more systematically, or with greater regularity, than in industry.

We must not overlook the fact, proved above, that the grouping of farms according to area *minimises* the elimination of small production by large-scale production.

As regards the *degree* of concentration already reached, agriculture lags considerably behind industry. In industry, the big enterprises, comprising 11 per cent of the total, have concentrated in their hands over eight-tenths of the total output. The role of the small enterprises is insignificant; comprising two-thirds of the total, they contribute only 5.5 per cent of the total output! Compared with this, production in agriculture is still largely decentralised: small farms (58 per cent of the total) possess one-fourth of total farm property, whereas the 18 per cent of big farms possess less than half (47 per cent). The total number of enterprises in agriculture is over twenty times the total number in industry.

This confirms the conclusion, reached long ago, that, compared with the evolution of industry, capitalism in agriculture is at a stage of development that resembles the manufacture stage rather than the stage of large-scale machine industry. Manual labour is still predominant in agriculture, while the application of machinery is comparatively very little developed. But the figures given above do not in any way prove the impossibility of socialising agricultural production even at the present stage of its devel-

opment. Those who control the banks *directly* control one-third of all the farms in America, and, consequently, indirectly dominate them all. The organisation of production according to a single general plan on a million farms supplying more than half the total agricultural output is absolutely feasible at the present level of development of all sorts of associations and of the technique of communication and transport.

16. Summary and Conclusions

The United States agricultural censuses of 1900 and 1910 are the last word in social statistics in this sphere of national economy. They provide the best material available in advanced countries; this material covers millions of farms and enables us to draw precise and sound conclusions on the evolution of agriculture under capitalism. The laws of this evolution may be studied on the basis of this material especially for the reason that the United States of America is a country which has large areas of land and the greatest variety of conditions, the greatest variety of shades and forms of capitalist agriculture.

Here we observe, on the one hand, the transition from the slave-owning system, or, what is the same thing in this case, the feudal system of agriculture, to the commercial and capitalist system: and, on the other hand, we observe an especially extensive and rapid development of capitalism in the freest, the most advanced bourgeois country. And side by side with this we observe remarkably extensive colonisation carried out on democratic-capitalist lines.

Here we have regions that were settled long ago and are highly industrialised, highly intensive, similar to most of the areas in civilised, old-capitalist Western Europe; and we have regions of primitive extensive farming and livestock farming not unlike some of the remote parts of Russia or Siberia. We find the most varied types of large and small farms: immense latifundia, the plantations of the formerly slave-owning South, of the colonised West, and of the highly capitalist North Atlantic coast; small farms of Negro share-croppers; and small capitalist farms producing

milk or vegetables for the market in the industrial North, or fruit on the Pacific coast. Finally, we find "wheat factories" with hired labourers, and the *homesteads* of "independent" small farmers who still entertain naive illusions about living "by the labour of their hands."

The variety of relationships is remarkable, for they embrace those of the past and of the future, those of Europe and of Russia. Incidentally, comparison with Russia is particularly instructive in connection with the problem of the possible consequences of the transference of all the land to the peasants without compensation—a transference which is progressive, but obviously capitalistic.

The general laws of the development of capitalism in agriculture and the variety of forms in which these laws manifest themselves may be studied best from the example of the United States. And this study leads to conclusions which may be summed up in the following brief propositions:

In agriculture manual labour predominates over machinery infinitely more than in industry. But the machine is steadily advancing, raising the technique of farming, making it large-scale and more capitalistic. Machines are used in modern agriculture in a capitalist way.

The chief feature and criterion of capitalism in agriculture is wage labour. The development of wage labour, as well as the increase in the application of machinery, can be observed in *all* regions of the country and in all branches of agriculture. The number of hired labourers employed is growing more rapidly than the rural population and the total population of the country. The increase in the number of farmers lags behind the total increase in the rural population. Class contradictions are becoming stronger and sharper.

Small production is being rapidly eliminated by large-scale production in agriculture. A comparison of the figures on total farm property for 1900 and 1910 fully confirms this.

But this process is minimised, and the position of the small farmers is made to look better than it is, by the fact that in 1910 investigators in America, as is also the case almost everywhere

in Europe, confined themselves to the classification of farms according to area. The more widely and rapidly intensive farming develops, the more is this process minimised and the position made to look better than it is.

Capitalism develops not only by accelerating the growth of large-area farms in the extensive regions, but also by creating farms with a larger output, and of a more capitalistic nature, organised on small areas of land in the intensive regions.

As a result, the process of concentration of production in large farms is faster, and small production is being eliminated on a wider scale and more thoroughly, than is evident from the ordinary data on farms of different area. The statistics of the 1900 census, which have been analysed more carefully, in greater detail, and in a more scientific manner, leave not the slightest shadow of doubt on this score.

The expropriation of small farming is proceeding. The percentage of farm owners to the total number of farmers has steadily declined during the last few decades; and the increase in the total number of farmers is lagging behind the growth of the total population. In the North—the most important region, which supplies the greatest quantity of agricultural products, and where no traces of slave-owning or extensive colonisation are to be found—the absolute number of full owners is diminishing. During the last decade the percentage of farmers possessing livestock in general declined; as against an increase in the percentage of farmers owning dairy cows, there has been a much larger increase in the percentage of farmers who own no horses, particularly among the small farmers.

Taken on the whole, a comparison of similar data on industry and agriculture for the same period shows that, notwithstanding the extreme backwardness of the latter, there is a remarkable similarity in the laws of their evolution; small production is being eliminated in both.

1914-15

MESSRS. BOURGEOIS ON "TOILER" FARMING

AT THE Kiev Agricultural Congress, before an audience of 1,000 landlords from all parts of Russia, Professor Kossinsky read the first paper, in which he tried to prove that "toiler farming"[1] in agriculture had been victorious.

The question of "toiler" farming is one of the most important questions connected with the elucidation of capitalist relationships in agriculture. Moreover, in Russia there is the bourgeois party of the Narodniki (including the "Left" Narodniki), which tries to make the workers believe that it is socialistic, and exercises its zeal mostly in advocating "toiler" farming. Therefore it is necessary for every intelligent worker to understand what this "toiler" farming is.

Mr. bourgeois professor Kossinsky, without quoting any data whatever, asserted that peasant farming is growing, whereas large-scale farming, which exploits wage labour, is disintegrating and dying out. The professor

"distinguished three forms of peasant farming: (1) parcellised (dwarf) farms, in which the peasant works in some factory, and at home, in his village, has only an allotment and a vegetable garden, the cultivation of which slightly supplements his income; (2) food producing farms, in which the peasant has a somewhat larger plot of land, but the cultivation of which is not sufficient to supply all the requirements of the family; hence some members of the family work on the side; (3) toiler farms, which are entirely peasant farms on which the whole family works. Agrarian evolution is leading to the destruction of food farms and their displacement by toiler and parcellised farms. The future is assured mainly for toiler farms. The average size of these possessions, expressed in Russian measure, is about 50 desyatins. The triumph of toiler farming is not accompanied by the proletarianisation of the rural districts." (*Kievskaya Mysl*, No. 242.)

These, then, are the principles of the bourgeois theory of "toiler" farming accepted by the Narodniki. Every worker who is even

[1] *Cf.* footnote to p. 191.—*Ed. Eng. ed.*

slightly familiar with political economy will immediately see that it is the *proletarian*, labourer farms, the "farms" of *wage* workers, that Mr. Bourgeois calls parcellised or dwarf farms.

Evidently by "food producing" farms he means small peasant farms which do not produce mainly for exchange, not commercial farms, but natural economy farms (on which the peasant produces his food). In admitting that these farms are being displaced our unintelligent bourgeois professor admits the victory of capitalism, the growth of exchange, and the displacement of small farming. By *what kind* of farming is it being displaced? Firstly by proletarian farming. This is precisely what is called proletarianisation, Mr. unintelligent professor! Secondly by "toiler" farming, in which the average size of farms is about 50 desyatins.

It remains for me to prove to the unintelligent professor and to his Socialist-Revolutionary (Narodnik) pupils that "toiler" farming is precisely *petty-bourgeois, capitalist* farming.

What is the principal symptom of capitalism? The employment of wage labour. It is time our professors and Socialist-Revolutionaries learnt this truth.

What do European, scientific statistics tell us about wage labour in peasant farming? They tell us that not only 50-desyatin farms, but even farms of *over 10 hectares* (one hectare equals nearly one desyatin), *in the majority of cases*, cannot dispense with wage labour!!

Germany. The last census (1907). Number of farms from 10 to 20 hectares—412,741. These employ 711,867 wage workers. Even the farms from 5 to 10 hectares employ a total of 487,704 wage workers on 652,798 farms. In other words: even here the number of wage workers equals more than half the total number of farms. And everybody knows that in the overwhelming majority of cases the small farmer does not employ more than one hired worker.

Austria. The last census (1902). Number of farms from 10 to 20 hectares—242.293. Of these the *majority*, 142,272, *i.e.*, nearly three-fifths, employ wage workers. We will add that Austria is a much more backward country than Germany in regard to the development of capitalism. Taking Austrian agriculture as a whole,

the percentage of wage workers employed is *half* that of German agriculture (14 per cent as against 30 per cent).

Switzerland. The last census (1905). Number of farms from 10 to 15 hectares—19,641. Of these, 11,148, *i.e., the majority,* employ wage workers. Of the farms of 5 to 10 hectares about 36 per cent in Switzerland and 33 per cent in Austria employ wage workers.

One can judge from this how profoundly ignorant, or extremely unconscientious, is the bourgeois professor in whose train the Narodniki follow, who *denies* the proletarianisation of the rural districts and *admits* that "food producing" farms are being displaced, firstly, by proletarian farms, and secondly, by "toiler" farms, applying this sentimental catchword to farms employing wage workers!

All those who praise the successes of "toiler" farming under capitalism (including our Left Narodniki) are bourgeois who deceive the workers. The deception lies, firstly, in embellishing the bourgeoisie. The exploiter of wage labour is called a "toiling" farmer! Secondly, the deception lies in concealing the chasm that divides the overwhelming majority of the proletarian farms from the insignificant minority of capitalist farms.

The interests of the bourgeoisie demand the embellishment of capitalism and the concealment of the chasm that divides the classes. The interests of the proletariat demand the exposure of capitalism and of the exploitation of wage labour; they demand that the eyes of the masses be opened to the depth of the chasm that divides the classes.

Here are brief figures showing the chasm that divides the classes in German agriculture, taken from the census of 1907. Total number of farms—5,700,000. Of these, proletarian farms (up to 2 hectares) number 3,400,000. The overwhelming majority of these "farmers" are *wage workers* having small plots of land.

Then follow the small peasantry (2 to 5 hectares; total number of farms, 1,000,000). These are the poorest peasants. Less than half of them (495,000) are independent tillers *without* subsidiary occupations. The majority are in need of subsidiary occupations, *i.e.,*

they have to sell their labour power. It is most easy for these peasants to join the proletariat.

We will combine these in *Group I*: proletarian and small peasant farms.

Group II: middle peasant farms (5 to 10 hectares). As we have seen, a fairly large number of these exploit wage workers. The middle peasant is a petty bourgeois who wavers between the proletariat and the bourgeoisie.

Group III: the rest, *i.e.*, the capitalists (20 hectares and over) and big peasants (10 to 20 hectares). As we have seen, the *majority* of the big peasants exploit wage workers.

Thus, Group I consists of proletarian and small peasant farms; Group II consists of middle peasant farms; Group III consists of big peasant and pure capitalist farms. Let us see how much land and livestock these groups have.

Group	No. of farms (millions)	No. of workers (millions)	Area of land (million hectares)	No. of livestock (in terms of cattle)	No. of machines (millions)
I	4.4	7.3	5.0	7.0	0.2
II	0.6	2.5	4.6	5.1	0.4
III	0.7	5.4	22.2	17.3	1.2
Total	5.7	15.2	31.8	29.4	1.8

Here, then, is the picture of modern agriculture; not the professor's, not the Narodniks', but the real picture. *Most* of the land, livestock and machines belong to an insignificant minority (less than one-eighth—0.7 out of 5.7) of capitalists and peasant bourgeois. The *overwhelming majority* of the "farmers" (4.4 million out of 5.7 million) have less than two workers, less than two desyatins and less than two head of livestock per farm. These are paupers. Their share of agricultural production is insignificant. They are led by the nose with promises of salvation under capitalism.

Compare the productivity of labour in the various groups (*i.e.*, the number of workers per desyatin of land and per head of live-

stock), and you will see a barbarous dispersion and waste of labour in the small farms. The capitalist farms own nearly all the machines and have a high productivity of labour.

Compare the number of livestock with the amount of land (including meadow land, land under feed crops, etc.) in the various groups. You will see starving cattle in the small farms and capitalist "prosperity" among the small group at the top.

The Marxists champion the interests of the masses and say to the peasants: there is no salvation for you except by joining in the proletarian struggle. The bourgeois professors and the Narodniki are deceiving the masses with fables about "toiler" small farming under capitalism.

September 1913

SMALL PRODUCTION IN AGRICULTURE

THE PEASANT question in modern capitalist states most frequently gives rise to perplexity and vacillation among Marxists and to most of the attacks on Marxism by bourgeois (professorial) political economy.

Small production in agriculture is doomed to extinction and to an incredibly crushed, oppressed position under capitalism, say the Marxists. Being dependent on big capital, and being backward compared with large-scale production in agriculture, small production can hold on only because of the desperately reduced consumption and laborious, arduous toil. The dispersion and waste of human labour, the worst forms of dependence of the producer, exhaustion of the strength of the peasant family, of peasant cattle and peasant land—this is what capitalism brings the peasant everywhere.

There is *no* salvation for the peasant except, primarily, by joining in the activities of the proletariat, of the wage workers.

Bourgeois political economy and its not always conscious adherents, such as the Narodniki and the opportunists, however, try to prove that small production has vitality and is more profitable than large-scale production. The peasant, who has a firm and hopeful position in capitalist society, must gravitate, not towards the proletariat, but towards the bourgeoisie, not towards the class struggle of the wage workers, but towards strengthening his position as a proprietor and master—such is the essence of the theory of the bourgeois economists.

We will try to test the soundness of the proletarian and bourgeois theories by means of precise data. Take the data on *female* labour in agriculture in Austria and Germany. Full data for Russia is still lacking because the government is unwilling to take a scientific census of all agricultural enterprises.

In Austria, according to the census of 1902, out of 9,070,682 persons employed in agriculture 4,422,981, or 48.7 per cent, were women. In Germany, where capitalism is far more developed, women were the *majority* among workers employed in agriculture, *viz.*, 54.8 per cent. The more capitalism develops in agriculture the more it increases female labour, that is to say, *worsens* the conditions of life of the masses of the toilers. The number of women employed in German industry represents 25 per cent of the total number employed; whereas in agriculture their number represents more than half the total. This shows that industry is absorbing the *best* labour forces and is leaving in agriculture the weaker labour forces.

In developed capitalist countries agriculture has already become mainly a women's occupation.

But if we examine the statistics of farms of various sizes we shall see that it is precisely in *small* production that the exploitation of female labour assumes particularly large dimensions. On the other hand, even in agriculture, large-scale capitalist production mainly employs male labour, although it has not caught up with industry in this respect.

The following are the comparative figures for Austria and Germany:

Type of farm	Group according to size	Per cent of women employed	
		Austria	Germany
Proletarian	Up to half a hectare	52.0	74.1
	½ to 2 hectares	50.9	65.7
Peasant	2 to 5 "	49.6	54.4
	5 to 10 "	48.5	50.2
	10 to 20 "	48.6	48.4
Capitalist	20 to 100 "	46.6	44.8
	100 hectares and over	27.4	41.0
	Total	48.7	54.8

In both countries we see the operation of the same law of capitalist agriculture. The smaller the scale of production the *worse* is the composition of labour power, and the more women pre-

dominate among the total number of persons employed in agriculture.

Thus, the general situation under capitalism is the following.

On proletarian farms, *i.e.*, those whose "proprietors" live mainly by means of wage labour (agricultural labourers, day labourers, and wage workers in general who possess a tiny plot of land), *female labour predominates over male labour*, sometimes to an enormous extent.

It must not be forgotten that the number of these proletarian or labourer farms is enormous: in Austria they number 1,300,000 out of a total of 2,800,000 farms, and in Germany they even amount to 3,400,000 out of a total of 5,700,000.

In peasant farms, male and female labour are employed in nearly equal proportions.

Finally, in capitalist farms, male labour *predominates over female labour*.

What does this signify?

It signifies that the composition of labour power in small production is inferior to that in large-scale capitalist production.

It signifies that in agriculture the working woman—the proletarian woman and peasant woman—must exert herself ever so much more, must strain herself to the utmost, must toil at her work to the damage of her health and the health of her children, in order to keep up as far as possible with the male worker in large-scale capitalist production.

It signifies that small production holds on under capitalism only by *squeezing out* of the worker a *larger* quantity of work than is squeezed out of the labourer in large-scale production.

The peasant is more tied up, more entangled in the complicated net of capitalist dependence than the wage worker. He thinks he is independent, that he can "make good"; but as a matter of fact, in order to hold on, he must work (for capital) harder than the wage worker.

The figures on *child* labour in agriculture prove this still more clearly.

July 1913

CHILD LABOUR IN PEASANT FARMING

In order properly to appraise the conditions in which small agricultural production is placed under capitalism the most important things to study are the conditions of the worker, his earnings, the amount of labour he expends, his conditions of life, then the way the livestock is kept and tended, and, finally, the methods of cultivating and fertilising the soil, the waste of its fertility, etc.

It is not difficult to understand that if these questions are ignored (as they often are in bourgeois political economy) a totally distorted picture of peasant farming is obtained, for the *real* "vitality" of the latter depends precisely on the conditions of the worker, on the condition of his livestock, and on the way he tends his land. To assume without proof that in this respect small production is in the same position as large-scale production means taking as proved precisely what has still to be proved; it means taking up at once the bourgeois point of view.

The bourgeoisie wants to prove that the peasant is a sound and virile "proprietor," and not the slave of capital, crushed just like the wage worker, but more tied up, more entangled than the latter. If we are seriously and conscientiously to seek for the *data* required for solving this controversial problem, we must look for the regular and objective indices of the *conditions of life and labour* in small and large-scale production.

One of these indices, and a particularly important one, is the degree to which *child* labour is employed. The more child labour is exploited the worse, undoubtedly, is the position of the worker, and the harder is his life.

The Austrian and German agricultural censuses give the number of children and young persons employed in agriculture compared with the total number of persons employed in agriculture.

The Austrian census gives the figures of all workers, male and female, *under* 16 years of age. Of these, there were 1,200,000 out of a total of 9,000,000, *i.e.*, 13 per cent. The German census gives figures only for those *up to 14 years of age*; of these there were six hundred thousand (601,637) out of fifteen million (15,169,549), or 3.9 per cent.

Clearly, the Austrian and German figures are not comparable. Nevertheless, the *relative proportions* of the proletarian, peasant and capitalist farms revealed are quite comparable.

By proletarian farms we mean the tiny plots of land (up to 2 hectares) which provide the wage worker with subsidiary earnings. By peasant farms we mean those from 2 to 20 hectares; in these, family labour predominates over wage labour. Finally, there are the capitalist farms; these are big farms, in which wage labour predominates over family labour.

The following are the figures on child labour in the three types of farms.

Type of farm	Group according to size	Children employed (per cent of total workers)	
		Austria (up to 16)	Germany (up to 14)
Proletarian	Up to half a hectare	8.8	2.2
	½ to 2 hectares	12.2	3.9
Peasant	2 to 5 "	15.3	4.6
	5 to 10 "	15.6	4.8
	10 to 20 "	12.8	4.5
Capitalist	20 to 100 "	11.1	3.4
	100 hectares and over	4.2	3.6
	Total	13.0	3.9

We see from the above that in both countries the exploitation of child labour is *greatest* precisely in *peasant* farms in general, and among the *middle peasant* farms (5 to 10 hectares) in particular.

Thus, not only is small production worse off than large-scale production, but we also see that the specifically peasant farms are worse off than the capitalist farms and even than the proletarian farms.

How is this to be explained?

On the proletarian farm, agriculture is conducted on such an insignificant plot of land that, strictly speaking, it could not seriously be called a "farm." Here agriculture is a *subsidiary* occupation; the principal occupation is wage labour in agriculture and in industry. In general, the influence of industry raises the standard of life of the worker, and in particular, it reduces the exploitation of child labour. For example, the German census shows the number of persons up to the age of 14 employed in industry to be only 0.3 per cent of the total (*i.e.*, one-tenth of that in agriculture) and those up to 16 years of age only 8 per cent.

In peasant farming, however, the influence of industry is felt least of all, while the competition of capitalist agriculture is felt most of all. The peasant is unable to keep going without almost working himself to death and compelling his children to work as hard. Want compels the peasant to make up for his lack of capital and technical equipment with his own muscles. The fact that the peasant's children work hardest also indicates that the peasant's cattle work hard and are fed worse: the necessity of exerting the utmost efforts and of "economising" in everything inevitably affects every side of the farm.

German statistics show that among wage workers the largest percentage of children (nearly 4 per cent—*viz.*, 3.7 per cent) is to be found in the big capitalist farms (of 100 hectares and over). But among family workers, the largest percentage of children is to be found among the peasants, *viz.*, about five per cent (4.9 per cent to 5.2 per cent). Among *temporary* wage workers, the percentage of children reaches 9 in big capitalist enterprises; but among temporary *family* workers, this percentage among the peasants reaches 16.5-24.4!!

In the busy season the peasant suffers from a shortage of workers: he can hire workers only to a small extent; he is compelled to resort to the labour of his own children to the utmost. The result is that in German agriculture, in general, the percentage of children among family workers is *nearly half as much again* as that among wage workers: Children among family workers—4.4 per cent; among wage workers—3 per cent.

The peasant has to work *harder* than the wage worker. This fact, confirmed by thousands of separate observations, is now proved by the statistics of whole countries. Capitalism condemns the peasant to extreme degradation and ruin. There is no other salvation for him than that of joining in the class struggle of the wage workers. But before the peasant can arrive at this conclusion he will have to experience many years of disappointment in deceptive bourgeois slogans.

June 1913

THE PEASANTRY AND THE WORKING CLASS

In the Narodnik newspapers and magazines we often meet with the assertion that the workers and the "toiling" peasantry belong to the same class.

The utter incorrectness of this view is obvious to anybody who understands that in all modern states more or less developed capitalist production predominates, *i.e.*, the domination of capital in the market and the transformation by it of the masses of the toilers into wage workers. The so-called "toiling" peasant is in fact a *small proprietor*, or a petty bourgeois, who nearly always either hires himself out as a labourer or hires workers. Being a small proprietor, the "toiling" peasant vacillates between the masters and the workers, between the bourgeoisie and the proletariat, in politics also.

One of the most striking confirmations of this proprietor, or bourgeois, nature of the "toiling" peasant are the statistics on *wage labour* in agriculture. The bourgeois economists (including the Narodniki) usually praise the "vitality" of small production in agriculture, meaning by that farms which do not employ wage labour. But they do not like precise figures on wage labour among the peasantry!

Let us examine the figures that have been collected on this question by the most recent agricultural censuses: the Austrian census of 1902 and the German census of 1907.

The more developed a country is, the more extensive is wage labour in agriculture. In Germany, out of a total of 15,000,000 workers in agriculture, it is calculated that 4,500,000, or 30 per cent, are wage workers. In Austria, out of a total of 9,000,000 workers in agriculture, 1,250,000, or about 14 per cent, are wage workers. But even in Austria, if we take the farms that are usually regarded as peasant (or "toiler") farms, *i.e.*, those from 2 to 20

hectares, we will see a considerable development of wage labour. Farms from 2 to 5 hectares number 383,000; of these 126,000 employ wage workers. Farms from 10 to 20 hectares number 242,000; of these 142,000, or nearly three-fifths, employ wage workers.

Thus, small peasant ("toiler") farming exploits *hundreds of thousands* of wage workers. The larger the peasant farm, the larger is the number of wage workers employed, side by side with a larger contingent of family workers. For example, in Germany, for every 10 peasant farms, there are:

	Family workers	Wage workers	Total
2 to 5 hectares	25	4	29
5 to 10 „	31	7	38
10 to 20 „	34	17	51

The wealthier peasantry, having more land and a larger number of "their own" workers in the family, *in addition* employ a larger number of *wage workers.*

In capitalist society, which is entirely dependent on the market, small (peasant) production on a mass scale is *impossible* in agriculture without the mass employment of wage labour. The sentimental catchword, "toiling" peasant, merely deceives the workers by *concealing* this exploitation of wage labour.

In Austria, about 1,500,000 peasant farms (from 2 to 20 hectares) employ *half a million* wage workers. In Germany, 2,000,000 peasant farms employ *over one and a half million* wage workers.

And what about the smaller farmers? They hire themselves out! They are wage workers with a plot of land. For example, in Germany there are three and one-third million (3,378,509) farms of less than 2 hectares. Of these, *independent* tillers number *less than half a million* (474,915), while *wage workers* number a little less than *two million* (1,822,792)!!

Thus, the very position of the small farmers in modern society inevitably transforms them into petty bourgeois. They are eternally vacillating between the wage workers and the capitalists. The majority of the peasants live in poverty, are ruined and become trans-

formed into proletarians, while the minority trail after the capitalists and foster the dependence of the masses of the rural population upon the capitalists. That is why, in all capitalist countries, the peasants, in the main, have up to now remained aloof from the socialist movement of the workers and have joined the various reactionary and bourgeois parties. Only an independent organisation of the wage workers, which conducts a consistent class struggle, can wrest the peasantry from the influence of the bourgeoisie and explain to them the absolute hopelessness of the position of the small producers in capitalist society.

In Russia the position of the peasants in relation to capitalism is quite the same as that which we see in Austria, Germany, etc. Our "specific feature" is our backwardness: the peasant is still confronted, not with the capitalist, but with the *feudal* big landowner, who is the principal bulwark of the economic and political backwardness of Russia.

June 1913

MARX ON THE AMERICAN "BLACK REDISTRIBUTION" [1]

IN No. 12 of *Vperyod* mention was made of an article by Marx on the agrarian question in opposition to Kriege. This was not in 1848, as is erroneously stated in the article by Comrade X, but in 1846. Hermann Kriege, a collaborator of Marx and at that time a very young man, went to America in 1845 and established a journal there, the *Volkstribun* (*People's Tribune*), for the propaganda of communism. But he conducted this propaganda in such a way that Marx was obliged to protest very strongly in the name of the German Communists against the manner in which Hermann Kriege was discrediting the Communist Party. The criticism of Kriege's trend published in 1846 in the *Westphälisches Dampfboot*[2] and reprinted in Volume II of Mehring's edition of Marx's works is of enormous interest for present-day Russian Social-Democrats.

The point is that at that time the agrarian question was being brought to the forefront by the very progress of the American social movement, just as it is being brought to the forefront in Russia at the present time, and the question at issue was *not* developed capitalist society, but the creation of the primary and fundamental conditions for the proper development of capitalism. This latter circumstance is of particular importance in drawing a parallel between Marx's attitude towards the American ideas of "black redistribution" and the attitude of Russian Social-Democrats towards the present peasant movement.[3]

[1] By "black redistribution" is meant the confiscation of the landlords' land and its distribution among the peasantry, advocated by a section of the Narodniki known as the "Chernoperedeltsi," *i.e.*, "Black Redistributionists."—*Ed. Eng. ed.*

[2] *Westphalian Steamer*, a monthly magazine published at that time in Germany.—*Ed.*

[3] This refers to the peasant movement in Russia in the period of the 1905 revolution.—*Ed.*

Kriege gave no material in his journal for a study of the concrete social peculiarities of the American system and for the elucidation of the true character of the movement of the agrarian reformers of those days who strove for the abolition of rent. Instead, Kriege (quite in the style of our "Socialist-Revolutionaries") clothed the question of the agrarian revolution in bombastic and high-sounding phrases:

"Every poor person," wrote Kriege, "will at once become a useful member of human society as soon as he is given the opportunity for productive labour. Such an opportunity is assured him for all time as soon as society grants him a piece of land on which he can maintain himself and his family. . . . If this gigantic area (the 1,400,000,000 acres of North American state lands) is withdrawn from commerce and is secured in restricted amounts for labour,[1] an end will be put to poverty in America at one stroke. . . ."

To this Marx replies:

"One might have expected him to understand that it is not within the power of legislators to hinder by means of decrees the evolution of the patriarchal system desired by Kriege into an industrial system, or to throw back the industrial and commercial states of the East coast into patriarchal barbarism."

And so, we have before us a real plan for an American black redistribution: the withdrawal of the bulk of the land from commerce, the right to land, the limitation of the amount of land that may be owned or occupied. And from the very outset Marx comes forward with a sober criticism of this utopianism and points out that the transformation of the patriarchal system into an industrial system is inevitable, *i.e.*, in present-day language, that the development of capitalism is inevitable. But it would be a big mistake to think that the utopian dreams of the members of the movement caused Marx to take up a hostile attitude to the movement in general. Nothing of the kind. Already at that time, at the very beginning of his literary career, Marx understood how to strip the real and progressive content of a movement of the ideological tinsel which clothed it. In the second part of his criticism, entitled "The

[1] Recall what *Revolutsionnaya Rossiya* [organ of the Socialist-Revolutionaries—*Ed. Eng ed.*], beginning with No. 8, wrote on the transfer of land from capital to labour, the importance of the state lands in Russia, equal land tenure, the bourgeois idea of drawing land into commerce, etc. Exactly the same as Kriege!

Economics [*i.e.*, the political economy] of the *People's Tribune* and its Attitude to Young America," Marx writes:

"We fully recognise the historical justification of the movement of the American National Reformers. We know that this movement strives to attain results which, it is true, would temporarily further the industrialisation of modern bourgeois society, but which, as the fruit of the proletarian movement, as an attack on landed property in general, especially under the conditions prevailing in America, must eventually, by its own consequences, lead to communism. Kriege, who with the German Communists in New York joined the anti-rent movement, clothes this simple fact in bombastic phrases, without even troubling about the content of the movement itself, and thereby proves that he is very unclear about the connection between young America and American social conditions. We will quote another example of how he pours out his enthusiasm for humanity over a parcelling out of the land on an American scale suitable to the agrarians.

"In No. 10 [of *People's Tribune*], in an article entitled 'What We Want,' it is stated: 'The American National Reformers call the land the common heritage of all men . . . and demand that the national legislature pass measures to preserve the 1,400,000,000 acres of land that have not yet fallen into the hands of the grabbing speculators, as the inalienable common property of the whole of mankind.' In order to preserve this 'common heritage,' this 'inalienable common property,' for the whole of mankind, he accepts the plan of the National Reformers: 'to provide every peasant, whatever his country of origin, with 160 acres of American land for his subsistence'; or, as it is expressed in No. 14, 'An Answer to Konze': 'of this still untouched property of the people nobody is to take possession of more than 160 acres, and this only on condition that he cultivates them himself.' The land is thus to be preserved as 'inalienable common property,' and for 'the whole of mankind,' at that, by immediately starting to share it out. Kriege moreover imagines that he can avert the necessary consequences of this division: concentration, industrial progress, and the like, by legislation. He regards 160 acres of land as an always fixed quantity, as though the value of such an area does not vary according to its quality. The 'peasants' will have to exchange among themselves and with other people, if not the land itself, at least the produce of the land; and once they go so far, it will soon turn out that one 'peasant,' even without capital, thanks to his labour and the greater natural fertility of his 160 acres, will have reduced another peasant to the position of his farm-hand. And then, is it not all the same whether 'the land' or the products of the land 'fall into the hands of grabbing speculators'? Let us seriously examine Kriege's gift to mankind. One thousand four hundred million acres are to be preserved as the 'inalienable, common property of the whole of mankind.' Every 'peasant' is to receive 160 acres. We can therefore calculate the size of Kriege's 'mankind': exactly 8,750,000 'peasants,' who, counting five persons to a family, represent 43,750,000 persons. We can likewise calculate the duration of this 'for all time' during which 'the proletariat, as the representative of the whole of mankind,' at least in the U.S.A., can lay claim to all the land. If the population of the U.S.A. continues to increase as rapidly as it has done up to now, *i.e.*, to double itself in 25 years, this 'for all time' will last for not quite 40 years; by this time these 1,400,000,000 acres will

be occupied, and future generations will have nothing to lay claim to. But as the free grant of land will greatly increase immigration, Kriege's 'for all time' may come to an end even sooner, particularly if it is borne in mind that land sufficient for 44,000 000 persons will not be enough even to serve as a channel for diverting present European pauperism, for in Europe one out of every 10 persons is a pauper, and there are 7,000,000 paupers in the British Isles alone. We meet with a similar example of naiveté in economics in No. 13, in the article 'To the Women,' in which Kriege says that if the city of New York released its 52,000 acres of land on Long Island it would be sufficient 'at one stroke' to rid New York from all pauperism, misery and crime forever.

"Had Kriege regarded the movement for freeing the land as an initial form of the proletarian movement, necessary under certain conditions, had he regarded it as a movement which, by reason of the position in life of the class from which it proceeds, must necessarily develop into a communist movement; had he shown that the communist tendencies in America had at first to reveal themselves in this agrarian form which seems to contradict all communism, there would have been nothing to object to. But he declares what is only a subordinate form of a movement of certain definite people to be the cause of mankind in general; he represents it . . . as the final and highest aim of every movement in general, and thus transforms the definite aims of the movement into sheer bombastic nonsense. In the same article (No. 10) he continues to chant his song of triumph: 'and thus the old dreams of the Europeans would at last come true. A place would be prepared for them on this side of the ocean which they would only have to take and to fructify with the labour of their hands and they would be able proudly to declare to all the tyrants of the world: this is *my* cabin, which you have not built; this is *my* hearth whose glow fills your hearts with envy.'

"He might have added: this is *my* dungheap, which I, my wife, my children, my manservant and my cattle have produced. And who are the Europeans whose 'dreams' would thus come true? Not the communist workers, but bankrupt shopkeepers and handicraftsmen, or ruined cottars, who yearn for the good fortune of once again becoming petty bourgeois and peasants in America. And what is the 'dream' that is to be realised by means of these 1,400,000,000 acres? No other than that all men be converted into private owners, a dream which is as practical and as communistic as the dream to convert all men into emperors, kings and popes."

Marx's criticism is full of venom and sarcasm. He castigates Kriege for precisely those aspects of his views which we now observe among our "Socialist-Revolutionaries": the predominance of phrases; petty-bourgeois utopias advanced as the highest revolutionary utopianism; failure to understand the real foundations of the modern economic system and its development. With remarkable penetration, Marx, who was then only a *future* economist, points to the role of exchange and commodity production. The peasants will exchange, if not land, then at least the produce of the land, he says—and that says everything! The whole presentation of the

question is in many, many respects applicable to the Russian peasant movement and its petty-bourgeois "socialist" ideologists.

But at the same time, Marx does not simply "repudiate" this petty-bourgeois movement, does not dogmatically ignore it, for fear, as is characteristic of many text jugglers, of soiling his hands by contact with revolutionary petty-bourgeois democracy. While mercilessly ridiculing the absurdity of the ideological integument of the movement, Marx strives in a sober materialist manner to determine its *real* historical content, the consequences which must inevitably follow from it because of objective conditions, regardless of the will and consciousness, the dreams and theories, of various individuals. Marx, therefore, does not condemn, but fully approves of communists supporting the movement. Adopting the dialectical standpoint, *i.e.*, examining the movement from every side, taking into account both the past and the future, Marx notes the revolutionary aspect of the attack on private property in land. Marx recognises the petty-bourgeois movement as a peculiar initial form of the proletarian, communist movement. You will not achieve what you dream of by means of this movement, says Marx to Kriege: instead of fraternity, you will get petty-bourgeois isolation; instead of inalienable peasant allotments, the land will be drawn into commerce; instead of a blow at the grabbing speculators, the basis for capitalist development will be expanded. But the capitalist evil you are vainly hoping to avoid is historically good, for it will frightfully accelerate social development and bring ever so much nearer new and higher forms of the communist movement. A blow struck at landed property will facilitate further blows at property in general, which are inevitable. The revolutionary action of the lower class for a change that will temporarily provide a restricted prosperity, and by no means for all, will facilitate the inevitable further revolutionary action of the very lowest class for a change that will really ensure complete human happiness for all toilers.

Marx's presentation of the case against Kriege should serve as a model for us Russian Social-Democrats. There can be no doubt about the real petty-bourgeois nature of the present peasant movement in Russia. This we must explain by every means in our pow-

er, and we must ruthlessly and irreconcilably combat all the illusions of all the "Socialist-Revolutionaries" or primitive socialists on this score. The organisation of an independent party of the proletariat which, through all democratic changes, will strive for a complete socialist revolution, must be our constant aim, which must not be lost sight of for a moment. But to turn our backs on the peasant movement on this ground would be hopeless philistinism and pedantry. No, there is no doubt about the revolutionary and democratic nature of this movement; and we must support it with all our might, develop it, make it a politically conscious and definitely class movement, push it forward, march hand in hand with it to the end—for we are marching far beyond the end of any peasant movement; we are marching to the very end of the division of society into classes. There is hardly another country in the world where the peasantry is experiencing such suffering, such oppression and degradation as in Russia. The more gloomy this oppression of the peasantry has been, the more powerful will now be its awakening, the more invincible its revolutionary onslaught. It is the business of the class-conscious revolutionary proletariat to support this onslaught with all its might, so that it may leave no stone standing of this old, accursed, feudal and autocratic slavish Russia; so that it may create a new generation of bold and free people, a new republican country in which our proletarian struggle for socialism will have room to expand.

April 1905

THE AGRARIAN PROGRAMME OF SOCIAL-DEMOCRACY IN THE FIRST RUSSIAN REVOLUTION 1905-1907

CHAPTER III[1]

THE THEORETICAL PRINCIPLES OF NATIONALISATION AND MUNICIPALISATION

A SERIOUS defect in almost the whole of the Social-Democratic press on the question of the agrarian programme in general, and the defect in the debates at the Stockholm Congress[2] in particular, is that practical considerations predominate over theoretical considerations, political considerations over economic.[3] The excuse for

[1] Chapters I, II, IV and Conclusion of this pamphlet will be found in *Selected Works*, Vol. III. The whole pamphlet is reproduced in *Collected Works*, Vol. XI, Russian edition.—*Ed.*

[2] The Congress of the Russian Social-Democratic Labour Party, known as the Fourth, Unity Congress, held in Stockholm April 23 to May 8, 1906.—*Ed. Eng. ed.*

[3] In my pamphlet, *The Revision of the Agrarian Programme of the Workers' Party*, which I defended at Stockholm, there are very definite (although brief, because the pamphlet is a small one) references to the theoretical premises of a Marxian agrarian programme. I pointed out in that pamphlet that "the bare repudiation of nationalisation" would be a "theoretical distortion of Marxism" (p. 16 of the old edition, p. 41 of the present edition). See also my "Report" on the Stockholm Congress, pp. 27-28 of the old edition (p. 63 of the present edition). "From the strictly scientific standpoint, from the standpoint of the conditions of development of capitalism in general, we must unfailingly say, if we do not want to disagree with Vol. III of *Capital*, that the nationalisation of the land is possible in bourgeois society; that it facilitates economic development, facilitates competition and the flow of capital into agriculture, reduces the price of grain, etc." See also the same report, p. 57: "Contrary to its promise, it [the Right wing of Social-Democracy] does not carry to its 'logical' conclusion the bourgeois-democratic revolution in agriculture; for under capitalism the only 'logical' (and economic) conclusion is the nationalisation of the land, which means the abolition of absolute rent." [The pamphlet and report referred to are contained in *Collected Works*, Vol. IX, Russian edition.—*Ed.*]

the majority of us, of course, are the conditions of intense Party work under which we discussed the agrarian problem in the revolution: first, after January 22 (9), 1905, a few months before the outbreak (the "Third Congress of the R.S.D.L.P." of the Bolsheviks in London in the spring of 1905, and the Conference of the Minority held at the same time in Geneva), and then in Stockholm on the day after the December insurrection and on the eve of the First State Duma. But this defect must at all events be removed now, and an examination of the theoretical aspect of the question of nationalisation and municipalisation is particularly necessary.

1. What Is Nationalisation of the Land?

Above we quoted the stock formula of the now generally recognised proposition: "All the Narodnik groups express themselves in favour of the nationalisation of the land." As a matter of fact, this stock formula is very inexact and, if we have in mind a really identical conception of this "nationalisation" among the representatives of the various political trends, there is very little that is "generally recognised" in it. The masses of the peasantry demand the land spontaneously, for they are oppressed by the feudal latifundia and do not connect any, to any extent definite, economic conceptions with the transference of the land to the people. All that the peasant puts forward is the demand, fully mature, born in suffering, so to speak, and hardened by long years of oppression, for the revival, strengthening, consolidation and expansion of small agriculture, for making the latter the predominating system. All that the peasant can picture to himself is the passing of the landlord latifundia into his hands; the peasant clothes his confused idea of the unity of all peasants, as a mass, in this struggle with the phrase: ownership of the land by the people. The peasant is guided by the instinct of the proprietor, who is hindered by the endless splitting up of present forms of mediæval land ownership and by the impossibility of organising the cultivation of the soil in a manner that fully corresponds to "proprietor" requirements if this motley mediæval system of land ownership continues. The economic necessity of abolishing landlordism,

of abolishing also the "fetters" of allotment land ownership—such are the negative concepts which completely cover the peasant idea of nationalisation. The forms of land tenure that may be necessary later for the purposes of regenerated small farming, which will have assimilated, so to speak, the landlord latifundia, the peasant does not think about.

In Narodnik ideology, which expresses the demands and the hopes of the peasantry, the negative sides of the concept (or hazy idea) of nationalisation undoubtedly also predominate. The removal of the old obstacles, the abolition of the landlord, the "disenclosure" of the land, the removal of the fetters of allotment land ownership, the strengthening of small farming, the substitution of "equality, fraternity and liberty" for "inequality" (*i.e.*, the landlord latifundia)—this covers nine-tenths of the Narodnik ideology Equal right to land, equal tenure, socialisation—all these are merely different forms of expression of the same ideas; and all these are mainly negative concepts, for the Narodnik has no conception of a new system as a definite system of social-economic relationships. The Narodnik regards the present agrarian revolution as the transition from feudalism, inequality, and oppression in general, to equality and liberty, and nothing else. This is the typical narrow-mindedness of the bourgeois revolutionary who fails to see the capitalist qualities of the new society he is creating.

Unlike the naive views of Narodism, Marxism investigates the new system that is arising. Even with the fullest freedom of peasant farming and with the fullest equality of small proprietors occupying the people's, or nobody's, or god's land—what we have is the commodity production system. The small producers are tied and subordinated to the market. Out of the exchange of products arises the power of money; the transformation of agricultural produce into money is followed by the transformation of labour power into money. Commodity production becomes capitalist production. This theory is not a dogma, but a simple description, a generalisation of what is also taking place in Russian peasant farming. The freer this system of farming is from land congestion, landlord oppression, the oppression of mediæval relationships and the agrarian system, from bondage and tyranny, the more strongly capitalist re-

lationships develop within this peasant farming. This is a fact to which the whole of the post-reform[1] history of Russia undoubtedly testifies.

Consequently, the concept, nationalisation of the land, transferred to the soil of economic reality, is a category of commodity and capitalist society. It is not what the peasants think or what the Narodniki say that is real in this concept, but what emerges from the economic relations of present society. The nationalisation of the land under capitalist relationships means nothing more nor less than the transfer of rent to the state. What is rent in capitalist society? It is not income from the land in general. It is that part of surplus value which remains after average profit on capital is deducted. Hence, rent presupposes wage labour in agriculture, the transformation of the landowner into a farmer, into an entrepreneur. Nationalisation (in its pure form) assumes that the state receives rent from the agricultural entrepreneur who pays wages to wage workers and receives average profit on capital—average for all enterprises, agricultural and non-agricultural, in the given country or group of countries.

Thus, the theoretical concept, nationalisation, is inseparably bound up with the theory of rent, *i.e.*, capitalist rent, as the special form of income of a special class (the landowning class) in capitalist society.

Marx's theory distinguishes two forms of rent: differential rent and absolute rent. The first springs from the limited nature of land, its occupation by capitalist farms, irrespective of whether the land is owned, or of the form of ownership. Among the various farms there are inevitable differences arising out of differences in the fertility of the soil, in distance from markets, and in the productivity of additional investments of capital in the land. For the sake of brevity these differences may be summed up (without, however, forgetting that these differences spring from different sources) as the differences between better and worse soils. To proceed. The price of production of agricultural produce is determined by the conditions of production, not on the average soil, but on the worst

[1] *I.e.*, after the emancipation of the serfs in 1861.—*Ed. Eng. ed.*

soil, because the produce from the best soil alone is insufficient to meet the demand. The difference between the individual price of production and the highest price of production is differential rent. (We will remind the reader that by price of production Marx means the capital expended on the production of the product, plus average rate of profit on capital.)

Differential rent inevitably arises in capitalist agriculture, even if the private ownership of land is completely abolished. Under the private ownership of land, rent is appropriated by the landowner; for the competition between capitals compels the tenant farmer to be satisfied with the average rate of profit on capital. When the private ownership of land is abolished, this rent is appropriated by the state. This rent cannot be abolished as long as the capitalist mode of production exists.

Absolute rent arises from the private ownership of the land. This rent contains an element of monopoly, an element of monopoly price.[1] Private ownership of land hinders free competition, hinders the equalisation of profit, the formation of average profit in agricultural and non-agricultural enterprises. And as technique in agriculture is on a lower level than in industry, the proportion of variable capital compared with constant capital is larger than in industry; the individual value of the agricultural product is above the average. Hence, by hindering the free levelling of profits in agricultural enterprises on a par with non-agricultural enterprises, the private ownership of land creates the possibility of selling agricultural produce, not at the highest price of production, but at the still higher individual value of the product (for the price of production is determined by average rate of profit on capital, while absolute rent prevents the formation of this "average" by monopolistically fixing the individual value at a level higher than the average).

[1] In Part 2 of Vol. II of *Theories of Surplus Value*, Marx reveals the "essence of different theories of rent": the theory of the monopoly price of agricultural produce, and the theory of differential rent. He shows what is true in both these theories, in so far as absolute rent contains an element of monopoly. *Cf.* page 125 concerning Adam Smith's theory: "It is quite true" that rent is monopoly price, in so far as the private ownership of land prevents the levelling of profit by keeping profit at a level higher than the average.

Thus, differential rent is an inevitable concomitant of any form of capitalist agriculture. Absolute rent is not the concomitant of any form of capitalist agriculture; it arises only under the private ownership of land, under the historically[1] created backwardness of agriculture, a backwardness riveted by monopoly.

Kautsky contrasts these two forms of rent, particularly in relation to the nationalisation of land, in the following propositions:

"As differential rent, ground rent arises from competition. As absolute rent, it arises from monopoly. . . . In practice, ground rent does not present itself to us divided in parts; it is impossible to say which part is differential rent and which part is absolute rent. Moreover, it is usually mixed with the interest on capital expended by the landowner. Where the landowner is also the farmer, ground rent is combined with agricultural profit.

"Nevertheless, the distinction between the two forms of rent is extremely important.

"Differential rent arises from the capitalist character of production and not from the private ownership of land.

"This rent would continue to exist even under the nationalisation of the land, demanded [in Germany] by the advocates of land reform, who preserve the capitalist mode of agriculture. In that case, however, rent would accrue, not to private persons, but to the state.

"Absolute rent arises out of the private ownership of the land, out of the antagonism of interests between the landowner and the rest of society. *The nationalisation of the land would make possible the abolition of this rent and the reduction of the price of agricultural produce by an amount equal to that rent.* [Our italics.]

"To proceed: the second distinction between differential rent and absolute rent lies in that the former does not, as a constituent part, affect the price of agricultural produce, whereas the latter does. The former arises from the price of production; the latter arises from the excess of market price over price of production. The former arises from the surplus, the extra profit, that is created by the more productive labour on better soil, or on a better located plot. The latter does not arise from the additional income of certain forms of agricultural labour; it is possible only as a deduction from the available quantity of values for the benefit of the landowner, a deduction from the mass of surplus value—therefore, it implies either a reduction of profits or a deduction from wages. If the price of grain rises, and wages rise also, the profit on capital diminishes. If the price of grain rises without an increase in wages, then the workers suffer the loss. Finally, the following

[1] *Cf. Theories of Surplus Value*, Vol. II, Part 1 (German edition), p. 259: "In agriculture hand labour still predominates, while the capitalist mode of production develops industry more quickly than agriculture. However, this is a *historical* distinction which may disappear." (*Ibid.*, Vol. II, Part 1, p. 275, and Vol. II, Part 2, p. 15.)

may happen—and this may be regarded as the general rule—the loss caused by absolute rent is borne jointly by the workers and the capitalists."[1]

Thus, the question of the nationalisation of the land in capitalist society is divided into two materially different parts: the question of differential rent, and the question of absolute rent. Nationalisation changes the owner of the former, and undermines the very existence of the latter. Hence, on the one hand, nationalisation is a partial reform within the limits of capitalism (a change of owners of a part of surplus value), and on the other hand, it abolishes the monopoly which hinders the whole development of capitalism in general.

Without distinguishing between these two sides, *i.e.*, the nationalisation of differential rent and of absolute rent, it is impossible to understand the economic significance of the question of nationalisation in Russia. Here, however, we encounter P. Maslov's repudiation of the theory of absolute rent.

2. Peter Maslov Corrects Karl Marx's Rough Notes

I had occasion to point to Maslov's wrong conception of the theory of rent as far back as 1901, in *Zarya* (published abroad), in dealing with his articles in the magazine *Zhizn*.

The debates before Stockholm and at Stockholm, as I have already said, were concentrated to an excessive degree on the political aspect of the question. But after Stockholm M. Olenov, in an article entitled "The Theoretical Principles of the Municipalisation of the Land" (*Obrazovanie*, 1907, No. 1), reviewed Maslov's book on the agrarian question in Russia and particularly emphasised the incorrectness of Maslov's economic theory, which repudiates absolute rent in general.

Maslov replied to Olenov in an article in *Obrazovanie*, Nos. 2 and 3. He reproached his opponent for being "unceremonious," for making "smart raids," "jauntiness," etc. As a matter of fact, in the sphere of Marxian theory, it is Peter Maslov who is an unceremonious and stupid raider, for it would be difficult to imagine anything

[1] Kautsky, *The Agrarian Question*, German edition, pp. 79-80.

more ignorant than the smug "criticism" of Marx uttered by Maslov, who persists in his old mistakes. Comrade Maslov writes:

"The contradiction between the theory of absolute rent and the whole theory of distribution enunciated in Volume III is so striking that it can only be explained by the fact that Vol. III is a posthumous publication containing also the rough notes of the author." (*The Agrarian Question*, third edition, p. 108, footnote.)

Only a person who understood nothing about Marx's theory of rent could write a thing like that. But the condescending disdain with which the magnificent Peter Maslov treats the author of these rough notes is positively matchless! This "Marxist" is too superior to think it necessary, in order to instruct other people, to familiarise himself with Marx, to study at least the *Theories of Surplus Value*, published in 1905, in which the theory of rent is chewed up sufficiently small, so to speak, even for the Maslovs!

The following is Maslov's argument against Marx:

"Absolute rent is said to arise from the low composition of agricultural capital. . . . As the composition of capital affects neither the price of the product nor the rate of profit, nor the distribution of surplus value *among* the entrepreneurs in general, it cannot create any rent. If the composition of agricultural capital is lower than that of industrial capital, differential rent comes from surplus value obtained in agriculture; but this has no significance for the *formation* of rent. Consequently, if the 'composition' of capital changed, it would not affect rent in the least. The amount of rent is not in the least determined by the character of its origin, but solely by the above-mentioned difference in the productivity of labour under different conditions." (*Op. cit.*, pp. 108-09. Maslov's italics.)

It would be interesting to know whether the bourgeois "critics of Marx" ever went to these lengths in easy refutation. Our magnificent Maslov is always muddled; and he is muddled when he explains Marx's views (incidentally, this is the manner also adopted by Mr. Bulgakov and all other bourgeois abusers of Marxism, who, however, differ from Maslov in that they display greater conscientiousness in this matter by refraining from calling themselves Marxists). It is not true to say that according to Marx absolute rent arises from the low composition of agricultural capital. Absolute rent arises from the private ownership of land. This private ownership creates a special monopoly, which has nothing to do with the capitalist mode of production, which can exist on com-

munal as well as on nationalised land.[1] The non-capitalist monopoly of private landed property prevents the levelling of profits in those branches of production which are sheltered by this monopoly. In order that "the composition of capital shall not affect the rate of profit" (it should have been added: the composition of individual capital, or the capital in an individual branch of industry; even here Maslov is muddled in explaining Marx's views), in order that the average rate of profit may be formed, the profits of all the separate enterprises and of all the separate spheres of industry must be levelled. The levelling takes place through free competition, through the free investment of capital in all branches of production without distinction. Can this freedom exist where there is non-capitalist monopoly? No, it cannot. The monopoly of private property in land hinders the free investment of capital, hinders free competition, hinders the levelling of the disproportionately high (owing to the low composition of agricultural capital) agricultural profit. Maslov's objection is sheer thoughtlessness; and this thoughtlessness stands out in particular relief when, two pages further on, we see a reference to brickmaking (page 111), where technique is also backward, where the organic composition of capital is also below the average, as in the case of agriculture, and yet there is no rent!

There cannot be any rent in brickmaking, honourable "theoretician," because absolute rent arises, not from the low composition of agricultural capital, but from the monopoly of private property in land, which prevents competition from levelling the profits of "low composition" capital. To repudiate absolute rent means repudiating the economic significance of private property in land.

The following is Maslov's second argument against Marx:

> "Rent from the 'last' investment of capital, Rodbertus' rent and Marx's absolute rent, will disappear because the tenant can always make the 'last' investment the 'last but one' if it produces anything besides the usual profit." (Page 112.)

[1] *Cf. Theories of Surplus Value*, Vol. II, Part 1, p. 208, where Marx explains that the landowner is an absolutely superfluous figure in capitalist production; that the object of the latter is "fully achieved" if the land belongs to the state.

Peter Maslov muddles things, "unceremoniously" muddles things.

In the first place, to compare Rodbertus with Marx on rent is to display sheer ignorance. Rodbertus' theory is based on the assumption that the mistaken calculations of the Pomeranian landlord ("not to count" the raw materials in agriculture!) are obligatory for the capitalist farmer. Rodbertus' theory does not contain a grain of historicism, not a grain of historical reality; for he takes agriculture in general, irrespective of time and place, agriculture in any country and in any epoch. Marx, however, takes a special historical period in which capitalism developed the technique of industry more quickly than in agriculture; Marx takes capitalist agriculture, which is restricted by non-capitalist private property in land.

Secondly, the reference to the tenant who "can always" make the last investment the last but one shows that magnificent Peter Maslov has failed to understand not only Marx's absolute rent, but also his differential rent! This is incredible, but it is true. During the term of his lease the tenant "can always" appropriate, and always does appropriate, all rent if he "makes the last investment the last but one," if—to put it more simply and (we will see this in a moment) more correctly—he invests fresh capital in the land. During the term of the lease, private property in land ceases to exist for the tenant: he has "ransomed" himself from this monopoly by paying rent, and it can no longer hinder him.[1] That is why, when a fresh investment of capital in his land gives the tenant additional profits and additional rent, he, and not the landowner, appropriates this rent. The landowner will begin to appropriate this additional rent only after the tenant's lease has expired, after a new lease has been contracted. What mechanism will then transfer the additional rent from the pocket of the tenant farmer to the pocket of the landowner? The mechanism of free competition, for the fact that the tenant receives not only average profit but also extra profit (=rent) will attract capital to this unusually profitable enterprise. Hence it is clear, on the one hand, why, all other things

[1] Had Maslov read the "rough notes" in Vol. III at all attentively he could not but have noticed how frequently Marx reiterates this.

being equal, a long lease is to the advantage of the tenant and a short lease to the advantage of the landlord. Hence it is clear, on the other hand, why, for example, after the abolition of the Corn Laws, the English landlords introduced a clause in their leases compelling the farmers to spend not less than £12 per acre on their farms, instead of £8, as formerly. The landlords thus took into account socially necessary agricultural technique, which had made progress as a result of the abolition of the Corn Laws.

The question now arises: what form of new rent does the tenant appropriate during the term of his lease? Is it only absolute rent, or also differential rent? Both; for had Peter Maslov taken the trouble to understand Marx before "criticising the rough notes" so amusingly, he would have known that differential rent is obtained, not only from different plots of land, but also from different outlays of capital on the same plot.[1]

Thirdly (we ask the reader to excuse us for wearying him with this long list of mistakes which Maslov commits in every sentence; but what else can we do if we have to deal with such a "fertile" *Konfusionsrath*, "muddled counsellor," as the Germans say?)—thirdly, Maslov's argument about the last, and last but one, investment is based on the notorious "law of diminishing returns." Like the bourgeois economists, Maslov recognises this law (and "to make it look important," even calls this stupid invention a fact). Like the bourgeois economists, Maslov connects this law with the theory of rent, and, with the audacity of one who is utterly ignorant of theory, says:

> "If it were not for the fact that the productivity of the last outlays of capital diminished, there would be no such thing as ground rent." (P. 114.)

We will refer the reader for a criticism of this vulgar bourgeois "law of diminishing returns" to what I said in 1901 in opposition

[1] Marx calls the differential rent obtained from the difference in various plots differential rent No. I; and that obtained from the difference in the productivity of additional outlays of capital on the same plot he calls differential rent No. II. In the "rough notes" in Volume III, this distinction is brought out in scrupulous detail (Part VI, chapters 39-43) [pp. 760-865, C. H. Kerr edition—*Ed. Eng. ed.*], and one must be a "critic of Marx" à la the Bulgakovs to "fail to notice" this.

to Mr. Bulgakov.[1] On this question there is no material difference between Bulgakov and Maslov.

To supplement what I said in opposition to Bulgakov I will quote just one more passage from the "rough notes" in Volume III, which reveals with particular force the magnificence of Maslov-Bulgakov criticism:

"Instead of tracing to their source the natural-historical causes which lead to the exhaustion of the soil, and which, by the way, were unknown to economists who have written anything on differential rent, owing to the condition of agricultural chemistry in their day, the shallow argument has been advanced that capital cannot be invested in any amount in a limited space of land. For instance, the *Westminster Review* maintained against Richard Jones, that all England could not be fed by cultivating Soho Square."[2]

This objection is the only argument that Maslov and all other advocates of the "law of diminishing returns" use: if this law did not operate, if succeeding outlays of capital could be as productive as preceding ones, there would be no need to extend the area of cultivation; it would then be possible to obtain any quantity of agricultural produce from the same small plot by the investment of fresh capital in the land, *i.e.*, it would then be possible for "all England to be fed by cultivating Soho Square," or to "put the agriculture of the whole globe on one acre," etc.[3] Consequently, Marx analyses the main argument in favour of the "law" of diminishing returns. He goes on to say:

"If this is considered a special disadvantage of agriculture, it is precisely the opposite which is true. It is possible to invest capital successively with good results, because the soil itself serves as a means of production, which is not the case with a factory, or is true of it only to a limited extent, since there the land serves only as a basis, as a space, as a foundation for operations upon a certain area. It is true that, compared to scattered handicrafts, great industries can and do concentrate large productive plants in a small space. But even so, a definite space is always required at any stage of development, and the building of high structures has its practical limits. Beyond

[1] *Cf.* "The Agrarian Question and the 'Critics of Marx,'" in this volume. —*Ed.*

[2] Karl Marx, *Capital*, Vol. III, C. H. Kerr edition, pp. 906-07.—*Ed. Eng. ed.*

[3] *Cf.* "The Agrarian Question and the 'Critics of Marx.'" [In this volume.—*Ed.*] Maslov utters the same nonsense: "The entrepreneur will consecutively spend all [!] his capital, for example, on one desyatin, if the new outlays will produce the same profit" (p. 107), etc.

these limits any expansion of production demands also an extension of the land area. The fixed capital invested in machinery, etc., does not improve through use, but on the contrary, it wears out. New inventions may, indeed, permit some improvement in this respect, but with any given development of the productive power the machine will always deteriorate. If the productive power is rapidly developed, the entire old machinery must be replaced by a better one, so that the old is lost. But the soil, if properly treated, improves all the time. The advantage of the soil is that successive investments of capital may bring gains without losing the older ones, and this implies the possibility of differences in the yields of these successive investments of capital." (*Das Kapital*, III. Band, 2. Teil, S. 314.)[1]

Maslov preferred to repeat the threadbare fable of bourgeois economics about the law of diminishing returns rather than ponder over Marx's criticism. And yet Maslov has the audacity, right here, on these very questions, while distorting Marx, to claim to expound Marxism!

The degree to which Maslov mutilates the theory of rent from his purely bourgeois point of view on the "natural law" of diminishing returns can be seen from the following tirade, which he writes in italics:

"If successive outlays of capital on the same plot of land, leading to intensive farming, were equally productive, the competition of new land would immediately disappear; for the cost of transport affects the price of grain in addition to the cost of production." (Page 107.)

Thus, overseas competition can be explained only by means of the law of diminishing returns! This is exactly what the bourgeois economists say! But if Maslov was unable to read, or incapable of understanding, Volume III, then at least he should have familiarised himself with Kautsky's *Agrarian Question*, or with Parvus' pamphlet *On the Agricultural Crisis*. Perhaps the popular explanations of these Marxists would have enabled Maslov to understand that capitalism inflates rent by increasing the industrial population. And the price of land (=capitalised rent) keeps this rent at its excessively inflated level. This applies also to differential rent, so that we see for a second time that Maslov failed to understand anything Marx wrote even about the simplest form of rent.

Bourgeois political economy explains the "competition of new lands" by the "law of diminishing returns"; for the bourgeois,

[1] Karl Marx, *Capital*, Vol. III, C. H. Kerr edition, p. 907.—*Ed. Eng. ed.*

consciously or unconsciously, ignore the social-historical aspect of the matter. Socialist political economy (*i.e.*, Marxism) explains overseas competition by the fact that land which does not pay rent undercuts the excessively high grain prices maintained by capitalism in the old European countries, which inflated ground rent to incredible dimensions. The bourgeois economist fails to understand (or conceals from himself and others) that the level of rent fixed by the private ownership of land is an obstacle to progress in agriculture and therefore throws the blame upon the "natural" obstacle, the "fact" of diminishing returns.

3. Is it Necessary to Refute Marx In Order to Refute the Narodniki?

In Peter Maslov's opinion, it is necessary. "Developing" his stupid little "theory," he tells us admonishingly in *Obrazovanie*:

"If it were not for the 'fact' that the productivity of successive expenditures of labour on the same plot of land diminishes, the idyl which the Socialist-Revolutionaries and social-Narodniki depict could, perhaps, be realised: every peasant would utilise the plot of land he was entitled to and deposit in it as much labour as he liked, and the land would 'reward' him for every 'deposit' with a corresponding quantity of products." (No. 2, 1907, p. 123.)

Thus, if Marx had not been refuted by Peter Maslov, the Narodniki would, perhaps, be right! This is the sort of gems our "theoretician" gives utterance to. And up to now we had thought in our simple Marxian way that the idyl of perpetuating small production is refuted not by the bourgeois-stupid "law of diminishing returns," but by the fact of commodity production, the domination of the market, the advantages of large-scale capitalist farming over small farming, etc. Maslov has changed all this! Maslov has discovered that had it not been for the bourgeois law (refuted by Marx) the Narodniki would have been right.

More than that. The revisionists, too, would have been right. Here is another of the arguments of our home-grown economist:

"If I am not mistaken, I [Peter Maslov] happened to be the first [that's the sort of fellow we are!] to emphasise with particular sharpness the difference between the significance of the cultivation of the soil and that of technical progress for the development of economy and, in particular, for the

struggle between large-scale and small production. The intensification of agriculture, the further expenditure of labour and capital, is equally less productive in large-scale and in small farming; technical progress, however, which increases the productivity of agricultural labour as it does in industry, creates enormous and exceptional advantages for large-scale production. These advantages are determined almost entirely by technical conditions. . . ."

You are muddling things up, my dear sir: the advantages of large-scale production in commercial respects are important. . . .

"On the other hand, cultivation of the soil can usually be employed equally in large-scale and in small farming. . . ."

Cultivation of the soil "can" be employed.

Evidently, profound Maslov knows of a type of farming which can be conducted without the cultivation of the soil. . . .

"For example, the substitution of rotation of crops for the three-field system, the increase in the quantity of fertilisers employed, deeper ploughing, etc., can be equally applied in large-scale and small farming, and equally affect the productivity of labour. But the introduction of reaping machines, for example, increases the productivity of labour only on the larger farms, because the small strips of grain field can be more conveniently reaped or mown by hand. . . ."

Yes, undoubtedly Maslov was the "first" to succeed in introducing such endless confusion into the question! Just think: the steam plough (deeper ploughing) is "cultivation of the soil," a reaping machine is "technique." Thus, according to the tenets of our incomparable Maslov, a steam plough is not technique; a reaping machine is not the further expenditure of labour and capital. Artificial fertilisers, the steam plough, grass sowing are "intensification." The reaping machine and "a large part of agricultural machinery" in general represent "technical progress." Maslov "happened" to invent this stupid stuff because he had to find some way of wriggling out of the "law of diminishing returns," which technical progress has refuted. Bulgakov wriggles out of it by saying: Technical progress is temporary; stagnation is constant. Maslov wriggles out of it by inventing a most entertaining division of technical progress in agriculture into "intensification" and "technique."

What is intensification? The further expenditure of labour and capital. According to Maslov's great discovery, a reaping machine

not the expenditure of capital. A seed drill is not the expenditure of capital! The "substitution of rotation of crops for the three-field system" can be applied equally to large-scale and small farming? This is not true. The introduction of rotation of crops also calls for additional outlays of capital; it is much more applicable to large-scale farming. Incidentally, in this connection read the data quoted above on German agriculture ("The Agrarian Question and the 'Critics of Marx'").[1] Russian statistics testify to the same thing. The slightest reflection would reveal to you that it could not be otherwise; that the rotation of crops cannot be applied equally in small and large-scale farming. Nor can increased quantities of fertilisers be "equally employed"; for big farms (1) have a larger number of cattle, which is most important in this respect; (2) feed their cattle better and do not "save" straw so carefully, etc.; (3) have better facilities for storing fertilisers; (4) use larger quantities of artificial fertiliser. Maslov, in a positively "unceremonious" manner, distorts the well-known data on modern agriculture. Finally, deep ploughing cannot be equally applied in small and large-scale farming. It is sufficient to point to two facts: first, the employment of steam ploughs is increasing in the large farms (see above-quoted data on Germany[2]; now, probably, the employment of electric ploughs is increasing). Perhaps even Maslov will realise that these cannot be "equally" employed in large-scale and small farming. In the latter it is the employment of cows as draught animals that is developing. Think, great Maslov, can this signify that deep ploughing can be equally employed? Second, even where large and small farms employ the same types of draught animals, the latter are feeble in the small farms, and therefore there cannot be equal conditions in regard to deep ploughing.

In a word, it is hard to find a single one of Maslov's sentences containing an attempt at "theoretical" thinking that does not contain an inexhaustible amount of the most incredible confusion and the most astonishing ignorance. But Maslov, unperturbed, concludes:

[1] In this volume, pp 75-77, 115-116.—*Ed.*
[2] In this volume, pp. 33, 75.—*Ed.*

"Anyone who has understood the difference between the two sides of the development of agriculture indicated [improvement in cultivation and improved technique] will easily upset all the arguments of revisionism and of Narodism in Russia." (*Obrazovanie*, 1907, No. 2, p. 125.)

Yes, yes. Maslov is a non-Narodnik and a non-revisionist only because he succeeded in rising above Marx's rough notes to the point of "understanding" the threadbare prejudices of threadbare bourgeois political economy. It is the old song set to a new tune! Marx *versus* Marx—exclaimed Bernstein and Struve. It is impossible to upset revisionism without upsetting Marx—announces Maslov.

In conclusion, a characteristic detail. If Marx, who created the theory of absolute rent, is wrong, if rent cannot exist without the "law of diminishing returns," if the Narodniki and revisionists might have been right had this law not existed, then Maslov's "corrections" to Marxism should serve as the cornerstone of his, Maslov's, theory. And so they do. Nevertheless, Maslov prefers to conceal them. Recently the German translation of his book, *The Agrarian Question in Russia*, appeared. I was curious to see in what manner Maslov presented his incredible theoretical banalities to the European Social-Democrats. It transpired that he did not present them at all. In coming before Europeans, Maslov kept the "whole" of his theory hidden in his pocket. He omitted from his book all that he had written in repudiation of absolute rent, all that he had written about the law of diminishing returns, etc. In this connection I involuntarily recall the story about a stranger who was present for the first time at a discussion between ancient philosophers, and remained silent all the time. One of the philosophers said to the stranger: "If you are wise, you are behaving foolishly; if you are a fool, you are behaving wisely."

4. Is the Repudiation of Absolute Rent Connected With the Programme of Municipalisation?

However puffed up Maslov may be with the importance of his remarkable discoveries in the sphere of theoretical political economy, he evidently has some doubts about whether any such con-

nection exists. At all events, in the article quoted (*Obrazovanie*, No. 2, p. 120) he denies that there is any connection between municipalisation and the "fact" of diminishing returns. This is strange: the "law of diminishing returns" is connected with the repudiation of absolute rent, is connected with the fight against Narodism; but it is not connected with Maslov's agrarian programme! But one can easily be directly convinced of the fallacy of the opinion that there is no connection between general agrarian theory and Maslov's Russian agrarian programme.

The repudiation of absolute rent is the repudiation of the economic significance of private landed property under capitalism. Anyone who recognises the existence of only differential rent inevitably arrives at the conclusion that it makes not the slightest difference to the conditions of capitalist economy and of capitalist development whether the land belongs to the state or to private persons. In either case, say those who repudiate absolute rent, only differential rent exists. Clearly, such a theory must lead to the repudiation of the significance of nationalisation as a measure which accelerates the development of capitalism, clears the path for it, etc. The opinion that nationalisation has this significance logically follows from the recognition of two forms of rent: the capitalist form, *i.e.*, the form which cannot be abolished under capitalism even on nationalised land (differential rent), and the non-capitalist form, which is connected with monopoly, which is superfluous for capitalism, which hinders the full development of capitalism (absolute rent).

That is why, proceeding from his "theory," Maslov inevitably arrived at the conclusion that "it makes no difference whether it [ground rent] is called absolute or differential rent" (*Obrazovanie*, No. 3, p. 103); that the only question is whether this rent is to be transferred to the local or to the central authorities. But such an opinion is the result of theoretical ignorance. Quite apart from the question of whom the rent is transferred to, and the political purposes for which it will be used, there is the incomparably more profound question of the changes in the general conditions of capitalist economy and of capitalist development that are brought about by the abolition of private property in land.

Maslov has totally failed to raise this purely economic question; he has not appreciated it, and he cannot appreciate it if he repudiates absolute rent. Hence the monstrously one-sided, "politician-like," I could say, reduction of the question of confiscating the land of the landlords exclusively to the question as to who will receive the rent. Hence the monstrous dualism in the programme, that is based on the anticipation of "the victorious development of the revolution" (the expression used in the resolution on tactics which was added to Maslov's programme at the Stockholm Congress). The victorious development of the bourgeois revolution presupposes, first of all, the principal economic changes that will utterly sweep away all the remnants of feudalism and mediæval monopolies. In municipalisation, however, we see a real agrarian bi-metalism: the combination of the oldest, most obsolete and antiquated, mediæval allotment property with the absence of private property in land, *i.e.*, with the most advanced and theoretically ideal system of agrarian relationships in capitalist society. This agrarian bi-metalism is a theoretical absurdity, something which is impossible from the point of view of pure economics. The combination of private property in land with public property here is the purely mechanical "invention" of a man who sees no difference between the system of capitalist economy with private property in land and that without private property in land. The only question that such a "theoretician" is concerned with is: How is the rent, "it makes no difference whether you call it absolute or differential," to be shuffled about?

Indeed, in a capitalist country it is impossible to leave half the land (138,000,000 desyatins out of 280,000,000) in private hands. One of two things: either private property in land is really needed at the given stage of economic development, really corresponds to the fundamental interests of the capitalist farmer class—in which case private property in land is inevitable everywhere as the basis of bourgeois society which has grown up according to such-and-such a type.

Or private property in land is not essential for the given stage of capitalist development, does not follow inevitably from the interests of the farmer class, and even contradicts these interests—

in which case the preservation of this property in its obsolete form is impossible.

The preservation of the monopoly of half the area of cultivated land, the creation of privileges for one category of small farmers, the perpetuation in free capitalist society of the "pale of settlement" which divides owners from tenants on public land, is an absurdity inseparably connected with the absurdity of Maslov's economic theory.

Therefore, we must now proceed to examine the economic significance of nationalisation, which Maslov and his supporters[1] pushed into the background.

5. The Criticism of Private Property in Land From the Point of View of the Development of Capitalism

The erroneous repudiation of absolute rent, of this form in which private landed property realises capitalist incomes, was the cause of an important defect in Social-Democratic literature and in the whole of the Social-Democratic position on the agrarian question in the Russian revolution. Instead of taking the criticism of private property in land into their own hands, instead of placing this criticism on the basis of an economic analysis, an analysis of definite economic evolution, our Social-Democrats, following in the wake of Maslov, surrendered this criticism to the Narodniki. The result was an extreme theoretical vulgarisation of Marxism and the distortion of its propagandist tasks in the revolution. The criticism of private property in land in speeches in the Duma, in propaganda and agitation literature, etc., was conducted only from the Narodnik, *i.e.*, from the petty-bourgeois, quasi-socialist, point of view. The Marxists were unable to pick out the real core of this petty-bourgeois ideology; they failed to understand that their task was to introduce the historical element into the examination of the question and to substitute for the point of view of the petty bour-

[1] At Stockholm [*i.e.*, the Fourth Congress of the R.S.D.L.P.—*Ed.*] one of these was Plekhanov. By the irony of history this alleged stern guardian of orthodoxy failed to notice, or did not want to notice, Maslov's distortion of Marx's economic theory.

geois (the abstract idea of equality, justice, etc.) the point of view of the proletariat on the real roots of the struggle against private property in land that is proceeding in developing capitalist society. The Narodnik thinks that the repudiation of private property in land is the repudiation of capitalism. This is wrong. The repudiation of private property in land expresses the demands of the purest capitalist development. And we have to revive in the minds of Marxists the "forgotten words" of Marx, who criticised private property in land from the point of view of the conditions of capitalist economy.

Marx directed this criticism not only against big land ownership but also against small land ownership. The free ownership of land by the small peasant is a necessary concomitant of small production in agriculture under certain historical conditions. A. Finn was quite right in emphasising this in opposition to Maslov. But the recognition of this historical necessity, which has been proved by experience, does not relieve the Marxist of the duty of making an all-sided appraisal of small landed property. Real freedom of small land ownership is inconceivable without the free purchase and sale of land. Private property in land implies the necessity of spending capital on purchasing land. On this point Marx, in Volume III of *Capital*, wrote the following:

"One of the specific evils of small-scale agriculture when combined with the free ownership of the land, arises from the fact that the agriculturist invests a capital in the purchase of the land." (III, 2, 342.)[1]

"The expenditure of capital in the price of the land withdraws this capital from cultivation." (*Ibid.*, 341.)[2]

"The expenditure of money-capital for the purchase of land, then, is not an investment of agricultural capital. It is a proportionate deduction from the capital which the small farmers can employ in their own sphere of production. It reduces to that extent the size of their means of production and thereby narrows the economic basis of their reproduction. It subjects the small farmer to the money-lender's extortion, since credit, in the strict meaning of the term, occurs but rarely in this sphere. It is an obstacle to agriculture, even where such a purchase takes place in the case of large estates. In fact, it contradicts the capitalist mode of production, which is on the whole indifferent to the question whether the landowner is in debt, no matter whether he inherited or bought his estate." (344-345.)[3]

[1] Karl Marx, *Capital*, Vol. III, C. H. Kerr edition, p. 939.—*Ed. Eng. ed.*
[2] *Ibid.*, p. 938.—*Ed. Eng. ed.*
[3] *Ibid.*, p. 942.—*Ed. Eng. ed.*

Thus, mortgage and usury are, so to speak, forms in which capital overcame the obstacles which private property in land creates for the free penetration of capital into agriculture. In commodity society it is impossible to carry on production without capital. The peasant, and his ideologist the Narodnik, cannot help appreciating this. Hence, the question reduces itself to whether capital can be freely invested in agriculture directly, or through the medium of the usurer and the credit institutions. The thoughts of the peasant and of the Narodnik, who, partly, are not aware of the complete domination of capital in modern society, and, partly, pull the cap of illusions and dreams over their eyes in order to shut out unpleasant reality, turn in the direction of financial aid from outside. Clause 15 of the Land Bill introduced by the 104[1] reads as follows:

"Persons receiving land from the national fund and lacking sufficient means for acquiring all that is necessary for their farms must be given state assistance in the form of loans and grants."

There is no doubt, of course, that such financial assistance would be necessary if Russian agriculture were reorganised by a victorious peasant revolution. Kautsky, in his book *The Agrarian Question in Russia*, quite rightly emphasises this. But what we are discussing now is the social-economic significance of all these "cheap loans and grants," which the Narodnik overlooks. The state can only serve as an intermediary in transferring the money from the capitalists; but the state itself can obtain this money only from the capitalists. Consequently, even under the best possible organisation of state aid the domination of capital is not removed in the least and the old question remains: What are the possible forms of application of capital to agriculture?

But this question inevitably leads to the Marxian criticism of private property in land. This property is an obstacle to the free investment of capital in land. Either complete freedom for this investment—in which case abolition of private property in land, *i.e.*, the nationalisation of the land; or the preservation of private property in land—in which case devious forms of penetration of

[1] *I.e.*, the Land Bill introduced in the Duma in 1906 by 104 deputies who belonged to the peasant party known as the Group of Toil.—*Ed. Eng. ed.*

capital: mortgaging of land by landlords and peasants, enslavement of the peasant by the usurer, the renting of land to tenants who own capital. Marx says:

"Here, in agriculture on a small scale, the price of the land, a form and result of private ownership of the land, appears as a barrier of production itself. In agriculture on a large scale, and in the case of large estates resting upon a capitalist mode of production, private ownership likewise acts as a barrier, because it limits the tenant in his investment of productive capital, which in the last analysis benefits, not him, but the landlord." (*Das Kapital*, III. Band, 2. Teil, S. 346-347.)[1]

Consequently, the abolition of private property in land is the maximum of what can be done in bourgeois society for the removal of all obstacles to the free investment of capital in land and to the free flow of capital from one branch of production to another. The free, broad and rapid development of capitalism, complete freedom for the class struggle, the elimination of all superfluous intermediaries who make agriculture something like the "sweated" industries—this is what the nationalisation of the land is under the capitalist system of production.

6. The Nationalisation of Land and "Money" Rent

Finn, the advocate of division of the land, advances an interesting economic argument against nationalisation. Both nationalisation and municipalisation, he says, mean transferring rent to a certain public body. But the question is: What kind of rent is referred to? Not capitalist rent, for "usually the peasants do not obtain rent in the capitalist sense from their land" (*The Agrarian Question and Social-Democracy*, page 77, *cf.* page 63), but pre-capitalist money rent.

By money rent Marx means the payment by the peasant to the landlord of the whole of the surplus product in the form of money. The original form of the peasant's economic dependence upon the landlord under the pre-capitalist modes of production was labour rent (*Arbeitsrente*), *i.e.*, feudal service; then came rent in the form of produce, or rent in kind, and finally came money rent. This rent,

[1] *Loc. cit.*, p. 944.—*Ed. Eng. ed.*

says A. Finn, "is the most widespread in our country today." (Page 63.)

Undoubtedly, serf-bondage tenantry is extremely widespread in Russia, and, according to Marx's theory, the payment which the peasant makes under such a system of tenantry is, in large part, money rent. What power makes it possible for this rent to be squeezed out of the peasantry? Is it the power of the bourgeoisie and of developing capitalism? Not at all. It is the power of the feudal latifundia. Since the latter will be broken up—and this is the starting point and fundamental condition of the peasant agrarian revolution—there is no need to speak of "money rent" in the pre-capitalist sense. Hence, the only significance of Finn's argument is that he once again emphasises the absurdity of separating the peasant allotment land from the rest of the land in the event of a revolutionary agrarian change: as allotment lands are not infrequently surrounded by landlords' land, as the present conditions under which the peasant lands are separated from the landlords' lands give rise to bondage, the preservation of this separation is reactionary. Unlike either the division of the land or the nationalisation of the land, municipalisation preserves this separation.

Of course, the existence of small landed property, or, more correctly, of small farming, introduces certain changes in the general statements of the theory of capitalist rent, but it does not destroy this theory. For example, Marx points out that as a rule absolute rent, as such, does not exist under small farming, which is mainly conducted for the purpose of covering the requirements of the farmer himself. (Vol. III, 2, 339, 344.)[1] But the more commodity production develops, the more all the statements of the economic theory become applicable to peasant farming also, since it has come under the conditions of the capitalist world. It must not be forgotten that no land nationalisation, no equal land tenure, will abolish the phenomenon which has fully established itself in Russia, *viz.*, that the well-to-do peasants are already farming on capitalist lines. In my *Development of Capitalism*, I showed that, according to the statistics of the 'eighties and 'nineties of the last century, about one-fifth of the peasant households concentrate in

[1] *Ibid.*, pp. 935-36.—*Ed. Eng. ed.*

their hands up to one-half of peasant agricultural production and a much larger share of rented land; that the farms of these peasants are more in the nature of commercial farms than natural economy farms and that, finally, these peasants cannot exist without a vast army of labourers and day labourers. Among these peasants the element of capitalist rent is taken for granted. These peasants express their interests through the mouths of Messrs. Peshekhonov, who "soberly" reject the prohibition of wage labour as well as "socialisation of the land"; who soberly advocate the economic individualism of the peasant which is forcing its way to the front. If in the utopias of the Narodniki we carefully separate the real economic factor from the false ideology we shall see at once that it is precisely the bourgeois peasantry which gains most from the abolition of the feudal latifundia, irrespective of whether this is carried out by division, nationalisation, or municipalisation. "Loans and grants" from the state must also primarily benefit the bourgeois peasantry. The "peasant agrarian revolution" is nothing more nor less than the subordination of the whole system of land ownership to the conditions facilitating the progress and prosperity of precisely these farmers.

Money rent is the dying yesterday, which cannot but die out. Capitalist rent is the nascent tomorrow, which cannot but develop under the Stolypin expropriation of the poorest peasants ("in accordance with Article 87[1]"), as well as under the peasant expropriation of the richest landlords.

7. Under What Conditions Can Nationalisation Be Brought About?

Among Marxists one often meets with the view that nationalisation is possible only at a high stage of development of capitalism, when it has already fully prepared the conditions for "separating the landowners from agriculture" (by means of renting out land

[1] *I.e.*, Article 87 of the tsar's Constitution, promulgated on Nov. 22, 1906, which empowered the government to promulgate laws without discussion by the Duma. The reference is to Stolypin's agrarian laws, the object of which was to break up the *mir* and to create a strong class of kulaks, or capitalist farmers.—*Ed. Eng. ed.*

and mortgages). It is assumed that large-scale capitalist farming must have established itself before the nationalisation of the land, which cuts out rent without affecting the economic organism, can be brought about.[1]

Is this view correct? Theoretically it is groundless; it cannot be supported by direct references to Marx; the facts of experience speak against it rather than for it.

Theoretically, nationalisation is the "ideally" pure development of capitalism in agriculture. The question of whether such a combination of conditions and such a relation of forces as would permit of nationalisation in capitalist society often occur in history is another matter. But nationalisation is not only an effect of, but also a condition for, the rapid development of capitalism. To think that nationalisation is possible only at a high stage of development of capitalism in agriculture means, perhaps, the repudiation of nationalisation as a measure of bourgeois progress; for the high development of agricultural capitalism has already, everywhere, placed on the order of the day (and will in time inevitably place on the order of the day in new countries) the "socialisation of agricultural production," the socialist revolution. A measure of bourgeois progress, as a bourgeois measure, is inconceivable when the class struggle between the proletariat and the bourgeoisie is very acute. Such a measure is more likely to be introduced in a "young" bourgeois society, in one which has not yet developed its strength, has not yet developed its contradictions to the full, and has not yet created a proletariat strong enough to strive directly toward the socialist revolution. And Marx conceived the possibility of, and, partly, directly advocated the nationalisation of the land, not only in the epoch of the bourgeois revolution in Germany in 1848, but also in 1846 for America, which, as he definitely pointed out at that time, was only just starting its "industrial" development.

[1] Here is one of the most exact expressions of this view uttered by Comrade Borisov [N. Suvorov—*Ed.*], an advocate of the division of the land: ". . . Subsequently, it [the demand for the nationalisation of the land] will be raised by history; it will be raised when petty-bourgeois economy has degenerated, when capitalism has won firm positions in agriculture, and when Russia will no longer be a peasant country." (*Minutes of the Stockholm Congress*, p. 127.)

The experience of various capitalist countries gives us no example of the nationalisation of the land in anything like its pure form. We see something analogous to it in New Zealand, a young capitalist democracy, in which there can be no talk about the high development of agricultural capitalism. Something analogous to it existed in America when the government passed the Homestead Act and distributed plots of land to small farmers at a nominal rent.

To associate nationalisation with the epoch of highly developed capitalism means repudiating it as a measure of bourgeois progress; and such a repudiation directly contradicts economic theory. It seems to me that in the following argument in *Theories of Surplus Value* Marx indicates conditions for the achievement of nationalisation other than those he is usually thought to have indicated.

After pointing out that the landowner is absolutely superfluous in capitalist production, that the purpose of the latter is "fully achieved" if the land belongs to the state, Marx goes on to say:

"That is why in theory the radical bourgeois arrives at the repudiation of private property in land. . . . In practice, however, he lacks courage, for an attack on one form of property, private property in the conditions of labour, would be very dangerous for another form. Moreover, the bourgeois has territorialised himself." (*Theorien über den Mehrwerth*, II. Band, 1. Teil, S. 208.)

Marx does not here point to the undeveloped state of capitalism in agriculture as an obstacle to the achievement of nationalisation. He points to two other obstacles, which speak much more in favour of the possibility of achieving nationalisation in the epoch of bourgeois revolution.

First obstacle: the radical bourgeois lacks the courage to attack private landed property owing to the danger of a socialist attack on all private property, *i.e.*, the danger of a socialist revolution.

Second obstacle: "The bourgeois has already territorialised himself." Evidently, what Marx means is that the bourgeois mode of production has already entrenched itself in private landed property, *i.e.*, that this private property has become much more bourgeois than feudal. When the bourgeoisie, as a class, on a broad, predominating scale, has already bound itself up with landed property, has already "territorialised itself," "settled on the land,"

has fully subordinated landed property to itself, then a genuine social movement of the bourgeoisie in favour of nationalisation is impossible. It is impossible for the very simple reason that no class ever goes against itself.

Generally speaking, these two obstacles are removable only in the epoch of rising capitalism, and not in the epoch of capitalism in decline; in the epoch of bourgeois revolution, and not on the eve of the socialist revolution. The opinion that nationalisation is possible only at a high stage of development of capitalism cannot be called a Marxian opinion. It contradicts the general statements of Marx's theory as well as his words as quoted above. It vulgarises the question of the historically concrete conditions in which nationalisation is brought about by such-and-such forces and classes, and reduces it to a schematic and bare abstraction.

The "radical bourgeois" cannot be courageous in the epoch of highly developed capitalism. In such an epoch the bourgeoisie, in the main, is already counter-revolutionary. In such an epoch the almost complete "territorialisation" of the bourgeoisie is already inevitable. In the epoch of bourgeois revolution, however, the objective conditions compel the "radical bourgeois" to be courageous; for, in solving the historical problem of the given period, they cannot yet, as a class, fear the proletarian revolution. In the epoch of bourgeois revolution the bourgeoisie has not yet territorialised itself; landed property is still too much impregnated with feudalism in such an epoch. The phenomenon of the mass of the bourgeois farmers fighting against the principal forms of land ownership becomes possible, and therefore it becomes possible for them to achieve the complete bourgeois "emancipation of the land," *i.e.*, nationalisation.

In all these respects the Russian bourgeois revolution finds itself in particularly favourable conditions. Arguing from the purely economic point of view, we must unreservedly admit the existence of the maximum of survivals of feudalism in the Russian system of land ownership, both landlordism and peasant allotments. Under such circumstances, the contradiction between relatively developed capitalism in industry and the monstrous backwardness of the rural districts becomes crying and, owing to objective causes,

compels the bourgeois revolution to become more thorough, to create the conditions for the most rapid agricultural progress. The nationalisation of the land is precisely the condition for the most rapid capitalist progress in Russian agriculture. In Russia we have a "radical bourgeois" who has not yet "territorialised" himself, who cannot, at present, fear a proletarian "attack." That radical bourgeois is the Russian peasant.

From this point of view the difference between the attitude of the masses of the Russian liberal bourgeoisie and that of the masses of Russian peasants towards the nationalisation of the land becomes quite intelligible. The liberal landlord, lawyer, big manufacturer and merchant have all sufficiently "territorialised" themselves. They cannot but fear a proletarian attack. They cannot but prefer the Stolypin-Cadet road. Think what a river of gold is now flowing towards the landlords, government officials, lawyers and merchants in the form of the millions which the "Peasant" Bank is distributing to the terrified landlords! Under the Cadet system of "compensation" this river of gold would have flowed in a somewhat different direction, perhaps it would have been slightly less abundant, but it too would have consisted of hundreds of millions, nevertheless, and would have flowed into the same hands.

Neither the government official nor the lawyer need obtain a single kopek out of the revolutionary overthrow of the old forms of land ownership. The merchants, in the main, are not farsighted enough to prefer the future expansion of the home, muzhik market to the immediate possibility of snatching something from the squire. Only the peasant who is being driven to his grave by old Russia is capable of striving for the complete renovation of the system of land ownership.

8. Is Nationalisation the Transition to Division?

If nationalisation is regarded as a measure most likely to be achieved in the epoch of bourgeois revolution, such a view must inevitably lead to the admission that nationalisation may turn out to be simply the transition to division. The real economic need which compels the masses of the peasantry to strive for nationali-

sation is the need for the thorough renovation of all the old agrarian relationships, the need of "clearing" the whole of the land, of adapting it anew for the new farmer system. That being the case, it is clear that the farmers who have adapted themselves, who have renovated the whole system of land ownership, may demand that the new agrarian system be consolidated, *i.e.*, may demand that the plots of land they have rented from the state be converted into their property.

This is absolutely indisputable. We arrive at nationalisation, not from abstract arguments, but from a definite calculation of the definite interests of a definite epoch. It goes without saying that it would be ridiculous to regard the mass of small farmers as "idealists"; it would be ridiculous to think that they will hesitate to demand division if their interests demand it. Consequently, we must enquire: (1) whether their interests can demand division; (2) under what conditions; and (3) how this will affect the proletarian agrarian programme.

We have already answered the first question in the affirmative. To the second question a definite reply cannot yet be given. After a period of revolutionary nationalisation the demand for division may be called forth by the desire to stabilise to the utmost the new agrarian relations which correspond to the requirements of capitalism. It may be called forth by the desire of the given owners of land to increase their incomes at the expense of the rest of society. Finally, it may be called forth by the desire to "pacify" (or, to put it more simply, to strangle) the proletariat and the semi-proletarian strata, for whom the nationalisation of the land will be an element that will "whet the appetite" for the socialisation of the whole of social production. All these three possibilities reduce themselves to a single economic basis; for the stabilisation of the new capitalist landed properties of the new farmers automatically creates anti-proletarian sentiments and a striving on the part of these farmers to create new privileges for themselves in the shape of property rights. Hence, the question reduces itself precisely to economic stabilisation. The constant factor counteracting this will be the development of capitalism, which increases the superiority of large-scale farming and demands constant facility for the "consolidation"

of small farms into large ones. A temporary factor counteracting it will be the colonisation fund of Russia[1]: stabilising the new economy means raising agricultural technique. We have already shown that every step forward in agricultural technique "discovers" for Russia ever new territories in its colonisation fund.

In summing up the examination of the second question we have raised we must make the following deduction: it is impossible to foretell precisely the conditions under which the new farmers' demands for the division of the land will overcome all counteracting influences. But it is necessary to take into account the fact that the future capitalist development will inevitably create such conditions after the bourgeois revolution.

In regard to the third question, concerning the attitude the workers' party should take towards the possible demand of the new farmers for the division of the land, a definite reply can be given. The proletariat can and must support the militant bourgeoisie when it is waging a genuinely revolutionary struggle against feudalism. But it is not the business of the proletariat to support the bourgeoisie when it is calming down. If it is certain that a victorious bourgeois revolution is impossible in Russia without the nationalisation of the land, then it is still more certain that the subsequent turn to the division of the land is impossible without a certain amount of "restoration," without the peasantry (or, as it would be more true to say from the point of view of the presumed relationships: farmers) turning towards counter-revolution. The proletariat will defend revolutionary traditions against all such strivings and will not further the latter.

At all events, it would be a great mistake to think that, in the event of the new farmer class turning towards division of the land, nationalisation will be a transient phenomenon of no serious significance. At all events, it will have enormous material and moral significance. Material significance, in that nothing is capable of so thoroughly sweeping away the remnants of mediævalism in Russia, of so thoroughly renovating the rural districts, which are in a state of Asiatic semi-decay, of so rapidly advancing agricultural

[1] *Cf. Selected Works*, Vol. III, pp. 189-96.—*Ed. Eng. ed.*

progress, as nationalisation. Any other solution of the agrarian question in the revolution would create less favourable starting points for further economic development.

The moral significance of nationalisation in the revolutionary epoch lies in that the proletariat helps to strike a blow at "one form of private property" which must inevitably have its repercussions all over the world. The proletariat champions the most consistent and most determined bourgeois revolution, the most favourable conditions for capitalist development, and, thereby, most successfully counteracts all half-heartedness, flabbiness, spinelessness and passivity—qualities which the bourgeoisie cannot help displaying.

1907

SUPPLEMENTARY NOTES

On p. 199, 9th line: This number included about 27,500 farms belonging to Indians, Chinese and Japanese.

On p. 199, 35th line: Lenin had evidently in view here all the share tenants in the South.