

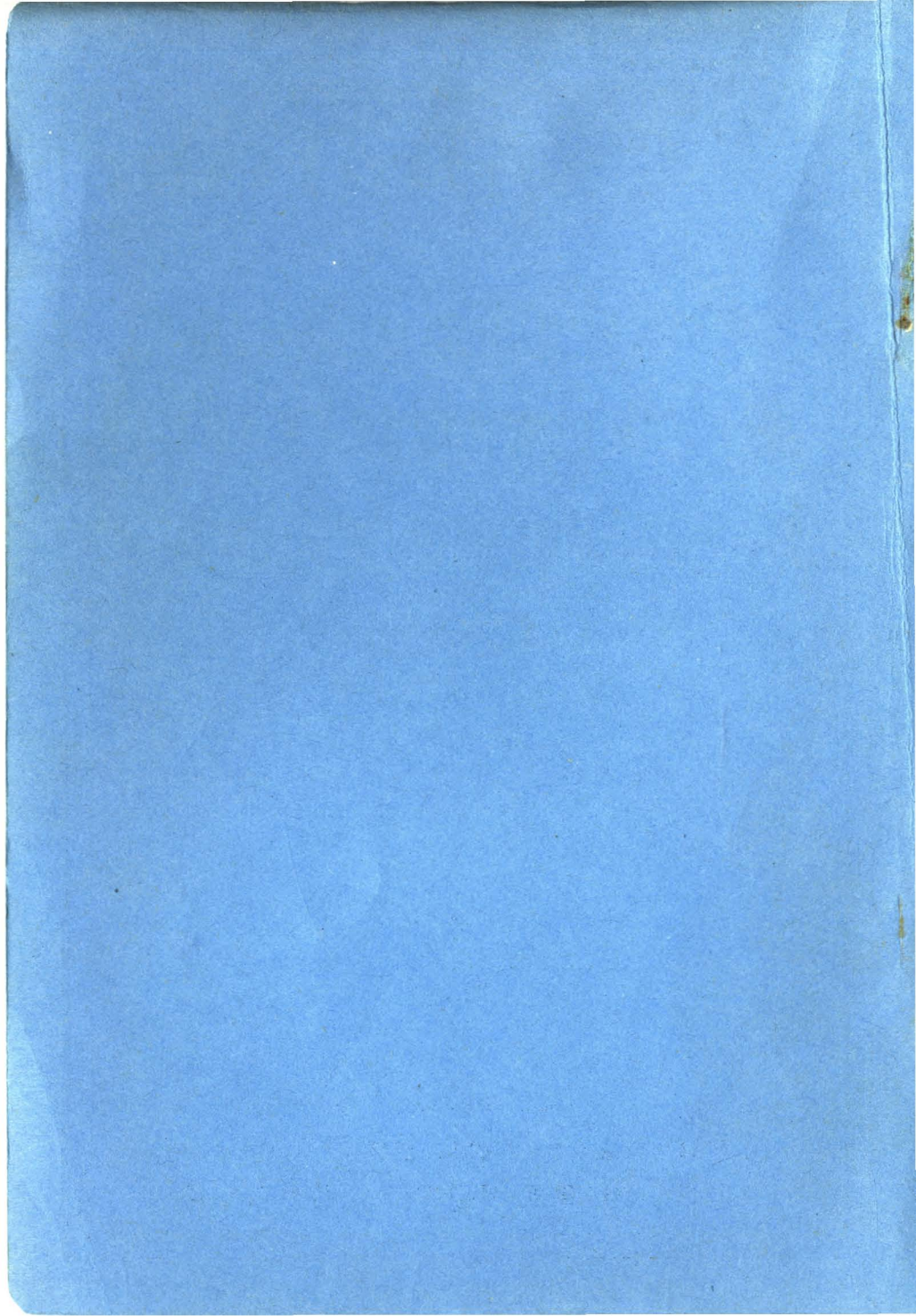
LITTLE LENIN LIBRARY
VOLUME 30

CAPITALISM
AND
AGRICULTURE

V. I. LENIN



INTERNATIONAL PUBLISHERS
381 FOURTH AVENUE • NEW YORK



H4 10

Capitalism

AND

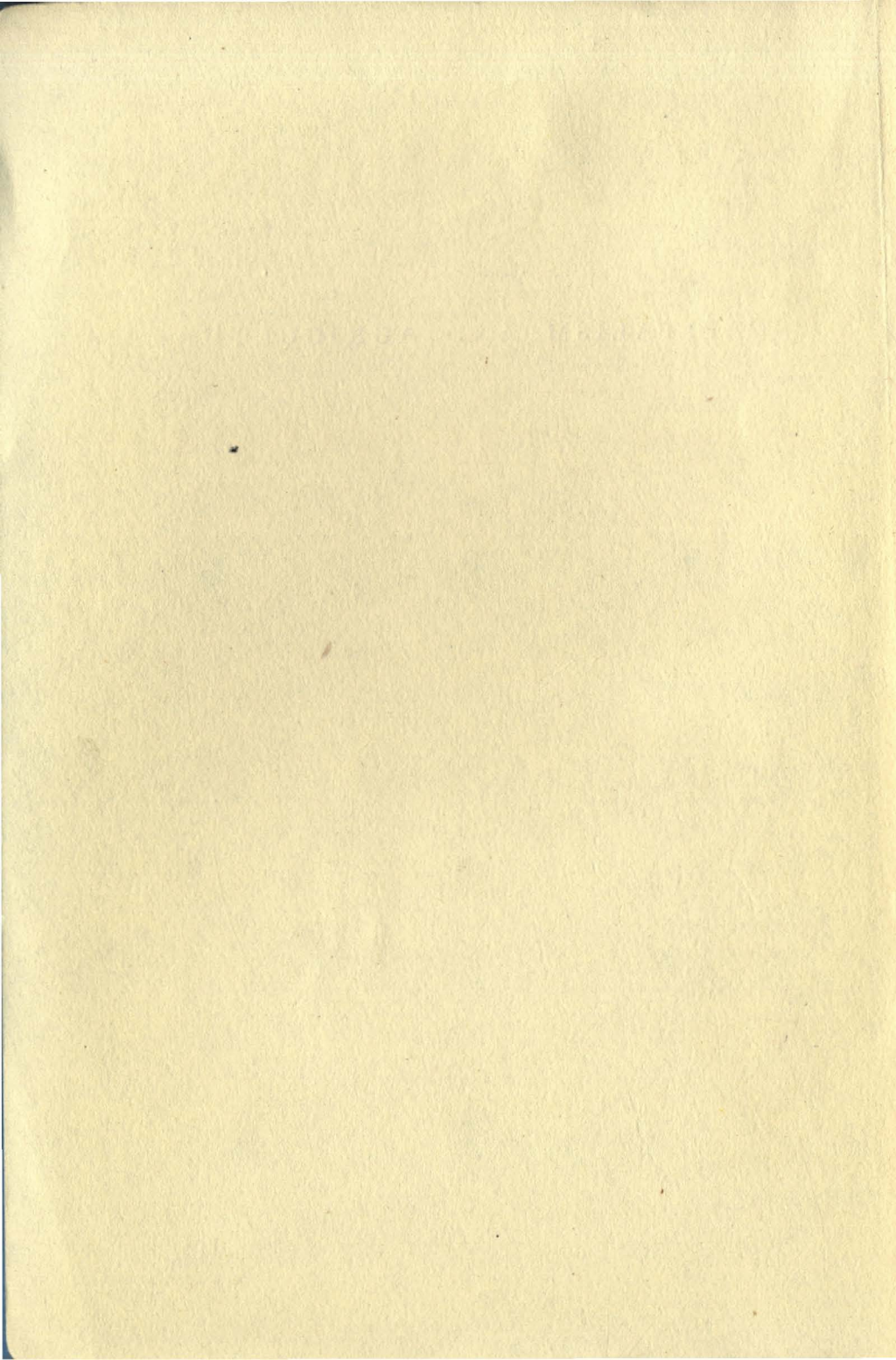
CAPITALISM AND AGRICULTURE

Agriculture

V. I. Lenin



INTERNATIONAL PUBLISHERS, NEW YORK



Capitalism AND Agriculture

V. I. Lenin



INTERNATIONAL PUBLISHERS, NEW YORK

CAPITALISM
AND
AGRICULTURE
V. I. LENIN

COPYRIGHT, 1946, BY

INTERNATIONAL PUBLISHERS CO., INC.

209

PRINTED IN THE UNITED STATES
OF AMERICA



INTERNATIONAL PUBLISHERS, NEW YORK

CONTENTS

I. CAPITALISM AND AGRICULTURE IN THE UNITED STATES	9
1. General Features of the Three Principal Regions. The Colonized West and the Homesteads	11
2. The Industrial North	15
3. The Formerly Slave-Owning South	17
4. A Comparison of Small and Big Farms	21
5. How the Elimination of Small Production by Large-Scale Production in Agriculture Is Minimized	29
6. The Expropriation of the Small Farmers	37
7. The Evolution of Industry and Agriculture Compared	45
8. Conclusions	54
II. THE PEASANTRY AND THE WORKING CLASS	57
III. THE AGRARIAN PROGRAM OF SOCIAL-DEMOCRACY IN THE FIRST RUSSIAN REVOLUTION (1905-1907)	60
1. What Is Nationalization of the Land?	61
2. The Criticism of Private Property in Land from the Point of View of the Development of Capitalism	66
3. The Nationalization of Land and "Money" Rent	70
4. Under What Conditions Can Nationalization Be Brought About?	72
5. Is Nationalization the Transition to Division of the Land?	77

CONTENTS

I. CAPITALISM AND AGRI-CULTURE IN THE
UNITED STATES

1. General Features of the Farm Problem in the United States
2. The Colonial West and the Farm Problem
3. The Industrial Revolution and the Farm Problem
4. The Farm Problem in the United States
5. A Comparison of the Farm Problem in the United States and Europe
6. How the Elimination of Farm Production is Affected by the Farm Problem
7. The Importance of the Farm Problem in the United States
8. The Elimination of Farm Production in the United States

II. THE REASONS AND THE WORKING CLASS

III. THE AGRICULTURAL PROBLEM OF RURAL DISTRICTS

1. The Agricultural Problem of Rural Districts
2. The Causes of the Agricultural Problem in Rural Districts
3. The Importance of the Agricultural Problem in Rural Districts
4. The Elimination of the Agricultural Problem in Rural Districts
5. The Agricultural Problem in Rural Districts and the Working Class
6. The Agricultural Problem in Rural Districts and the Working Class
7. The Agricultural Problem in Rural Districts and the Working Class
8. The Agricultural Problem in Rural Districts and the Working Class

EDITOR'S NOTE

The development of capitalism in agriculture and the policies and tactics with regard to farmers and agricultural workers constitute one of the major problems which has always been of deep interest to Marxists. Much of Lenin's writings is devoted to these problems.

Selections included in this volume give the reader at least an introduction to Lenin's method of studying agricultural problems, including his observations on American farming. His *Capitalism and Agriculture in the United States*, which was to be one of a series of studies on the laws of development of capitalism in agriculture in various countries, represents the fruits of his study of the United States Census of Agriculture of 1900 and 1910, a study which he carried on while living in exile in Switzerland in 1914-15. He states that the tables which he composed for this study were derived from Volume V of these two censuses and also from the *Statistical Abstract of the United States for 1911*. Concerning this reference, Lenin writes: ". . . those interested in the subject will easily find the corresponding data by referring to the tables of contents of these publications."

The selections from *The Agrarian Program of Social-Democracy in the First Russian Revolution (1905-1907)* include in summary form Marx's conception of differential and absolute ground rent and also the relation of ground rent to the problem of nationalization of land.

A short article "The Peasantry and the Working Class," written in 1913, is also included in this collection.

Those interested in fuller treatment of this subject are referred to Lenin's *Theory of the Agrarian Question, Selected Works*, Vol. XII, in which the reader will find the complete study on American agriculture as well as a number of other theoretical writings on the agrarian question. Anna Rochester's *Lenin on the Agrarian Question*, a comprehensive study of all of Lenin's writings on this subject, should also be consulted.

The original presentation of the theory of ground rent by Karl Marx, to which Lenin makes frequent reference, is to be found in *Capital*, Vol. III, Part VI.

I. Capitalism and Agriculture in the United States

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 civilization.

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*”*; that in the “more

* A term used by the Populists (Narodniks), meaning farms cultivated exclusively by the farmer and the members of his family.—*Ed.*

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 colonization 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 democratized, 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 labor 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 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*; 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 COLONIZED 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 northeast, 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-

* Census Reports. *Twelfth Census 1900. Vol. V. Agriculture*. Washington, 1902; *Thirteenth Census of the United States, 1910. Vol. V. Agriculture*. Washington, 1913.

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 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 statistician 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 *colonized* West.

The total area, the percentage of improved farm land,* 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 terms used in U. S. census returns for land under cultivation.—Ed.

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 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 "Populist"* way; the American republic has carried out the "Populist" idea in a capitalist manner by giving

* The Narodniks (Populists), a political group which existed prior to the appearance of Marxist parties in Russia, not to be confused with the American political movement of the 'eighties-'nineties, of the same name. "The Russian Narodniks . . . held that the principal revolutionary force was not the working class, but the peasantry, and that the rule of the tsar and the landlords could be overthrown by means of peasant revolts alone. . . . The Narodniks maintained that socialism in Russia would come not through the dictatorship of the proletariat, but through the peasant commune, which they regarded as the embryo and basis of socialism." (See *History of the Communist Party of the Soviet Union*, pp. 8-22.—*Ed.*)

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 industrialized districts, in which the process of colonization 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 emphasized 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 medieval 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 fertilizers. 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 fertilizers; 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)			Manufactures, exclusive of cost of raw materials	Number of workers in industry (in millions)
	Crops	Livestock	Total agriculture		
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, colonization 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 (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 fertilizers 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 industrialized 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 Populist literature of Russia proves that with regard to the Russian *otrabotki* system*—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

* The payment of rent by working for the landlord; a survival of the *barshchina*, or labor rent system, prevalent under serfdom. Cf. V. I. Lenin, *Selected Works*, Vol. I, Part I.—Ed.

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 characterize 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 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 colonization; 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, civilized, 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 colonized 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 characterize 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,* 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.*†) 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; where 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 colonization is going on (the West South-Central). Ninety-one to 92 per 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 colonization 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 colonization, 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 "colored" people. The Negroes are

* Slap-dash Markov, the nickname of the notorious reactionary, Black-Hundred deputy of the Tsarist State Duma, Markov the Second.—*Ed.*

† Lenin, *Selected Works*, Vol. I, pp. 370-75.—*Ed.*

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"* of the central agricultural regions of Russia.

4. A COMPARISON OF SMALL AND BIG FARMS

In all arguments on the subject of the evolution of agriculture and its laws the discussion centers 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

* The ex-serfs. See "The Development of Capitalism in Russia," *Selected Works*, Vol. I.—Ed.

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 labor employed. In regard to the last item, it is necessary to take into account the total annual amount of hired labor 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 laborers, but also day laborers, 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 laborers and number of hired laborers 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 colors. 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 labor (dollars)	Value of imple- ments 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
U. S. 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 colonization 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 labor 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

* This study was written in 1914-15.—*Ed.*

† Refers to section 10 of this study, to be found in V. I. Lenin, *Selected Works*, Vol. XII, p. 235 ff.—*Ed.*

implements, expenditure on hired labor and on fertilizers) not per farm, but per acre of land.

Group by value of products (dollars)	Average per acre of land (dollars)			
	Expenditure on hired labor	Expenditure on fertilizer	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 fertilizers 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 civilized 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 fertilizer 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 labor. But the transition to the exploitation of hired labor 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 fertilizers, 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 labor 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 labor of the farmer and his family predominates and those in which hired labor 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 colors*; 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 colors, 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 labor. 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 fertilizers increased very much, *viz.*, by 115 per cent, that is, more than doubled, whereas expenditure on hired labor 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 fertilizers 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 fertilizers, 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 labor.

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 fertilizers increases in proportion to the increase in the scale of farming—it inevitably follows that the “progress” made in the use of fertilizers 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.

5. HOW THE ELIMINATION OF SMALL PRODUCTION BY LARGE-SCALE PRODUCTION IN AGRICULTURE IS MINIMIZED

The objection may be raised: if small *production* is “also” being eliminated owing to the intensification (and “capitalization”) 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* be-

* These classifications, as made clear in preceding sections of this study, are: (1) area of farm land, (2) value of products, (3) principal source of income.—Ed.

tween 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 fertilizers. 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 extensiveness of farming
Expenditure on fertilizer	36.5	31.8	31.7	41.9	25.7	32.4	29.1	26.1	44.8	
VARIABLE CAPITAL										
Expenditure on hired labor	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 fertilizers (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 labor 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 machin-

ery and expenditure on fertilizers), capitalist character (expenditure on hired labor), and productivity of labor (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 organized 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 *minimizes* 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 fertilizers and employing laborers, 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 *minimize* the real *concentration* of agriculture in large-scale production. We shall see in a moment the precise statistical expression of this minimizing 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 *minimizes* 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, fertilizers, 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 laborer and capitalist, farmers 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 pro-

duction: 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* as a country where "toiler" farming prevails—is concentrated in *capitalist* farms that compromise only one-sixth of the total number of farms, yet spend on hired labor 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 labor), and half as much again as the average per acre (69.1 per cent of the total expenditure on hired labor 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 fertilizers than the average, only 29.1 per cent of the total expenditure on fertilizers. 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 minimizes the degree to which small production is eliminated by large-scale production; and the more rapidly and widely intensive farming develops, the

* A character in Gogol's *Dead Souls*, representing a landlord whose head is filled with fantastic schemes.—*Ed.*

greater the differences among farms as regards the amount of capital invested per unit of area, the more this is minimized. 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 laborers 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, pauperization, 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 concerned, 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.

6. 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 colonized, 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 pauperization 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:

	Per cent increase
Total rural population	11.2
Total number of farms	10.9
Total number of owners	8.1
Total number of <i>full</i> owners	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:

	Per cent
1880	74.0
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 Populists, 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 <i>full</i> 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 parceled 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 area. 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.

Per cent of farms possessing dairy cows

Group (in acres)	Per cent of farms possessing dairy cows		Increase or decrease
	1900	1910	
Under 20	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 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 centers. 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 labor 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		
	1900	1910	Increase
North	4.8	5.3	+0.5
South	2.3	2.4	+0.1
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 (in acres)	Per cent increase or decrease of dairy cows, 1900-1910	Per cent increase or decrease in number of farms
Under 20	— 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 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 (in acres)	Percentage of farms owning horses		
	1900	1910	Decrease
Under 20	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 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 plows 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
North	40.3	40.9	41.9
South	5.7	17.2	23.5
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 (*U.S. Census of 1910*, 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.

7. THE EVOLUTION OF INDUSTRY AND AGRICULTURE COMPARED

Despite all their shortcomings, the figures provided by American statistics compare favorably 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 parcelization 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 parceled 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	
<i>Industry</i>			
Total capital of all enterprises	8,975	18,428	105.3
Value of products	11,406	20,671	81.2
<i>Agriculture</i>			
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 medievalism 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.*, capitalized 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 laborers, converts him, nevertheless, into an antagonist of the proletariat, makes a petty bourgeois of him. He sells his product, whereas the proletarian sells his labor 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 towards the mass of proletarians and semi-proletarians who are entirely, or mainly, dependent for their livelihood on the sale of their labor 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
<i>Industry</i>			
Number of wage workers (thousands)	4,713	6,615	+40.4
Total wages (million dollars)	2,008	3,427	+70.6
<i>Agriculture</i>			
Number of hired laborers	—	—	+47.1
Total wages (million dollars)	357	652	(approx.) +82.3
<hr/>			
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 proletarianization of the population is also growing.*

* The number of wage workers in agriculture, or rather, their increase is determined by the ratio: $82.3:70.6 = X:40.4$, whence $X = 47.1$ (see table above).—Ed.

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	
<i>Industry</i>					
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
<i>Agriculture</i>					
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

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 larger 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	
<i>Industry</i>					
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
<i>Agriculture</i>					
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 *minimizes* 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 decentralized: 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 labor 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 socializing agricultural production even at the present stage of its development. Those who control the banks *directly* control one-third of all the farms in America, and, consequently, indirectly

dominate them all. The organization 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.

8. 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 colonization carried out on democratic-capitalist lines.

Here we have regions that were settled long ago and are highly industrialized, highly intensive, similar to most of the areas in civilized, 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 colonized 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 laborers, and the *homesteads* of "independent" small farmers who still entertain naive illusions about living "by the labor 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 labor 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 labor. The development of wage labor, 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 laborers 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 minimized, 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 minimized 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, organized 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 analyzed 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 colonization 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.

II. The Peasantry and the Working Class

In the Populist 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 laborer 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 labor* in agriculture. The bourgeois economists (including the Populists) usually praise the "vitality" of small production in agriculture, meaning by that farms which do not employ wage labor. But they do not like precise figures on wage labor 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 labor 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 labor. 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:

Farms (in hectares)	Family workers	Wage workers	Total
2 to 5	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 labor. The sentimental catchword, "toiling" peasant, merely deceives the workers by *concealing* this exploitation of wage labor.

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

* Hectare, approximately 2.47 acres.—Ed.

eternally vacillating between the wage workers and the capitalists. The majority of the peasants live in poverty, are ruined and become transformed 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 organization 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.

III. The Agrarian Program of Social-Democracy in the First Russian Revolution (1905-1907)

A serious defect in almost the whole of the Social-Democratic press on the question of the agrarian program in general, and the defect in the debates at the Stockholm Congress* in particular is that practical considerations predominate over theoretical considerations, political considerations over economic.† The excuse for the majority of us, of course, is 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 Russian Social-Democratic Labor Party" 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

* The Congress of the Russian Social-Democratic Labor Party, known as the Fourth, Unity Congress, held in Stockholm April 23 to May 8, 1906.—*Ed.*

† In my pamphlet, *The Revision of the Agrarian Program 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 program. I pointed out in that pamphlet that "the bare repudiation of nationalization" 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 unflinchingly say, if we do not want to disagree with Vol. III of *Capital*, that the nationalization 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 nationalization 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.*]

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 nationalization and municipalization is particularly necessary.

1. WHAT IS NATIONALIZATION OF THE LAND?

Above we quoted the stock formula of the now generally recognized proposition: "All the Populist groups express themselves in favor of the nationalization 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 "nationalization" among the representatives of the various political trends, there is very little that is "generally recognized" in it. The masses of the peasantry demand the land spontaneously, for they are opposed 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 medieval land ownership and by the impossibility of organizing the cultivation of the soil in a manner that fully corresponds to "proprietor" requirements if this motley medieval 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 nationalization. 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 Populist ideology, which expresses the demands and the hopes of the peasantry, the negative sides of the concept (or hazy idea) of nationalization 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 Populist ideology. Equal right to land, equal tenure, socialization—all these are merely different forms of expression of the same ideas; and all these are mainly negative concepts, for the Populist has no conception of a new system as a definite system of social-economic relationships. The Populist 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 Populism, 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 labor power into money. Commodity production becomes capitalist production. This theory is not a dogma, but a simple description, a generalization 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 medieval relationships and the agrarian system, from bondage

and tyranny, the more strongly capitalist relationships develop within this peasant farming. This is a fact to which the whole of the post-reform* history of Russia undoubtedly testifies.

Consequently, the concept, nationalization 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 Populists say that is real in this concept, but what emerges from the economic relations of present society. The nationalization 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 labor in agriculture, the transformation of the landowner into a farmer, into an entrepreneur. Nationalization (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, nationalization, 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

* The period following the emancipation of the serfs in 1861.—*Ed.*

produce is determined by the conditions of production, not on the average soil, but on the worst 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.* Private ownership of land hinders free competition, hinders the equalization 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 leveling 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

* In Part 2 of Vol. II of *Theories of Surplus Value* (German edition), 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 leveling of profit by keeping profit at a level higher than the 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).

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* created backwardness of agriculture, a backwardness riveted by monopoly.

Kautsky contrasts these two forms of rent, particularly in relation to the nationalization 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 nationalization 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 nationalization 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 labor on better soil, or on a better

* Cf. *Theories of Surplus Value*, Vol. II, Part 1 (German edition), p. 259: "In agriculture hand labor 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.)

located plot. The latter does not arise from the additional income of certain forms of agricultural labor; 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 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.*

Thus, the question of the nationalization of the land in capitalist society is divided into two materially different parts: the question of differential rent, and the question of absolute rent. Nationalization changes the owner of the former, and undermines the very existence of the latter. Hence, on the one hand, nationalization 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 nationalization of differential rent and of absolute rent, it is impossible to understand the economic significance of the question of nationalization in Russia.

2. 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 realizes 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 criti-

* Kautsky, *The Agrarian Question*, German edition, pp. 79-80. [Kautsky wrote this pamphlet when he was still a Marxist.—*Ed.*]

† The Russian Bolsheviks functioned under the name of Social-Democrats

cism 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 Populists. The result was an extreme theoretical vulgarization 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 Populist, *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 bourgeois (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 Populist 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 criticized 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 emphasizing 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

until 1918, when their party, previously known as the Russian Social-Democratic Labor Party, was changed to the Communist Party.—*Ed.*

* A writer on agrarian problems.—*Ed.*

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.)*

The expenditure of capital in the price of the land withdraws this capital from cultivation. (*Ibid.*, 341.)†

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. (*Ibid.*, 344-345.)‡

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 Populist, 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 Populist, 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§ reads as follows:

* Karl Marx, *Capital*, Vol. III, p. 939, Kerr ed. The reference in parentheses is to the Russian edition which Lenin used.

† *Ibid.*, p. 938.—*Ed.*

‡ *Ibid.*, p. 942.—*Ed.*

§ 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.*

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 reorganized by a victorious peasant revolution. Kautsky, in his book *The Agrarian Question in Russia*, quite rightly emphasizes this. But what we are discussing now is the social-economic significance of all these "cheap loans and grants," which the Populist 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 organization 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 nationalization of the land; or the preservation of private property in land—in which case devious forms of penetration of 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.)*

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

* *Capital*, Vol. III, p. 944, Kerr ed.—Ed.

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 nationalization of the land is under the capitalist system of production.

3. THE NATIONALIZATION OF LAND AND "MONEY" RENT

Finn, the advocate of division of the land, advances an interesting economic argument against nationalization. Both nationalization and municipalization, 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 labor 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, says A. Finn, "is the most widespread in our country today." (Page 63.)

Undoubtedly, self-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 precapitalist sense. Hence, the only significance of Finn’s argument is that he once again emphasizes 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 nationalization of the land, municipalization 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.)* 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 nationalization, 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 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 laborers and day laborers. Among these peasants the element of capitalist rent is taken for granted. These peasants express their interests through the

* *Ibid.*, pp. 935-36.—Ed.

mouths of Messrs. Peshekhonov, who "soberly" reject the prohibition of wage labor as well as "socialization 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 Populists 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, nationalization, or municipalization. "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"*), as well as under the peasant expropriation of the richest landlords.

4. UNDER WHAT CONDITIONS CAN NATIONALIZATION BE BROUGHT ABOUT?

Among Marxists one often meets with the view that nationalization 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 and mortgages). It is assumed that large-scale capi-

* 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.

talist farming must have established itself before the nationalization of the land, which cuts out rent without affecting the economic organism, can be brought about.*

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, nationalization 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 nationalization in capitalist society often occur in history is another matter. But nationalization is not only an effect of, but also a condition for, the rapid development of capitalism. To think that nationalization is possible only at a high stage of development of capitalism in agriculture means, perhaps, the repudiation of nationalization 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 "socialization 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 nationalization 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

* 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 nationalization 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.)

at that time, was only just starting its "industrial" development. The experience of various capitalist countries gives us no example of the nationalization 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 nationalization 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 nationalization 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 labor, would be very dangerous for another form. Moreover, the bourgeois has territorialized himself. (*Theorien über den Mehrwert*, II. Band, I. Teil, S. 208.)

Marx does not here point to the undeveloped state of capitalism in agriculture as an obstacle to the achievement of nationalization. He points to two other obstacles, which speak much more in favor of the possibility of achieving nationalization 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 territorialized 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 "territorialized itself," "settled on the land," has fully subordinated landed property to itself, then a genuine social movement of the bourgeoisie in favor of nationalization 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 nationalization 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 vulgarizes the question of the historically concrete conditions in which nationalization 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 "territorialization" 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 territorialized 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.*, nationalization.

In all these respects the Russian bourgeois revolution finds itself in particularly favorable 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 nationalization 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 "territorialized" 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 nationalization of the land becomes quite intelligible. The liberal landlord, lawyer, big manufacturer and merchant have all sufficiently "territorialized" 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

* Stolypin, head of the tsarist government following the Revolution of 1905. Cadet, bourgeois party known as Constitutional-Democrats, nicknamed Cadets, from the first letters of their name.—*Ed.*

his grave by old Russia is capable of striving for the complete renovation of the system of land ownership.

5. IS NATIONALIZATION THE TRANSITION TO DIVISION OF THE LAND?

If nationalization 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 nationalization may turn out to be simply the transition to division. The real economic need which compels the masses of the peasantry to strive for nationalization 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 nationalization, 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 inquire: (1) whether their interests can demand division; (2) under what conditions; and (3) how this will affect the proletarian agrarian program.

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 nationalization the demand for division may be called forth by the desire to stabilize 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 nationalization of the land will be an element that will "whet the appetite" for the socialization of the whole of social production. All these three possibilities reduce themselves to a single economic basis; for the stabilization 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 stabilization. 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 colonization fund of Russia:* stabilizing 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 colonization 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

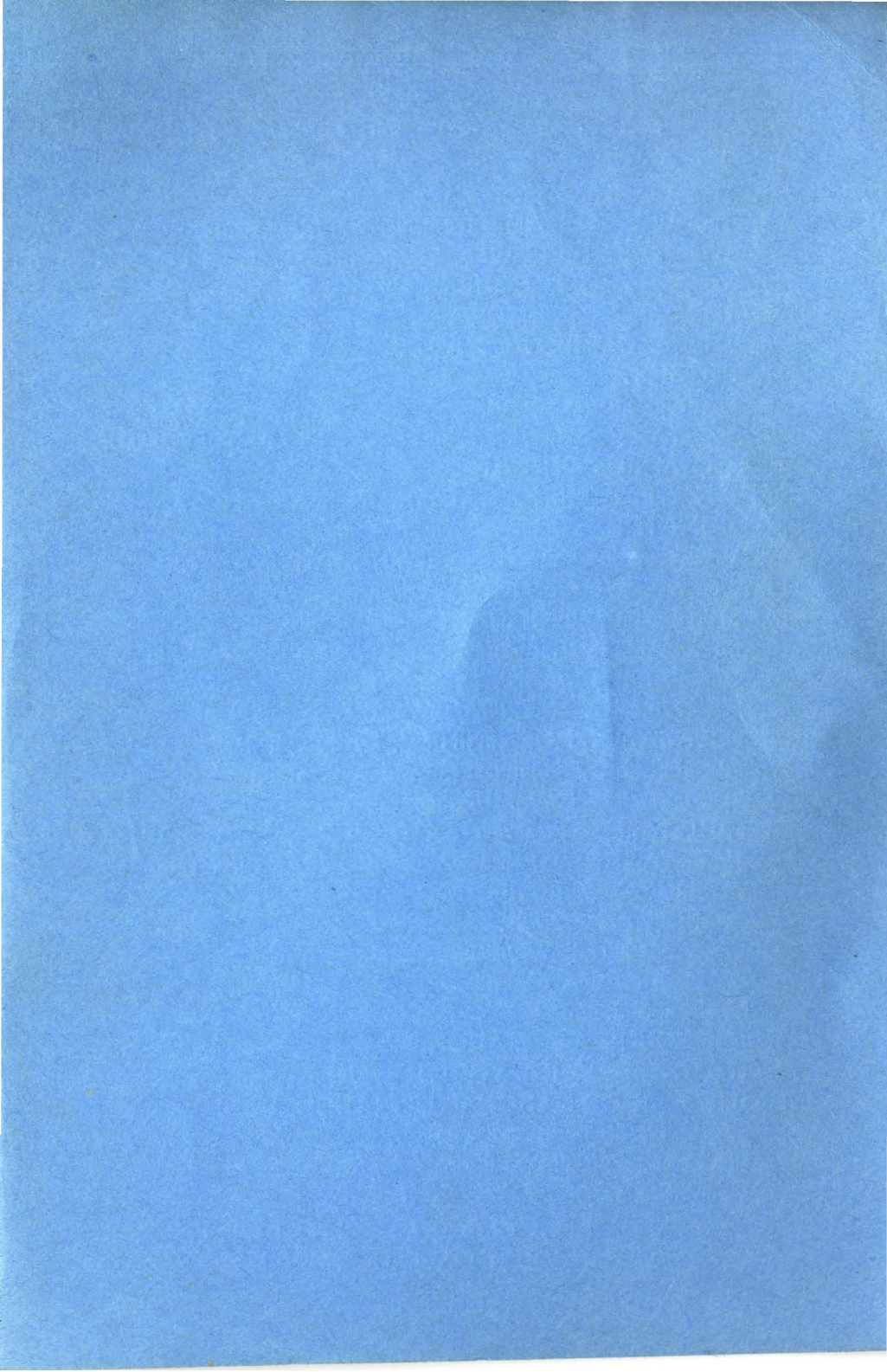
* Cf., V. I. Lenin, *Selected Works*, Vol. III, pp. 189-96.—*Ed.*

support the bourgeoisie when it is calming down. If it is certain that a victorious bourgeois revolution is impossible in Russia without the nationalization 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, nationalization 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 progress, as nationalization. Any other solution of the agrarian question in the revolution would create less favorable starting points for further economic development.

The moral significance of nationalization 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 favorable conditions for capitalist development, and, thereby, most successfully counteracts all half-heartedness, flabbiness, spinelessness and passivity—qualities which the bourgeoisie cannot help displaying.

1907



LITTLE LENIN LIBRARY

These volumes contain Lenin's and Stalin's shorter writings which have become classics of the theory and practice of Leninism, as well as selections from their writings dealing with special topics.

1. THE TEACHINGS OF KARL MARX	\$0.20
2. THE WAR AND THE SECOND INTERNATIONAL	0.20
3. THE ROAD TO POWER, by Joseph Stalin	0.15
4. WHAT IS TO BE DONE?	0.50
5. THE PARIS COMMUNE	0.20
6. THE REVOLUTION OF 1905	0.20
7. RELIGION	0.15
8. LETTERS FROM AFAR	0.15
9. THE TASKS OF THE PROLETARIAT IN OUR REVOLUTION	0.15
10. THE APRIL CONFERENCE	0.20
11. THE THREATENING CATASTROPHE AND HOW TO FIGHT IT	0.20
12. WILL THE BOLSHEVIKS RETAIN STATE POWER?	0.15
13. ON THE EVE OF OCTOBER	0.15
14. STATE AND REVOLUTION	0.30
15. IMPERIALISM, THE HIGHEST STAGE OF CAPITALISM	0.30
16. LENIN, Three Speeches by Joseph Stalin	0.10
17. A LETTER TO AMERICAN WORKERS	0.05
18. FOUNDATIONS OF LENINISM, by Joseph Stalin	0.40
19. PROBLEMS OF LENINISM, by Joseph Stalin	0.25
20. "LEFT-WING" COMMUNISM	0.25
21. PROLETARIAN REVOLUTION AND RENEGADE KAUTSKY	0.30
22. TWO TACTICS OF SOCIAL DEMOCRACY IN THE DEMOCRATIC REVOLUTION	0.30
23. WOMEN AND SOCIETY	0.10
24. WAR AND THE WORKERS	0.10
25. DIALECTICAL AND HISTORICAL MATERIALISM, by Joseph Stalin	0.20
26. THE YOUNG GENERATION	0.15
27. THE TASKS OF THE YOUTH, by Joseph Stalin	0.15
28. THE WAR OF NATIONAL LIBERATION, I & II, by Joseph Stalin	ea., 0.15
29. MARXISM AND REVISIONISM, by V. I. Lenin and Joseph Stalin	0.20

INTERNATIONAL PUBLISHERS
381 FOURTH AVENUE, NEW YORK