INFORMATION TO USERS

This reproduction was made from a copy of a document sent to us for microfilming. While the most advanced technology has been used to photograph and reproduce this document, the quality of the reproduction is heavily dependent upon the quality of the material submitted.

The following explanation of techniques is provided to help clarify markings or notations which may appear on this reproduction.

1. The sign or “target” for pages apparently lacking from the document photographed is “Missing Pages(s)”. If it was possible to obtain the missing page(s) or section, they are spliced into the film along with adjacent pages. This may have necessitated cutting through an image and duplicating adjacent pages to assure complete continuity.

2. When an image on the film is obliterated with a round black mark, it is an indication of either blurred copy because of movement during exposure, duplicate copy, or copyrighted materials that should not have been filmed. For blurred pages, a good image of the page can be found in the adjacent frame. If copyrighted materials were deleted, a target note will appear listing the pages in the adjacent frame.

3. When a map, drawing or chart, etc., is part of the material being photographed, a definite method of “sectioning” the material has been followed. It is customary to begin filming at the upper left hand corner of a large sheet and to continue from left to right in equal sections with small overlaps. If necessary, sectioning is continued again beginning below the first row and continuing on until complete.

4. For illustrations that cannot be satisfactorily reproduced by xerographic means, photographic prints can be purchased at additional cost and inserted into your xerographic copy. These prints are available upon request from the Dissertations Customer Services Department.

5. Some pages in any document may have indistinct print. In all cases the best available copy has been filmed.
Miyabara, Tetsuo

A THEORY OF PEASANT MOVEMENTS WITH A BRAZILIAN CASE EXAMPLE

University of Hawaii

University Microfilms International 300 N. Zeeb Road, Ann Arbor, MI 48106

Ph.D. 1983
A THEORY OF PEASANT MOVEMENTS
WITH A BRAZILIAN CASE EXAMPLE

A DISSERTATION SUBMITTED TO THE GRADUATE DIVISION OF THE
UNIVERSITY OF HAWAII IN PARTIAL FULFILLMENT
OF THE REQUIREMENTS FOR THE DEGREE OF
DOCTOR OF PHILOSOPHY
IN POLITICAL SCIENCE
MAY 1983

By
Tetsuo Miyabara

Dissertation Committee
Benedict J. Kerkvliet, Chairman
Douglas P. Bwy
Harry J. Friedman
Robert S. Stauffer
Truong-Buu Lan
ACKNOWLEDGEMENTS

Many individuals have helped me finish this dissertation. To begin with, any work based on secondary material requires extensive library work. I would like to thank the social science and humanities librarians at Hamilton Library for patiently helping me find resources and guiding my literature searches. I would also like to thank the reference librarians of the Asian collection who directed me to national statistical data, generously translated some data tables for me, and graciously put up with an unending barrage of questions.

At the East-West Resource Systems Institute I am grateful to John Bardach and Bruce Koppel. I have known John for quite some time and he has both provided me with material support and been understanding about how difficult writing a thesis can be. Bruce has also generously supported my research and reviewed drafts of the dissertation. I would also like to thank Bruce for helping me negotiate my way through the frustrations of conducting even mildly critical analysis.

On a personal level, I would like to thank Ed Oasa and Bob Grossman who have helped me keep the dissertation in some perspective. My parents have also provided me the patient emotional support necessary to complete my writing.

Finally I would like to acknowledge my committee. Although no thanks is required, I appreciate both their personal concern which was a great encouragement, and their intellectual guidance which enabled me to finish and increase my analytic skills.
ABSTRACT

Peasant movements are often viewed as isolated phenomena far removed from the more significant political and developmental issues confronting a nation. But peasant movements are not isolated phenomena. They are crucial elements of societal change and are integral parts of national development. They reflect the essential political character of the peasantry which demands a voice in determining national policy. This study emphasizes these points by explaining and analyzing peasant movements in terms of four factors: 1) capitalist development, 2) state policy, 3) the structural circumstances of the peasantry, and 4) the process of mobilization. 

Capitalist development integrates peasants with national and international markets and thereby expands economic opportunities for all. But the results are differential: peasants with resources take advantage of the opportunities and benefit; peasants without resources stagnate. State policy benefits different groups of peasants depending on the particular rural policies that are enacted. I argue that policy-making depends not so much on rational planning for agricultural modernization, but on the power balance among various groups in the nation. Capitalism and state policy form a new arena within which peasants earn their livelihood. Whether peasants become interested in altering this arena through collective action depends on their specific circumstances. Eleven social, political, and economic variables form
the structural conditions of peasant livelihood and determine how individual peasant communities respond. Finally, the way a movement evolves, depends on what resources peasants have, how they mobilize, and how the state reacts to their tactics.

Using secondary data, I apply the theory to the peasant movement in Pernambuco, Northeast Brazil. Although the case study generally confirms the theory, there are unforeseen conclusions and implications. First, the beneficiaries of market opportunities are not determined simply by a neutral economic process of resource endowment. Those who succeed use political and class power to gain an advantage over others. Second, to adequately explain the peasant movement, changes in the structural elements of peasant society, such as population, communal relations, and class must be integrated with how peasants use these elements as resources for collective mobilization. Finally, state rural policy is not the mechanistic outcome of balancing interests in the nation. Rural policy can be flexible and imaginative. Moreover, peasants can shape rural development through their collective political action.
# TABLE OF CONTENTS

ACKNOWLEDGEMENTS................................................................. iii
ABSTRACT.................................................................................. iv
LIST OF TABLES........................................................................... viii
LIST OF FIGURES.......................................................................... ix

CHAPTER I. INTRODUCTION

CHAPTER II. PEASANTS AND PEASANT SOCIETY

The Concept of a Peasant......................................................... 6
Visions of Peasant Society....................................................... 12
Patron-Client Relationships.................................................... 19
Communal Relations............................................................... 25
Summary.................................................................................. 33

CHAPTER III. CAPITALISM AND PEASANT SOCIETY

The Capitalist System............................................................. 40
The General Nature of Capitalism........................................... 44
Capitalism's Competitive Structure......................................... 49
Long Waves of Capitalist Development................................... 54
Capitalism and Peasant Society............................................... 59
Peasants and Market Expansion............................................. 60
Land and Capitalist Development........................................... 66
Capitalism and Patron-Client Relations................................. 70
Capitalism and Communal Relations....................................... 76
Summary.................................................................................. 84

CHAPTER IV. THE STATE AND PEASANT SOCIETY

Conceptions of the State......................................................... 96
The Modern Third World State............................................... 103
State Autonomy......................................................................... 103
Interests of the Modern Third World State............................. 105
Rural Policies........................................................................... 110
State Policy Making: Bounded Autonomy............................... 113
International Constraints....................................................... 113
State Strength and Organization............................................. 114
The Constraint of Social Groups............................................. 116
The State's Impact on Peasants............................................... 124
Peasants and State Authority.................................................. 125
State Transfers of the Rural Surplus....................................... 133
Agricultural Modernization and Peasants............................... 138

vi
CHAPTER V. A THEORY OF PEASANT MOVEMENTS

Definition of Peasant Movements................ 182
Peasant Society and Peasant Movements........ 185
Class Structure.................................. 186
Population Pressure and Inequality............. 192
Structure of Agricultural Production........... 197
Technical Status of Agriculture................ 204
Patron-Client Relations.......................... 209
Communal Relations............................... 212
Ecologic Vulnerability................................ 216
Isolation from Authority........................... 217
Reinforcing Cleavages................................ 218
Consciousness....................................... 219
External Support.................................... 221
The Mobilization Process............................ 224
The Emergence of Peasant Movements............. 227
State Action and Peasant Movements............... 234
Summary............................................. 241

CHAPTER VI. PEASANT MOVEMENT IN PERNAMBUCO, NORTHEAST BRAZIL: A CASE EXAMPLE

Capitalist Development in Northeast Brazil...... 257
The Brazilian State.................................. 263
The National Power Balance........................ 263
State Interests and Rural Development Policy... 270
Pernambucan Peasant Structure..................... 274
Class Structure..................................... 278
Population and Inequality.......................... 281
Structure of Production............................. 285
Patron-Client Bonds.................................. 287
Communal Relations.................................. 290
Pernambucan Peasant Consciousness............... 292
Summary of Structural Elements.................... 295
Peasant Mobilization................................ 296
Emergence and Growth................................ 296
The State Role....................................... 302
Evolution of the Peasant Movement................ 306
Epilogue............................................. 312

CHAPTER VII. CONCLUSION

Overview of the Theory............................ 321
Capitalist Development and Peasant Society....... 323
The State and Peasant Society..................... 328
Peasant Movements.................................. 331
Agrarian Transformation and Rural Developmennt.. 337

BIBLIOGRAPHY........................................ 342
# LIST OF TABLES

<table>
<thead>
<tr>
<th>Table</th>
<th>Description</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.1</td>
<td>Peasant Classes and Their Defining Characteristics</td>
<td>11</td>
</tr>
<tr>
<td>3.1</td>
<td>Growth of World Trade and Production</td>
<td>90</td>
</tr>
<tr>
<td>3.2</td>
<td>Expansion and Contraction over the Long Cycle</td>
<td>90</td>
</tr>
<tr>
<td>4.1</td>
<td>Tenancy Before and After Reform, Taiwan</td>
<td>155</td>
</tr>
<tr>
<td>4.2</td>
<td>Tenancy Before and After Reform, Korea</td>
<td>158</td>
</tr>
<tr>
<td>4.3</td>
<td>Average Income Farm Families by Farm Size</td>
<td>174</td>
</tr>
<tr>
<td>4.4</td>
<td>Distribution of Farmhouseholds by Landholding</td>
<td>178</td>
</tr>
<tr>
<td>4.5</td>
<td>Distribution of Farm Households by Plot Size, Korea</td>
<td>180</td>
</tr>
<tr>
<td>5.1</td>
<td>The Components of Peasant Interest and Power</td>
<td>243</td>
</tr>
<tr>
<td>6.1</td>
<td>Economically Active Population</td>
<td>261</td>
</tr>
<tr>
<td>6.2</td>
<td>Gross Domestic Product in Constant 1970 U.S. Dollars</td>
<td>261</td>
</tr>
<tr>
<td>6.3</td>
<td>Volume of World Trade</td>
<td>261</td>
</tr>
<tr>
<td>6.4</td>
<td>Share of Gross Domestic Product by Economic Sector</td>
<td>266</td>
</tr>
<tr>
<td>6.5</td>
<td>Brazil's Exports by Industrial Origin</td>
<td>266</td>
</tr>
<tr>
<td>6.6</td>
<td>U.S. Direct Foreign Investment in Brazil</td>
<td>266</td>
</tr>
<tr>
<td>6.7</td>
<td>State Expenditures as a Percent of GDP</td>
<td>267</td>
</tr>
<tr>
<td>6.8</td>
<td>Estimate of Peasant Classes in Pernambuco, 1950-1970</td>
<td>278</td>
</tr>
<tr>
<td>6.9</td>
<td>Estimate of Peasant Classes in Pernambuco's Regions</td>
<td>279</td>
</tr>
<tr>
<td>6.10</td>
<td>Population of Pernambuco, 1940-1970</td>
<td>282</td>
</tr>
<tr>
<td>6.11</td>
<td>Size and Distribution of Landholdings in Agreste, Sertao, and Mata</td>
<td>283</td>
</tr>
</tbody>
</table>
# LIST OF FIGURES

<table>
<thead>
<tr>
<th>Figure</th>
<th>Description</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>6.1</td>
<td>Geographic Regions and States of Northeast Brazil</td>
<td>275</td>
</tr>
<tr>
<td>7.1</td>
<td>Theory of Peasant Movements: A Schematic Diagram</td>
<td>322</td>
</tr>
</tbody>
</table>
In recent years the debate over the modernization of peasant societies has taken on a new urgency. The failure of the green revolution and the "development decade" to substantially reduce rural poverty has initiated a serious debate about how the peasantry of Asia, Africa, and Latin America should be modernized. The debate raises questions about the causes of poverty, about the efficacy of present policies, about the benefits of recent agrarian transitions, and the potential political action of peasants. The questions are vital to most developing nations where the majority of the population is composed of rural agriculturalists. Not inconsequentially, the questions are of immediate concern to the industrialized nations which have a large stake in any Third World structural and political changes.

The following study tries to address these issues by examining the economic and political forces that bring about changes in peasant society. By economic forces I mean the growth of a system of world capitalism which creates pressures towards particular patterns of resource distribution. The economic issues discussed in the analysis, then, do not focus on traditional topics such as raising productivity, increasing efficiency, or raising per capita rural income, although these are important factors in the analysis. Rather, the economic
discussion emphasizes distribution. It emphasizes who gets resources and who does not; who gains and who loses; and ultimately who eats and who starves.

By political forces I refer generally to the power of various groups and classes to influence the formation of national policy. Groups such as the international bourgeoisie, whose clients are the multi-national corporations, and the landed elite are extremely powerful and use their power to obtain particular taxation, land reform, and agricultural modernization policies which benefit them. The peasantry is a group with considerable potential power. However peasants seldom act in unison to influence policy or pressure other groups to recognize their interests. Yet peasants are an integral part of national development efforts; they are affected significantly by national economic strategies; and when they do act, they heavily influence national policy. The questions then, are: when do peasants act collectively, why do they act collectively; and what are their likely actions? This study addresses these questions by focusing on the process of how peasants come to assert their force through political action.

In sum, the analysis may be classified as a study of political economy, a study of the interrelationship of political and economic forces in creating the conditions in which peasants in the Third World find themselves and how peasants act to alter those conditions. To accomplish this, the study will be divided into six more chapters.
In the second chapter, I set the context for the study by examining the concept of traditional peasant society. This discussion establishes a benchmark against which political and economic changes can be viewed. But there is no single view of what peasant society was like. There is a polemic about the nature of peasant society, whether it was a unit of group solidarity providing subsistence for all, or whether it was a segmented society riven by internecine rivalry and feudal domination that prevents progress. To some extent traditional peasant society was both. Relationships and institutions not only provided some degree of subsistence security but also limited opportunities. In this regard peasants took risks to try and improve their livelihood, but their concern for existential security was more powerful, and was reflected in their institutions which perpetuated stratification.

The third chapter discusses the expansion of capitalism, which introduces new pressures and new opportunities to peasant society through the extension of the world market. The opportunities, however, are limited primarily to those peasants with the most resources. As a consequence, peasants with the most land, wealth, knowledge, and influence use the market to their advantage, solidifying their position and even increasing their wealth at the expense of other peasants. This creates pressures towards greater resource concentration while perpetuating the system of stratification. However, capitalist economies are characterized by a phenomenon known as the long cycle in which a period of expansive growth alternates with a period of stagnation. During periods of growth, there is considerable surplus and
less pressure on poorer peasants. During periods of stagnation, there is less surplus and considerably greater pressure towards resource stratification.

The fourth chapter presents a theory of how state policies are made and how they affect peasants. A policy subsidizing agricultural inputs, for example, benefits peasants with land and knowledge but does not assist the landless or the powerless. The provision of subsidized fertilizer may therefore greatly benefit large and medium landholders and perpetuate income inequities. Conversely, radical land reform may benefit the landless but reduce the wealth of rich peasants. State policies, of course, differ from nation to nation. In this respect, the specific rural policy of any state depends on the class alignments within the nation, the power of various groups, the nation's position within the world economy, and the ideology of the state. It should be emphasized that the state's position on modernizing the rural sector is an independent factor in determining rural policy. The state is not simply a rational bureaucracy which acts in the best interests of the nation, nor is it a neutral arena where the most powerful societal groups determine policy. The state has particular bureaucratic needs and power-seeking interests which are neither economically rational nor neutral.

How do peasants respond to the new pressures and opportunities created by state policy and capitalist expansion? The fifth chapter argues that peasants are competent political actors and in some instances they engage in collective acts of political will. The types of political action and their probability of occurring depend on:
1) structural pressures and opportunities caused by capitalist expansion and state policy and 2) the specific social, economic, and political circumstances of the peasantry. For example, under pressures of market expansion and state subsidization policy, land in a particular area may rise in value and peasants will have difficulty retaining their plots. In order to change the situation, peasants may be interested in political action. But their action depends on their circumstances. If the peasant community has many associational groups, peasants will have some solidarity and they may rapidly organize a meeting. If the community is composed of isolated smallholders, peasant action, if at all, will be less cohesive. A movement is also dynamic. It evolves through the process of mobilization and through interaction with the state and elite, who both try to repress it. Thus the chapter also examines the mobilization process.

The sixth chapter presents a case study of northeast Brazil. The case study uses the framework set by the preceding chapters and illustrates the overall theory with a concrete situation. In this respect, the chapter uses all the elements of the theory and integrates them with a single example. The case is not an attempt to validate the theory, but illustrates the strengths and weaknesses of it. The significance of the case then, is to point out components of the model which appear to be theoretically sound, but need refinement, qualification, or even major revision to be more generally applicable to the study of peasant politics. The final chapter summarizes the findings of the dissertation and briefly discusses some of the policy implications for rural development.
CHAPTER II
PEASANTS AND PEASANT SOCIETY

The starting point for a study of peasant politics is to define peasants and to examine peasant society. There are many definitions of peasants but no consensus on any one. Some scholars have even suggested that it is fruitless to define peasants, but useful to examine critical aspects of rural social groupings, such as their internal composition and their economic and political links with each other and the external society. Similarly, there are conflicting positions about peasant society. On one extreme, peasant societies are seen as Rousseau's idyllic village communities populated by well-adjusted cooperating individuals. On the other extreme, they are seen as poverty-ridden rural traps composed of vicious bickering agriculturalists. In the following chapter I propose to examine these conflicting viewpoints as a prelude to discussing peasant politics.

The Concept of a Peasant

Peasants have been defined in numerous ways. The classic anthropologic definition by Kroeber emphasizes the social and cultural distinctiveness of the peasantry: "Peasants constitute part-societies with part cultures. They are rural—yet live in relation to market towns; they form a class segment of a larger population which also contains urban centers...They lack the isolation the political
autonomy, and the self-sufficiency of tribal populations; but their local units retain much of their old identity, integration, and attachment to soil and cults.¹ Robert Redfield similarly emphasises the distinctive social and cultural aspects of peasant folk society.²

Other definitions focus on the peasant economy. Chayanov was the first to assert that peasants formed a distinct peasant economy, qualitatively different from other forms of incipient capitalism.³ He argued that the peasants' primary economic unit was the family farm cultivated exclusively by family labor. Unlike business firms, the family farm did not try to maximize profit. It merely tried to produce enough to satisfy family needs and then halted operations because the labor was too much drudgery. Teodor Shanin has similarly used productive and economic aspects to define peasants: The peasantry consists of small agricultural producers who with the help of simple equipment and the labor of their families produce mainly for their own consumption and for fulfilment of obligations to the holders of political and economic power."⁴ Still other definitions use a combination of social, cultural and economic characteristics to define peasants.⁵ The common foundation for all of the definitions is that peasants are a unique group or class, distinguishable from larger society, but at the same time closely linked with it.

This definition is too restrictive to fit the various cultivators in the contemporary third world. I propose to use a less restrictive definition. Peasants are rural cultivators, who are directly linked to larger society and who depend primarily on their agricultural labor for their livelihood. They do not form a distinct economy or class but
are a social group within the larger capitalist economy. Their definition thus includes a wide range of cultivators from capitalist farmers to landless laborers. Since the concept of peasant includes virtually all rural agriculturalists, it is useful only if it distinguishes among categories of peasants. The categories used here are based on class. Hamza Alavi notes that class in the Marxian sense is a structural concept; classes are defined by relations of production. Based on an analysis of these productive relations, Alavi posits that there are three broad classes of peasants—poor, middle, and rich. Poor peasants are landless; they are agricultural laborers, sharecroppers, or tenants. They have no independent means of livelihood and since they do not control land, which is the basic means of production, they must sell their labor power to earn a living. The middle peasants are independent smallholders; they are self-sufficient, they do not exploit the labor of others nor is their labor exploited by others. Rich peasants are capitalist farmers who own substantial amounts of land and hire wage laborers. Each class is characterized not by the relative wealth of their land, but by the fact that land ownership confers on them a specific position in rural productive relationships. Thus the larger social group of peasants can be divided into classes in so far as they produce for themselves, produce for someone else, or use the labor of others to produce for them.

Alavi's basic categorization is sound but must be expanded to differentiate among the various peasant sub-categories within each class. Poor peasants consist of three different categories,
agricultural laborers, marginal tenants/sharecroppers, and marginal smallholders. Each category relies primarily on their own labor for their livelihood, but can be distinguished from each other by their relative degree of independence in their productive relationships. Landless laborers have little independence. They control no land and ultimately must depend on someone else to hire them and provide them with at least subsistence wages. Marginal tenants/sharecroppers have greater independence in that they retain a portion of what they produce and have some control over the land. However their independence is limited. They have no rights to the land and must pay rental to the owner. Moreover, they do not have a secure lease and may be evicted at any time. Marginal smallholders own land, but it is insufficient to earn a livelihood and they must therefore supplement their income with wage labor. The reality of the marginal smallholder's situation is that his leverage and ability to perpetuate ownership is severely jeopardized given the current capitalist transformations. Although owning land, it is insufficient to provide him any real independence in his productive relationships.

Middle peasants consist of two groups, independent smallholders and middle tenants/sharecroppers. The independent smallholder is independent in that he owns land, uses only family labor, and does not hire out as a wage laborer. He is differentiated from the marginal
smallholder because he has sufficient land both to earn a livelihood and to perpetuate and maintain his position. In the contemporary capitalist economy this means he has the resources to produce a surplus which he sells on the market. The middle tenant/sharecropper can be distinguished from the marginal one in that he has traditional or legal rights to continue tenancy and he controls sufficient land and subsidiary resources to perpetuate and maintain his relative position. Differentiating tenants/sharecroppers partly on the basis of relative landholdings violates the Marxist concept of class since no tenants/sharecroppers own land. However, the middle tenants/sharecroppers have essential control over the means of production and this control allows them to produce a marketable surplus and advance in both relative and absolute terms.

Rich peasants have large plots which they cultivate, but they also hire other wage laborers. Their land and resources are sufficient to perpetuate their position, which means they are commercial producers farming primarily for the market. Table 1.1 illustrates the main characteristics of the various peasant classes.
Table 1.1
Peasant Classes and Their Defining Characteristics

<table>
<thead>
<tr>
<th>Class</th>
<th>Sub-Category</th>
<th>Major Assets Characteristics</th>
</tr>
</thead>
<tbody>
<tr>
<td>POOR PEASANTS</td>
<td>Landless</td>
<td>Labor power</td>
</tr>
<tr>
<td></td>
<td>Marginal Tenants/sharecroppers</td>
<td>Labor; some control of marginal land</td>
</tr>
<tr>
<td></td>
<td>Marginal smallholders</td>
<td>Labor; ownership of insufficient land for subsistence</td>
</tr>
<tr>
<td>MIDDLE PEASANTS</td>
<td>Mediumholders</td>
<td>Land sufficient to produce marketable surplus</td>
</tr>
<tr>
<td></td>
<td>Medium tenants/sharecroppers</td>
<td>Secure lease, control of sufficient land to produce marketable surplus</td>
</tr>
<tr>
<td>RICH PEASANTS</td>
<td></td>
<td>Large landholdings directly cultivated; hired wage labor</td>
</tr>
</tbody>
</table>
Visions of Peasant Society

There are two conflicting visions of traditional peasant society, the "moral economy" perspective which portrays peasant communities as cohesive units of solidarity providing subsistence floors for most peasants, and the "political economy" perspective which envisions them as competitive and individualistic, unable to support minimal cooperative endeavor let alone subsistence floors.

The moral economy perspective, articulated in varying degrees by James Scott, Karl Polyani, Eric Wolf, and others, begins with the harsh reality that peasant existence is precarious. This precariousness can be seen when examining peasant experience with death. Death from starvation, malnutrition, disease, disaster, and simple poverty was a harsh reality to peasants. In Viet Nam during the great famine of 1944-1945, peasants were reduced to eating leaves, banana roots, grass, the bark of trees. During the winter of 1944 an estimated two million peasants died of starvation and related disease. In Bolivia, Aymaran peasants chewed on coca leaves to mask the pangs of hunger that was slowly killing them. In Northeast Brazil, the peasants were so poor they had to use government coffins for funeral services. After the service the corpse was taken to the burial site, removed from the coffin and deposited unprotected in the earth. The government coffin was then reused. Josue de Castro describes the prevalence of death in the Northeast:

What causes so much dying in the Northeast? People die of everything, of course, but mainly they die of hunger—hunger in
multiple disguises is the most active of the four horsemen. Hunger kills as a disease—the most serious and generalized of the mass diseases of the underdeveloped regions—and also by making way for other sicknesses. These secondary killers are principally infective bacilli and parasitic organisms, which flourish in these areas.

Even when peasants did not die, their thin margin of survival forced them to experience dying through living. Peter Goethal describes the experience in the Indonesian village of Rurak:¹²

As the barat months wear on, weather and health give new cause for worry. Unusually heavy rains can quickly wash out an entire hillside and cause the paddy to rot on its stalks... Already by early December, food supplies have fallen perilously low in many households, and the "knobby knees" and empty bellies of the barat are again familiar. To the anxious villagers, such conditions magnify every small deviation in the weather pattern or threat to his swidden. Fatigue, anxiety, and increasing malnutrition are aggravated by sleeping in damp, rickety swidden huts under only light cover. Illnesses such as pleurisy, pneumonia, arthritis, and active tuberculosis spread; malaria, augmented by the barat mosquitoes, invades every household. The meager protein deficient diet of boiled weeds and plain rice adds a faint tinge of red to the hair of village children. As debilitation increases sociability and neighborhood cooperation give way to inertia, drowsiness, and resignation. Many villagers await the harvest in desperate anticipation.

Many other examples can be cited. But the point of the moral economy position is not to quantify peasant misery, it is to emphasize that survival was a real and fundamental problem that shaped peasant behaviour and determined peasant society's relationships.

In what ways did survival shape peasant behaviour? On the most sweeping level, survival amounted to an ethical imperative that guided peasant behaviour. James Scott provides the most careful and complete statement of this imperative. He argues that peasants in most pre-capitalist societies lived so near the margin that the question of subsistence was "most directly related to the ultimate needs and fears
of peasant life. Subsistence became an ethical right and a standard from which peasants could judge their behavior and the behavior of others. A quotation from Scott helps clarify the moral force of subsistence:

From a normative perspective there is some reason to believe that the "right" to subsistence as a political claim constitutes the first and primary criterion of justice. W.G. Runciman, drawing on Rawl's theory of justice asks what rules of justice or criteria of distribution would men agree to in principle before they knew what their actual place in society would be. The first rule he deduces is based on need—the notion that one man's right to subsistence supercedes another man's right to surplus.

Traditional peasant communities thus adopted an ethos based on the right to subsistence and set a standard of living below which it would be inhumane to allow anyone to fall. To this end various redistributive pressures and institutions operated in peasant communities throughout the world. In Viet Nam, communal lands were held for widows and others suffering disastrous crop years. In Burma, and elsewhere, richer villagers were pressured to sponsor feasts, celebrations and other festivities, which not only provided some sustenance for poorer community members, but also, as Michael Adas points out, "served as important means of sharing wealth, cementing social relationships, and promoting a sense of community." In Peruvian and Mexican villages, revolving loan funds or community grain stores were set aside to assist the unfortunate and those requiring disaster relief. To the moral economy perspective, these cooperative endeavors made the peasant
community self-sustaining and able to provide subsistence for all its members, an ideal expressed in the Mayo vision of their past economy:17

Such an ideal economy has not existed among Mayos for a very long time. But certain ideals are very strong: a self-sufficient Mayo community, each kin group with its own farming lands, adequate to its changing numbers; each community with its council to settle land disputes; each community with its own wilderness land for gathering, hunting and the provision of firewood and housebuilding materials, as well as grazing land for sheep and horses; each community with free access to salt deposits; wells, and river sacred and central to its people; each household free to raise food crops of traditional value; ...

The political economy perspective takes a polar position, envisioning peasant communities as composed of individualistic maximizers out only for themselves. Rather than creating cohesive solidarity and cooperation, peasant communities are shot through with feuds, conflicts, and competition. George Foster formalizes this view of peasant society in his theory of "limited good." He hypothesizes that peasants perceive that all goods in life—health, wealth, land, friendship, love, manliness, honor, respect, security—"exist in finite quantity and are always in short supply." Moreover there is no way for peasants to directly increase the quantity of these goods; there is a constant supply of resources. Consequently, an "individual or a family can improve their position only at the expense of others" and they must be wary of each other since they are in constant competition. This distrust and competition make cooperation impossible. Foster elaborates:19

People who see themselves in "threatened" circumstances, which the image of Limited Good implies, react normally in one of two ways: maximum cooperation and sometimes communism, burying individual differences and placing sanctions against individualism; or extreme individualism. Peasant societies seem always to choose the second alternative.
Edward Banfield's "amoral familism" similarly theorizes that peasants "maximize the material, short-run advantage of the nuclear family; assume that all others will do likewise." The implication is that peasants will turn inwards to their immediate families for all necessary support; moreover peasants assume that all others will act similarly. There is considerable suspicion when peasants try to help other peasants. Consequently, in peasant societies there is little organization or cooperation.

Samuel Popkin extends these views, arguing that peasants must be identified as rational economic maximizers who base their decisions and actions on risk analysis and cost-benefit appraisal. In essence, peasants invest their time, effort, and resources only in activities they believe will reward them individually. Popkin contends that such an investment logic can be applied to all aspects of peasant life including "markets, villages, relations with agrarian elites, and collective acts—whether the collective action is to build villages or to rebuild them as part of a new society." This makes peasants highly individualistic, and suspicious competitors who will take advantage of others and take extreme measures to get ahead. As a result, villages did not truly protect the needy with a subsistence floor. To the extent that there was protection and insurance, it was limited to a very few peasants who had full village rights and met certain minimum wealth and land requirements. Even worse, "when a peasant was in need, instead of receiving welfare, he might be excluded from the village." Celebrations and feasts were sponsored by the rich, not so much to provide sustenance for the poor,
but to attain prestige and status that could be used to secure political power. This power could then be used to manipulate the village lottery, assess tax and work obligations, and control village resources.\textsuperscript{23} Frequently, wealthy and powerful peasants "colluded with one another to their common advantage and at the expense of the village." As a result, "village procedures were not progressively redistributive, but favored the rich," resulting in the perpetuation of extreme stratification.

Although the political and moral economy perspectives of peasant society are quite polarized, the various authors usually qualify and modify the assertions. Scott, for example, argues that the ethic to provide subsistence was not universally powerful, "but varied from village to village, from region to region."\textsuperscript{24} Moreover it applied most strongly to cultivators who shared a common existential dilemma, while less relevant to wealthier peasants and to areas where subsistence routines did not operate satisfactorily.\textsuperscript{25} Popkin, although more rigid and strident in his assertions, recognizes that welfare and insurance schemes did help some peasants, but claims that they operated less well than the moral economists assume.\textsuperscript{26} In both qualifications there is an implicit, if theoretically unyielding, admission that both maximizing behavior and the subsistence ethic operated simultaneously and that both cooperation and distrust co-existed. It seems then, that a convergence of elements of both perspectives would yield a more powerful and satisfying model of peasant society. As Jonathan Lieberson says:

This suggests that a mutual appreciation between the moral and political economy approaches is possible. To say that a given
phenomenon (or some aspect of it) can be explained in one way does not imply that it cannot be explained in other ways; the subsistence ethic may have coexisted with the factors adduced by Popkin—it may at times have been dominant, at other times dormant; collective solidarity imposed from above "may have been held in unstable check by the same phenomenon imposed from below, creating pockets of both paternalism and self interest. The rapprochement of the two views is desirable—and not merely for the sake of the moral economists.\textsuperscript{27}

I suggest a very simple convergence in blending these two approaches. Peasants, like anyone else, strive for more, but first they must have enough. Poor peasants, posed with existential dilemmas, are most interested in securing subsistence and are likely to act in ways that guarantee their minimal needs. Wealthier peasants who are not confronted with existential dilemmas are interested in maximizing their position and act accordingly. This is not to say that there are two separate motivations for each behavior, merely that a peasant's priorities are set by his specific circumstances and class position. This suggests that the major question in the analysis of peasant society does not concern individualism vs. cooperation or maximizing vs. surviving. Both poor and rich peasants act cooperatively or individually depending on which strategy under the prevailing conditions is most effective in securing their interests and needs. Moreover, if a peasant's class position changes, his interests also change and he is likely to change his actions. If the peasant is initially poor he is likely to seek security, if he becomes rich, he is more likely to maximize. The major question then, is how do different classes of peasants, under different circumstances, interact to produce particular patterns of institutionalized relationships? I do not attempt to answer this question. I merely suggest that, however
one-sided the resulting institutions and relationships turn out, they will both contribute some degree of welfare to poor peasants and also perpetuate stratification.

To elaborate on this contention, I will briefly examine two important peasant institutions, patron-client relationships and communal relations.

**Patron-Client Relationships**

Patron-client relations are relationships in which a powerful individual, the patron, and a weaker individual, the client, exchange goods and services. Patronage occurs between many different partners: between a teacher and peasants, a politician and peasants, a wealthy individual and peasants, a bureaucrat and peasants. However, the most widespread and important patron-client relationship, and the one on which I will focus, was that between a landlord and his tenants. Three characteristics marked this relationship.

First, the landlord-tenant relationship was face-to-face and personalistic. Often a landlord knew his tenants by first name, knew their immediate families, and even stood as godfather to the children of long-standing tenants. The landlord also knew of the special needs of individual tenant families and would help them accordingly. Because of this familiarity, each party expected a diffuse range of personalized services from the other. The landlord expected some form of rent, usually a share portion of the crop, labor for cultivating his fields and maintaining his home, and domestic help such as cooking,
cleaning, or watching over his children. Additionally, the landlord expected his tenants to be loyal, to show him respect, and to generally support him. Tenants expected the landlord to provide them the basic means of subsistence—land to cultivate. In addition, tenants traditionally expected a homelot, food during hard times and between planting and harvesting, small favors such as a used blanket, used clothing, perhaps a jug of liquor, and help in dealing with government officials and outsiders. The personal and diffuse qualities of the exchange made the relationship an instrumental friendship rather than a formal contractual agreement. It should finally be emphasized that this description fits the ideal exchange relationship. In reality, the terms of exchange differed considerably depending on the landlord and the prevailing conditions. From any perspective, whether Marxist labor theory of value or capitalist theory of marginal product, peasants were often exploited.

Second, the relationship was based on unequal status. The landlord was much more powerful and had more resources than his tenants. He controlled cultivable land, seed, and stock and could provide protection and the prestige to deal with outsiders. Since these goods and services were essential for peasant livelihood, tenants were highly dependent on their patron. The superior status of the landlord was evident in their social interactions. Peasants deferred to the landlord, worked at his celebrations, and demonstrated their loyalty and respect in numerous small ways such as inviting him to their festivities where he was treated as an honored guest. If the
landlord was the ideal patron, he usually made a token appearance at his tenants major festivals and donated a gift to the celebration; when a tenant had a baby, the landlord frequently offered congratulations and gave the baby a gift; and at a tenant's wedding he would often send some provision for the new household.

Because of the landlord's superior position, he could clearly exploit the relationship with his tenants and some landlords did take advantage of their clients. However, two factors restrained the landlord. On the one hand, the landlord's superior status charged him with the responsibility to safeguard his tenants. Essentially this was a moral dimension, an ethical obligation from a ruler to his subjects, which made the landlord responsible for his tenants' health and welfare. In many instances, this paternalism made the relationship, even with its inequities, acceptable. Morality alone, however, was insufficient to prevent abuse; mutual interdependence also limited exploitation. In this respect the landlord needed the tenants because they provided the basic labor services required to maintain his status and position. A landlord knew there were limits to his power, especially in labor short areas. The relationship was thus, not simply one of coercion controlled by morality, it was also a relationship controlled by mutual self-interest.

Finally, under ideal conditions and with the ideal patron, the relationship helped provide tenants with a subsistence floor. James Scott formulates the minimal and maximal forms that this subsistence guarantee assumed. At a minimum, landlords pledged that their demands would not jeopardize the subsistence arrangements of the peasantry.
During a particularly bad harvest a landlord would not insist on full rent or might even allow late payment. If a tenant had several children too young to work in the fields, the landlord might require less labor on his own fields. At the maximum, the landlord would actually subsidize his tenants, providing emergency aid in time of ill-health or giving emergency loans or rations to tide over a starving tenant family.33

There are many examples of both the maximum and minimum formulation. In India, the zanindars or, "lords of the land," were entitled to only a customary share of the agricultural surplus and they did not interfere with peasant cultivation. "They were not improving landlords in the modern sense of the term but as it was in their own interest they saw to it that the peasantry could work undisturbed and that local irrigation works were maintained."34 In this instance the landlords did not interfere with the subsistence arrangements of the peasantry. In Pampanga, the Philippines, landlords treated their tenants paternalistically, providing rice and cash loans, sometimes on a weekly basis, and assuming responsibility for their health and welfare. Between Pampangan landlord and tenants, "longstanding bonds developed and few tenants changed landlords during a lifetime."35 In the Peruvian Sierra, the traditional hacienda owner was expected to provide his tenants with a livelihood and to ultimately take responsibility for their subsistence. In such a poor region security, played an instrumental role in patronage with paternalism acting as a binding force. One expression of the landlord’s subsistence guarantee was socorros (one and one-half bushels of corn or barley) that was
traditionally given to the Indian tenants during a bad year and during crop growing time. Finally in Gujarat India, the jajmani tenancy system was also paternalistic and the landlord was expected to behave toward his tenants "as a father does to his son." The landlord thus provided his tenants with seed and subsistence rations, sponsored feasts and ceremonies, and gave emergency aid and loans during hard times. The landlord did not view his aid and support as compensation for labor, but viewed it as part of his larger obligation to maintain his tenants' welfare.

Not all landlord tenant relationships, however, guaranteed subsistence. There were landlords who simply used their tenants and, in order to maintain their position, forced tenants to go hungry, to sell all their possessions, or even to sell their children into slavery. Samuel Popkin takes a more sweeping position. He argues that landlords did not provide subsistence floors; moreover peasants were not really concerned about a floor because they were preoccupied with trying to raise their income. Popkin reasons that if a floor were actually provided, peasants would not bargain for better conditions. However, tenants did in fact bargain for better terms. He cites the example that English tenants on large estates negotiated for better exchanges whenever plague reduced the number of workers. Landlords, moreover, restricted opportunities for peasants. Rather than being paternalistic, they schemed to create dissension and conflict among tenants so as to maintain an exploitative monopoly over them. Some scholars argue that landlord tenant relationships in areas of India,
Mexico, and Peru, although appearing paternalistic, were essentially systems of bondage instituted to maintain a work force in labor-short areas.40 Julio Colter, for example, says that in the Sierra there is a mental and cultural distance between the patron and his clients. The patron is perceived as an "all-superior" figure, and he uses the prevailing cultural norms to maintain a relationship that lacks even the most minimal standards of fairness.41 Pierre van den Berghe summarizes the situation of patronage as a system of bondage:

This all pervasive system of institutionalized paternalism and patronage completely cuts across the class and the ethnic cleavages but without bridging them. The individual linkages across class and ethnic lines exist but the group cleavages persist. In fact, in many ways, compadrazgo can be said to perpetuate and consolidate the structure of inequality while individually mitigating its effects. Patron client relationships, of which compadrazgo is but one concrete example, are absolutely crucial to the stability of stratification systems in agrarian societies. They permit at once great familiarity and great inequality between rulers and ruled. They are at the very core of the theory of benevolent despotism, the most widespread rationalization for human tyranny.42

The alternative interpretations lead to two conclusions. First, patronage differed significantly from place to place depending on conditions. Any generalization must therefore be carefully qualified. Second, although the relationship provided some degree of subsistence, it also hindered vertical mobility and thus perpetuated stratification and inequity. A tenant, for example, who wanted to improve his status relative to the landlord was prevented from doing so because he was obliged to perform a variety of services for the landlord and was dependent on the landlord's good will to improve the terms of exchange.
The landlord tenant relationship thus operates fairly well in a traditional setting of subsistence insecurity, but cannot respond to long-term structural changes that might promote the tenant while endangering the landlord's status. In this regard, patronage is a self-perpetuating system: the peasants' subsistence difficulties force him to rely on the patron and therefore accept certain restrictions; however, it is these very restrictions that prevent him from increasing income and gaining independent security. Norzalit Selat explains:

While the peasants need the patron for their survival, it is in fact the patrons themselves who have created the need for their role and existence. It is a perpetuating system. It is the dynamics of the class structure that produces the patron-client set-up and the peasants' economic and political insecurity, and this, in turn, has perpetuated the need for the patron. Thus, while from superficial and limited view, the patronage system does satisfy some of the needs of the peasants, in the long run, the peasants are increasing their dependency on the system. This is the beginning of their predicament, because it is in the patron's interests to keep the peasant in a position where the role of the patron will be continually needed.

Communal Relationships

Relations among fellow peasants helped provide a subsistence floor for most villagers but also perpetuated stratification. Although the extent of a subsistence floor varied from village to village and depended on an individual peasant's kinship, standing in the community, and wealth, two types of cooperative endeavor helped provide most peasants with a livelihood. These two types were insurance schemes and communal welfare.
Insurance schemes in peasant society involved internal exchanges among peasants where some degree of reciprocal contribution was required. Unfortunate peasants facing existential dangers, however, would receive freely-given aid; this was a form of disaster insurance since any peasant might someday need help. There were three general forms of insurance. First was generalized reciprocity where peasants would form partnerships with other peasants to share food, allow each other the use of tools or draught animals, assist each other when one was ill or unable to work, provide a loan or emergency aid when the other was in need, and help when the other sponsored a wedding, baptism, or funeral. Generalized reciprocity was like insurance because it was understood that each party would help when the other was in need and that, during a lifetime, each party would contribute roughly equivalent goods and services to the other, a sort of schedule of insurance premiums and benefits. However the exchanges could never be equal and each party knew they might end up giving more if the other party was very unfortunate. The second form of insurance was mutual aid, which was more structured than generalized reciprocity, closer to the pure concept of insurance, and able to provide subsistence security to a larger number of villagers. The major form of mutual aid was cooperative labor exchange. Peasants all over the world used cooperative labor exchanges to build or rebuild their houses, trap fish or animals, and prepare, plant or harvest their fields.

A typical cooperative effort in building an Indonesian house is detailed by Robert Jay. Early in the morning the family whose house
is being built gives a slamanent, a ritual ceremony where food is served and communal solidarity expressed. Following the slamanent, neighbors and kin build the house. At mid-day special food is prepared for the helpers; platters of food are sent also to the helpers' families. Work continues until late afternoon when the work is usually completed and a dinner party begins. Reciprocity is explicit and the family whose house has just been built is expected help other neighbors.

Similar labor exchanges occurred among Peruvian peasants in "huaji" or "huajita," an old form of communal house-building or any other situation requiring many hands. The Mopan of Guatemala cooperatively built houses, damned streams for fishing, and cleared land for planting. Although cooperative labor was difficult and onerous some peasants looked forward to it. Jack Potter, for example, describes a Thai cooperative effort:

Cooperative labor exchange allows the villagers to carry out the hardest work in rice agriculture quickly and cheerfully. It would be possible for many households to get along with just their own labor, but the work would be lonely and not nearly as much fun. In the fields, there is much camaraderie. Men tease younger men about their village sweethearts, sometimes until the younger men hit back at them in anger. Villagers tell ribald and bawdy stories about their fellows. Young, unmarried boys and girls take the opportunity to flirt with each other. Cooperative labor exchange turns a difficult task into a pleasant experience which is looked forward to with anticipation rather than dread.

Through the sharing of labor peasants were able to improve their standard of living and provide some degree of reciprocal insurance for most villagers. Even the poor, for example, would receive food and
drink if they helped in house building. It should be emphasized, however, that there always were some villagers or outsiders who did not participate or benefit from these cooperative activities.

Another form of mutual aid was the rotating credit association where each member would have a turn receiving a payment from all other members. In effect, the association served as a means of collectively guaranteeing loans to community members without having to go through a middleman. Other forms of mutual aid included the revolving corn funds found in Mexican villages, which allowed a villager to borrow when in need, and then replace his loan when he could, or the community grain store in indigenous communities in Peru, which supplied poorer members of the community during hard times. Since anyone might have a stroke of bad luck, the corn fund and the store were forms of disaster insurance. A final example of mutual aid was the social association where neighbors helped neighbors prepare for weddings, baptisms, funerals, or other occasions requiring large provisions of food and drink. The social association differed from generalized reciprocity because it was formally structured, like the arayat in the Philippines. In mutual aid societies, peasants cooperated in furnishing aid to other peasants, but specific and exact obligations were required for membership.

The third type of insurance was general assistance, where no explicit reciprocal gesture was expected from the aid receiver. General assistance was usually informal, except in communities where formal institutions provided communal land for widows, orphans, or
other destitute villagers.54 An almost universal form of assistance was provided by the various village festivities where everyone was invited to partake in the eating and drinking. In many cases the village elite sponsored the festivities as a means of demonstrating and validating their prestige. Self-serving as the sponsorship may have been, it provided a formal mechanism for contributing to poorer villagers' subsistence. Other examples of general assistance included hunting and fishing activities, where anyone from the village was invited to share in the division of the game or fish, "just so long as they were present at the proper time."55 And for poor villagers, particularly the landless, there was a guarantee that the wealthier villagers and larger landowners would guarantee them work during planting and harvesting times. Finally there was the general assistance given to elderly villagers. For example, in the Peruvian village of Hualcan, villagers with no means of support were often taken in by neighbors, given food shelter, and clothing, and treated as members of the family. Although this assistance resembled welfare, there was a degree of insurance underlying the charitable acts, as William Stein points out:

Although people pretend to ignore what their neighbors are doing, they know when their neighbors are in need. People want to acquire things and keep them, but they are usually willing to part with some of their property to help others who have nothing. One never knows, it is said, when one may need something too.56

Communal welfare also helped provide a subsistence floor. It must be emphasized that communal welfare does not refer to subsidies given to the disadvantaged but rather to civic cooperation involving the
entire village working together towards common goals that add to everyones well-being. The type and extent of this cooperation differed from area to area, but usually centered on peasants preparing for festive events or working together on public projects. Entire communities in Burma, Mexico, Peru, the Philippines, and elsewhere, for example, frequently joined together to prepare village-wide festivals. Often based on religious beliefs, these festivals not only provided food and drink for all community members, but also helped bind the community in common purpose and solidarity. Paul Friedrich, for example, notes that the religious fiestas in the Mexican village of Naranja expressed the all important value of communal unity; the fiestas "functioned to integrate individual goals with social norms and to coordinate widespread segments of the population in supreme collective efforts."  

Public works also required collective effort and frequently villages had formal systems obligating every community member to contribute or participate in civic duties. In upper Burma, for example, whole villages cooperated in building and maintaining the local monestary, in repairing the village fence and paths, and in keeping watch at the village gate. In Mexican villages, a pre-Spanish system of village cooperative labor, called cuetequitl, was used to repair streets, build communal wash basins, or maintain religious buildings. And in the Philippines, peasants frequently formed village committees, called rondas, to keep vigil against the hazard of fire during the hot months of April and May. A final example of civic cooperation is the defense of common land. Since communal land is the basis of village
subsistence, it is not surprising that entire communities rose up to
defend their commons against powerful outside expropriators. In Peru,
the indigenous Indian communities in areas such as Frias, Chalaex,
Tocroyac, and Huanacuc fought bloody battles against land-grabbing
hacendados who sought to steal their communal pastures.63 Similar
vigor in defense of land was exhibited by Mexican peasants throughout
the revolution that raged from 1910-1920. Whole villages organized to
defend or take back stolen land. Peasant defense of common land was
symbolized by the Plan de Ayala, which embodied the ideology of
land-to-the-tiller. Resolve and collective spirit on this issue was
forthrightly expressed by Emiliano Zapata in the preamble to the Plan,
when he stated: "Let Senor Madero—and with him all the world—know
that we shall not lay down our arms until the ejidos of our villages
are restored to us, until we are given back the lands which the
hacendados stole from us... ."64 Paradoxically, however, although
insurance and communal welfare schemes helped provide a subsistence
floor for villagers, they also perpetuated stratification. James
Popkin makes a sweeping indictment of these institutions. He claims:

Stratification is inherent in the procedures used in many, if not
all, village societies. Village welfare and insurance systems
were limited, and the use of credit as an alternative added to
stratification. Village procedures were not progressively
redistributive, but favored the rich... Village leaders,
Furthermore, could use the power that went with their control of
village resources to prevent other peasants from opening new
lands, so that a cheap source of labor would be available for
better-off peasants.65

Several examples of village institutions perpetuating
stratification come from villages in Peruvian highlands. Traditional
peasant communities in these areas reflected a stratified class
structure composed of rich peasants and smaller individual and communal landholders. The villages also conducted communal work parties, supposedly for the benefit of everyone. However, such communitarian practices were simply a means by which the richer peasants, who were also the authorities, obtained free labor for building irrigation ditches, roads, and other agricultural facilities for themselves. Similarly, the entire community was mobilized by the richer peasants to protect communal property and rights from the encroaching haciendas. Unfortunately the rich peasants benefited because these political actions enabled them to expand their pasturage.

In a similar way, the fiestas, celebrations, and other leveling institutions, although redistributing some wealth to the poorer peasants, serves to enhance the position of richer peasants. Popkin, for example shows that in Vietnamese villages, festivals were sponsored by rich peasants in order to gain the necessary status to become a political leader and thereby manipulate village resources for their own enrichment. It is therefore not surprising that once peasants had been mobilized by the Viet Minh, their active dissent prevented the rich from controlling the feasts. Popkin recounts an old peasant commenting about this: "In the old days, only the rich could officiate at the feast and have the honor of eating the head of the pig. Now any man of virtue and prestige can eat the head of the pig." Similarly, in sponsoring the various fiestas and cargo celebrations in Latin America and Central America, the richer peasants do not weaken their economic position or significantly improve the status of poorer peasants.
Rather, as Long points out, "the organization of fiestas can become a monopoly of elite groups who use the organizational framework and religious symbolism to advance and legitimate their position. The cargo system in fact, legitimizes wealth differences and allows for some degree of social stratification. 69

Two conclusions, similar to the ones concerning patron-client relations, can be drawn from the conflicting views of communal relations. First, the qualities of subsistence and stratification exist in most villages but their degree and their balance differ depending on the specific conditions and the village itself. Second, to some extent, communal relations provided some subsistence and welfare but, they also created stratification and limited advancement.

Summary

Paradoxically peasant society was characterized by both stratification and a subsistence floor. To some extent these two qualities were mutually reinforcing and restricted mobility in the society. Nonetheless, in many instances the precariousness of survival dictated that peasant institutions provide a subsistence floor. And even if subsistence for all, including the most destitute, could not be guaranteed, there was a foundation of belief that it should be—that subsistence was the first criterion of justice in an unjust world. And one of the prices of whatever subsistence was provided, was lack of vertical mobility and stratification. To some extent there was balance between these two precepts.
FOOTNOTES TO CHAPTER II

1. Quoted from George Foster, "What is a Peasant," in George Foster et al. eds., Peasant Society: A Reader (Boston: Little Brown, 1967), p 2.


22. Ibid, p. 46.

23. Ibid, p. 60.


57. M.P. Moore, for example, differentiates between festive and exchange labor: "Cooperative Labor in Peasant Agriculture."


68. Popkin, The Rational Peasant, p. 60.

CHAPTER III
CAPITALISM AND PEASANT SOCIETY

In the preceding chapter it was argued that traditional peasant society both perpetuated a system of stratification and provided peasants with a subsistence niche. Of course, the degree of stratification and the extent to which there was a subsistence floor differed from location to location, and there were times when the elite could not perpetuate their power just as there were times when peasants starved. Nonetheless, traditional peasant society did provide some stability and subsistence justice, along with certain inequities. Traditional peasant society, however, was subject to the pressures of world change. The most profound aspect of the changing world was the growth of a global system of capitalism and the extension of the world market. In this chapter we shall explore how capitalist market expansion affects peasants. First, however, the concept of capitalism must be discussed.

The Capitalist System

In the classical Marxist tradition, capitalism is a mode of production "in which the bourgeoisie, as the owners of the means of production, directly opposes and exploits, in the production process,
the proletariat, who owns only its labor power and sells it as a commodity. ¹ The capitalist structure is thus defined by a productive system based on a class of owners and a class of wage workers.

In analysing capitalism in the third world, however, a number of authors, rather than examining the specific productive relationships in a locality, emphasize that the capitalist mode of production emanating from the advanced countries predominates over the local economies thus automatically making them capitalist. Andre Gunder Frank and Emmanuel Wallerstein, for example, take the position that the world is an integrated capitalist economy in which the developing nations are exploited and kept in perpetual underdevelopment by the industrial nations. ² Thus, the so-called non-capitalist underdeveloped nations are not moving towards a stage of capitalism, but are fully capitalist, having been integrated into the capitalist class relations of the advanced nations in the sixteenth century. Frank argues: ³

...the expansion of the capitalist system over the past centuries effectively and entirely penetrated even the apparently most isolated sectors of the underdeveloped world. Therefore, the economic, political, social, and cultural Institutions and relations we now observe there are the products of the historical development of the capitalist system no less than are the seemingly more modern or capitalist features of the national metropoles of these underdeveloped countries... The contemporary institutions of the so-called backward or feudal domestic areas of an underdeveloped country are no less the product of the single historical process of capitalist development than are the so-called capitalist institutions of the supposedly more progressive areas.

Frank and Wallerstein's thesis has been criticized on several grounds including: 1) development and underdevelopment in the periphery cannot be explained solely by external exploitation and surplus
transfer, 2) the locus of exploitation has been erroneously shifted from relations between classes to relations between geographic areas, and 3) by claiming that underdevelopment is perpetuated by development in the center, they mistakenly imply that growth in the periphery is impossible. The basis of these criticisms is that Frank and Wallerstein, by defining all nations as capitalist simply because they are linked to advanced market economies, erroneously confuse a mode of exchange with a mode of production. For Robert Brenner, this error means that they inevitably fail "to take into account either the way in which class structures, once established will in fact determine the course of economic development or underdevelopment over an entire epoch, or the way in which these class structures themselves emerge as the outcome of class struggles whose results are incomprehensible in terms merely of market forces."5

The criticisms, especially from a Marxist perspective, are valid. But this still leaves unresolved the undeniable presence of capitalist dynamics and pressures in the third world. To address this discrepancy, the theory of unequal development has been advanced by Samir Amin. He argues that the mode of production in the third world can be characterized as peripheral capitalism and that developing nations have been integrated into the global capitalist economy where its surplus is transferred to the industrial countries. However, the capitalist mode of production is not exclusive. Although dominant, it co-exists in the periphery with other modes of production. As Amin explains:6

No mode of production has ever existed in a pure state: the societies known to history are "formations" that on the one hand
combine modes of production and on the other organize relations between the local society and other societies, expressed in the existence of long-distance trade relations...Social formations are thus concrete, organized structures that are marked by a dominant mode of production and the articulation around this of a complex group of modes of production that are subordinate to it.

Thus the third world's dominant mode of production is capitalist, but other modes of production co-exist with it and are subject, in varying degrees to its pressures towards creating a single productive system based on bourgeoisie vs. wage labor. In a similar vein, Wallerstein argues that although productive relationships in the third world can be characterized as feudal, such relations become a mode of production "only when it is determinate of other social relations. Once such a 'nexus' is contained within a capitalist world economy, its autonomous reality disappears." For Wallerstein then, all forms of productive relationships including slavery, coerced-crop labor, and sharecropping are capitalist insofar as they are dominated by the forces of the larger capitalist system.

I do not take as extreme a position as Wallerstein. Third world countries are capitalist not because they are integral exchange partners on the world market, but because their productive relationships are based on a division of labor between owners—landlords, industrialists, rich peasants—and workers—tenants, sharecroppers, agricultural and other wage laborers. Moreover, the autonomous reality of alternative modes of production do not simply disappear with the dominance of the world market. Rather they exert a weak force on development but are subject to and being transformed by the dominant capitalist mode of production.
Thus, I emphasize the central position of class dynamics in explaining development and underdevelopment. For the purposes of this chapter, however, I am not interested in analysing the historically specific development and interaction of classes that determine historical outcomes. Like Wallerstein and Frank, I am interested in the general pressures and tendencies operating within a capitalist system. The following discussion thus assumes the centrality of capitalist class relations, but focuses on the general forces of capitalism.

The General Nature of Capitalism

Capitalism is characterized by the necessity to maximize profit through the production of goods for the market. Human activity within this system is thus directed towards producing those goods that can be sold for the greatest profit. In this vein, Richard Edwards argues that the first prerequisite of capitalism is that "the production of goods and services takes the form of production of commodities, that is goods and services are produced for sale on a market rather than for direct use by the consumer." Moreover, the sole objective of these sales is to realize maximum profit.

To fully grasp the significance of capitalism, it must be realized that maximizing profit and producing solely for the market are not simply aspects of the system. They are its primary objectives and society is organized so as to facilitate this endeavor. As Karl Polanyi notes about the organization of capitalist society, "it means
no less than the running of society as an adjunct to the market. Instead of economy being embedded in social relations, social relations are embedded in the economic system." Human relationships within the system are thus used to maximize profit. Interpersonal relations, for example, are dehumanized into contractual bargains; reciprocal favors performed by one individual for another are transformed into services for fees; and social obligations become commercial transactions. Of course, not all human interchange is motivated by profit. But profit making is the primary mode of exchange, it supercedes human or social needs.

This approach to organizing society stands in striking contrast to traditional systems where the purpose of economic activity was to sustain human existence. Production was intended to provide subsistence needs and to satisfy social obligations. Peasants, for example, grew crops, built houses, made tools, or made clothes, not because they could be sold for the most profit, but because they or the community needed them. Only after human needs were ensured, were goods sold to others. Moreover, even when widespread exchange took place, its primary purpose was to redistribute necessities to those in need.

What is thus so striking about capitalism, and what contrasts it so sharply from traditional peasant society, is that under capitalism, maximizing profit on the market takes priority over human welfare. It organizes society and motivates human behavior. Under such pressures, all resources become market commodities. Food, houses, clothing, tools, water, wood, and all else are sold and bought on the market for
a profit. Even land and labor are treated as market commodities to be bought and sold for profit.

And it is the transformation of land and labor into commodities that forms the most revolutionary aspect of capitalism, for land and labor are not commodities. Land, a basic and fundamental human necessity, cannot be carried off to be sold on the market and it cannot be picked up and bought. Nor is it produced or manufactured from raw materials. Land has always existed; it is "part of nature." Moreover, it always existed within the social context of individuals living on the land, making their livelihood from it, and organizing their community around it. Land from the very earliest times acquired definitive social obligations which were bound into the existence of the community. Under the capitalist system, however, land is stripped of its social meaning and unencumbered of its social obligations. More specifically, when land is turned into a commodity, those who live and work on it are driven off, forced to abandon it, and dispossessed of any claim to it. There is no clearer example of land being turned into a commodity under capitalist development than the enclosures in England.

Until the 16th century, much of the land in England was common land. Common land was the life blood of the peasantry. By custom and tradition, peasants had the right to use the land for building their homes, cultivating crops, raising cows, pigs, geese, or other farm animals, and providing themselves with firewood and other necessities. The land enabled them to carve out a subsistence niche and landowners respected the land's existential role. Beginning in the 16th century,
however, yeomen, that class of medium and small propertyholders had increasing opportunity to profit from commercial agriculture. Additionally, lords and large landowners wanted to raise sheep and profit from the wool trade. Clearly, however, the land could not be used in these ways until the peasants were driven off. Thus, between the 16th and 19th centuries, English propertyholders drove peasants from the commons by enclosing large tracts and claiming it for their own. The result was devastation, as Heilbroner describes:

It is difficult to imagine the scope and force of the enclosure movement, which for two centuries gradually pushed the peasant off the land. Already by the middle of the sixteenth century, peasants were rioting in protest; in one such uprising 3,500 persons were killed. And yet the process continued. As late as 1820, for example, the Duchess of Sutherland dispossessed 15,000 tenants from 794,000 acres of land, replaced them with 131,000 sheep, and rented her evicted families 2 acres of submarginal land.

What happened to the peasants? Some, no doubt, did benefit by increasing their holdings or obtaining land of their own. Others migrated to the cities and helped create the urban labor force. Still others were able to stay on the land, destitute, but with recourse to the last right—the right of poor relief. In some villages as many as 50% of all families survived by means of poor relief. Still others became the vagabonds for which Elizabethan England is so notorious. But most cruelly of all they died. As one succinct comment on the effect of enclosures noted: "sheep flourished, peasants starved."

The transformation of land into a commodity is inextricably linked with the transformation of labor into a commodity. If labor is to transformed into a commodity, peasants must be separated from the land because they will not voluntarily give up their independent livelihood
for precarious and uncertain wage labor. Even if some peasants did voluntarily seek wage employment, they would form an unstable and erratic labor force because they could always return to the land. Therefore, a necessary prerequisite of commoditizing labor is depriving peasants of all means to make a living except selling their labor. As Gurley has put it, capitalist development creates free labor, "free in two senses that it can seek employment wherever it likes and that it has been freed of its possessions." In explaining capitalism, Maurice Dobb clarifies the single process of land and labor being transformed into commodities:

Thus capitalism was not simply a system of production for the market—a system of commodity-production as Marx termed it—but a system under which labour power had itself become a commodity and was bought and sold on the market like any other object. Its historical prerequisite was the concentration of ownership of the means of production in the hands of a class consisting of only a minor section of society and the consequent emergence of a propertyless class for whom the sale of their labour-power was their only source of livelihood. Productive activity was furnished, accordingly, by the latter, not by virtue of legal compulsion, but on the basis of a wage contract.

Under capitalist development then, labor becomes a commodity. But labor is not a commodity. It is the technical term used for human beings. Thus, if one treats labor as a commodity, then one also treats humans as commodities. Under the capitalist system, this is precisely what occurs. Workers are dehumanized; they become surplus labor, non-productive labor, or underutilized labor. Given the pressure to maximize profit, the employer can thus rid himself of any social or human obligation owed to the worker. Where traditionally the employer, whether he was a landlord or a merchant, maintained a personal interest in the well-being of his employees, he now disclaims any social
interest or responsibility to them, a theme which Heilbroner expands upon: 27

No longer was labor part of an explicit social relationship in which one man worked for another in return for at least an insurance of subsistence. Labor was now a mere question of effort, a "commodity" to be disposed of on the market-place for the best price it could bring, quite devoid of any reciprocal responsibilities on the part of the buyer beyond the payment of wages. If these wages were not enough to provide subsistence, well, that was not the buyer's responsibility.

In a capitalist society then, the emphasis upon maximizing profit causes entrepreneurs to transform all resources into market commodities. Human beings themselves are subject to this transformation, becoming the objects for sale. Once becoming commodities, workers are treated in any manner that makes a profit. Thus under capitalism, labor is not treated by standards of what is right, proper, or humane, but by what is profitable. In pristine form then, capitalism can be the most dehumanizing of systems.

**Capitalism's Competitive Structure and Constant Expansion**

But what compels entrepreneurs to value profit-making above human welfare? What inexorable forces cause maximization of profit to be all important? Classical economists, such as Adam Smith and David Ricardo, postulate that the compelling force is man's innate acquisitiveness and his natural "desire for betterment." 28 They argue that all civilized men strive to produce more, strive to possess a greater quantity of goods, and seek to increase their holdings. Man is, in short, a maximizer. He is satisfied only when he produces and acquires more. Thus, instinctive self-interest motivates man to be ruthless in pursuit
of profit; and a natural state exists when profit maximization is held as the most important goal in life. In this view, capitalism is an instrument of natural law. It provides a system through which the expression of these natural tendencies can be articulated fully.

This position is certainly debateable. More importantly, although human motivation does play a vital role in encouraging profit-making, it cannot, by itself, explain the ruthless means that individuals in a capitalist society will employ in its pursuit. A more powerful factor is the market structure, which makes profit maximization an existential reality. That is, in order to survive in a capitalist society the individual must sell his goods or services on the market for sufficient profit. The only way to ensure sufficient profit is to make the greatest return from one's activities. The independent businessman must maximize the profit from his sales to guarantee his livelihood; similarly, the wage earner must sell his labor for the highest possible price. In this context, Robert Heilbroner argues that maximizing profit was not so important in traditional society, rather it evolved into a critical activity as the market expanded. He concludes:

With the spread of the market, however, transactions became critical activities. Now everything was for sale, and the terms of the transaction were anything but subsidiary to existence itself. To a man that sold his labor on the market, in a society that assumed no responsibility for his upkeep, the price at which he concluded his bargain was all important. So it was with the landlord and the budding capitalist. For each of these, a good bargain could spell riches—and a bad one, ruin. Thus the pattern of economic maximization was generalized throughout society and given an inherent urgency which made it a powerful force for shaping human behavior.

Thus it is not greed that drives the small businessman to seek the
highest profit, nor is it the innate urge to maximize that compels the craftsman to hire help at the lowest possible wage. Rather, it is a question of survival, since livelihood is derived from whatever profit that can be made on the market.

There is a corollary force within the market that compels profit maximization. Not only must maximum profit be made to ensure survival, but also it must be made in direct competition against all others. Entrepreneurs and all workers are pitted against each other; they all must strive to maximize profit. This is true for even the smallest entrepreneur. A tenant farmer must compete against other landless peasants who want a plot of their own. The tenant must therefore match the land rent that his landless competitors are willing to pay. In order to do so he must grow the highest priced cash crop, pay the lowest possible wage to workers, and obtain an advantage wherever he can. It may be that the tenant would undertake these actions in any case since he wanted a higher living standard. But the point is that the competitive pressures of the market leave him no choice. He must maximize the profit of his plot or lose it. As for the landlord, he has little choice but to charge the highest rent. Although his survival may not be directly at stake, he is still subject to the same competitive pressures.

Since capitalist expansion emanates most strongly from the centers of industry, competitive pressures can be seen most clearly from the perspective of the large entrepreneur. From his perspective, other firms are constantly striving to take away his share of the market. The entrepreneur is thus forced to find the cheapest source of raw
materials, to increase productivity, and to pay employees the lowest possible wage. If such measures are not taken, other firms will soon gain an advantage and force him out of business. Y.S. Brenner analogizes this competitive process to a Darwinian struggle for survival, noting that "competition means the crushing of the weaker by the stronger." In the following illustrative passage, Richard Weiskopf explains the competitive pressures similarly and describes the pressures on an entrepreneur:

Capitalists act as capitalists because if they are to survive as capitalists, the market forces them to act that way. For example, suppose a certain capitalist decided on his own to pay higher wages, not to introduce oppressive kinds of new technology, and to distribute the product to the community at a lower price. He would be successful for a while, making smaller profits than other capitalists, but nonetheless remaining in business.

But sooner or later other capitalists would enter the scene. They would realize that they could make higher profits if they simply paid the market wage rate, not the higher rate that our "humane" capitalist voluntarily decided to pay. They would also realize that they could make higher profits if they were unafraid to introduce more efficient technology, which our humane capitalist refused to do because of the alienating characteristics of that technology. Finally, with the savings gained by paying lower wages and using more efficient technology, these new capitalists would realize that they could reduce the price even a bit further than the humane capitalist did, and still make a profit. By doing so, they would underprice the humane capitalists' goods and drive his goods from the market.

Thus, again it is the inexorable pressure created by the competitive structure of capitalism that drives entrepreneurs to continually maximize profit. The motivating force in capitalism then, is not the individual, but the system itself which makes profit maximization synonymous with existence.

Another aspect of capitalism is evident from the foregoing discussion: Not only does the competitive pressure of the market make
profit maximization all important, but also it makes maximization an
unending process of growth and expansion.33 Once an entrepreneur
derives profit from an undertaking he cannot cease. He must proceed on
to the next venture to make more profit. To stop expanding and to halt
accumulating profit means to submit to some other competitor who will
gladly replace you. Andrew Carnegie, in a frank statement about the
necessity to continuously expand ones holdings, commented, "always we
are hoping that we need expand no farther; yet, ever we are finding
that to stop expanding would be to fall behind...when the manufacturer
of steel ceases to grow he begins to decay, so we must keep extending."34 Because of this process of growth, capitalism is a
dynamic system. Entrepreneurs continuously produce more goods,
transform more land and labor into market commodities, and constantly
expand the market.

Significantly, such expansion is unlimited. Entrepreneurs begin
in urban areas and spread outwards to the most remote hinterlands in
search of potential markets or sources of raw materials.
Internationally, all nations are become part of the capitalist process
of expansion, for, as John Gurley notes, "capitalists must push their
mode of production into every nook and cranny of the globe."35 Thus,
the finite limits of the globe are the boundaries of the expanding
capitalist system, as Wallerstein explains:36

What distinguishes capitalism from prior systems is the
orientation of production to capital accumulation via profit
realized on a market—this market is, and has been from the
beginning, a world market. This makes capitalism into a form of
social organization whose prime object is its own perpetuation in
an ever-expanding form (the true Promethean myth). The major
weapons in this process are increased efficiency of production
and the denial of the desires of most people in terms of
immediate consumption. Efficiency is translated into plenty and prosperity. Denial is translated into hunger and poverty.

The competitive pressures of the market thus provide capitalism with the internal dynamic both to stimulate the profit motive and to expand continuously.

Long Waves of Capitalist Development: Contradictions of the System

There is one significant caveat. Although capitalism expands steadily along an upward trend line, it does not grow with fluid continuity. Quite to the contrary, capitalism expands in a jerky cyclic rhythm. A period of rapid expansion is followed by a period of stagnation or even contraction. For the individual in capitalist society, this cycle is manifested by a period of prosperity and high employment alternating with a period of economic difficulty and high unemployment. The most commonly known of these oscillations is termed the trade or the business cycle, lasting about ten years, with a 3-5 year period of prosperity followed by a 3-5 year period of stagnation.

Less well known, but of greater importance, is a longer cycle known as a Kondratieff or long wave. The long wave takes some 50 years, during which a 20-30 year trend of expansion is followed by a 20-30 year trend of stagnation. During the expansionary trend, capitalist nations should expect high production, good wages, steady prices, expanding world trade, and full employment. During the stagnating trend, one should expect rising unemployment, falling wages, depressed prices, and shrinking world trade. The fluctuations of the
trade cycle still operate, but during the expansionary trend of the long wave, the upward fluctuations are longer and more buoyant while the downward fluctuations are shorter and less pronounced. Conversely, during the long wave's stagnating trend, the upward fluctuations are short-lived and the downward fluctuations are pronounced and long.

There is considerable debate and scepticism of the long wave's existence. Some argue that the 50 year cycle of growth and stagnation cannot be empirically verified. Others point out that the economic data appear to substantiate the cycle, but since no systematic theory has ever been proposed to account for these trends, the data may simply provide patterns of random co incidence. Recent inquiry, however, supports the existence of a long wave. The Research Working Group on Cyclical Rhythms and Secular Trends concludes that, "the data are beset by technical inadequacies. Nevertheless, there certainly exists a prima facie case for the existence of Kondratieff cycles worthy of further investigation." A less cautious confirmation of the long wave is made by Jay Forrester, who has modelled the phenomenon and provided a theory for how the economic long wave is generated.

Forrester's theory of the long wave converges with theories advanced by Nikolai Kondratieff, Ernest Mandel, and others. This is not the place for an in-depth discussion of the various perspectives, but in general terms these theorists agree that the 50 year wave of economic expansion and contraction reflects the long-term tendency for the rate of profit to fall. This tendency takes concrete form through the continuing process in which industrial infrastructure becomes worn out and is rebuilt. The process begins when basic infrastructure,
plants, factories, transportation systems, energy systems, and other steel and concrete fixtures, deteriorate and must be replaced. Consequently, an approximately 25 year period of massive capital investment is made in building a new infrastructure, with much of the construction occurring within the first few years of the period, a phenomenon known as "bunching". However, the total investment is so large that it must be financed over a period of 20-30 years. The spreading out of capital spending and its multiplier effect generate the period of high employment and general expansion. The period comes to an end when further investment in developing the infrastructure is no longer profitable. At this point, the new infrastructure is complete, large scale capital spending ceases, and a prolonged period of savings begins. The period of savings lasts anywhere from 15-30 years, when the infrastructure must again be replaced. During this period, some funds are spent on maintaining the infrastructure, but there is no large-scale capital spending and this results in a general contraction of capitalist economies.

Replacement of old infrastructure is the most direct cause of the long wave, but we must not confuse it with the deeper underlying cause. At the most fundamental level, the 50 year cycle is caused by the structure and operation of capitalism. Even while capitalist economies are expanding and enjoying a period of full employment, they are moving towards a long-term crisis of unemployment and decreasing production. This contradictory situation occurs for two reasons.

First, the competitive structure of capitalism forces entrepreneurs and capitalists to battle each other for control of the
market. Consequently, during the expansionary phase of the long wave, when employment is high and the market is strong, capitalist firms eagerly build huge productive capacities hoping to sell all that they can produce. As a result of the fierce competition, the infrastructure is overbuilt and there is excess industrial capacity. A crisis of overproduction results, the goods produced have no buyers, and the rate of profit falls. This inevitably leads to a halt of infrastructure investment, cut-backs in production, lay-offs of employees, and a long-term stagnation of capitalist expansion.\textsuperscript{45}

Second, after spending intensively for infrastructure, capitalists and entrepreneurs must recoup their investment through a period of profit taking. Small ventures and projects are financed, but no new massive investment can be made until the infrastructure provides a fair return. This means that once the infrastructure is paid for, usually 20-30 years, capitalists will tend to save and accumulate their profit for years. And this creates a problem. Capitalists control such a large proportion of the wealth that the period of saving causes significant drops in demand. In other words, the tendency to accumulate profit after infrastructure investment causes a crisis of underconsumption. Few purchases are made, production is cut back, a general contraction ensues.\textsuperscript{46}

But if there are pressures towards crisis in a capitalist economy, there are also pressures towards restoration. Just as the drive to maximize profits inevitably forces capitalist firms to overbuild, the same drive eventually forces capitalists to reinvest their profit. At some point, capitalist firms must rebuild their infrastructure or they
will lose their means for continual accumulation. The precise timing of replacement depends on historical circumstances that make investment profitable, including technologic revolutions, an increase in the labor supply, the discovery of new sources of raw materials, an outbreak of war or structural social changes.47

What verification is there for the long waves and how are they to be dated? Data verifying their existence is extensive but also inconsistent. For example, time series data on the volume of world trade indicates approximately 25 year periods of rapid growth alternating with 25 year periods of slower growth. Similarly, rates of industrial production, as well as interest rates, and world output, indicate the same approximately 50 year cyclical phenomenon.48 The dates of these cycles roughly correspond. However, inconsistencies in the data and absence of data at certain points make it impossible to precisely date the long waves using economic indicators alone. An approach to dating the long waves, which seems to be well-balanced and thorough, is used by Ernest Mandel. Combining empirical indicators with historical analysis, Mandel arrives at the following time periods for the long waves:49

| Long Wave I       | 1793-1847 (54 years) | Expansion 1793-1825 (32 years) | Contraction 1825-1847 (22 years) |
| Long Wave II      | 1847-1893 (45 years) | Expansion 1847-1873 (25 years) | Contraction 1873-1893 (20 years) |
| Long Wave III     | 1893-1940/45 (47-52 years) | Expansion 1893-1913 (20 years) | Contraction 1913-1940/45 (27-33 years) |
| Long Wave IV      | 1945-       | Expansion 1940/45-1966 (20-26 years) |
Up til now, the long wave has been discussed as a phenomenon that affects the industrial areas. But it also has a profound effect on rural areas. During the expansionary phase of the long wave, there is a high demand for agricultural products and prices are high. This causes considerable investment in the rural sectors and intensifies the expansion of capitalist relations in the countryside. Although the full force of capitalist market relations may be mitigated by the general prosperity, a growing impersonality and profit motivation characterizes relationships. During a contracting period of the long wave, there is an overall decline in prosperity. If the area is already fully integrated into the world market, the full brunt of economic difficulties are experienced. If the area is only partially integrated into the world market, there is a decline in the growth of capitalist relations, and traditional authority and relationships may be revived.

*Capitalism And Peasant Society*

In the preceding section it was emphasized that capitalism intensifies competitive pressures as it integrates all areas into its constantly expanding market system. How does this process affect peasants and peasant society? To answer this question, we must examine the general consequences of capitalism's expanding market rural areas, and look specifically at the effect on peasant landholding, patron-client relationships, and horizontal coalitions.
Peasants and Market Expansion

There is polemic about whether capitalist world market expansion increases peasant vulnerability or benefits peasants. At the most general level, one can look at the operation of the traditional local economy and contrast it with the operation of the world market. In a local economy, the value of a peasant’s crop is determined by local supply and demand. If conditions such as a storm, flood, or fire cause a poor harvest in the area, the per unit value of a peasant’s crop increases because of relative scarcity. The peasant has a smaller harvest, but pays less to fulfill his obligations. In essence, localization provides a form of insurance because the burden of a bad harvest is partially shared by all who receive a portion of the peasant’s crop. However, when a peasant is integrated into the world market, he loses this security because the value of his crop is determined by world price fluctuation which may not reflect the supply of or demand for food in the local area. James Scott elaborates:50

The insecurities of the world market were, on balance, greater than those of the traditional local market. In a small restricted market, price and yield tended to offset one another, the smaller the local harvest, the greater the per unit price and vice versa, since supply and demand were largely determined by the harvest itself. Within a world market, however, this nexus between local harvest and price is broken and the world price varies more or less independently of local supply—a small harvest is as likely to fetch a small unit price as a large harvest.

In essence then, peasant integration with the world market jeopardizes peasant subsistence by stripping away the responsiveness of the local economy to the peasants’ particular circumstances.
There is a counter-argument to the claim that the expansion of world market increases insecurity. Samuel Popkin argues that linkages with the world market tend to increase peasant security for two reasons. First, the supply of food is more assured because "one area's good year cancels another area's bad year." This creates more certainty that food will be available during famine since crops are unlikely to fail in all areas of the world. Of course, just because food is available does not mean the peasant can afford to buy it. However, since peasant production is now integrated with the world market, his land has value to outsiders and he can sell it to survive. Popkin agrees that this may be tragic, "but given the lack of village aid for persons with bad harvests, the tenancy that results from selling land in bad years may not be such a bad alternative to wage slavery, infanticide, or selling of children." Second, prices in a world market tend to be more stable over time than prices in a local economy because there is a more reliable supply of food in a larger economy. This provides peasants with a more consistent and certain livelihood.

Other evidence is used to support the polar positions that capitalist market expansion either increases insecurity or benefits peasants. On the one hand, with the expansion of the market, outsiders are able to participate in the village economy and compete with local villagers in providing goods and services to the community. Since a critical source of subsistence for many peasant comes from making tools, housewares, and other handicraft items, which are sold or exchanged for vital food and seed, the competition from urban and
foreign goods seriously threatens peasant livelihood. In Jendran Hilin, Malaysia, for example, the introduction of inexpensive imported goods by urban merchants resulted in the destruction of traditional handicrafts such as weaving, carving, and tool-making. The local peasants could not compete with the mass-produced goods and lost a vital source of livelihood. Similarly, in China, the competition from imported manufactured goods slowly lowered peasant income by driving local hand-made goods from the market. Additionally, income was drained from the countryside as payment for the imported goods was transferred to merchants in urban areas.

Expansion of outside relationships can also lower the income of landless laborers. These peasants earn a livelihood by preparing fields, planting and harvesting the crops of landowners. As entrepreneurs expand their activities into rural areas, however, they provide cheaper alternatives to traditional labor practices and landowners take advantage of these opportunities. In Indonesia, for example, Javanese and Sundanese rice farmers traditionally allowed needy villagers to harvest their crops. The harvesters received a share of the crop called bowon, which varied between one-seventh and one-ninth of the harvest depending on size and number of harvesters. The bowon was a vital source of income and landholders had a traditional obligation to see that all who depended on it could participate in the harvest. As population increased, however, the number of harvesters rose dramatically and landlords had to pay an increasingly larger share to the workers. To stop their loss of profit, landowners used external agents to arrange less costly
harvesting methods. One such method was called tebesan. Under tebesan, a merchant would purchase a farmer's crop just before maturity. Since the farmer no longer owned the crop, he could not render the traditional bowon. The merchant, under no obligation to local peasants, used his own harvesters or selected a few peasants from the village, thus effectively eliminating the agricultural workers' traditional source of income.55

Capitalist development does not reduce all peasant income, however. In some cases and for some peasants it increases income opportunities. For example, in China during the early 1900s, the British American Tobacco Company began manufacturing cigarettes in a variety of treaty ports. At first the tobacco had to be imported from the United States, but after a while Chinese peasants began growing the crop because they could receive extremely favorable prices. The growth of the market thus provided opportunities for rural cultivators and stimulated the peasant economy by supplying cash income to over 2,000,000 peasants.56 In Morelos, Mexico, peasants in many villages suffered slavery and exploitation at the hands of village leaders. However, when a hacienda was created in the area, the peasants benefitted because there occurred a "wage spiral between competing demands of the hacienda and the caciques."57

In La Convencion Valley, Peru, the development of a world market for coffee greatly benefitted peasants. The valley was dominated by traditional hacendados, who gave tenants usufruct plots on the arid mountain slopes in return for labor services several days a week. The feudal system was broken when world demand for coffee rose dramatically
during the 1950s and 1960s and created a lucrative market for the crop. The tenants, whose plots were unsuitable for growing food but ideal for coffee, made large profits from the sale of their crop and were able to free themselves with the help of their new economic power.\textsuperscript{58}

Aside from the direct benefits of capitalist development, what is striking about this example, "is the willingness of a most traditional type of peasantry to transform themselves into something like commercial cultivators."\textsuperscript{59}

Given the contradictory evidence, one cannot generalize that capitalism is either a positive force of development or a negative force of impoverishment. As Bruce Cumings points out, "capitalism is simultaneously dynamic and destructive...it constantly makes and remakes itself in waves of creation or destruction, and in so doing it makes and remakes societies."\textsuperscript{60} In so doing, it also benefits certain peasants and endangers others. Thus, in order to meaningfully assess capitalism's impact on peasant society, we must ask: which peasants benefit and which peasants lose from capitalist development? First of all, who benefits when capitalist expansion opens peasant society to increased market opportunities and involvement? It is peasants with the proper resources, or to put it in economic terms, factor endowments such as land, food reserves, cash, jewlery, farm animals, utensils, or labor to command. Peasants owning such resources can afford to take risks and thus benefit from market opportunities. A peasant who owns land and has surplus rice, for example, can risk planting part of his field in a lucrative cash crop such as sugar cane because he knows that he will still have food and land in the event of failure. Similarly,
peasants with cash can afford to store their harvests and then sell when the world price is highest. And if integration with the world market stabilizes prices, then rich peasants and elite benefit because they not only stabilize their income against fluctuations in local yields, but also take advantage of price shifts through their storage reserves and their knowledge of planning and investment opportunities. Thus it is not simply wealth that enables a peasant to take advantage of external involvement. It is also knowledge and appropriate contacts that enable him to profit from the operation of the world market.

Who loses from increased external involvement? In general, it is the reverse of those who benefit. Marginal tenants are hurt by increased market involvement because, on the one hand they do not have the resources to take advantage of market opportunities, but on the other hand they are subjected to its non-localized price fluctuations. Landless laborers, although not sharing fully in village resources are also hurt because increased external involvement may mean they will have to compete against non-villagers for harvesting and planting work traditionally awarded to them. Many poor peasants who earn their livelihood through handicraft or by performing traditional services, are also hurt because external competitors take away the traditional patronage of villagers.61

It can be argued that market expansion provides even the poorest peasants with opportunities to improve their livelihood and also creates jobs. Marginal tenants, for example can use new inputs to increase crop productivity, or traditional craftsmen can learn more productive methods, or the landless, who do not share fully in village
resources, can get competitive jobs. However, even in these cases peasants require some wealth or knowledge, or they must be strong or skilled to take advantage of opportunities. If peasants are weak, elderly, or unskilled they are much less likely to be hired. If the peasant has barely enough to eat, let alone investible resources, taking risks on the market is not possible and any increase in external involvement without parallel guarantees of subsistence, can be a serious subsistence threat.

**Land and Capitalist Development**

Land was the basic productive resource in peasant society, providing peasants with food and livelihood. Given the land's existential role, peasants often owned land communally. Even when private claims were recognized, certain land was always community property: forests, pastures, watershed areas, streams, and virgin tracts could not be privately appropriated. As the market expands into rural areas, however, land becomes a market commodity and various entrepreneurs compete with each other to obtain or increase holdings. Of course there was always pressure to seize land and stratification of landholdings always existed. Nonetheless, with the expansion of markets, competition was intensified and external capitalists, or landlords, or even peasants sought to obtain a fellow peasant's land. No matter who the entrepreneur, competitive pressures almost always resulted in the dispossessioin of the traditional peasant owner.

Mexico provides a classic example of capitalist development generating pressures under which peasant land was dispossessed.
Beginning in the 1870s, market demand for sugar cane, cotton, coffee, and sisal made commercial agriculture profitable and entrepreneurs and hacienda owners acquired as much land as they could. Considerable tracts of land on which peasants traditionally grazed their animals, collected firewood, grew subsistence crops, used as water source, and reserved for future generations, were claimed as private property. It is estimated that during the Diaz regime over 134.5 million acres, 27 percent of the entire land area of Mexico, was transformed into private property and closed off to peasants. Additionally, communal land, to which the free villages held deeds pre-dating the Spanish conquest, was stolen by a few entrepreneurs. Some land was simply seized; other land was legally expropriated by speculators who outmaneuvered the Indians with superior knowledge and the help of corrupt officials; in other cases haciendados took advantage of the law of denunciation and legally dispossessed whole villages; finally, by cutting off a villages's water supply, some entrepreneurs forced villages to abandon their land. Whatever methods employed, the result was certain: peasants and villages lost their land. Perhaps the feeling of violation is best summarized by Andres Molina Enriques who provides the peasants' perspective after being swindled out of their land:

Many of the Indians were not owners of their lands for even one day. And an investigation of the purchase price would show that some pieces of land were purchased for a few pieces of bread, a few cuartillos of maize or few jars of pulque or other alcoholic drink. Once the Indians passed over the titles to their individual pieces of land they had no source of firewood or wood for their house posts or walls, no charcoal which they could sell, no sticks upon which to make their tortillas, no dead wood to burn their pottery, nothing which to feed their animals, nor any place to pasture them, no place to hunt or fish, nor the use of any fruit trees.
Other areas also bear witness to the general process of peasants losing traditional land rights under pressures of capitalist development. In the delta region of Burma during the mid-19th century, world market demand for rice transformed peasant agriculture into a commercial enterprise. Sensing large profits, speculators amassed great estates by bribing officials to give them deeds to peasant owned land. When corruption proved too tedious a route, these entrepreneurs simply seized the land from peasant cultivators. In the Philippines during the 19th century, coffee, tobacco, hemp, and sugar became increasingly profitable crops and made land a valuable market commodity. As a result, prominent families took land from the peasants, dispossessing whole village populations. After 1880, the competition for land deteriorated to the level of rampant land grabbing. In Peru there is a continuing history of landowners seizing communal lands and forcing Indian peasants further and further up the Sierran slopes. Beginning in the early 1900s, however, competition for land accelerated as capitalist landowners discovered that large profits could be made by developing a sheep industry. As a result, Indian peasants were forced off communal pastures, which were transformed into private grazing lands for sheep.

After being stripped of usufruct rights or direct ownership, peasant income and subsistence dwindle significantly. For those peasants fortunate enough to retain some land, the only alternative is self-exploitation—laboring longer hours, hiring out as wage laborers, growing subsistence crops such as roots and vines, or simply doing with less. For peasants transformed into tenants there is a loss of control
over the land as they are required by their landlords to grow specific crops, or switch to commercial crops to pay the cash rent. If the crop is a traditional market crop, such as rice, the peasant can directly consume part of what he grows although his income is reduced by the rent payments. But if the landlord demands sugar cane, coffee, cotton, hemp, tobacco, or other non-edible cash crop, the peasant must sell the crop and then buy food. He is thus at the mercy of the market and his vulnerability is magnified as he can no longer choose the crops that will best meet his own subsistence needs.

In general, the transformation of land into a commodity and the development of a competitive land market helps powerful outsiders, landlords, and wealthy peasants who can seize communal land or who have the knowledge to legally expropriate traditional owners. Because these elites use their competitive advantage to obtain land, they threaten the weak: the smallholders, tenants with insecure title, and peasants who rely on communal holdings. There is one exception. When land is already highly concentrated and controlled by an inefficient owner, such as a hacienda owner, capitalist competition may increase the percentage of peasant owners. More often than not, however, the hacienda owner is powerful enough to maintain his domination and extract any surplus from enterprising tenants. And even when increased repression is not possible, it is only knowledgeable tenants or tenants with some resources who can gain from the situation. Thus it is primarily elite peasants who benefit from the transformation of traditional peasant land relationships.
Capitalism and Patron-Client Relationships.

Capitalist market expansion also affects peasant society's patron-client relationships. The ideal relationship was characterized by the patron acting as his clients' benefactor, providing them with adequate land, cash loans, emergency rations, help in dealing with outsiders, and, if the patron was the landlord, allowing them a great deal of leeway in paying rent. If the patron was good, his exchanges helped provide a subsistence floor for clients. As market relations develop in rural areas, however, the landlord becomes more concerned with profit than with his clients' welfare. No longer does he regard his clients as loyal retainers or extended kin for whom he is responsible. No longer is he guided by fairness and reciprocity in dealing with them. Instead, driven by market pressures to maximize profit, he treats them on a formal contractual basis. If they are his tenants, he expects the exact rent or percentage of the crop to be paid on time without excuse. He ceases or eliminates many traditional services, such as providing free seed for the new planting, lending them tools or draught animals, giving interest free loans, or guaranteeing emergency aid during inevitable bad times. John Larkin, examining the Pampangans during the early 1900s, provides an excellent description of the competitive pressures on the patron landlords and the dilemma it created for client tenants.

By the end of the period there were several indications that satisfaction among the landlords with the old tenant system was diminishing. Certainly the imperatives of the new commercial agriculture reduced the desirability of the traditional tenant-landlord relationship. The general aim of maximum production could not be maintained by a labor system which respected longevity of service rather than efficiency of output. With their property in jeopardy, landowners' margin of leeway to
carry old and faithful tenants, even if they had worked the same land for years, was severely reduced. To make the tenant system compatible with modern commercial farming, the planters could only retain the best workers and reduce their share of the harvests as far as possible. Landowners could no longer carry less able tenants—the old, the ill, and the inept—or provide that extra measure of economic security during the off-season, attributes built into the traditional system.

Nowhere can the loss of patronage be seen more clearly than in what James Scott calls the "shift of the distribution of risk." Where formerly a patron landlord assumed all risk, guaranteeing the clients subsistence and considering their needs before taking a rent portion of the crop, under the pressures of capitalist development he shifts to share tenancy or a fixed rent. If share tenancy is adopted, the landlord demands 50 percent or more of the crop. The risk of crop failure is shared since a bad harvest means both landlord and tenant lose while a good harvest means they both gain. Of course, the tenant has much more to lose since he loses subsistence. If a fixed rent is implemented, the peasant assumes all risks since the landlord receives a specific amount of crop or a fixed monetary sum regardless of the harvest. If drought, flood, storm, or pestilence destroy a peasant's crop, that is unfortunate but does not lower the rent. The impersonal rent, irresponsible and ruthless though it may be, must be paid, even though it threatens peasant subsistence.

Not all patrons were generous, however, and patrons sometimes denied peasants opportunities to participate in the market and improve their livelihood. As Popkin points out, it is often the patrons who forcibly blocked clients from the market because the development of market skills might make them independent. Thus in instances where
patronage restricts opportunities and where peasants are objectively exploited by patrons, the transition to commercial relationships benefits peasants. For example, if peasants have opportunities to improve their status by growing a commercial crop of high value, then a contract and a fixed rent provides them with a chance to raise their living standards. Similarly, if the area is rich, fertile, and high-yielding, then peasants benefit by cutting themselves loose from traditional relationships that extract most of their surplus and restrict their entrepreneurship. In this instance, the peasants' risk of losing subsistence is minimal and they would fare better by paying a fixed rent and keeping any surplus they could grow. In Chile, when commercial firms expanded into the area, they provided market outlets for peasant produce and created competition for the hacienda. Since the new firms needed labor, they offered high wages to the hacienda's tenants. In order to retain the tenants, the hacienda was forced to allow them to sell their crop on the market. The most enterprising tenants took advantage of this opportunity and transformed themselves into efficient commercial producers. The hacienda, unable to exploit or compete with them, was forced to sell them the land.72

Another example of capitalist expansion rationalizing patron relationships and benefiting tenants is provided by Ann Waswo. In Japan, landlords initially had complete control over their tenants and set rents according to their own needs. At the end of the harvest, the landlords often prepared a banquet for the tenants and also gave speeches praising them for their hard work. Following the banquet, the tenants were forced to pay the rent. However as the market expanded
into the countryside and the tenure and marketing system was rationalized, tenants learned of the differential rents and were able to obtain fairer and more uniform treatment. Waswo describes the situation:

At the warehouses tenants whose social world in the past had been confined to their own villages and whose major source of information about external affairs had been their own landlords now were able to meet tenants from the surrounding countryside, to exchange information on farming conditions, and, because of uniform standards for rice quality and baling, to compare rent levels. Some of them discovered that the rents they had taken for granted for so long were actually higher than those imposed by landlords elsewhere. As a result, there was a tendency toward uniformity in rents. Indeed, in many communities landlords met together after adjustment was completed to agree upon rents for all land in the village; in some communities tenants also participated in the negotiations. But whatever the procedure, the determination of rents became a collective, not an individual, matter.

Who then benefits from the loss of patronage and the transition to commercial market relations? To some extent, it depends on the patron's reaction to capitalist expansion. In this respect three different reactions can be illustrated. First is the entrepreneurial landlord who is at the advent of capitalist development. Embracing the ideology of profit maximization, this landlord invests in various enterprises, such as land expansion, commercial agriculture, and embryonic industry in the urban areas. Striving to accumulate capital, he treats all relationships as business transactions and extracts the greatest profit from all his enterprises. The tenants, his former clients, thus become mere economic actors in the competitive race for profit and they are given market contracts set by supply and demand. In this situation, the landlord benefits considerably because he can eliminate formerly free services while stabilizing his income. Tenants
with money, extra food, or other resources can also benefit from the transition to commercial relations since they can take chances on the market. However they can benefit only in areas where there is a relatively short supply of tenants and where the competition for their services forces landlords to grant them better terms of exchange and free access to the market. In labor surplus areas, landlords may simply use the competition among tenants to bid up the cost of tenancy to the disadvantage of all tenants. Poor tenants are hurt most by the decline of patronage because they lose the landlord's subsistence guarantee and thus have no insurance against the existential dilemmas of market price fluctuations, fixed rents, and natural disaster.

The second type of landlord is a semi-capitalist landowner, unwilling or unable to completely commercialize his holdings. Although maintaining certain aspects of traditional patronage, primarily those that benefit him, he ceases many of his former obligations. This landlord might be attracted to the luxuries, entertainment, and social life of urban centers and thus he hires an administrator to manage the property while he is away. In order to pay both for the expense of living in the urban center and for the services of the administrator, the landlord must obtain a greater profit from the land. He therefore uses a variety of approaches. Some land will be rented to sharecroppers on a strictly competitive contractual basis; some old tenants will be allowed to pay rent with labor and a percentage of their crops; some tenants will be forced to pay a fixed rent, either in
cash or produce. Whatever the terms of tenancy, there is an overall decline in patronage without increased opportunities. In this instance all peasants are disbenefited.

A variant of the semi-capitalist landlord is one who does not alter the tenancy arrangements, but will otherwise adopt rational capitalist relations. This landlord maintains a feudal mode of production, requiring labor services for rent, but stops the emergency aid and other patronage because it is unprofitable. Completely integrated with the world market, he sells the crops obtained from the peasants labor according to the principles of supply, demand, and maximum profit. Jorge Icaza, an Ecuadorean writer, describes this type of landlord in his depiction of hacienda owner Don Alfredo. Don Alfredo provided his Indian tenants with some poor mountain land; in return they would cultivate his fields and perform various domestic services. The hacendado also provided each peasant with small favors, the most important of which was succoros, a gift of one and one-half bushels of corn that enabled subsistence. One year, however, Alfredo decided succoros was too expensive. He needed the Indians' traditional gift to to fill his warehouses so he could control the market price. There were threats on him and the Indians were near starvation but the traditional gift was refused because it would reduce profit. Although Alfredo's method of extracting surplus from his estate was feudal, his ultimate disposition of the surplus was purely capitalist. What is important in this illustration is that pressures to maximize profit diminishes traditional patronage, even in a system which has the appearance of being feudal.
The third type of landlord tries to maintain traditional patronage and tries to treat tenants as extended kin. Perhaps the clearest illustration of this individual is the "good landlord" who maintains face-to-face contact with peasants, lends them money, shares the costs of production, and provides them with emergency aid. The position of this landlord, however, is fiercely eroded by competition from neighbors and the added costs of living in a cash economy. In many cases, these landlords must resort to the tactics of the semi-capitalist landlord or sell their land. In this situation poor peasants benefit because they retain patronage. However, middle peasants and peasants with the right resources are denied opportunities and are disbenefited.

**Capitalism and Communal Relations**

Communal relations both provided most peasants with some welfare and subsistence insurance, but also denied them opportunities and perpetuated stratification. When capitalist expansion intensifies competitive pressures for individual accumulation, however, collective welfare and insurance institutions break down thus simultaneously reducing mechanisms of subsistence and stratification.

Under pressures of market expansion many peasants do not consider their individual interests best served through community-wide cooperation. In Peru, for example, indigenous Indian communities cooperatively harvested and planted corn, potatoes, and other crops; they also collectively built meeting halls and schools, and collectively guarded the village's common land. These practices helped raise overall community income. But as competition for land increased
under capitalist development, communal work practices fell into disuse and there was no longer community-wide cooperation.79

Similarly, in the Mexican village of Tepotztlalan, communal cooperation in sharing common forest land broke down when growth of the market provided opportunities for private exploitation. Originally the forest was a common area, providing villagers with wood to make charcoal. The forest was thus a communal resource supplying everyone with a vital need. But construction of a railroad and highway nearby allowed certain villagers to market charcoal in Mexico City and they tried to seize the forest for commercial production. This created a heated battle, with individuals and various villages challenging each other for control of the land. Oscar Lewis summarizes the situation: "As long as production of charcoal was primarily for household use, there seemed to be no conflict between collective ownership and individual exploitation of the resources. However, with commercial exploitation of the limited communal resources, competition became intense, and the concept of communal land ownership by the municipio was attacked.80

Perhaps the clearest and most critical analysis of capitalist competition undermining peasants' communal welfare institutions and reducing subsistence floors are J.S. Furnivall's works examining the political economy of Burma. He argues that relationships in the pre-colonial villages of upper Burma were characterized by widespread cooperation. Whole villages worked together in maintaining extensive irrigation systems. Moreover, since all those who labored on the irrigation works demanded equity in the distribution of water,
elaborate agreements had to be worked out to let water into the irrigation system from alternate locations, otherwise peasants living nearest the entrance would always receive the most water. Thus, one year water would be let in on one side of the irrigation system, the next year from the other side, the next year from the head, and the next year from the tail. This ensured a certain degree of fairness for all peasant cultivators; it also demanded close cooperation.

With the development of market relations in the villages, however, conflicts arose. Some cultivators switched from traditional rice to more profitable cash crops such as onions and sesame. Since these new crops required large amounts of water at different times than rice, each crop threatened the water needs of the other, and each peasant sought to control the water for himself. Given the competition for water, it was no longer possible to sustain the harmonious cooperation necessary to maintain the irrigation system. Other forms of village cooperative relations also deteriorated. Distrust and competition broke down the village-wide systems for guarding the village gate, repairing the village fence, building the village monestary, and maintaining the village paths. Furnivall’s reaction to capitalism upsetting communal relations was blunt:

Thus chiefly through attrition by economic forces...the village community even in upper Burma, broke down into individuals. Now it has become a catchword that inability to combine for common ends is a Burmese characteristic, often attributed to the influence of Buddhism. Of the modern Burman this is probably not untrue, especially in Lower Burma, where the wild beasts that roamed the forests have passed with the felling of the jungle, but man has preyed on man as a condition of survival in the new jungle growth of unrestricted competition.
An example of small group relations being undermined by capitalist expansion is the diminishing of various forms of reciprocal exchange among peasants. Although reciprocal exchange still flourishes in most areas of the world, there is strong evidence that it is declining because of competitive pressures. In the Peruvian Sierra community of Ica, for example, agricultural exchange is seldom practiced now because it is both cheaper to hire wage laborers and impossible to keep precise accounts. Exact accounting is necessary because the cooperating peasants are now competitors.

In another Peruvian community, Hacienda Ganadambambana, peasants often cooperated with neighboring peasants in exchanging food. Indians who grew maize, wheat, and squash, would exchange some of their crop with a few trading partners who grew potatoes, ocas, and barley. Exchange was conducted with the same partners and was based on a traditional sense of equity and fairness. The exchanges were thus personalistic relationships of trust, confidence, and compassion. These relationships were transformed, however, when a commercial firm bought the hacienda, took away land from some peasants, commercialized work relationships, and created a market for the produce. With the development of the market, bartering partners became competitive and ceased their cooperative exchange. Instead they sold their produce in direct competition with each other.

It must be emphasized, I am not claiming that capitalism created competition. This condition existed in peasant society long before the development of capitalist relations. And there were, of course,
factions, rivalries, and blood-feuds that periodically divided the pre-capitalist communities. Additionally, the communal relations themselves perpetuated stratification and some peasants were anxious to initiate competitive practices and engage in market relations but were hindered by the community. Conceding all this, however, it still remains that communal welfare and insurance institutions, which provided some security and subsistence were prominent in many traditional peasant communities but disappeared or declined with the advent of capitalism. Capitalism, after all, introduced to peasant society the full force of a constantly expanding world market thereby giving certain peasants virtually unlimited opportunity for personal accumulation.

As previously mentioned, however, communal relations did perpetuate stratification and restrict upward mobility for various peasant classes. In some instances then, capitalist expansion and the growth of markets benefits peasants by providing new opportunities and reducing restrictions. In the Indian village of Wangala, for example, communal social relations were based on caste and they reinforced the power and position of higher caste groups. Potters were regarded as lower than peasants and their upward mobility was restricted because they were forced to exchange their wares within the community for predetermined goods and services based on caste. In this respect everyone in the village from the lowest sweepers and barbers had a particular niche where they were guaranteed subsistence but denied mobility. However, when a sugar cane factory and cane plantation moved into the area it stimulated farmers to grow sugar for cash and to
irrigate their fields. The village was converted from a subsistence to a cash economy and this enabled potters to sell their wares for cash, with which they purchased land and rose to the status of peasants.\textsuperscript{87}

Similarly, as markets have extended into areas in Latin America, new opportunities have increased the number of Indians earning a surplus, thus enabling them to sponsor part of a fiesta. Consequently a number of clubs have emerged that collectively sponsor fiestas through small contributions of many members. "This arrangement does not seriously effect their own economic positions and interests but increases their standing in the pueblo."\textsuperscript{88}

Another example of capitalist development eliminating communal relations that perpetuated stratification comes from the village of Tepotzalan. A form of communal labor, called \textit{cuatequitl}, was used in the community to build public works and enhance community welfare. Lewis, however, argues that \textit{cuatequitl} was not simply a voluntary cooperative endeavor to raise the community's standard of living. Rather it was "forced labor imposed by the local cacique groups which ruled the village." The cooperation, in fact dated back to the Spanish period when Indians were used as a source of enslaved labor. With the expansion of rural markets and commercial enterprise, however, such labor had to be paid in wages and was abandoned, thus depriving Caciques of free labor and enhancing the position of the peasants.\textsuperscript{89} Finally in the village of Ban Ping in Thailand, kin relations are used to mobilize labor, and frequently, wealthier households will use kinship and other traditional communal relations to obtain labor.
Unfortunately, the large landholders' sometimes do not pay as well as they should but use their communal position to oblige the peasants. Recently, however, as the market has expanded, and commercial opportunities increased, harvesting labor has been in short supply. Some peasants are thus able to hire out elsewhere for higher standard wages and have forced the original landholder to be more careful in his use of the communal network.90

Who then, benefits and who loses from capitalism's disruption of communal relations? To some extent it depends on specific situations and the prevailing circumstances. In general, however, the rich peasants benefit most. Although they lose the labor services from communal endeavors, they can more than compensate for the loss by paying for labor and eliminating the unproductive expenses of communal obligation. Additionally they can drop their contributions to insurance or welfare schemes that they will never use. Disengagement from a variety of cooperative alliances also permits the wealthy to increase flexibility in investing their resources. Finally, the wealthy can actually use the breakdown of cooperative endeavor to intensify competitive relations among other peasants and thus enhance their own bargaining position. Although their ability to restrict mobility and dominate the community is broken, in most instances, their edge in resources allows them to expand their economic dominance.

Middle and poor peasants may or may not benefit from the erosion of communal relations, depending on the specific conditions. If communal relations are overly oppressive and restrictive, but do not
provide a reliable subsistence floor, market expansion benefits both poor and middle peasants. Poor peasant security is minimal to begin with, and they are presented with new opportunities for employment. Even in this case, however, it is primarily the stronger or skilled poor peasants who benefit. The middle peasants definitely benefit under these conditions because they have the resources necessary to take advantage of new market opportunities. If communal relations restrict mobility but provide a secure subsistence floor, middle peasants and peasants with some resources again benefit because they are free to use their assets to expand production and participate in income enhancing activities. The loss of a subsistence floor does not affect them.

Most poor peasants, however, are made more vulnerable. Even if the poor and marginal villagers do not have full access to village institutions and are not fully guaranteed village subsistence, a vital portion of their income is derived from cooperative endeavor. Their labor for communal housebuilding, village fiestas, cooperative hunting, or other communal work is rewarded with some share of food which is vital to their survival. Additionally they frequently benefit from the village's water system or communal land, from the right to glean fields and from the partial use of village welfare institutions. Although the breakdown of cooperation may force wealthier villagers to hire some of these less fortunate peasants, they will hire primarily the skilled and the strong.
Summary

Thus far it has been argued that, although capitalism has deleterious impacts on peasant livelihood, it also has some positive impacts. On the one hand, the loss of control over local resources deprives peasants of vital income, but on the other hand, the expansion of a labor market may provide jobs and give peasants a chance to earn subsidiary or even primary income. The integration of peasants into the world market increases uncertainty in an already precarious existence, but the expansion of the world market into peasant society also provides opportunities to expand or diversify crop production. The development of competitive relations inhibits cooperative endeavor that helps provide a subsistence floor, but competition can also break the domination of repressive elites who stifle peasant initiative.

However, a close analysis of the various capitalist transformations indicates the central position of class in determining who benefits and who loses. Capitalist development favors rich peasants, strong peasants, knowledgable peasants, peasants with some resources, landlords, and powerful outsiders. Poor tenants, marginal villagers, certain middle peasants, and peasants in densely populated areas lose income and are threatened by the intensification of competition and the disruption of internal relations. Thus, the clear beneficiaries of capitalist development are peasant society's elite: those who are strong and healthy, those with skill and knowledge, and
those who have land and wealth. Although these groups always fared best in traditional peasant society, they do even better under capitalism. On the one hand, these groups have the right resources to take advantage of market opportunities and thus have a big head start. On the other hand, capitalism intensifies competitive pressures so that these groups use their dominant position to take full advantage of less fortunate, less powerful peasants. This allows elites to increase their wealth, partially at the expense of the less fortunate and increase the economic disparities between themselves and the rest of society.90

But there are certain conditions that alter the full impact of capitalism. Some of these conditions, which will be discussed in the next chapter, involve the actions of the state.
FOOTNOTES TO CHAPTER III


29. See for example, Karl Polanyi, The Livelihood of Man.


35. Gurley, Challengers to Capitalism, p. 27.

36. Wallerstein, "The Rural Economy in Modern World Society," in Wallerstein's, The Capitalist World Economy, p. 120.


44. Since the various theorists range from Marxists to accused Trotskyites to hard line capitalists, substantial differences exist at the level of fundamental explanation. At a superficial level, however, there is no real difference. The authors all agree that infrastructure investment causes the long wave.


48. The following tables provide some data used to date the long waves:

Table 3.1
Growth of World Trade and Production

<table>
<thead>
<tr>
<th>Years</th>
<th>Percent</th>
<th>Percent</th>
<th>Years</th>
</tr>
</thead>
<tbody>
<tr>
<td>1820-1840</td>
<td>2.7</td>
<td></td>
<td>1840-1870</td>
</tr>
<tr>
<td>1850-1873</td>
<td>2.20</td>
<td></td>
<td>1870-1890</td>
</tr>
<tr>
<td>1874-1896</td>
<td>1.40</td>
<td></td>
<td>1891-1913</td>
</tr>
<tr>
<td>1897-1913</td>
<td>1.72</td>
<td></td>
<td>1914-1937</td>
</tr>
<tr>
<td>1921-1933</td>
<td>-0.49</td>
<td></td>
<td>1938-1967</td>
</tr>
<tr>
<td>1938-1967</td>
<td>4.8</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>


Table 3.2
Expansion and Contraction over the Long Cycles

<table>
<thead>
<tr>
<th>Period</th>
<th>Ratio Months Expansion/ Months Contraction</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>U.S</td>
</tr>
<tr>
<td>Long Cycle II:</td>
<td></td>
</tr>
<tr>
<td>Boom 1848-1873</td>
<td>1.80</td>
</tr>
<tr>
<td>Contraction 1873-1895</td>
<td>0.86</td>
</tr>
<tr>
<td>Long Cycle III:</td>
<td></td>
</tr>
<tr>
<td>Boom 1895-1913</td>
<td>1.14</td>
</tr>
<tr>
<td>Contraction 1919-1940</td>
<td>0.67</td>
</tr>
</tbody>
</table>

49. Another good source for time series data is: Nicole Bousquet, "From Hegemony to Competition: Cycles of the Core?" in Hopkins and Wallerstein eds., Processes of the World-System, pp. 46-83.


52. Ibid., p. 72.


54. Ibid., p. 109


57. Popkin, The Rational Peasant, p. 64.


61. For an interesting account of the impact of increased external competitors on traditional service castes, see Henry Orenstein, Gaon: Conflict and Cohesion in an Indian Village (Princeton: Princeton University Press, 1965), especially chapters 12 and 13.


68. For an alternative perspective that argues stratification did not increase in the case of China, see: Potter, Capitalism and the Chinese Peasant, pp. 187-198.


74. See for example, the citations in footnote 82.

75. Central Luzon, during the turn of the century provides an excellent example of landlords becoming "creatures of the center." Formerly the landlords lived in the province and had daily personal dealings with the peasants, but as Manila grew, the landlords increasingly found life there more pleasurable.


77. There are alternative interpretations. Some scholars believe that the hacienda, even though it is producing for the world market, is still a feudal system. Normal Long, "Structural Dependency, Modes of Production, and Economic Brokerage in


82. Furnivall, Introduction to the Political Economy of Burma pp. 36-37.


88. Quoted from Lang, Introduction to the Sociology of Rural Development, p. 55.

89. Lewis, Life in a Mexican Village, pp. 429, 444 ff.
CHAPTER IV  
THE STATE AND PEASANT SOCIETY

The modern state plays a prominent role in the lives of peasants and has profound impact on peasant society. On one level, the state extracts surplus from peasants in the form of taxes. It uses these funds for a variety of purposes: to provide cash fund transfers to certain groups, to support subsidies for other groups, and to build public works such as water and transport systems. Since these actions benefit some groups more than others, government policies clearly have broad societal impacts. On another level, the state replaces traditional authority with its own and establishes new systems of law that recognize certain rights and support the contentions of certain groups over others. Again, state policies clearly affect the entire nation including peasants.

Put in a way directly related to peasants, the issue might be stated in the form of several questions: What would the state do in the case of widespread famine in the countryside? Would it use some of its tax revenues to issue emergency rations to starving peasants? Would it go about its business as usual, collecting taxes as if nothing was amiss? Would it order its soldiers into the countryside to shoot any peasants who stole food to survive? Would it begin a program to
increase agricultural productivity? Another question might be, how would the state respond to widespread alienation of peasant land in the process of capitalist development? Would the state simply allow individuals to amass landholding through legal maneuvers? Would it institute a system of legal protection for the unknowledgeable? Would it pass laws with minimal restrictions on buying and selling? Would it recognize only certain land claims? Would it institute sweeping land reforms? Whatever the action, I think the point is clear. State action has profound impacts on peasants. This leaves us with two significant questions: what rural policies will the state enact, and how will these policies affect peasants.

Before outlining how this chapter proposes to answer these questions, two qualifications must be noted. First, the term "state" does not refer simply to the government. The government, whether it is a legislature or a dictator and his entourage, form the visible arena where decisions are made and policies are pronounced. But the state includes the total bureaucratic apparatus that formulates, decides, and carries out national policy. This involves the military, the welfare agencies, the justice system, the tax department, the police, the education system, and the other institutions that make up the public sector. The state then, is the public institutional structure of the nation. Second, the analysis in this chapter applies only to third world capitalist states. These include nations in Asia, Africa, and Latin America that have not experienced socialist revolutions and whose economies are predominantly market oriented.
To address the questions of what rural policies will the state enact and how will peasants be affected, this chapter will be divided into four parts. First, a discussion of rural policy making requires a theory of the state. The first section provides an overview of various conceptions. Basically these conceptions hold that the state is an arena where societal classes and groups compete to control state action and to enact policies that benefit them. The second section rejects this notion. It argues that the state is a semi-independent actor. Within limits the state enacts rural policies that conform to its own interests. Based on this conception of semi-independence, the third section presents a model of national policy making. This model views the dynamics of national rural policy-making as the outcome of the interactions among various groups, including the state. The fourth section discusses the impact of the state’s rural policies on peasants.

Conceptions of the State

Theories of the state may be placed into three categories, liberal-pluralist, Marxist, and dependency. The pluralist model conceives of the state as an arena where groups in society compete to enact the policies that will benefit them the most. This conception can be traced to classical economic theory, which held that the best economic system was the free market operating without regulation or interference. According to classical theory, business enterprises would succeed or fail depending on how well they competed in a free market where the public freely selected or rejected their products.
This system was most efficient because individuals would naturally select the best products and price them according to what they were willing to pay. For pluralist theorists, the political analogy to the market was the state. The state provided the open arena where individuals and groups would freely compete to enact the best state policies. The demands of the groups were regulated by open competition. No group could demand too much because other groups would organize against them to protect their own interests. Dominance by a single group was further limited because success depended on appealing to a large bloc of voters. This meant a group had to compromise and incorporate the demands of as many other groups as possible. Power would thus be equally diffused throughout society; no group could monopolize power.

The pluralist model makes three assumptions about the state. First, the model assumes that the state is a relatively open competitive system with all groups having equal access to the policy making arena. The very process of competition, with individuals pursuing their self-interest, forces the system to provide everyone an equal chance to influence and shape state policy. Second, since the state is an open arena where all groups in the society articulate their interests, societal consensus is achieved. So long as this open access is maintained, the state operates smoothly without disruption, rebellion, or revolution. Third and most importantly, the pluralist model assumes that the state is a neutral mechanical structure through which societal will is carried out. The state does not act; it is merely the forum where the best ideas become societal policy. In the
pluralist model then, the state is reduced to a set of structures and functions which impersonally and neutrally carry out societal will.6

Marxist conceptions of the state differ considerably from the pluralist notions, particularly with regard to whether the state is simply a neutral mechanism. Contemporary Marxist analysis sees power within society as dominated by the bourgeoisie, the dominant class that controls the means of production.7 Thus, the state acts, not in the interests of society as a whole as the pluralist model contends, but in the interests of the dominant class. However, since even the dominant class is composed of competing factions, it is not possible to enact state policies that unambiguously aid all of them. Therefore the state must be relatively autonomous from the bourgeois factions which it serves.8 Such autonomy gives the state both the freedom to carry out policies that serve the long term interests of the entire bourgeoisie and the neutrality to effectively settle disputes among its factions.

A number of Marxist scholars have adapted the classical concept of the state to situations in the contemporary third world.9 Although their basic thesis remains the same—that the state acts in the interests of the class that controls the means of production—they cite two crucial factors that alter this relationship. First, third world countries have developed within a framework of subservience to the core industrial countries.10 Although core countries seldom interfere directly in a third world country, they use their economic and diplomatic power to indirectly structure the peripheral country to their own needs. For example, an industrial nation can pressure a third world state to allow unrestricted foreign investment within its
territory by extending or refusing economic and military aid, by creating import or export restrictions, or by denying loans for crucial items such as medical supplies and food. The periphery nation is thus forced to allow multinational corporations into the country to build extractive export industries or routine manufacturing plants which serve the markets in the core countries. Actions of contemporary third world states are thus severely constrained by the industrialized nations.

Second, the dominant ruling class in the third world state is composed of three distinct factions, the landed elite, the compadre bourgeoisie, and the national bourgeoisie. The landed elite is the old oligarchy, the large landholders whose wealth and power are based on the control of large tracts of land and the extraction of surplus from the peasantry. The national bourgeoisie is the indigenous commercial class that uses local capital to finance its local business ventures. Since a periphery nation's economy is structured to serve the core nation's needs, the domestic market remains small and consequently the national bourgeoisie tends to be weak. The compadre bourgeoisie is composed of the administrators, managers, and executives of multi-national subsidiaries located in the periphery. The individuals are actually citizens and indigenous residents of the periphery country, who represent the multi-nationals' interests in the internal politics of the third world state. Since this faction's economic power is based on the vast assets of the multi-national companies, it tends to be the most powerful and influential of these three groups.
Since the three dominant groups have different interests and bases for capital accumulation, their conflicts are deeper and more intense than the bourgeois conflicts in the core. To resolve the conflicts while simultaneously protecting overall bourgeoisie interests, the periphery state must be stronger and more autonomous than the core state. Above all, the state must protect one principle: the right to hold and accumulate private property and capital. Preservation of private property rights and the right to private accumulation are critical to the landed elite, the national bourgeoisie, and the compadre bourgeoisie. The state is therefore autonomous in carrying out various policies that protect and guarantee private property.

In sum, Marxist theories contend that the state is capable of taking autonomous action and is somewhat dynamic and independent. But the state's ultimate goal is to preserve the dominant class interests. Thus Marxian conceptions ultimately see the state as a tool of the dominant class.

Dependency models begin by accepting the Marxist argument that the core nations control the structure of peripheral nations' economies. They take this argument one step further, however, concluding that the needs of core countries not only dictate the social, economic, and political structures that emerge in the periphery, but also are the key mechanisms generating the peripherys' underdevelopment. Considerable criticism has been directed at the contentions of dependency theory, much of which is not relevant to this section. It is relevant to
point out, however, that dependency theory focuses on the internal organization of the periphery, providing a micro-view of its social and economic relationships within the framework of the world market.

Since dependency theorists focus so heavily on the periphery's internal social and economic organization, one would think they also examine closely the role of the state. This, however, is not the case. Despite a few notable exceptions, dependency theorists view the state action as a reflex of the dominant class and the core countries' economic needs. As one critic has argued, dependency theory suffers from excessive economic determinism. For example, Andre Gunder Frank, a principle dependency theorist, argues that the core countries linked the periphery countries to the world market in order to satisfy their expanding economic growth. The periphery, however, did not enjoy dynamic economic development. They were transformed into satellites, producing agricultural goods and extracting raw materials for the core. Ironically, the capitalist exchange relations that had enriched the core, brought to the periphery underdevelopment. Frank's entire analysis focuses on the economic forces. Political actions of the state are viewed as reflections of the dominant economic forces.

In a similar vein, Theotonio Dos Santos examines underdevelopment in the periphery. He hypothesizes that the periphery's political, social, and economic development can be attributed to dependency, "a situation in which the economy of certain countries is conditioned by the development and expansion of another economy to which the former is subjected." Historically there were three types of dependency: colonial, industrial-financial, and industrial-technological. Each
type was created by the changing needs of the core countries' economies. Initially the core needed gold, silver and other precious metals, hence colonial dependency arose; later the core needed agricultural commodities, cotton, sugar, copra, sisal, hence agribusiness along with industrial-financial dependency arose; most recently the core needs cheap labor and expanded markets, hence the rise of industrial-technological dependence. In each instance, the periphery's social and political structures evolved to fit the core's economic needs. Thus economic dynamics explain all social and political action. The state is again reduced to a mechanistic structure.

A final dependency view is articulated by Immanuel Wallerstein. Although not a dependency theorist per se, Wallerstein uses a framework similar to Frank's in depicting the world as a single capitalist system. He argues that the core countries have impoverished the periphery countries by integrating them into the world system as unequal partners in capitalist development. The primary mechanism creating and perpetuating the inequity is a unified world division of labor in which the core monopolizes the skilled higher paid labor positions and can thus exploit the periphery's cheap labor via world market exchange. For Wallerstein, then, the world system is all important. Within this system the state is merely "one kind of organizational structure among others." Moreover, the state structure as well as state policies are determined by the need to preserve the world system. Again, the state is reduced to an instrument of the economic forces.
State Autonomy

The basic argument of this section is that the state has its own interests and, within limits, acts semi-independently to advance them. This contention seems to defy logic because the state, unlike a social class, cannot be identified as a distinct group with self-interest. Blue-collar workers, by contrast, can readily be identified by their collective interest in a high minimum wage, a progressive tax system, legislative support for unions and collective bargaining, and policies stimulating high employment. The state cannot be identified so distinctively. For one thing it is composed of wage earners; therefore state interests might simply be classified as working class interests. For another thing, it is composed of a diverse group: administrators, managers, politicians, generals, soldiers, clerical workers, laborers, police, educators, and many others. The state therefore cannot act on behalf of its members because they have conflicting interests. Beyond these points, it is difficult to see how an innately amorphous institution, which is supposed to safeguard the national interest, can possibly be independent. There are, however, two reasons to view the state as possessing self-interest and acting to advance it.

First, the state is an organization; and once an organization is formed it takes on unique dynamics of its own. A lengthy literature demonstrates that organizations make decisions autonomously, change their goals independently, and adapt to changing situations for
self-preservation.28 An organization may be created for a specific purpose and may initially be controlled by specific groups, but soon it becomes an independent entity responding to its own needs.29 Like any organization, the state has the characteristic of semi-independence. However, the state is unique. It is composed of the entire public bureaucracy composing the institutionalized power of the nation. Its unique missions of nation-building and serving the public interest give it broader goals than a business firm, and certainly broader goals than simply serving the needs of the dominant class.30 Moreover, its unique structural position as the guardian of national interest gives it independent authority to expand its functions with little reservation. These characteristics mean the state must be studied as an independent and relatively autonomous institution.

Second, the simple linear model of dominant class interests determining state actions does not fit empirical situations. Careful case studies of national development indicate the situation is exceedingly more complex. For example, Theda Skocpol and Ellen Trimberger show that in Russia, Japan, Turkey, France, and China, revolutions created the potential for breakthroughs in national economic development by giving rise to more powerful centralized and autonomous state organizations.31 Once these autonomous states were formed, they acted as independent entities to bring about the evolution of class and social structure. Similarly, in a carefully written book of essays on the formation of nation states, Charles Tilly and several authors demonstrate that the process of state-building provided strong impetus for the evolution of class and economic structures in Western
Europe. Economic forces did, of course, have an impact on the state and help shape state policies. But the state, along with the social and economic classes in society, interacted in an interdependent process that formed national policies.

More recently, careful studies by dependency theorists and by others indicate that there is a complex interdependency between the state and the various economic classes. In particular, states in the Third world have increasingly taken a key role as the nation's industrial entrepreneur in order to exert national authority over vital economic interests. Rather than allow foreign controlled multi-nationals to control key industries, the states are investing and gaining control of the steel, chemical, heavy machinery, and other industries perceived crucial for national development. This action is not done for the sole benefit of the dominant class but is done also for the benefit of the entire state organization, which sees itself as the nation's agent for progress and modernization.

In sum then, it is the dynamic interplay between the state, acting in its own interests, and various groups in society that shape national policy. But if the state does act semi-independently to further its interests, what exactly are these interests?

**Interests of the Modern Third World State**

The basic primal interest of the modern third world state is to increase and perpetuate its authority. This interest is expressed when the state acts to accumulate power, to extend its authority over other national and international competitors, and to make its demands
preeminent. The state's striving for power is partly the result of its organizational dynamics: "state managers are interested in expanding their own power within the structural situation in which they find themselves."\(^3\) In third world countries the internal dynamic to expand is particularly intense because the state bureaucrats form a relatively large, well-educated and well-organized cadre whose will to power is "formed largely by the administrative milieux in which they are located."\(^3\) The urge to accumulate power is also motivated by a natural urge to control one's own destiny: "In its raw form this is an expression of a will to power, the urge to control and to dominate, to imprint a pattern on events."\(^4\) Since this will to power is global, a vital aspect of state policy involves attempts to dominate other nations or, conversely, to avoid being controlled by them.\(^4\)

In order to extend and perpetuate its authority, modern third world states adopt three strategic interests. These interests, which may be considered state strategies are: state-building, modernization, and distributive national welfare.

State-building is the process of creating and expanding a diffuse range of administrative organizations which control societal resources and decide how to allocate them.\(^4\) Although the process differs from nation to nation, it basically includes the creation of a central decision-making apparatus, the establishment of a single nation-wide legal system for settling and resolving disputes, the creation of a national police force, the expansion of the military, and the funding of a welfare system that may include schools, health facilities, and various social and economic relief programs.\(^4\) The state attempts to
institutionalize these bureaucracies and then to specialize and expand their functions. For example, the military is made a permanent institution, it then grows larger and larger and is divided into naval, land, and air forces. Similarly, the state's legal system becomes permanent, it penetrates into all areas of the country, and it is divided into an administrative division, a judicial division, a law enforcement division, and a penal division. The growth and specialization of these institutions increases the state's power and extends its authority.

Beyond expanding political power, state-building is perceived by many third world states as the only way to promote national economic development. In this regard, third world states confront a very different situation than the advanced nations did. When advanced nations industrialized, there were few competitors, many colonies from which to exploit natural resources, plentiful cheap labor, and relatively simple low-cost technology. Today, third world nations face established competition; they need complex, massive, and costly technology; they require expensive resources; and they confront a global structure of finance with unfavorable terms of trade. Confronted with such high "entry costs" into the world market, the state must make the most efficient use of all natural resources. The state therefore expands its functions in order to coordinate and mobilize national development efforts. Consequently, the modern third world state tends to take a dominant role both in directing political activity and in guiding the nation's economy.
The second strategic interest of the state is to modernize, that is, to use rational scientific techniques to increase productivity. Underpinning modernization is the ideology of developmentalism. This ideology holds that a nation will achieve power and prosperity most quickly if it industrializes and builds the necessary urban infrastructure. Although this strategy requires that great wealth be concentrated in the hands of a few industrial entrepreneurs, it is assumed that prosperity will eventually trickle down and be diffused throughout society. The ideology of developmentalism has become a key interest of the modern third world state. It is the driving force behind state policies that tax the rural agricultural sector heavily and transfer the funds to urban industrial projects. It is behind economic rationales that justify the cash transfer because the rural sector is backward and inefficient while the urban sector is modern and therefore uses the money more efficiently. Finally it underpins the biases inherent in statements such as, "We do not want to be hewers of wood and drawers of water." Modernization, then, is perceived as a way to increase the state's power. Not only does it enable construction of an internationally competitive industrial economy, but also it promotes an infrastructure capable of developing sophisticated weapons systems.

The final strategic interest of the state is to promote distributive welfare, that is, to provide a more equitable and balanced distribution of wealth for its citizens. Developmentalism and distributive welfare are competing strategies. On the one hand, developmentalism requires that large amounts of capital be concentrated
into the hands of a few entrepreneurs who will build factories in urban areas. On the other hand, distributive welfare requires that income and government resources be more equitably dispersed and be spent especially in rural areas where the majority of the citizens live. In contrast to developmentalism's primary emphasis on rapid inequitable growth, distributive welfare holds that the state should reduce the disparity between the few who are rich and the many who are poor. By bringing everyone to some minimal living standard, redistribution will in the long-run most benefit the nation.

The state enacts distributive welfare policies for several reasons. They help stabilize and extend state power. Such policies also reduce dissatisfaction and minimize potential protest. There is also a very strong moral argument that a nation cannot advance unless everyone shares in the benefits of modernization. For many third world nations, such beliefs are compelling because the great masses of their citizenry live in poverty while the elite lives extremely well. Finally, if the state adopts policies focusing on equitable growth, it can mobilize great masses of citizens as an effective instrument of state policy.

But distributive welfare competes with developmentalism thereby forcing the state to choose which strategy has priority. Many third world states try to compromise, supporting growth with equity. Nonetheless, the state's dominant strategic interest is developmentalism. Developmentalism most directly adds to state power through creation of urban areas which generate large concentrated markets and through the construction of an industrial infrastructure
which supports high technology and weapons development. This provides the basis for international power and national stability. Finally, developmentalism has the most immediate and visible impact; it is widely used as a fast-growth model, despite the inequities it generates. By contrast, distributive welfare is a long-term human strategy which does not have high visibility.54

Rural Policies of the Modern Third World State

In translating its strategic interests into action, third world states adopt three rural policies that have profound impact on peasants. First, they establish state authority over the countryside through the creation of numerous state institutions. Second, they implement various methods of extracting the rural surplus so that it can be transferred to urban/industrial areas. Third, they attempt to modernize and uplift the agrarian sector, which should improve distributive welfare.

Establishing state control over the autonomous areas and various pockets of rural resistance is the state's most important rural policy.55 The state must penetrate the rural areas, exert its domination, and establish order. To this end the state replaces local authority with state authority, replaces traditional law with state legal-judicial institutions, and most significantly, assigns permanent state agents to enforce the new laws. In concrete terms, the police, military, national conscription agent, judge, health officer, agricultural extension agent, tax collector, and various other state officials impose regulations on the peasantry.56
The modern third world state must also extract the surplus from rural areas so that it can effectively coordinate national development efforts. Invariably the surplus is transferred to the urban sector to promote industrial modernization. The rationale for the transfer is simple. The rural sector in third world countries is by far the largest sector and therefore the area from which surplus must be extracted to finance modernization. The rural sector is also considered to be inefficient, often characterized by policy makers as the primitive sector of a dual economy which retards the dynamic urban sector. It is also considered the sector of unlimited redundant labor. Therefore the state is justified in draining the rural surplus and transferring it to urban areas where it will be used effectively. Several methods of transfer are common: forcing peasants to sell their crop to trade boards at a low price, directly taxing agricultural income, and "influencing the terms of trade between industry and agriculture adversely to agriculture." Whatever method used, "a net outflow from agriculture has been the typical pattern since 1950; this has resulted, not from private savings and investment decisions, but from actions of government."

Finally the state attempts to modernize agriculture through a balanced strategy of technologic modernization and land reform. In promoting technologic modernization, the state subsidizes agricultural inputs such as irrigation, fertilizer, miracle seeds, harvesters and pesticides. Agricultural modernization greatly increases the yield per unit of land and thus has the potential to improve peasant well-being. But this strategy has negative consequences when applied
to most Third world countries. As has been demonstrated by many scholars, improving agricultural technology does not improve welfare for the majority of peasants. For one thing, large landholders and rural elite tend to control and monopolize the new technology; thus the benefits of modernization are limited to the already rich. For another thing, the new technology increases land values, thus inflating rent beyond the means of most tenants and even forcing smallholders to give up their land. Finally, the new technology, by itself, does not increase total agricultural output. Frequently improved technology reduces a nation's output by making it more profitable for the large landholders to cultivate the most fertile areas but to keep the rest of their land out of production. Incentives are thus created to keep potential peasant competitors off of productive land.

The state tries to balance the negative impacts of modernization through land reform. By redistributing the elite's large holdings, more peasants will have land to earn a livelihood, and they will bring a larger area into intensive cultivation. If these peasants obtain some of the technology used by the large landholders, then national agricultural output will be increased and peasant welfare will be enhanced.

It must be emphasized, however, that the state's purpose in modernizing agriculture is not solely to help peasants. The state has three other reasons for implementing an agrarian reform: (1) it wants to increase rural productivity so that a greater surplus can be transferred to urban areas, (2) it is interested in integrating the rural sector into the national economy as a supplier of labor and a
market for industrial goods, and (3) it must relieve potential unrest. To achieve these goals, the state must create a rural structure of medium and small commercial farms. As will be discussed later in the chapter, such farms produce the greatest surplus, provide a vigorous market, force excess peasant labor out of agriculture, and satisfy enough peasants to dissipate unrest. At the most basic level then, agricultural modernization is intended to transform a segment of the peasantry into a middle class of commercial yeomen farmers while forcing the rest into wage labor.

State Policy Making in the Third World: Bounded Autonomy

The modern third world state, however, cannot simply implement its strategies and long term goals. State actions are bounded by three elements: 1) other nations which comprise the world capitalist system, 2) the limits of its own strength, and 3) other competing groups within the nation.

International Constraints

The modern third world state is limited in its actions by the overall capitalist world system. This is a single global system within which the trade of most commodities takes place. Moreover it is a system of unequal exchange that transfers the surplus of third world nations to the industrialized nations through mechanisms such as differential wages and dependent technology transfer. Since these transfers occur at the level of the global market, the total structure
of inequality is hidden from third world producers. Moreover, because the system covers the entire world, an individual third world state is limited in its actions to alter the system. It can improve its terms of trade or semi-withdraw for brief periods. But unless it can become completely self-sufficient, it must operate within the world market system and accept the structural inequities.

On a direct tangible level, this means that the modern third world state is constrained from pursuing its own rural interests by individual industrial nations. For example, an industrial nation may try to stop a third world state from nationalizing foreign owned plantations or instituting radical land reform by threatening invasion or by threatening to cut off trade or aid. The weaker a third world state is, and the more deeply it is enmeshed within an industrial nation's sphere of influence, the more constrained it will be in implementing its own rural policies. However, during a declining period of the long cycle, that is during the 20-30 year period of economic stagnation, a relatively strong third world state has great opportunity to pursue its own goals. During this period, the relatively strong third world state can exploit the intense competition among the industrial nations and carry out policies in its own interests. A relatively weak third world state that has few vital resources, however, becomes even more constrained.

State Strength and Organization

The actions of the third world state are also bounded by its own internal strength. State strength lies first of all in size. If the
bureaucracy is quite large, comprising a significant proportion of the nation's workers and performing functions at all levels of society, then it has great potential strength. Whether it can use this strength to advance its interests depends largely on the degree of bureaucratic centralization. In a diffuse system with many autonomous units, the state will not have much control or coordination in pursuing its rural policies. In a centralized system, the authority structure is concentrated and there is greater likelihood that the state will act cohesively in pursuing its goals.

Another crucial element of state power is its coercive apparatus. The stronger the military and the police forces are, the more powerful the state will be and the more likely it is to openly pursue its rural interests. The principal of centralization also applies. If the military is feuding and disjointed, it will be an ineffective instrument of state authority. If the military is united and centralized, it will provide great assistance to the state. There is one other common situation: the military is powerful and united, but conflicts with civilian state elements. However, even when the military siezes control of the state and imposes its policy on the nation, the military is still an integral part of the state and will ultimately implement strategies consistent with rural state-building and modernization.

State size and power is not static. States increase their organizational and functional capacity in response to their own interests and national needs; consequently they tend to extract increasing resources from society. In third world states there is an
even greater pressure towards expansion because the state increasingly places itself in the role of the prime modernizer and thus assumes control of the accumulation process. As a result, modern third world states tend to grow at a faster rate than the economy but roughly proportionate to it. Two conditions greatly accelerate growth. First, if there is an internal or external threat, the state can mobilize societal resources to combat this threat and will increase its size and centralize its functions. Second, since many third world states take a direct role in the accumulation process, they will be likely to mobilize national resources to exploit a unique economic or political opportunity. Two hypothetical opportunities might be the discovery of a rare mineral in the rural areas or intensified rivalry among the industrial nations that makes the nation strategically prominent. In such instances the state will take advantage of the situation in the national interest. Both threats and unique opportunities are most likely to occur during a declining period of the long cycle. Therefore, the stronger a third world state is, the more likely it is to gain strength and power during this period.

The Constraint of Social Groups on State Policy

No matter how strong the state is, its power to advance its own interests is relative to the power of other societal groups against whom it competes for national resources. Some of these groups may be more powerful than the state and may dominate national policy. Thus the state must constantly make accommodations and form coalitions with these groups in jockeying for power.
The third world state must deal with four indigenous groups: the metropolitan bourgeoisie, the national bourgeoisie, the landed elite, and the peasantry. There are other groups such as urban workers, but these four represent the nation's dominant power blocks. The metropolitan bourgeoisie consists of the indigenous employees and representatives of the multinational corporations and is the most powerful group with which the state must deal. In situations where the state is relatively weak or heavily penetrated by industrial nations, the metropolitan bourgeoisie has as much power as the state and controls policy in its area of interest. The state has both a harmony and disharmony of interest with this group. It clearly must cooperate with the MNC's to obtain the capital and technology to build the nation's industrial capacity. But the state also competes with the metropolitan bourgeoisie over how to develop the rural areas, who controls the technology, who decides what to produce, and how much profit should be taxed. Because these issues involve disputes over the exchange of global surplus, the disharmony of interest is intense. But the state and the metropolitan bourgeoisie need each other and compromises must be reached. From both perspectives then, the question is how to obtain the most favorable concessions from the other.

Several factors are crucial in determining which side gains the most. In general, the weaker the third world state, the less leverage it has and the more it must concede to the metropolitan bourgeoisie. Two situations, however, can improve the state's position. First, if the state can form a solid coalition with both the national bourgeoisie and the large landholders, then it can gain greater control over the
metropolitan bourgeoisie. This situation requires the metropolitan bourgeoisie to have a disharmony of interest with both landed elite and the national bourgeoisie.

Second, the long wave has a profound impact on the situation. During an expansionary phase of the long cycle, the multi-nationals are willing to make greater concessions to the weaker third world states and help them in advancing their rural interests. The stronger third world states, however, find themselves in competition with the multinational and must fight the metropolitan bourgeoisie over rural policies. During a declining phase of the long cycle, the stronger the third world states have greater leverage over the metropolitan bourgeoisie because they can take advantage of the multinational's fierce competition for scarce profits. Conversely, a weaker third world state obtains very unfavorable terms from the metropolitan bourgeoisie because the multinationals must retain control over their neo-colonies.

The national bourgeoisie, composed of indigenous entrepreneurs and businessmen who use local capital, tends to be the weakest class in third world nations. This group is weak because of its historical circumstances: a small domestic market, limited local capital, little time to develop, and well-established foreign competition. Nonetheless this group can play a pivotal role in a coalition with either the state or the metropolitan bourgeoisie. However the national bourgeoisie competes with both the state and the metropolitan bourgeoisie for the same resources. But it has a greater harmony of interest with the state. Economic and political control must be kept within the nation.
If control is lost to the metropolitan bourgeoisie then surplus will be expropriated by the multinationals and lost to both the state and local business. The indigenous bourgeoisie thus tends towards a coalition with the state.85

The state, the national, and the metropolitan bourgeoisie compete for the same resources. But they all share a common interest in maintaining the capitalist system. Both metropolitan and indigenous bourgeoisie rely on private market mechanisms for continued profit and the state must retain control and stability. Thus, in terms of rural policy, all three support the repression of popular peasant movements and egalitarian demands of the peasantry. These three groups also support the growth of a domestic market, the growth of wage labor, the development of a middle class of yeomen farmers producing for the market, and the destruction of a self-sufficient peasantry.86 In general then, all three groups support the state's rural policies, except that the metropolitan bourgeoisie opposes expropriation of its large commercial plantations.

The landed elite is the dominant rural class whose wealth and power is based on extensive landownership. This group should not be confused with the self-contained feudal lords who have largely disappeared from the capitalist world system. Unlike the feudal class, the landed elite is closely integrated with the larger society, both producing for the world market and using market forces to maximize the profit from their land. Nor should the landed elite be confused with modern agro-business interests, which are part of the metropolitan bourgeoisie. Unlike modern agro-business, which maximizes profit
through capital intensive agriculture, the landed elite maximizes profit by manipulating its control of land and labor. The landed elite thus uses alternative forms of labor control, tenancy, share-cropping, wage labor, or some other variant, depending on which is most profitable.87

The landed elite plays a critical role in national power interactions and the state must have their support. If the landed elite forms a coalition with the metropolitan bourgeoisie, based on a division of labor in which the landed elite produces agricultural commodities and the metropolitan bourgeoisie markets the produce globally, then the state is likely to become subservient to the coalition. If the state isolates the elite, then it loses key support in the countryside, necessary for national development efforts. If the state attempts to crush the landed elite then it risks civil war and loses its buffer with the peasantry. Consequently the state tries to reach an accommodation.

But the landed elite and state have fundamental conflicts of interest. On the one hand, the state tries to promote technological modernization and land reform to create a middle class of commercial farmers. On the other hand, the landed elite is interested in maintaining its control of land and labor to maximize profit.88 Under certain conditions neither technological modernization nor land reform will return the greatest profit. If there is a scarcity of arable land (which forces rents up), if there is a large pool of poor peasants (which makes human power cheaper than mechanical power), or if there is a shortage of capital (which makes modernization impractical and
expensive), then the landed elite makes the greatest profit not by modernizing, but by simply squeezing larger and larger rents or share crops from the peasantry. Since these conditions exist in most third world countries, state and landed elite are frequently at odds over agrarian reform.

Likewise there is a conflict over land reform because it does not profit the elite landholder. He will be compensated little for the land. He will be forced to give up some land to peasants who will become his competitors. Finally, a loss of land means a loss of monopoly control over the critical productive factor and hence a reduction in the landholder’s economic and political power.

Because the clash between states and landed elites centers on control of the means of production, it is difficult to compromise. However both groups reach an accommodation on three issues. First, they both cooperate in maintaining stability in the countryside and stifling popular peasant participation. Second, both parties agree on technological modernization. The state provides ample economic incentive, such as free seed and fertilizer, subsidized prices for tractors and other expensive machinery, ample low-interest credit, and large tax breaks for initiating modern market production.

Finally there is a compromise on land reform. Because any reform reduces the landed elite’s power and status, there is a fundamental clash. The landed elite tries to limit land reform, while the state attempts to enact a reform that transforms idle land into commercially productive land. Despite the basic conflict, some reform must be enacted because of the peasantry’s extensive rural poverty. Therefore
both parties must compromise on how much land is to be redistributed, what will be the land ceilings and what exceptions, and how much compensation will be given for redistributed land. Whatever compromises are reached, the scope of land reform will be limited. The landed elite is interested in domestic change at most. The state is interested only in transforming a segment of the peasantry into middle class commercial farmers who are totally integrated with the market as producers and consumers.93

All compromises, of course, are relative to each group's strength. The stronger the state, the greater its ability to implement a balanced strategy of modernization and moderate land redistribution. Conversely, the stronger the landed elite, the more likely it is to control the countryside and implement policies that retain the status quo. Several conditions are instrumental in determining each group's relative strength. If the landed elite is a large agricultural exporter, then it is likely to form a coalition with the metropolitan bourgeoisie. There will be basic cooperation on expanding export agriculture; and the state will have difficulty in implementing a thorough middleclass land reform. However, the long wave must be taken into consideration. During a declining phase of the long cycle, the stronger the third world state is, the more likely it is to gain strength and dominate rural policies. But the weaker third world state is likely to lose strength and will have increasing difficulty in controlling rural policy. During an expansionary phase of the long cycle, there is greater surplus and both strong and weak third world
states are likely to provide sufficient economic incentives so that the landed elite will modernize and accept moderate land reform.

The effective group of peasantry with which the third world state must deal consists of medium size landholders, smallholders, tenants, and landless peasants. The groups primary interests center on obtaining subsistence security and improving its living standards. Goals for achieving these interests include acquisition of land or more land, reduction of societal obligations such as rent and taxes, increased yield, and guarantees of minimal welfare. Since the peasantry comprises up to 60 percent of a third world nation's population, it is potentially the most powerful group in society and has considerable leverage in achieving its goals. However, the peasantry can seldom act to further its interests because it is segmented, dispersed, and disorganized. Moreover, it is not a single class; it is differentiated and each segment has different, sometimes conflicting interests. Finally, the state and the landed elite often divert the peasantry by coopting it for their own purposes.

The state has dual purposes regarding the peasantry. On the one hand it is interested in mobilizing the peasantry both to promote modernization and to contain the landed elite. On the other hand, it is interested in neutralizing the peasantry so that it does not become an independent force or competitor. Therefore the state may advance peasant welfare, but these advances are limited to transforming a small portion of the peasantry into commercial producers. The state may provide minimal subsistence security, but only to maintain rural stability. The state may advocate land reform, but only to stimulate
commercial productivity. And the state may make concessions to a large portion of the peasantry but only to retain its support against the landed elite. The state is, of course, interested in promoting distributive welfare, but its other interests take priority. Thus the state does not promote policies to make the peasantry an independent self-sufficient group.

The peasantry seldom acts to further its own interests. The next chapter will discuss the factors and conditions leading to peasant political action and organization. For now, it is appropriate to point out that when the peasantry does act as a group to further its interests, increased pressure is put on the state to expand its rural programs and to benefit a broader group of peasantry.

In sum, the state is an organization that has its own interests and tries to further them. But the other groups and classes in society attempt to advance their own interests and try to prevent the state from carrying out its policies if there are conflicts. Within the context of this dynamic situation, we can now examine the impact of the state's rural policy on peasants.

The State's Impact on Peasants

The state attempts to carry out three policy actions in the rural areas. First it tries to establish and extend its control and authority over the countryside. Second it attempts to maximize transfers of the rural surplus to the urban sector. Finally it tries to modernize agriculture. Each of these actions fundamentally affects
peasants. Of course, as discussed in the preceding section, the state is bounded in its attempts to carry out these policies by its position in the world capitalist system, its own strength, and other groups in society. Nonetheless, whatever state rural policies are finally enacted, they will benefit only a small proportion of peasantry, primarily the middle strata comprising perhaps 25-35 percent of the rural population. To a much lesser degree, if at all, state policies aid smallholders, poor tenants, and landless laborers. This generalization and its limitations can be explicated by examining the impact of the state's three rural policy actions.

**Peasants and the Extension of State Authority**

In pursuing its vital interest of state-building, the state extends its administrative, legal, and coercive institutions into rural areas. Replacing traditional local authority, the state establishes its authority over rural life. In concrete terms, the state's tax agents impose the new collection structure, legal-judicial processes replace traditional patterns of conflict resolution, and most significantly, permanent government agents enforce the new rules. Peasant society's internal boundaries are broken as law enforcers, the judicial agents, the educational authorities, the health representative, the national conscription agent, the agricultural extension agent, and the tax collectors exert some control over peasants. Weaving a fine bureaucratic net about peasant activities, they impose central state authority over peasant relationships. What impact does this have on peasants?
There are two opposing views. One view, argued forcefully by James Scott and Benedict Kerkvliet, holds that the extension of state authority into rural areas erodes traditional subsistence relationships, to the advantage of wealthier peasants and elites, but to the disadvantage of poorer less powerful peasants. They argue that prior to the extension of central state authority, landlords and other village elites depended on local support to maintain their claim on local resources. The elite therefore had to cultivate "a substantial local following by observing essential community norms." With the rise of the central state, however, these elites no longer had to be wary of local opinion. The state could and would support their position with force. The result was a marked shift in the distribution of power. Local elites and landlords could violate their traditional subsistence obligations and take advantage of poorer villagers with relative impunity.

There is considerable evidence to support this contention. John Furnivall, for example, in examining Upper Burma, notes that village elites and more powerful peasants traditionally respected communal subsistence obligations because they required considerable popular support to maintain their position. But when the British colonial state expanded into rural areas and began replacing village headmen, the fundamental organic unity of the villages was eroded. Communal land was encroached upon by more powerful villagers who could disregard the anger of the poorer peasants because they were protected by the state. Similarly in Sumatra and the outer islands of Indonesia, the village headmen were often the wealthiest and most powerful villagers.
However, customary adat law, backed up by popular consensus, forced them to honor traditional obligations and provide a certain amount of subsistence security for the unfortunate. With the expansion of the colonial state, the wealthier villagers were recruited as colonial administrators and were given new powers. The result was an inflation of their power which enabled them to disregard traditional law.

In Colombia, similar impacts occurred. In the Cauca Valley, the peasantry held a slight balance of power and the large landowners were forced to respect and honor traditional usufruct rights. Following the War of One Thousand Days (1899-1901), however, the state began rapidly expanding its police and military force into rural areas. The large landowners, supported by the state, began ignoring traditional usufruct. One hacendado even proposed that the state establish a special corps of police to guarantee that the interests of the cattle owners and large landholders would be protected and upheld.

Finally, in El Salvador, the expansion of the central state systematically inflated and maintained the power of the large landholders at the expense of the peasantry. Prior to the extension of state forces, the El Salvadoran peasantry frequently organized to force landlords to honor traditional peasant rights. However, as the state expanded, peasants were brutally suppressed in favor of large landholders. In 1872, 1875, 1880, 1898, and 1932 the state bloodily put down peasant movements. And in a brilliant study, William Durham shows that even the Soccer War (1969) fought against Honduras was actually an attempt by the El Salvadoran and Honduran states to suppress the peasantry. Although the Soccer War has been popularly and
academically analyzed as a response to overpopulation, the actual situation was that both states tried to maintain the holdings of the large landholders by forcing the peasantry to move to the others territory.\textsuperscript{105} Each of these examples demonstrate how the expansion of state authority benefitted the wealthier peasants and elite at the expense of the great mass of peasantry.

The opposing view, articulated eloquently by Samuel Popkin, contends that state expansion does not lower peasant welfare but benefits all peasants and especially poorer peasants.\textsuperscript{106} He argues that state authority breaks the domination of traditional rural elites and gives peasants new opportunities and market access previously denied. Although local village elites may initially benefit the most, "in the longer run new elites emerge who form alliances with the peasantry against both feudalism and colonialism."\textsuperscript{107}

There is considerable support for this view. Pierre van den Berghe points out that in Peru, hacendados virtually dictated living conditions to peasants and restricted their movements and opportunities.\textsuperscript{108} Peasants were treated as feudal serfs and had no alternatives. In one extreme case, Alfredo Romainville, known as the 'monster of La Convencion,' coerced peasants into labor servitude. Peasants who disobeyed were flogged all day in the presence of their wives and daughters, severely beaten, or even murdered. But beginning in the 1930s the state began markedly expanding its activity, building roads, schools, industrial zones, and military outposts. This gave peasants a chance for an education, provided them with some basic benefits, opened up new opportunities for them, and curbed the abusive
power of the elites. Even Romainville was stopped and driven out of the valley and his land given to some of the peasants.109

There are further examples of Poppin's view. In the Bangaldesh village of Bardapur, a zamindar had dominated village politics without challenge. Even after local representatives were elected, they would meet in front of his house. Following the passage of the Zamindari Abolition Act and the extension of central police agents, however, his hold over the village was broken and other peasants were able to oppose him and reallocate village resources to a broader group.110 A similar experience occurred in the village Mehupur just outside of Dacca. The central state passed the local self-government act requiring that local village officials be freely elected. This opened up opportunities for lower status groups and provided them with a way to reduce the abusive power of the landed elite.111 And in India, the expansion of the British colonial state provided certain basic opportunities for many lower caste peasants. In Kurnoan, located in northern Uttar Pradesh, the dominant peasants were able to restrict the welfare and opportunities of the poorer peasants through caste control. When the British expanded state authority, however, discriminatory caste laws were abolished, slavery was made illegal, all castes obtained property rights, government service was opened to all, and educational opportunities were provided to even the poorest peasants.112 There are thus instances when state expansion appears to benefit all peasants including the poorest.

Which peasants, then, benefit and which lose from state expansion? Clearly, as can be seen from the contradictory evidence, there are
differential benefits depending on the situation. First of all there are two general situations: the situation where the rural elite needs popular local sanction to retain power, and the situation where the local elite has some internal means of social control and does not need popular local sanction.

First, when the landed elite must rely on local sanction to maintain its power and status, state expansion allows wealthier and more powerful peasants to exploit poorer peasants and deny them traditional help. In Colombia, El Salvador, Burma, Indonesia, and elsewhere, state expansion allowed elites not only to ignore traditional obligations but also to repress and exploit the peasantry in new ways. Thus, in situations where the elite needs popular support, state expansion disbenefits poorer peasants.

But just exactly who benefits in this situation? Clearly local elites benefit because they can increase their resources. In addition, a small strata of wealthier and middle peasants benefit. For example, in Indonesia the growth of a modern state apparatus inflated the power of local elites, but also led to a broader recruitment for individuals with administrative and professional skills. Some of these recruits were drawn from the most talented of the upper and middle class peasantry and they began to build new bases of support that included a broader network of the peasants. Thus some new avenues of advancement were opened to the small strata of middle peasantry who had some resources and talent. In Colombia, when the central state expanded into rural areas, urban based opponents of the landed elite tried to mobilize the peasantry. State expansion of the national
political process thus gave the peasantry some opportunity to make advances. Again, however, the actual benefits were limited to the middle peasants, whom the national political parties tried to co-opt for their larger political maneuvering. Finally in El Salvador, although state expansion repressed the peasantry, some new avenues of advancement were created. Successful peasant leaders were given positions of authority in the government and were able to provide some help for other peasants. Even these benefits, however, were limited. As Alastair White interprets the situation, "the Salvadoran government operated so as to repress the masses, but also gave them cosmetic concessions to alleviate their discontent." Thus, when elite power is based on popular peasant sanction, state expansion benefits wealthy and middle peasants but provides little if any aid to poorer peasants.

In the second situation, where elites are powerful locally, state expansion breaks the power of the elite and provides peasants with new opportunities and market access. In Peru, India, and Bangladesh, the local elite used race and caste as a method of local social control, but could not use this power to control the state. As a consequence, state expansion broke the repression of the rural elite and provided many peasants with vertical and geographic mobility. In such situations then, state expansion provides new opportunities that benefit all peasants.

But these opportunities are more illusory than real as the main beneficiaries are the middle and wealthier peasants who have some resources to take advantage of the new situation. While it is true that the repressive domination of elite coercion is broken, only the
middle strata and the wealthier peasants have the money, education, land, or knowledge to take advantage of new opportunities. For example, in India, the extension of central state authority broke zamindari domination and opened up new opportunities in the civil service for all. The position of the lower castes and poorer peasants, however, was not appreciably altered. James Freeman points out that despite the legal abolition of caste discrimination, little actually changed. The real impact of state expansion and supposed new opportunities was "to channel the poor—men, women, and children—into low paying, unskilled jobs, while denying them anything more than minimum earnings which barely keep them alive." Similarly in Bangladesh, the state succeeded in breaking the domination of the zamandari and enabled a broader segment of peasantry to benefit. However, these beneficiaries formed a new elite which exercised dominance over poor and landless peasants through the control of land and wages. Thus, although state expansion provides new resources and opportunities for all peasants, it is the middle and upper peasants who already have some wealth and other resources that can take advantage of the situation.

In sum, several generalizations can be made about the impact of state expansion upon peasants. State expansion allows elites to eliminate or reduce their subsistence obligations and patronage to the peasantry. State expansion, however, eliminates or reduces the most repressive forms of servitude for all peasants. Additionally, access to the market and to other resources such as public education, medical assistance, and agricultural extension are made available to peasants.
On balance, these opportunities benefit the middle strata and upper peasants who have the right resources. For the rest of the peasantry, however, these opportunities provide some assistance but do not improve their livelihood absolutely or relative to the middle and upper segments.

**State Transfers of the Rural Surplus**

In order to promote bureaucratic expansion and to promote industrial development, the state must extract and transfer to the urban sector a larger and larger share of the rural surplus. Traditionally this extraction has been accomplished by taxing the peasantry. When modern states first began expanding, taxes were levied seemingly on every conceivable rural activity. In Vietnam, a popular song, the Asia Ballad, protested that everything was taxed—the oxen, chattering pigs, ferry boats, bicycles, betel and areca nuts, tea and drugs, lamps, houses, tallow, boats, bamboo and timber, cotton and silk, iron, lacquer, copper, birds, vegetables, land, rice, and even salt and wine.118 So threatening and burdensome were these taxes that they provided major impetus for Vietnamese peasant protest. In Burma, the colonial state imposed both head taxes and fixed land assessment taxes. Not only were these taxes regressive in collecting a set amount from all regardless of income, but also they were particularly oppressive because they were collected with rigor and thoroughness. Like Vietnam, the taxes were a major source of peasant discontent and protest.119

In Indonesia, the imposition of capitation, market, and land taxes was particularly onerous to peasants and led to popular discontent and
rebellion in the late 1800's and early 1900's. Even in the 1960's, Sukarno would appeal to the peasantry with the traditional millenarian prophesy that envisioned "a just world of abundant food and clothing, and freedom from crushing tax burdens." Gabriel Ardant takes a more sweeping view of taxes. He argues that state taxation has been the single most important stimulus to popular rebellion throughout western history. Taxation's most repressive feature was not simply the expropriation of surplus, but the fact that it was collected in cash. Collection in cash forced peasants to participate in the national market and thus become exposed to the insecurity and uncertainty of market forces.

But taxation is a crude and all too visible means of transferring the rural surplus to urban areas. The state is the obvious villain and thus risks widespread political protest. Therefore several indirect methods are devised. Michael Lipton broadly classifies these methods as "price twists." There are several kinds of price twists. First are food price interventions, where the state forces peasants to sell their rice and grain to government food boards at below market prices. The boards then transfer the grain to state distribution centers which resell it to urban consumers at the same low price. Another food intervention is for the state to import grain, sometimes through foreign aid programs, and flood the market. Because these imports create a greater food supply than demand, agricultural prices are artificially lowered. This policy effectively transfers the lost peasant income to urban areas in the form of cheap abundant food. Such food price interventions in the past have depressed the price
peasants should have received for their cereal crops by 25 percent in India, 36 percent in Burma, and 39 percent in Ceylon. The savings from these low prices are passed on to urban consumers and, in effect, result in a transfer of peasant income to urban areas.

Another price twist involves the state's international trade policies. Although international trade seems far removed from peasant reality, import and export policies have far reaching impacts on peasant livelihood. The state frequently erects tariffs to protect domestic industry from foreign manufactured goods. Industrial protection, however, helps drain the rural surplus because peasants and farmers are forced to pay more for their tools, irrigation pumps, tube wells, seed drills, threshers, and so on. If the peasant purchases imported tools, he pays a price inflated by the tariff. If he purchases a domestically manufactured tools, he pays a similarly high price because the local manufacturer can charge about the same as his foreign competition. And even if the peasant does not use a tractor or other machinery, he must pay the higher cost of threshing, transporting, and storing his crop. In addition to the tariff, there are various tax breaks given to domestic manufacturers: risk deductions, pioneering industry allowances, investment allowances, and tax-holidays. The impact of these tariff and tax policies are to provide a subsidy to the urban-industrial sector at the expense of the peasantry which receives no such advantage.

A final aspect of the state's international price twists deals with export policies. Since most developing countries export agricultural commodities, these twists severely harm the rural sector.
One significant policy price twist is for the state to devalue foreign exchange. In this process, domestic food exporters are forced to trade in all their foreign currency earned from export sales. But the exchange rate they receive is considerably lower than the international exchange rate. In Argentina, for example, the state bank gave domestic food exporters 5 pesos for each American dollar, but the international exchange rate was about 15 pesos to the dollar. Since the exporter received such a poor rate from the state, he paid peasants a low price for their produce and forced down their income. And what does the state do with its foreign currency? Frequently the state resells the currency, at below the international exchange rate, to domestic industrialists who import foreign goods for their factories. These industrialists thus gain a substantial subsidy, when they import oil, diesel fuel, heavy machine parts, steel, or other items unavailable domestically. The overall result of these exchange policies again forces the rural sector, particularly the peasant producer, to subsidize urban-industrial growth.

A final method the state uses to drain rural income is through discriminatory practices in funding public projects and extending national credit. The state funds projects such as hydroelectric plants, roads, airports, transportation systems, health facilities, and social programs for all its citizens. However, since the urban-industrial sector consumes the most energy, uses the most public transportation, requires roads and airports for daily business, and receives the most extensive social programs, public projects benefit primarily urban residents. In essence, the rural surplus is transferred
to the urban sector because peasants pay for the public projects through their taxes but cannot use them. In Colombia for example, although the rural sector employs 50 percent of the total workforce and accounts for 40 percent of national income, it receives only 13 to 16 percent of the total expenditure for public projects. Similarly in Bolivia, the agricultural sector has received only 0.7 - 1.9 percent of total public investment despite accounting for 60 percent of the nation's workers.

In terms of receiving cash loans, the rural sector gets significantly less public financed credit than the urban-industrial sector, yet it accounts for far more of the labor force and national income. Even Robert McNamara, former World Bank president, has emphasized the discrepancy. In Bangladesh less than 10 percent of the total institutional credit is used in rural areas, but 82 percent of the workforce is employed there. In Thailand, the Philippines, and Mexico less than 15 percent of the credit goes to rural areas, yet 76, 70, and 47 percent of the workforces, respectively, are employed there. Credit is vital to all sectors and is a scarce resource. Therefore, when the urban sector receives proportionately more public credit than the number of workers it employs or the amount of national income it generates, it is being subsidized at the expense of the countryside.

In sum total, 15-20 percent of the rural sector's income is transferred to urban areas through various price twists and discriminatory public financing. This represents a substantial income loss to a peasant family which is already close to the margin.
For landless laborers and tenants, the income loss is probably higher because the greatest burden is passed on to them in lower wages and higher rents. Thus, although state transfer policies hurt the entire rural sector, the landless, the smallholders, the tenants, and even the middle peasantry is hurt the most. As will be discussed in the next section, the landed elite and the wealthy peasants can gain certain concessions such as subsidized prices and large tax breaks that partially offset the impact of transfer policies.

In sum, the subject of the state taking the peasants' surplus has a long history as the antagonism between town and country. This topic still has great relevance today and is perhaps best summarized in contemporary terms by Glaucio Soares:

It is mistaken to present the latifundist as the only historical villain who exploits peasants and keeps Latin American countries underdeveloped. Other social sectors also benefit, to a greater or smaller extent, from the exploitation of peasants and agricultural workers. In many Latin American countries...the urban industrial sectors are active participants in this exploitation and appropriate part of the surplus produced by the artificial reduction of the peasants' and agricultural workers' income. This allows these Latin American countries to increase capital accumulation in spite of the fact that they are themselves victims of a constant transfer of resources to the hegemonic countries.

Agricultural Modernization and Peasants

But not all state fiscal policies disbenefit peasants. Although transfer policies drain the rural sector, some investment is put back. The state builds roads, health clinics, sanitary water supplies, schools, and other public works in rural areas. Additionally, famine and relief aid are frequently given to peasants suffering crop
disaster. Finally and most importantly, the state invests in modernizing peasant agriculture, which is a crucial component of its overall rural strategy. But agricultural modernization has differential impacts upon the peasantry. The wealthier and middle peasants benefit the most, while landless and poorer peasants are not substantially aided or may even be harmed. To explicate this contention we must examine the two major components of the state's agricultural modernization program, subsidization of inputs and land reform.

**State Subsidization of Agricultural Inputs.** Every year, the modern third world state spends large amounts to subsidize tractors, fertilizer, irrigation, credit, and other inputs. In some instances, free seed, fertilizer, and pesticide are given away to raise rural productivity. But these programs, benefit primarily the wealthy and middle peasants. To explicate how and why this is so, we must divide all state subsidy programs into the following two broad categories: (1) programs controlled by a strong state which dominates the landed elite and (2) programs controlled by a strong landed elite which dominates rural policy. There are, of course, fluid situations when neither state nor landed elite is dominant. But these situations result in compromise programs that divide the benefits between the middle and wealthier peasants. If the state is dominant, it targets subsidy programs towards the middle peasantry, which will be transformed into a modern commercial farming class. Needless to say, only 25-35 percent of the peasantry, primarily middle and wealthy peasants willing to switch to capital intensive cultivation, actually benefit. The state must single out this strata because the landless, the small and
marginal tenants, and the smallholders, do not have sufficient land or capital to use modern inputs. Moreover, the state cannot transform all peasants into commercial farmers because there is insufficient land, insufficient resources, and too many peasants. Thus, even though the immediate plight of the peasantry may be to obtain a basic secure subsistence, the state's subsidy program is not intended to create an independent self-provisioning peasantry, but to create a small middle class producing a marketable surplus. The examples of Taiwan and Korea, which are widely acclaimed to benefit the poor peasant, prove illustrative.

Taiwan's subsidy programs have been analyzed as progressive, stable, and equitable. From 1947-1974, rural income rose, agricultural production grew at an average rate of 5.1 percent; and the gini coefficient for rural income inequality declined from .286 to .179.139 These figures reflect both continued improvement in welfare and greater income equality than most industrial countries. Subsidy programs are centrally controlled by the state through the Joint Commission on Rural Reconstruction (JCRR). Farmers associations, encompassing nearly two-thirds of all Taiwan farm families, receive and distribute the state inputs.140 The associations are strictly regulated and adhere to a 480 page manual of rules and reporting procedures. Additionally, every association activity such as credit approval, sale of farm machinery, sale of fertilizer, or technical extension, has to be approved by several layers of government. This tight control has enabled the state to assist most peasants and transform them into commercial farmers producing a marketable surplus.
Although Taiwan's experience supports the contention that state subsidy programs help transform the peasantry into a rural middle class, it appears to contradict the contention that these programs benefit only middle and wealthier peasants. And it is true that most peasants benefit in some way from various state programs. However, there is strong evidence that most benefits flow to principally to middle and large landholders, while the smallholders, current tenants, and landless, who together make up nearly 50 percent of the rural population, have benefitted much less. It is not that the state discriminates against the poor; the state makes subsidized resources available to everyone. But wealthy and middle peasants are best able to compete for these resources. For example, the state provides credit through the Farmers Associations and Land Banks, but they base their loans on ability to repay. Since only wealthy and middle peasants have sufficient collateral (land, houses, cash, farm machinery), they receive the bulk of the credit. Similarly, since wealthy and middle peasants are the largest commercial producers, they benefit disproportionately from state subsidized programs such as irrigation, transportation and marketing facilities, and farm mechanization sales.

But if these claims are true, how does one explain the increasing equity as measured by the gini ratio? Although the gap among rich, middle, and poor peasant families has decreased over the past few years, when income is decomposed, one discovers that poor peasant families have improved their livelihood because they have entered wage labor. Their agricultural income, which is the best measure of being
aided by state subsidy programs, has not improved relative to wealthy and middle peasants. For example, between 1962 and 1967, wealthy rural families increased their income by over 7,000 Taiwan dollars, due to a 90 percent increase in agricultural income. Smallholding peasant families (owning 0.5 ha. or less) increased their income by 4,000 N.T. dollars, but only 45 percent of the increase was from agricultural income. Thus, the direct benefits from Taiwan's agricultural subsidy programs have gone primarily to the middle and wealthy peasants.

But this strata constitutes 50 percent of the peasantry. Why do Taiwan's programs benefit a larger proportion of the peasantry predicted? Because of two unique circumstances. First, when the agrarian reform was initiated, Taiwan had a relatively small peasant population consisting of only 630,000 farm families. This small size made it economically and physically possible for the state to transform a large segment of the peasantry into commercial farmers. Additionally, rural population growth did not strain the program. Although the total Taiwanese population grew by 230 percent between 1950 and 1979 (7.5 - 17.5 million), the farm population increased by less than 30 percent, from 4.0 to only 5.6 million. Slow population growth in agriculture was aided by an average of 60,000 peasants leaving farming every year to work in the industrial sector.

Second, Taiwan received massive unprecedented infusions of American aid, almost $1.5 billion between 1951 and 1965. During this period, the aid accounted for 58.7 percent of all agricultural investment and virtually funded every JCRR project. Additionally,
Taiwan was a beneficiary of the PIA80 program which supplied certain countries with surplus U.S. wheat. In fact, Keith Griffin makes a strong case that agricultural productivity in Taiwan did not catch up to pre-World War II levels until 1973, but PIA80 enabled Taiwan to feed itself. Why did the U.S. provide the massive assistance to carry out such a broad-based subsidy program? It was clearly because of the fear of Chinese Communism. As Gerrit Huizer puts it:

It appears rather obvious that the agrarian policies in Taiwan were designed, with US assistance, to control the peasantry through certain benefits channelled through organization from above, in order to guarantee political stability, while facing the influence of the example of radical reforms carried out in the People’s Republic of China on the mainland.

In sum, the Taiwanese case illustrates the strong third world state’s push to create a rural class of commercial farmers. Taiwan’s subsidy program, however, is relatively equitable. Although the middle and wealthy peasants receive the greatest assistance, a great proportion of the peasantry still benefits. But, as discussed above, unique circumstances, allowed the state to carry out such a broad-based program.

South Korea is frequently cited as another example of the capitalist state’s agricultural modernization program benefitting all peasants. By 1976, Korea had become self-sufficient in rice and barley, its main staples; and between 1968 and 1971, national income inequality as measured by the Gini index declined from .3045 to .2718. As in Taiwan, the state closely supervised all programs. State subsidized inputs such as seed, fertilizer, credit, and technical extension were distributed by the National Agricultural Cooperative
Federation (NACF) through local peasant cooperatives. The NACF closely monitored all activities. Most recently, the state is promoting modernization through the Saemaul program (New Community Movement), which mandates villages to build irrigation, road-widening, and other income enhancing projects. In many instances the army ensures that these projects are carried out; and several state agencies guard against any corruption.148

Although the Korean program appears to have benefitted the peasantry equitably, a closer analysis reveals this is not the case. Between 1960 and 1971, rural income distribution became more equal, but this equity simply masked the fact that it took several years for the real beneficiaries of state subsidy programs to start turning a profit. Thus, data after 1970 reveals that "households with larger landholdings were able to improve their material well-being, while households with smaller landholdings experienced no per-member gains at all in real terms."149 By 1976, households owning 0.5 hectares or less increased their income by 296 percent, just enough to maintain their living standard, but families owning between 1.5-2.0 hectares increased their income by 1,160 percent and families owning 2.0 or more hectares increased their income by 1,817 percent.150 In essence, poor peasants did not benefit from subsidized seed, improved roads, special machinery, and special projects. The middle and wealthier peasants who had the right resources and adequate land were the primary beneficiaries.

Significantly, the Korean agricultural modernization program cannot be separated from the process of Korea's industrial development.
In the 1960's the industrial sector grew at nearly 10 percent a year, funded by the Asian Development Bank and U.S. aid. This rapid growth resulted in the world's most dramatic urban migration. In 1962, 57 percent of the population was rural, in 1975 the population was only 38.2 percent rural, and in 1981 rural residents comprise an estimated 30.2 percent of the total population. So rapid was urban migration that the Ministry of Health and Social Affairs attempted to meet young migrants at the bus and train stations in Seoul to persuade them to return home.151

This raises two questions, which cannot be discussed here in depth, but should be mentioned. Did the state push peasants out of agriculture or pull them to the cities; and what happened to the poor peasants transformed into urban workers? State price controls on agricultural commodities and other transfer policies discriminated against peasant producers and caused comparatively high industrial wages.152 For example, in 1967, 1971, and 1975 an agricultural worker earned, respectively, 25, 36, and 48 percent of his urban counterpart.153 Thus, through economic policy, the state appears to have used an invisible but heavy hand in pushing peasants out of agriculture. No careful study has been conducted of proletarianized peasants, but it is fair to assume they form the core of the urban sector's low-paid unskilled surplus labor. In essence, when the state's agricultural subsidy program is linked to the overall modernization policies, two outcomes become apparent. First, rural inequity is controlled by transferring it to the cities. There it becomes an inequity between town and country or an inequity between
skilled and unskilled worker. Second, the true beneficiaries of the state agricultural subsidy programs are both urban industrialists who exploit cheap labor and middle peasants who become commercial farmers.

Both South Korea and Taiwan are strong states implementing subsidy programs but what about situations where the landed elite is dominant? If the landed elite is dominant, state subsidy programs benefit the wealthier peasants, who manipulate the programs to their favor. At the national level, the wealthier peasants and landed elite influence state policy through their own national lobbying groups and political organizations. At the local level, state subsidy programs must be administered through existing rural organizations, such as extension offices, farmers cooperatives, local associations. Since the richer peasants and landlords dominate these organizations through control of land and other resources, they can interpret national policy so that they receive the subsidized inputs. As a result, whenever the landed elite and wealthy are dominant, state programs benefit the elite and a few middle peasants. Several examples should be illustrative.

Between 1960 and 1975 in the Philippines, the state promoted peasant organizations called Farmers' Cooperative Marketing Associations (PACOMA's), which distributed government subsidized credit, seed, fertilizer, irrigation, and other inputs to the small farmer. The cooperatives were democratically organized so that, in theory, smallholders and tenants could make sure they received state inputs. However, the organizations soon became dominated by landlords and wealthier peasants who knew the rules and regulations, were fluent enough to speak to state officials, and could persuade or coerce
tenants and other smallholders to vote for their measures. As a result, the inputs were diverted primarily to the wealthier peasants and larger landholders. In some instances, landlords "kindly" agreed to deliver their tenants' allotment of fertilizer but then resold the fertilizer to them at a hefty profit. The plight of poor peasants was not alleviated. In fact, between 1957 and 1973 in the Philippines, the poorest 20 percent of rural families became poorer, the middle 60 percent did not improve its standard of living, and the top 20 percent grew significantly richer. The gini index of inequality has actually grown worse, rising from .34 in 1956 to .41 in 1971.

In Indonesia, the state instituted Bimas, a rice intensification program that distributed seed, fertilizer, pesticide, and credit to peasants. Initially the state administered Bimas through the village headmen who distributed the inputs. This system, however, funneled benefits to the small group closely allied to the headmen, primarily wealthy peasants and larger landholders. The position of the poor peasants was not improved. The program was subsequently reorganized and peasants were instructed to form recipient groups of several families. However, the inputs were not given directly to each family but were given to the leading family of each group. These families tended to be large landowners or wealthy peasants who persuaded their tenants and clients to join their group. The leading families then obtained government seed, fertilizer, and other inputs for the group as a whole, but retained the resources for personal use. Careful studies indicate that government programs have had similar fates in Colombia, Bangladesh, and India.
Further examples can be cited, but the evidence indicates a clear pattern. State subsidy programs benefit the wealthier and middle peasants. The greater the state's control of the program, the greater the number of middle peasants benefitting and the fewer the number of wealthy peasants benefitting. The greater the landed elite's control of the program, the greater the number of wealthy peasants benefitting and the fewer the number of middle peasants benefitting. Thus, the logic of state subsidy programs is to bet on those with adequate resources.

**Land Reform.** Land reform is a vital component of the state's overall rural modernization program. The state tries to break up the largest holdings and redistribute them to peasants. This strategy accomplishes several goals. It helps destroy the power and domination of the landed elite. It helps increase the marketable surplus by raising the number of independent cultivators and enabling them to bring unused land into production. Furthermore, since the rural population in developing countries is so large, redistribution is necessary to improve the national living standard. Finally, in areas where there are glaring inequities between the masses of peasants and the landed elite, it is politically expedient to enact at least minimal redistribution.

It must be emphasized, however, that land reform is not intended to make all peasants self-sufficient and independent on their own land. Through land reform, the state intends to modernize agriculture and transform peasants into efficient market producers whose surplus can be used for national development. But this cannot be accomplished with
the small fragmented plots that characterize peasant self-provisioning agriculture. For one thing they produce little market surplus. For example, in India holdings of less than 2.5 acres sell 24.5 percent of their produce, but farms of 50 acres or more sell 65.4 percent of their output. \footnote{162} For another, peasant agriculture is believed incapable of sustaining its owners at an acceptable standard of living, incapable of feeding the nation's growing population, and incapable of modern efficiency. \footnote{163} Otto Schiller sums up these biases: "In its consequences for the living and nutritional standards of the masses, agricultural production is especially aggravated by the fact that the yields per unit of land are low. The reason for this does not lie in poor natural yield conditions but stems from the fact that farming is almost exclusively in the hands of small farmers and tenants, whose dire lack of capital and low education level complicates the introduction of progressive farming methods." \footnote{164}

In essence then, the state's land reform must be aimed at the middle peasant because that is the only segment of peasantry with sufficient resources to become modern and efficient commercial producers. Thus when the state euphemistically claims that land reform is targeted at the small and poor farmer, it does not mean the landless or marginal peasant, it means the middle peasant. Rainer Schickele clarifies the state's position with regard to the small farmer: \footnote{165}

To avoid misunderstanding: We have discussed the adaptability in principle, of small farms to modern farming technology in developing countries. This adaptability, however, requires that the farmer has a farm large enough to introduce modern practices and that he has access to the various inputs, fertilizer, machinery, and other supplies and equipment he needs for utilizing his land and labor fully and efficiently. There are many farms which are too small for going far in this direction.
An agricultural development program, therefore, must arrange for abolishing such dwarf farms.

The state's land reform then, does not not intend to help the great masses of peasantry but intends to provide middle peasants with holdings of sufficient scale to become small commercial farmers.

But few land reforms succeed even in a moderate redistribution aimed at the middle peasant. What determines the state's ability to carry out such a reform? Hung-Chao Tai, after examining the programs in nine countries, contends that it is political commitment, that the "willingness and readiness of the political elite to mobilize all available resources to carry out a reform program—is of critical importance, outweighing all other factors." Commitment, however, seems not to be the crucial factor. As argued throughout this chapter, the modern third world state is already committed to a thorough medium-scale land reform because it will assist modernization efforts. The most important factor in determining whether a state will be able to carry out its ideal reform is the state's power relative to the peasants and the landed elite. As Antonio Ledesma points out, "If political elites are beholden to the landlord class as their main base for power, land reform becomes a dress rehearsal. If elites look to the peasants as their main base for power, land reform becomes an agrarian revolution."

Although agreeing with Ledesma that the power base is crucial, I have one major qualification. In capitalists states, which the analysis is limited to, peasants can play a crucial role in helping the state transform the agrarian structure into small commercial farms.
The peasantry, however, cannot push a capitalist state into a total and equitable redistribution of all land. There are two reasons for this. First, whenever a reform is implemented, certain peasants benefit immediately and then are no longer interested in reform. If these peasants obtain medium-sized holdings, they will resist any further redistribution that would jeopardize their gains. Hugo Blanco's experience with the peasant unions of La Convencion Valley in Peru is instructive. Peasants who obtained land left the peasant union thus destroying its effectiveness. Hugo Blanco thereupon started another peasant union specifically aimed at helping the poor and landless.

Second, if there is revolutionary change brought about by peasant protest, as in Viet Nam and China, then total redistribution occurs under a socialist state and not a capitalist one. Indeed, a comprehensive and meaningful redistribution that would include the poor and landless and would create a self-provisioning peasantry, would be antithetical to the capitalist state. Not only would it disrupt state attempts to integrate the peasantry into the national economy, but also it would disrupt capitalism's market base. As a consequence all land reforms enacted under a capitalist state benefit only a segment of the peasantry. If the reform is controlled by the rural elite wealthy peasants and a few others benefit; if it is controlled by the state the middle strata benefits.\textsuperscript{169} It is no wonder, then, that land reforms under capitalist states have not substantially altered the land tenure situation for the masses of third world peasants.\textsuperscript{170}

To support the basic contention that land reforms carried out under capitalist states benefit primarily the middle strata of
peasants, several reforms will be briefly examined. First, the reforms of Peru and Colombia will be presented to help clarify and make concrete the contention. Then, we must examine the two notable exceptions, Taiwan and Korea, which are widely acclaimed as model land reforms benefitting all peasants equitably. Since they appear to contradict the model, they must be examined closely.

Peru exemplifies the situation of a strong state supported in its land reform efforts by a relatively well-organized peasantry. When reform efforts began in earnest in 1969, the landed elite was a powerful force, with the largest landholders comprising 0.4 percent of the population but owning 76 percent of all farm land. The state, however, was also powerful as a modern well-organized military had just assumed control of the government. Additionally, the state was supported by strong peasant organizations, the American Popular Revolutionary Alliance (APRA) in the coastal region and several peasant unions in the central sierra. Aided by these organizations, the state passed a broad-based reform and expropriated the immense coastal sugar plantations and the huge agricultural estates in the central sierra. These holdings were given to workers and tenants who, under state guidelines, transformed them into modern sugar cooperatives and medium-sized family farms. Fitzgerald estimates that some 80,000 workers and 270,000 rural families benefitted greatly, receiving one-half the productive potential of Peruvian agriculture.

The combined strength of the state and the peasantry thus brought about an extensive land reform. But beneficiaries of the reform were limited to the middle-class and permanent sugar workers. Once they
obtained agricultural holdings, the reform was halted. Thus, middle peasants workers, former landed elite, and wealthy peasants, comprising 30 percent of the rural population, were transformed into a new strata of middle commercial farmers. The state even protected this new strata with extremely liberal land ceilings: 150 hectares of irrigated coastal land, 1500 hectares of coastal grazing land, and in both the Selva and the Sierra, 15-55 hectares of irrigated land or 30-110 hectares of unirrigated land. A great proportion of the peasantry served as the state's power base and took part in the reform efforts, but only the middle strata benefitted. Over 700,000 families of landless workers and poor peasants and about 2.5 million Indian peasants in the Sierras, constituting 70 percent of the peasants, received little or nothing.

Colombia illustrates the situation where the landed elite dominates the reform program. In Colombia the state is relatively weak, the peasantry is disorganized, and the landed elite is extremely powerful, with 5.1 percent of the families own 70 percent of the total land area. As early as 1936, the state enacted a land reform law, but it did not alter the extreme concentration of land. Then, in 1961, spurred on by the violence and the rising pressure from opposition political parties, the state enacted Law 135, which provided for the expropriation of unutilized or underutilized land. The law also created a new agency, the Colombian Institute of Agrarian Reform (INCORA) to implement and enforce the law.

But the landed elite was still strong enough to block INCORA. Attempts to redistribute land to the approximately 175,000 landless and
the approximately 1 million poor smallholders was hindered at every step. In 1971, after 10 years of reform, INCORA's accomplishments were marginal. A total of 88,200 families received title to 2.7 million hectares of land; and over 77,000 of these families had simply squatted on land from marginal state surplus. Only 200,000 hectares of productive agricultural land had actually been expropriated.177

A perfect example of the landed elite's power to prevent meaningful reform was the Narino No.1 project. In the project area, there were extensive unutilized estates. INCORA planned to expropriate the largest hacendados who owned either contiguous estates of 4,000 to 6,000 hectares or 10 to 15 plots of 100 hectares or more. The landed elite responded swiftly to these plans. They formed the Narino Association, which put extreme pressure on the state and obtained the help of a national lobbying group, the Society of Colombian Agriculturalists. The two groups effectively halted all expropriations. Two years after the project was supposed to end, INCORA had managed to purchase only 4,000 of a planned 30,000 hectares and to settle only 151 of a planned 3,000 families.178

Peru and Colombia illustrate, respectively that (1) a land reform carried out by a strong state with the aid of the peasantry benefits primarily the middle and wealthy peasantry and (2) a land reform dominated by the landed elite benefits few peasants and is mainly a palliative. But there are two third world capitalist states, Taiwan and Korea, which have enacted land reforms widely acclaimed as model
programs benefitting all peasants equitably. If we are to support the original contention, then the cases of Taiwan and Korea must be explained.

Taiwan is a strong state that implemented a thorough land-to-the-tiller program after World War II. Between 1948 and 1959 the Nationalist government expropriated landlord holdings above 6 hectares of paddy and 12 hectares of dry land and sold them to the tenants at two and one-half times the price of its annual yield, with generous repayment allowances. By 1960, when the reform was completed, 26 percent of the farmland was redistributed to 360,000 families comprising 44 percent of the rural population. The tenure situation was dramatically altered, as illustrated below:

Table 4.1
Tenancy Before and After Reform, Taiwan (farm households)

<table>
<thead>
<tr>
<th></th>
<th>1948</th>
<th>1960</th>
</tr>
</thead>
<tbody>
<tr>
<td>Owners and Part-owners</td>
<td>365,000 (57%)</td>
<td>661,000 (81%)</td>
</tr>
<tr>
<td>Tenants</td>
<td>231,224 (36)</td>
<td>118,890 (14)</td>
</tr>
<tr>
<td>Landless</td>
<td>43,521 (7)</td>
<td>38,551 (5)</td>
</tr>
</tbody>
</table>

The result of the land reform was to transform the peasantry into small, but prosperous middle-class farmers. Between 1976 and 1978, the average Taiwan farm was only 1.2 hectares, but the farmers cropped with the highest intensity in the world and their average capital expenditure per hectare was nearly 5 times that of the Iowa farmer.\textsuperscript{180} Based on this glowing macro-economic data, many evaluations have concluded that the Taiwan land reform was progressive, beneficial, and equitable.\textsuperscript{181}

A careful analysis of the aggregate data does lead one to conclude that a broad sector of the peasantry benefited from the land reform. But this data also conceals that landless workers, tenants, and smallholders have not benefitted. In fact, a survey taken after the conclusion of the land reform indicates that their position actually deteriorated.\textsuperscript{182} This is not surprising since the major 1953 reform was a program intended to give tenants ownership of medium-sized plots, but was not intended to help the landless or original smallholders. As a result, the position of these peasants has become increasingly precarious. Many are unable to earn a decent livelihood; only 30 percent of those owning up to 0.5 hectares consider farming their primary activity; and their number has declined steadily as they are forced out of agriculture.\textsuperscript{183} By 1961 when the reform concluded, some 250,000 smallholding families, 110,000 tenant families, and 39,000 landless worker families, constituting 47 percent of all agricultural
households, could not point to an improvement in their living standards.\textsuperscript{184} When the poorest peasants are taken into consideration, then, the land reform seems less than equitable.

But many peasants did benefit from the reform. According to agricultural censuses, the number of medium-sized farmers owning from 0.5 to 3.0 hectares increased by 140,000, rising from 35 to over 50 percent of all landholders.\textsuperscript{185} Another 140,000 families were able to purchase an average of 0.5 hectares of public land. Who were these 280,000 peasants? Unfortunately there is no detailed survey information that unambiguously identifies certain groups. But there is no question that the beneficiaries have become a middle peasantry. In fact, various ethnographers point out that they are no longer peasants. Rather, they are "small scale entrepreneurs who aim to maximize the profitability of their farms according to the market about which at any particular time they are rather well informed."\textsuperscript{186}

The overall impact of the Taiwanese land reform then, has been to benefit approximately 280,000 households, constituting 35 percent of all agricultural families. Together with the original middle peasants, these beneficiaries have been transformed into a new middle strata of small yeomen farmers, comprising 49 percent of all agricultural households and owning 81 percent of the cultivable land. By any standards the land reform has achieved dramatic results. But simply because it has amply benefitted a large middle strata of peasantry does not justify or provide a rationale to disregard the condition of the poorest peasants. Smallholders, current tenants, and landless laborers, who constitute 48 percent of the agricultural households but
control only 5.2 percent of the land, have not benefitted from the land reform.187

Like Taiwan's land reform, Korea's program is frequently cited as an ideal model, and in some instances is criticized as being too equitable and having gone too far in achieving rural equality. The basic 1950 reform law set a ceiling of 3 jungbo (.99 ha.) on all landholders and redistributed their excess land to tenants, smallholders, and landless workers.188 The law also abolished most forms of tenancy. When the reform was completed in 1964, 577,000 hectares or about one-third of all cultivable land had been redistributed to 1.6 million families (about 66 percent of the rural population).189 The impact on tenure was as follows:

Table 4.2
Tenancy Before and After Reform, South Korea (Households)

<table>
<thead>
<tr>
<th></th>
<th>Pre-reform (1948)</th>
<th>Post-reform (1965)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Percentage of owners or part-owners</td>
<td>48</td>
<td>93</td>
</tr>
<tr>
<td>Percentage of tenants</td>
<td>49</td>
<td>7</td>
</tr>
<tr>
<td>Other</td>
<td>3</td>
<td>-</td>
</tr>
</tbody>
</table>


In addition to making tenants owners, the reform maintained the equitable small-farm character of Korean agriculture, whereby Korean
peasant families cultivated individually on small and medium size farms.\textsuperscript{190} Since these farms used only family labor, the holdings tended to be small and of roughly equal size. By simply transferring ownership to the actual cultivators, the land reform maintained the relative equity of the pre-existing system. What then, was the net impact of land reform on peasants? One excellent analysis concludes that landlords, constituting 4 percent of the rural population, lost considerably from the land reform; middle and wealthy peasants, making up 16 percent of the agricultural households, neither lost nor gained; and poor tenants and smallholders constituting the remaining 80 percent of the population benefitted by an average income gain of 30 percent.\textsuperscript{191}

The Korean program thus appears to have benefitted the great mass of peasantry and seems to refute the contention that land reforms implemented by a strong capitalist state benefits only middle peasants. However, when two crucial factors are considered, the Korean land reform does not appear quite so equitable and beneficial.

First, although it is true that most peasants initially obtained land, the long term trend is towards a reconcentration of land into medium-sized holdings. Between 1960 and 1979, smallholdings (0-0.5 ha.) as a percentage of all holdings declined from 42 to 30 percent. Medium size holdings (0.5-2.0 ha.) increased from 50 to 61 percent of all holdings. In terms of numbers, 360,000 smallholdings disappeared and were replaced by 120,000 medium holdings.\textsuperscript{192} Over 200,000 smallholding families had been squeezed out of agriculture. But even these figures do not present an accurate assessment. According to
surveys, disguised illegal tenancy ranges from 13.5 to 27.7 percent.\textsuperscript{193} This means that the actual percentage of medium and large landowners might be 27 percent higher than cited by official figures, while poor tenants might actually constitute one-fourth of the rural population. In other words, despite the claims that land reform aided the poor peasant, this strata of peasantry has either been forced out of agriculture or has become landless.

A second factor that must be considered when evaluating the Korean land reform is agriculture's role within the state's overall modernization program. In the state's scheme, top priority went to urban development and export-led industrialization in order to take advantage of Korea's ample labor supply. Therefore agriculture's role was to serve as a source of capital and surplus labor for industrial development. Land reform aided greatly in these endeavors. On the one hand, agricultural capital was transferred to industry through land compensation. The state confiscated land from large landholders and repaid them in government bonds redeemable within a few years. However, because the bonds could not be used for collateral and because the state was usually late in redeeming them, many landlords were forced to sell the bonds to businessmen and industrialists at only 30 percent of face value.\textsuperscript{194} The industrialists later collected the full amount from the government and invested the capital in various industries. On the other hand, many peasants were forced out of agriculture and into urban wage labor by the state's land purchase terms. The state sold the confiscated land to the peasants for 150 percent of its average annual yield. Since payment had to be completed in 5 years, each peasant had
to give the state 30 percent of their crop each year. But in addition, the peasant, as full owner, had to pay land tax and bear all other cultivation expenses previously shared with the landlord. The amount was just too much. Many peasants, particularly poor smallholders, were forced into debt and had to migrate to the city to become industrial wage laborers.\textsuperscript{195}

Thus when one considers the Korean land reform in overall perspective, it can be seen as quite damaging to peasant interests. Russel King summarizes this perspective:\textsuperscript{196}

There are, however, other ways of interpreting South Korean land reform. As in Japan and Taiwan, the dominant small-farm orientation of reform was related to the American concept of democratization of rural life as a policy against communism. But the rural sector is now very much a secondary consideration. Since the land reform South Korea has developed into an industrial neo-colony of Japan and America. Labour-intensive, foreign-controlled industries take advantage of a cheap labour pool continually fed by rural-urban migration. South Korea's land problems are now not those of tenure and inequitable rights in land but of adjustments in a semi-industrial society with urban incomes nearly twice those of rural.

Who then benefitted from the land reform? Certainly some middle peasants benefitted because they were able to expand their holdings. But the big winners appear to be urban businessmen and industrialists who obtained both capital and cheap labor. The costs of the land reform had to be borne by the poorest peasants.
FOOTNOTES TO CHAPTER IV


17. The best example of a sensitive political analysis are the essays found in James Malloy ed., Authoritarianism and Corporatism in Latin America (Pittsburg: University of Pittsburg Press, 1977); also Peter Evans, Dependent Development: The Alliance of Multinational State and Local Capital in Brazil (Princeton: Princeton University Press, 1979); see also Robert Stauffer, "The State and the TNC's in the Third World" mimeographed (University of Hawaii, Department of Political Science, 1979).


35. Evans, *Dependent Development*, p. 43.


43. Theda Skocpol, *States and Social Revolutions: A Comparative Analysis of France, Russia, and China* (Cambridge: Cambridge University Press, 1979), pp. 11-14.


50. Lipton, ibid, p. 65.


63. See for example, Mencher, Agriculture and Social Structure, pp. 250-60.

64. Pearse, Seeds of Plenty, chapter 6.


93. See footnotes 66 and 67.


96. Leonard Binder, "The Crises of Political Development," in Binder et al., Crises and Sequences, pp. 3-72.


130. Lipton, *Why Poor People Stay Poor*, pp. 320 ff.
132. Lipton, *Why Poor People Stay Poor*, p. 298.
136. There is an extensive literature on this topic, some of which will be cited later in this section. For a general treatment see Andrew Pearse, "Technology and Peasant Production: Some Reflections on a Global Study," *Development and Change* 8:2 (April 1977): 144-50.
137. There are also situations when a politically active and organized peasantry has some influence. But even when peasants can pressure the state, only cosmetic changes are made to subsidy programs because the state has only limited resources.
138. See footnotes 66 and 67.


142. Table 4.3

<table>
<thead>
<tr>
<th></th>
<th>0-0.5 chia</th>
<th>0.5-1 chia</th>
<th>1-2 chia</th>
<th>2-4 chia</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>1962 Income</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>5,655</td>
<td>7,937</td>
<td>11,144</td>
<td>17,629</td>
</tr>
<tr>
<td>Wage</td>
<td>2,355</td>
<td>1,890</td>
<td>1,565</td>
<td>1,775</td>
</tr>
<tr>
<td>Property</td>
<td>1,835</td>
<td>1,883</td>
<td>2,229</td>
<td>2,056</td>
</tr>
<tr>
<td>Agricultural</td>
<td>1,465</td>
<td>4,163</td>
<td>7,351</td>
<td>13,392</td>
</tr>
</tbody>
</table>

<p>| | | | | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>1967 Income</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>9,920</td>
<td>10,754</td>
<td>15,302</td>
<td>24,962</td>
</tr>
<tr>
<td>Wage</td>
<td>4,247</td>
<td>3,369</td>
<td>2,928</td>
<td>3,061</td>
</tr>
<tr>
<td>Property</td>
<td>2,262</td>
<td>1,643</td>
<td>2,426</td>
<td>2,262</td>
</tr>
<tr>
<td>Agricultural</td>
<td>3,411</td>
<td>5,742</td>
<td>9,946</td>
<td>18,684</td>
</tr>
</tbody>
</table>


167. Ledesma, Land Reform Programs in East and Southeast Asia p. 17.


173. King, Land Reform, p. 178.


184. King, *Land Reform*, p. 215; also the following table:

Table 4.4

<table>
<thead>
<tr>
<th>Size Holding</th>
<th>Number</th>
<th>% Area</th>
<th>Number</th>
<th>% Area</th>
</tr>
</thead>
<tbody>
<tr>
<td>Landless</td>
<td>41,657</td>
<td>5.2</td>
<td>38,551</td>
<td>4.5</td>
</tr>
<tr>
<td>Tenant</td>
<td>147,492</td>
<td>18.5</td>
<td>109,215</td>
<td>12.9</td>
</tr>
<tr>
<td>Subtotal</td>
<td>189,149</td>
<td>23.7</td>
<td>148,101</td>
<td>17.4</td>
</tr>
<tr>
<td>Less than 0.5</td>
<td>288,955</td>
<td>36.3</td>
<td>259,000</td>
<td>31.0</td>
</tr>
<tr>
<td>0.5-1</td>
<td>142,659</td>
<td>17.9</td>
<td>151,745</td>
<td>18.5</td>
</tr>
<tr>
<td>1-2</td>
<td>103,416</td>
<td>13.0</td>
<td>166,709</td>
<td>20.0</td>
</tr>
<tr>
<td>2-3</td>
<td>34,762</td>
<td>4.4</td>
<td>54,334</td>
<td>6.4</td>
</tr>
<tr>
<td>3-5</td>
<td>23,762</td>
<td>3.0</td>
<td>19,513</td>
<td>2.3</td>
</tr>
<tr>
<td>5-10</td>
<td>16,273</td>
<td>2.1</td>
<td>4,076</td>
<td>0.5</td>
</tr>
</tbody>
</table>

aLast complete land census.

185. See footnote 184.


187. See footnote 184.


191. Ibid., pp. 290 ff.

192. Conclusions based on the table on the following page.


196. Ibid., p. 226.
### Table 4.5

Distribution of Farm households by Plot Size, Korea

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Less than 0.5</td>
<td>985,830</td>
<td>48.8</td>
<td>824,000</td>
<td>41.2</td>
<td>932,615</td>
<td>42.7</td>
<td>1,54,816</td>
<td>43.0</td>
<td>1,008,624</td>
<td>42.9</td>
<td>900,840</td>
<td>35.9</td>
<td>809,808</td>
<td>32.6</td>
<td>690,983</td>
<td>29.0</td>
<td>643,577</td>
<td>29.8</td>
</tr>
<tr>
<td>0.5-1</td>
<td>558,411</td>
<td>27.6</td>
<td>666,000</td>
<td>33.3</td>
<td>781,910</td>
<td>35.8</td>
<td>889,745</td>
<td>31.1</td>
<td>706,689</td>
<td>30.1</td>
<td>793,864</td>
<td>31.7</td>
<td>786,268</td>
<td>31.7</td>
<td>828,157</td>
<td>34.9</td>
<td>764,203</td>
<td>35.3</td>
</tr>
<tr>
<td>1-2</td>
<td>334,587</td>
<td>16.6</td>
<td>376,000</td>
<td>18.8</td>
<td>372,970</td>
<td>17.1</td>
<td>445,632</td>
<td>20.1</td>
<td>485,933</td>
<td>20.7</td>
<td>643,305</td>
<td>25.7</td>
<td>141,371</td>
<td>6.0</td>
<td>122,441</td>
<td>5.5</td>
<td>120,126</td>
<td>4.8</td>
</tr>
<tr>
<td>2-3</td>
<td>141,387</td>
<td>7.0</td>
<td>106,000</td>
<td>5.3</td>
<td>93,401</td>
<td>4.3</td>
<td>122,441</td>
<td>5.5</td>
<td>645,156</td>
<td>26.0</td>
<td>617,897</td>
<td>26.0</td>
<td>120,126</td>
<td>4.8</td>
<td>111,717</td>
<td>4.7</td>
<td>36,212</td>
<td>1.5</td>
</tr>
<tr>
<td>3 or more</td>
<td></td>
<td></td>
<td>20,800</td>
<td>1.4</td>
<td></td>
<td></td>
<td>5,551</td>
<td>0.2</td>
<td></td>
<td></td>
<td>29,291</td>
<td>1.2</td>
<td></td>
<td></td>
<td>35,982</td>
<td>1.5</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

The preceding chapters have detailed the process by which capitalism and state expansion create a fluid situation of change that provides peasants with new opportunities and confronts them with new vulnerabilities. In order to take advantage of these opportunities or to shelter themselves from the vulnerabilities an increasing number of peasants become interested in acting together politically. But having such an interest does not mean peasants will act. Their action depends on their specific social, economic, and political circumstances, which not only mediate the process of state and capitalist development, but also provide them with the power to mobilize.

The overall model then, contends that peasant movements emerge and develop as the result of: 1) state policy and capitalist development generating interest in collective action, 2) the specific structural circumstances both modifying these interests and providing peasants the power to act, and 3) peasants actualizing their power and interest through the process of mobilization. Since chapters 3 and 4 have amply discussed the effect of state and capitalist development on peasants, this chapter will deal only with the peasants' social and economic structure and the mobilization process. Before proceeding with these topics, however, peasant movement must be defined.
A peasant movement is an interrelated series of deinstitutionalized collective acts which peasants carry out to improve their status. Several aspects of the definition must be elaborated. First of all, a movement is collective, it involves a group of peasants who act together to improve their common situation. The group may be well-organized or informal, and it may or may not be able to articulate or define specific goals. But the participants collectively identify their actions with improving their status. Cooperative action such as organizing self-help groups, collectively demanding a larger share of the crop, demanding a return of traditional rights, or demanding new rights, help peasants realize and achieve their common goals. In contrast, individual acts such as migration or individual negotiation with the landlord constitute atomistic actions that do not create solidarity. Such actions are not collective and do not form a movement.

Deinstitutionalized collective action is neither state sponsored nor takes place through formal channels of redressing grievances. Deinstitutionalized action does not, for example, include voting for an opposition candidate, enrolling in a legally sanctioned political party, or joining a state cooperative. Although such actions may be collective, they are sponsored by the state or sanctioned as part of approved political behavior. A peasant movement is undertaken by peasants, although outsiders may be key leaders and may participate. A peasant movement, however, is the effort primarily
of peasants who go outside the institutionalized channels of reform to try and change the existing situation through collective action. Consequently deinstitutionalized behavior includes land invasions, demonstrations, autonomously organizing a village cooperative, social banditry, confronting the landlord or state officials, and organizing an independent peasant union. All such acts are peasant initiated. Moreover the peasants do not use the existing avenues of protest but mobilize their own power.

Another aspect of the definition must be emphasized. Deinstitutionalized action is not limited to violent spectacular events. It also includes organization building and actions such as creating self-help groups or meeting in small gatherings to discuss common problems. Such mundane activity, although not receiving much attention, is a far better indicator of peasant action at the grass roots because it provides an avenue of protest that is safe enough to mobilize many peasants.

A peasant movement is further defined not as a single act but as an interrelated series of actions, sustained over a period of time. Although one dramatic act such as a land invasion often becomes the focal point of political analysis, other collective acts led up to the more visible event. Each act provides a building block that makes future action possible. Peasant movements then, must be viewed as processes that can increase or decline in intensity and participation, and can evolve into various forms.4

The phrase, "improve their status," implies two final points. First, it implies that peasants evaluate their situation and
consciously choose a strategy of working together to improve it. In other words peasants are competent political actors. The politics they engage in is not a simple reaction but is a process of creation. Peasant movements then, involve peasants thoughtfully and consciously participating in acts of deliberate political will. A very strong bias against this notion pervades the social sciences. Deinstitutionalized collective behavior, such as peasant rebellion, is perceived as a mindless reaction to a frustrating situation. Participants are viewed as unthinking and non-planning reactors. Charles Tilly argues that this bias systematically pervades the social science conventional wisdom on protest. As he puts it:

Most discussion of rebellion and food center on the hydraulic model: hardship increases, pressure builds up, the vessel bursts. The angry individual acts as a reservoir of resentment, a conduit of tension, a boiler of fury. But not as a thinking, political man operating on principle...The hydraulic view of protest (and not only in the case of the food riot) grows from a sense of misconceptions: that both hardship and rapid social change generate undifferentiated tensions which find expression variously as crime, madness, protest, or group disintegration; that politics only comes into being when men starts acting self-consciously in terms of parties and programs at a national level; that ordinary people are incapable of sustained political thought, but are moved to collective action by impulse. Although such views receive their fullest expression in ideologies of the Right, they do not belong uniquely to any political position; they are, in fact, part of the common-sense sociology of our time."

This study challenges the conventional wisdom. It asserts that peasants are thoughtful creative actors, that peasant movements represent consciously planned strategies through which peasants hope to improve their status.

The second point is closely related to the first. The definition implies that peasants, in carrying out action to improve their status,
are not only acting in their economic interest, but also fighting for what they consider to be their legitimate right. Status refers both to the peasants' economic position and their right to that position as individuals in the society. The definition thus contends that peasants not only act as rational economic maximizers, but also act from principle, from presumed rights, from norms of justice. James Scott, probably the staunchest advocate of this view contends that justice and injustice must be central to any analysis of peasant rebellion and protest. In analysing several peasant rebels he notes that their action is based on indignation, which means they are motivated to action by the inherent legitimacy and rightness of their position. As Scott explains: "The rebels we cited above were fighting for land and subsistence which they took to be their rights. To interpret their actions and motives in terms of indignation is to accord them a sense of values, equity rights, and normative purpose which we accord elite political actors as a matter of course."6

Peasant Society and Peasant Movements

Up to this point the analysis has focussed on how state and capitalist development create a dynamic context of change which raises peasant interest in changing the situation. Of equal importance, however, are the specific circumstances of the peasantry. The social, economic and political characteristics and relationships of a peasant community mediate state and capitalist development thus intensifying, reducing, or otherwise altering peasant interest in collective action.
For example, a peasant community's class structure, patron relations, and structure of agricultural production set the precise vulnerabilities and opportunities for different groups of peasants and therefore determine which peasants are interested in collective action and how intense is that interest.

The circumstances of the peasantry also determine its power to act in its interests. Power refers to (1) the physical resources necessary to take action and (2) solidarity that facilitates cooperative organized action. For example, characteristics of a peasant community such as population, class, and the distance from authority provide peasants with the resources necessary to act. Other characteristics such as communal relations, patron relations, and consciousness determine solidarity. The ensuing analysis will present 11 aspects of peasant society that provide peasants with specific interest in collective action and the power to mobilize. The analysis also focuses on the dynamics of how each of these elements changes over time, thus changing the potential for peasant movements.

**Class Structure**

Class is the most important factor in assessing collective interest and power because it is the most powerful determinant of how groups of peasants are likely to fare under capitalist expansion and is a direct indicator of resources. Other aspects of the peasant structure intensify or cross-cut class interests and power and will be discussed in turn.
Employing the classification in chapter 1 (middle, poor, and rich peasants) let us consider which class is most interested in collective action. Most speculation centers on middle peasants, the group that Eric Wolf defines as independent smallholders who are caught in between a traditional existence and a rapidly changing market economy. On the one hand their livelihood depends upon a fragile set of traditional relationships consisting of mutual aid, family production, patronage, and communal rights to forest, water, and pasturage. On the other hand they are increasingly subject to commercial relations and exactions of the state which disrupt their social insurance, abrogate their communal claims, and sunder their patronage. Because of these forces impinging on their lives, middle peasants have the greatest interest in collectively altering their situation. They also have the resources and independence to act, since they are not completely beholden to landlords or others.

But the middle peasant that Wolf envisions is not the middle peasant that I conceptualize. His middle peasant is closer to one category of poor peasant, the marginal smallholder, who will be discussed later. The middle peasant in this study has subsidiary resources and is either a commercial producer with medium sized holdings, or is a tenant with both medium-sized holdings and a secure lease. The middle peasant is targeted by the state to become the new rural class of commercial producers and thus it receives the bulk of state benefits. This group then, is likely to have a constantly rising income directly proportional to its control of productive resources. It is not interested in intense or radical action. Rather the middle
peasantry is interested in mobilizing collectively to take advantage of new opportunities and demand new ones. Charles Tilly has on interesting perspective on this contention: 9

Common sense says that the rich mobilize conservatively, in defense of their threatened interests, while the poor mobilize conservatively, in search of what they lack. Common sense is wrong. It is true that the rich never lash out to smash the status quo, while the poor sometimes do. But the rich are constantly mobilizing to take advantage of new opportunities to maximize their interests. The poor can rarely afford to.

Although I do not claim that the middle peasants are rich, they do have the resources to mobilize.

Thus the middle peasants are extremely interested in initiating movements as capitalist development proceeds, but they are not interested in high levels of action. Their interest is in petitioning, organized meetings, formation of interest groups, and limited cooperative effort. Such activity may provide a catalyst for collective action poorer classes and may provide models of activism. Additionally, where the landed elite blocks agrarian reform, the middle peasantry may ally themselves with poorer peasants to give initial impetus to a broad-based movement. Generally, however, once middle peasants obtain their own limited objectives, they oppose the poorer peasants demands for more comprehensive reform.

Poor peasants have the strongest interest in collective action and potentially are the most radical rural element. There are three categories of poor peasants: the landless, marginal tenants/sharecroppers, and marginal smallholders. The landless are the most vulnerable group; their income is totally dependent on favorable agrarian conditions and the wage labor situation.
development they suffer first but have the least to fall back on. Their interest is quite clearly to alter the existing situation. Moreover, since they can most effectively advance their status by collectively pressuring their employers, they are extremely likely movement candidates. Roy Prosterman makes a more sweeping contention, claiming that "landlessness is the single most important factor in revolutions, which as defined here cover most of the major internal upheavals of this century." In sum, landless peasants are interested in intensive movement activity, but they lack the resources necessary to act.

Marginal tenants/sharecroppers form another category of poor peasants. Although better-off than landless laborers, they share the same vulnerability and lack any real power. Under state and capitalist development, this group has a clear interest in collective action, especially to obtain tenure security or direct ownership. Their interest in collective action is heightened because the conflict between tenant and landlord is perfectly clear: the higher the rent, the lower the tenants' income. It is also quite "clear to the tenant farmer that he could raise and sell his crops just as well with the landlord gone as with him there." Finally, as Jeffrey Paige points out, tenants and sharecroppers are essentially wage laborers reduced to extremely low incomes by the almost limitless demands of landlords pressed by market competition. As low-level wage earners, they can achieve improvement only through collective action. Thus they are interested in participating and initiating high levels of action, potentially leading to radical change.
Marginal smallholders are small peasant owners producing primarily for subsistence; they are equivalent to Wolf's middle peasant. Their production is stable but their income declines because they lack the subsidiary resources necessary to stabilize and improve productivity and therefore cannot compete on the market against wealthier landholders. The marginal smallholders, however control their own land and thus have sufficient internal leverage to enter into sustained rebellion. The greatest movement potential thus lies with this class. But this contention is controversial. Paige argues that marginal smallholders are fierce competitors for scarce resources; they perceive individual progress in terms of zero-sum conflicts. Their interest in collective action is thus limited. Individuals ranging from Karl Marx to U.S. state department officials have made similar observations. Marx's dictum of the landholding middle peasantry is well-known. Less well-known is U.S. conventional wisdom. A state department official reveals it when explaining the rationale for insisting on land reform in El Salvador: "There is no one more conservative than a small farmer. We're going to be breeding capitalists like rabbits." The classic resolution of this debate is provided by Hanza Alavi. He contends that smallholders are indeed the major actors in rebellion. Encased in the traditional mode of peasant production, they become the most militant and have the greatest interest in movements. But this only during initial stages of action. Once limited goals are achieved, the smallholder becomes a brake on movement and supports the
status quo. The marginal smallholder then, has the greatest interest in initial intense action. But this interest is limited and does not include the more radical demands of other poor peasants.

Finally there is the rich peasant, who owns more land than can be cultivated with family labor, has subsidiary resources, and has others working for him either as tenants or laborers. Little can be said of rich peasants. Like the middle peasants, their income rises in direct proportion to their productive resources. They are interested in proactive mobilization that helps maximize their gains. Their interest is thus in formally organized action such as forming consumer associations or lobbying groups to represent them nationally. More than likely, however, a rich peasant has the resources to appropriate gains individually and does not need to participate in collective action. The rich peasant moreover, supports the landed elite and is opposed to lower class movements. This class plays a crucial role in hindering intensive peasant movements aimed at radical change.

But what of the dynamics of class change. Three elements bring about the restructuring of rural classes: population growth, capitalist development as mediated by the particular structure of agricultural production, and changes in state policy. As population increases, the number of peasants in each class increases proportionately. But the productive assets of each family are divided among larger numbers thus forcing some peasants into lower classes. The tendency for peasants to slip into lower classes, however, is partially offset by the steadily rising surplus generated by capitalist expansion. If peasants can capture a large enough portion of the surplus, they can retain or even
increase their productive assets. The prime issue then becomes which peasant classes are likely to accumulate what proportion of the surplus. As just discussed, income is dependent mainly on class structure, which determines the social and economic relations that allow peasants to reproduce or increase their income. The structure of agricultural production, which will be discussed shortly also affects income distribution. Finally, the tendency for peasants to fall in class also depends on changes in state policies such as land reform and agrarian modernization which may favor certain classes over others.

**Population Pressure and Inequality**

Population is a crucial aspect of the peasant structure, affecting both peasant power and interest in collective action. The underlying basis of peasant power is population. The greater the number of peasants in any class, the greater their power. Since poor peasants are most interested in movements bringing about structural change, the greater their numbers relative to other groups, the more power they have to initiate movements at high levels of action.17 The population of marginal smallholders is particularly important. Although their interests are more limited than other poor peasants, they have the "tactical mobility" and leeway to provide the critical impetus at the beginning of a movement.18 Therefore, even though they may reduce the potential for significant structural change, a certain percentage of marginal smallholders in the class structure is critical to empower initial peasant action. Middle and wealthy peasants oppose lower class movements. Therefore, when their numbers are greatest, the potential
for low intensity formally organized movements increases, but the potential for intense action declines.

Generally, where high population density creates resource scarcity, peasant vulnerability is increased and interest in collective action is intensified. Eric Wolf calls the burden of too many people the demographic crisis and describes it thus:

China numbered 265 million in 1775, 430 million in 1850 and close to 600 million at the time of the revolution. Viet-Nam is estimated to have sustained a population of between 6 and 14 million in 1820; it had 30.5 million inhabitants in 1962...Cuba had 550,000 inhabitants in 1800; by 1953 it had 5.8 million. Population increases alone and by themselves have placed a serious strain on inherited cultural arrangements.

Because the vulnerability of high population falls so heavily on the poor, their collective interest in altering the situation is most intense. However, high population also intensifies competition among poor peasants and they become divided by individual interests. Under the pressures of high population, middle and rich peasants are interested in maintaining their status and thus their opposition to lower class movements is intensified.

Resource scarcity, however, is caused not only by an "exploding" population placing physical limits on resource availability, but also by inequality. Pressure on the land, for example, is caused largely by land concentration. In Peru, Bolivia, Colombia, and other Latin American countries, land is held by a small elite who prevent peasants from obtaining ownership. Even in countries often characterized as overpopulated in relation to available land such as Bangladesh, Indonesia, and India, a major cause of scarcity is extreme inequality
of landownership. In these countries, the ILO concludes that land redistribution is necessary both to reduce poverty and increase productivity.22

More generally, the problem of inequality may be understated while that of excess population overstated. Although there are probably areas where population density poses the greatest threat to subsistence, to my knowledge, this has never been empirically demonstrated.23 Certainly there are studies that use anecdotal evidence to show that overpopulation causes resource scarcity. But these studies do not empirically test whether the actual problem is too many people or too great inequality.24 There is one exception: William Durham's study of the Soccer War between Honduras and El Salvador. Durham examines whether this so-called "population war" and "hunger war" was caused by El Salvador's "high population density and exploding population," or by land concentration.25 The analysis reveals that land scarcity in Latin America's most densely populated mainland country, was caused "not so much by the rapid growth of the population after 1892 as the trend towards land concentration that created a scarcity of land for the majority of the agricultural population."26 The great inequities forced El Salvadorean peasants to occupy land across the border in Honduras, thus setting off the war. In analysing peasant interest in movements, then, one must examine resource scarcity in terms of both population dynamics and the changing levels of inequality.

A final issue regarding population must be elaborated. Overpopulation has been conceived of since Malthus' essay in 1837 as an
independent problem that threatens mankind. Today numerous scholars present the same argument, describing the situation in such jarring phrases as "the population bomb," the "silent explosion," and "breeding ourselves to death." The rhetoric is terrifying. Julian Huxley for example says: "The essential point is that overpopulation is a world problem so serious as to override all other world problems, such as soil erosion, poverty, malnutrition, raw material shortages, illiteracy, even disarmament. The future of the whole human species is at stake." A widely read textbook proclaims: "Unrestrained population growth is the principal cause of poverty, malnutrition and environmental disruption, and other social problems. Indeed we are faced with impending catastrophe...Such a desperate situation necessitates draconian action to restrain population growth." Overpopulation is thus seen as the world's major problem.

Large populations do pose serious problems for many third world nations and do intensify poverty. However population is not the root problem. Such a simplistic notion was dismissed by Marx 140 years ago when he noted that "every special historic mode of production has its own special laws of population historically valid within its limits alone." In other words overpopulation is merely a symptom of the forces of the larger social and economic system. Within capitalism, the social and economic pressures of the market generate poverty and inequality. In turn poverty and inequality generate high populations.

This situation can be explained in third world nations by examining the pressures facing poor and middle peasants. Under
capitalist development, land and other productive resources are concentrated into the hands of a few, thus leaving the poor peasants with only their labor power. In order to get ahead, the poor must increase their labor, and the only way for them to do so is to have a large family. Mahood Mandani demonstrates the utility of having many children: sons and daughters hire out as field laborers, younger siblings graze cattle, fetch water, perform odd jobs, and also work in the fields during peak labor. All children make a valuable contribution to supporting the family—the more children the greater the family's chances of success. Middle peasants and smallholders are caught in a similar bind. Competitive pressures force them to maximize their income or lose ground to others. In order to maximize income, they must put more labor into the farm operation, which means they too must have many children. As one peasant explained to a population researcher:

> Just look around. No one, without sons or brothers to help him, farms his land. He rents it out to others with large families. Without sons, there is no living off the land. The more sons you have, the less labor you need to hire, and the more savings you can have...A rich man invests in his machines. We must invest in our children.

In essence then, when competitive economic and social forces reduce a peasant families resources to its labor power, and when those same competitive forces make greater labor output the only way to stay afloat, large families become a necessity.

Based on this contention, what are the dynamics of population change in the Third World? Population in the third world is likely to increase at its current annual 1-2 percent growth rate, until poverty
and inequality are reduced. Even if these two problems are alleviated, population will expand at current levels for another two generations because of the structure of age distribution.

Two factors, however, alleviate population pressure in rural areas, migration and land reform. Migration increases as opportunities in urban areas are perceived to rise and as opportunities in agriculture decline. Individuals perceive greater urban opportunities as the state transfers the rural surplus to industry, and as industry expands during the rising period of the long cycle. As will be discussed in the next two sections, agricultural opportunities decline as the structure of production becomes more competitive and as the rate of technological adoption increases. Land reform and other reform policies, reduce the pressures of an expanding population by redistributing more evenly vital resources. State policies of redistribution depend on the changing power balance in the nation.

**Structure of Agricultural Production**

The structure of agricultural production is instrumental in generating peasant interest and power in collective action. In this regard, all peasants are imbedded within a predominant structure of productive relationships that determine to whom they owe their surplus, how the surplus is appropriated, and how the surplus is shared. The structure of production directly affects tenants and landless by imposing particular kinds of economic relations on them. But it also affects middle peasants and marginal smallholders because it determines the intensity of state and
capitalist development and the tendencies towards patterns of change. In this respect the general dynamic in all structures is towards a concentration of resources into the hands of the wealthier. But the rate of change and the particular way it is accomplished differs in each structure. Four types of agricultural production are prominent in the contemporary third world:

1. First is rent capitalism, characterized by a high degree of tenancy where a landlord has "no interest in maximizing agricultural production but merely acts to maximize his own surplus." The landlord simply squeezes his tenants for the greatest rent without attempting to improve the land. Several conditions contribute to the growth of rent capitalism: market value and productivity of land are high; the crop is labor intensive; labor is cheap; there is high population pressure on the land; there are no appreciable economies of scale; the crop cycle is less than one year.

Rent capitalism intensifies capitalism's competitive pressures on all poor peasants. Tenants are pressured to increase productivity because they have to constantly make greater rent payments or be evicted in favor of another tenant or landless family. This puts wage pressures on the landless since tenants must cut costs to retain their land. The smallholder must also match the increased market competition and thus is pressured to take risks and borrow money to improve his land. However, since smallholders are in such weak financial positions, the regular fluctuations of the market frequently put them into debt and landlords and others will try to obtain their land. As a result, dynamic changes are likely to be a rapidly growing number of
tenants on increasingly small parcels, a declining number of smallholders, a rapidly growing semi-proletariat needing to supplement their farm income through wage labor, and a slowly growing number of completely landless. If population growth is high the rate of this change will be increased. However, if state policies such as land reform and subsidy programs benefit the poor, the process will be slowed. Generally, poor peasants in the rent capitalist system have an intense and rising interest in altering the existing situation.

However, the very conditions that create rent capitalism also foster intense competition among the peasantry. Landlords will use this competition to encourage cross-cutting interests. They will selectively rent their land to tenants who identify with them and deny access to peasants who are potentially movement participants. Therefore the potential power of poor peasants is great, but their internal rivalries must be overcome to act. The quality of communal relations, peasant consciousness, and the degree of external support are thus important factors in contributing to peasant power to act in this pattern of production.

2. Entrepreneurial capitalism is the second form of agricultural production and is at a polar position from rent capitalism. In this system, greatest profit is made not from increasing rent, but from direct commercial production. Middle and wealthy peasants and landlords thus modernize production and transform most landholdings into efficient commercial farms ranging in size from small yeoman to large capitalist. Barrington Moore proposes a famous hypothesis about this structure of production. He argues that "where the landed upper
class has turned to production for the market in a way that enables commercial influences to permeate rural life, peasant revolutions have been weak affairs.44 Similarly, Paige contends that systems characterized by commercially producing smallholders, yeomen, and capitalist farmers generate "reform commodity movements." These movements do not involve radical demands for redistribution, nor do they involve intensive action.45 According to Moore and Paige then, a structure of entrepreneurial capitalism is incompatible with broad participation or intense movement interest.

But this generalization must be severely qualified. While it is true that wealthy and middle peasants benefit significantly under entrepreneurial capitalism and thus do not have great interest in movement participation, the reverse is true for poor peasants. This system fosters intense competition which forces out the least efficient tenants and those smallholders with the fewest resources while putting wage pressures on the landless. The dynamics of capitalist development thus move towards land consolidation into efficient parcels; a steady increase in the number of medium-sized and larger commercial holdings, a growing rural service class, a decline in the number of smallholders, and a rapidly growing rural proletariat being squeezed by labor-saving techniques.46

The dynamics of entrepreneurial capitalism in the contemporary third world thus severely strain the livelihood of the large peasant populations. Unlike the situation in England, Japan, and Taiwan, where a rapidly expanding urban sector and a vigorous cottage industry provided non-agricultural jobs for the displaced peasants, most third
world countries can provide few alternatives for the poor. This structure of production thus intensifies poor peasant interest in movements. However, their power is limited because both the middle peasantry, which benefits from this structure of production and the state, which is interested in preserving it, oppose them.

3. The third pattern of production is the hacienda system, where the landed elite controls huge tracts, but for one reason or another does not modernize agriculture. The major characteristics of the system are a small peasant population, low land values, unutilized land, and extreme land concentration. Because of these factors hacienda owners can maintain profit only through coercion and monopoly control of land which force peasants to accept servile wages and working conditions. Considerable has been written about the mechanisms that perpetuate hacienda working conditions: tenants owe labor services to the hacienda such as building roads, digging wells, and providing domestic services; they are forced to buy goods only from the hacienda store; they are not allowed to purchase land; they are intimidated by hacienda thugs; and their children must work off any inherited debts.47

Under the pressures of capitalist development, hacienda owners put additional burdens on their tenants and workers to maintain profit levels thus further intensifying peasant vulnerability. But the state and the bourgeoisie pressure the landed elite to reform the hacienda's economic and political control. This tension is resolved as the balance of power shifts. If the power balance shifts towards the state and the bourgeoisie, or if the state has a fairly high carrying
capacity, it can pressure the landed elite towards moderate agrarian reform. In this case, there would be a tendency towards moderate land reform, with the haciendas becoming smaller, a new middle peasant class emerging, but no significant change for the majority of poor peasants. If the landed elite remains the most powerful group and is intransigent, peasant interest in collective action is intensified. But peasants are relatively powerless.

Middle peasants and smallholders living near the hacienda also have an interest in collectively altering the situation because the hacienda takes up so much prime land and is so dominant in the area. As in rent capitalism, however, their power is limited by the hacienda's continuing tactics and repression to minimize peasant organization. Moreover, all peasants must stay in the good graces of the hacienda which controls most productive resources. In this pattern of production then, peasant power is likely to be weak and atomized unless there is a pre-existing structure of communal relations or unless there is a sudden loss of hacienda power.48

4. The final pattern of production, juxtaposed to the hacienda, is the plantation system. Jeffrey Paige argues that the plantation differs from the hacienda in three ways. First, unlike the hacienda which is labor intensive, the plantation relies on processing machinery and other field equipment. Second, the plantation is organized around a wage rather than a servile labor force. Thus the plantation does not use coercive social mechanisms to bind peasants to the operation. Finally, unlike the hacienda, the plantation has an expandable income. Its owners can increase productivity and income by
investing in technologic innovations. Given the plantations expandable income and its flexibility towards labor, it is likely to compromise with peasants and give them concessions. Therefore the plantation does not intensify peasant interest in movements. Rather it interests them in formally organized movements, particularly unions, which can successfully negotiate greater concessions.

However, the interest of nearby smallholders and middle peasants in collective action is intensified. The plantation monopolizes the best land thus forcing independent peasants to compete for less productive areas. Moreover, under the pressures of capitalist development, the plantation continually expands its enterprises. George Beckford spells out the dynamics of plantation expansion: land is needed for development of agricultural infrastructure, there is a tendency to absorb related industries such as transportation and marketing, there is a tendency to diversify, and there is a tendency to absorb smaller plantations and contiguous land. The dynamics of the plantation system, then tend towards a concentration of the best land into the plantation, with increasing pressures being placed first on smallholders and marginal tenants, then on middle peasants. This results in a slowly increasing proletarianization of peasants, some of whom are hired as seasonal and permanent workers. The rise in employment creates a growing class of semi-proletariat, partially dependent on the plantation. Thus nearby peasants are interested in more intense collective action. However the ability of the plantation
to provide jobs and other concessions divides peasant power. Only when plantations are put under extreme pressures making it impossible for them to grant concession is peasant power and interest united.

**Technical Status of Agriculture**

The level of mechanization and the bio-technology that are prevalent in an area comprise agriculture's technical status have a strong bearing on peasant movements. The basic argument is that, within the context of a capitalist economy, a higher technical status intensifies poor peasant vulnerability by (1) increasing landlessness and (2) reducing employment opportunities. This intensifies the interest of poor peasants in movement activity.

The alienation of land and consequent proletarianization of poor peasants are dynamic tendencies of capitalist development. But a higher technical status accelerates this process by raising land values and thereby encouraging wealthier peasants, landlords, and outsiders to extend their landholdings. Smallholders are most vulnerable to land alienation because their small-scale puts them at a disadvantage in competing for the complimentary resources necessary to compete in the market. When the level of technology is high, tenants are also proletarianized. The higher technical status increases the lands' profitability and makes it worthwhile for landlords to evict tenants and commercialize operations with hired labor. Theoretically then, adoption of improved technology increases production, but increases incentive for landlords and wealthier peasants to capture the increased surplus by extending their control of land.
But a note of caution must be added. Adoption of new technology does not transform poor smallholders and tenants into a rural proletariat overnight. The process is inexorable but slow. It involves rising indebtedness, increasing pressure to sell land, conflicts between tenants and landowners, fights over eviction, semi-proletarianization, and most importantly, the will of the the peasants and the "fierce tenancy with which they will attempt to hold onto their land, especially in the absence of substantial employment opportunities." For example, T.J. Byres concludes that in India proletarianization is definitely hastened by the new technology, but the process is slow grinding:

We have seen, then some of the characteristics of partial proletarianization that have been at work in the Indian countryside: a process not initiated by certainly hastened by the operation of the 'new technology'. That process has added to the already large number of completely landless labourers: some dispossessed tenants, some poor peasants who have sold land, an unknown number of ruined village artisans and craftsmen. It has not done this on a large scale, however. Rather, its more significant contribution has been to throw into increasing wage employment large numbers of poor peasants who continue to own some land, and to bring some sharecroppers near to the state of pure wage labour.

Accepting this perspective I am sceptical of assertions that proletarianization is not occurring. Such assertions assume that there must be a dramatic rise in land alienation and land concentration. But this perspective ignores the reality of the social process in which peasants gradually fall into debt, become semi-proletarianized, sell some of their land, and finally lose their land. This slow transformation is documented by a number of carefully written case studies analysing the effects of the green
revolution on peasant producers.\textsuperscript{58} If one only scrutinizes national
data, however, there will be ambiguities. Not only are there data
problems such as deliberate falsification of records and the
difficulties of surveying and assessing land,\textsuperscript{59} but also few studies
are concerned with the transformation of peasants into laborers from an
historical perspective. In general this reflects a systematic bias.
Planners and development specialists are not concerned with whether
peasants lost their land or whether this is an unjust situation that
should be corrected. They are only concerned with the situation as it
exists and thus study the question of how production can be
increased.\textsuperscript{60} A higher level of agricultural technology also reduces
employment opportunities. There is a powerful counter-argument to this
assertion. It contends that mechanization—using tractors, combines,
etc.— reduces employment but adoption of biologic technology—high
yielding varieties of grain and complimentary inputs—permits multiple
cropping which increases productivity and labor requirements. In a
careful study, for example, William Bartsch distinguishes between
biologic technologies and techniques of cultivation. He concludes that
by adopting biologic innovations but retaining traditional techniques,
labour requirements can be increased.\textsuperscript{61} A number of other studies
similarly conclude that mechanization displaces labor but biologic and
complimentary inputs creates jobs.\textsuperscript{62}

Regardless of this distinction, the net results of adopting new
technology in third world countries has been to reduce labor demand.\textsuperscript{63}
A global ILO study, for example, examines rural poverty and finds that
landlessness, the green revolution, and unemployment are closely
associated. The study first concludes that "a process of impoverishment has taken place" in which rural dwellers "have been systematically marginalized or proletarianized." It then identifies a major part of the problem: "Over all, the Green Revolution has failed to raise significantly the demand for wage labour. Often labour has been displaced and where the demand has been raised it has been absorbed by under-utilised family time rather than with hired labour."

In general then, the higher the level of agrarian technical status, the greater the labor displacement. This is not to say that there are no cases in which the use of biological techniques have increased labor requirements. Where only biological improvements are implemented there is probably an increase in employment. But the overall empirical context of state and capitalist development has clearly linked mechanical and biological innovations. The reality of the economic process is that the wealthier and middle peasants are most likely to adopt the green revolution package; they are also likely to follow up this productive advantage with labor-saving techniques. Such techniques are in fact necessary if large and middle landholders are to fully realize the profit potential from adopting green revolution techniques. The major productive advantage of the green revolution is multiple cropping. With several crops a year, speed is essential during harvesting, clearing, and replanting so that each successive crop can be accommodated. Extremely high labor input is thus needed for short peak periods and this creates an ironic situation: brief periods of acute labor shortage and high wage rates, combined with generally
high levels of rural unemployment. To avoid the cost and uncertainty of obtaining labor, there is considerable impetus to mechanize operations. But the essential point is that distinctions among different kinds of technology are irrelevant. Technology is adopted where it is profitable. To make a profit it is necessary to (1) maximize production while cutting labor costs and (2) accumulate surplus which means investing in machinery rather than paying wages. Within the context of capitalist development then, the process of technologic adoption, at some point, displaces labor.

Central to the discussion of technology and peasant movements is the dynamic of technologic change. In the capitalist system, technology is adopted where it is profitable, and in the third world there is always some technical advance that improves profitability either by contributing to capital accumulation or by reducing labor requirements. Generally then, the technical status of agriculture increases proportionately to the rate of capitalist expansion. But the structure of production influences the rate of adoption. In the rent capitalist system, technical advances are not greatly profitable because labor costs are low. The rate of technical change will thus be considerably slower than capitalist expansion. Moreover the large number of tenants and landless makes labor displacement a potentially explosive action. State policy, however, may alter this situation. If state policies subsidize technology and pacify the political action of displaced peasants, adoption becomes profitable and the rate of technical change increases. If the state is powerful enough to effect
these changes, technical adoption will transform the rentier system into an entrepreneurial one.

In the entrepreneurial capitalist system, technical change is directly proportional to the rate of capitalist expansion. But this rate is heavily influenced by state subsidization policies, the extent and form of which depend on the balance of power. In the hacienda system, technologic change is slowed or stagnant because the landed elite finds it profitable to rely on its control of land and labor. If the state is powerful or has a large carrying capacity, it may induce a more rapid pace of technical change. In the plantation system, technical change will occur slowly so long as labor is cheap. However, if peasants become organized and demand increasing wages, technical change will occur rapidly. State subsidization of inputs will also increase the rate of technical change.

Patron Client Relations

Patron client relations affect both peasant interest and power in movement participation. As discussed in chapter 3, patronage provided a general source of security for many peasants. Those benefiting from traditional patronage were the poor and those in ecologically vulnerable regions; they were closest to the margin and most subject to subsistence pressures. However, because patronage also institutionalized a system of elite stratification, it limited opportunities to middle peasants, to those with some resources, and to peasants with access to good land. Consequently, the interests of
middle and poor peasants differ depending on how patrons react to state and capitalist development. There are three possible patron reactions.

First, there are some patrons who retain traditional patronage even under pressures of commercialization. I would speculate that such patronage can be maintained only during very early stages of capitalist development when the right to subsistence still has local priority and only during a rising period of the long cycle when profits are still quite high. If traditional patronage is maintained, then increased vulnerability for poor peasants is reduced and they are less interested in movement participation. But wealthier and middle peasants are denied access to new opportunities and are interested in formally organized movements to obtain access.68 Peasant power in this situation is reduced. The patron remains the central point of peasant interaction since he controls scarce resources. Peasants are integrated with him but not with each other and a structural interrelationship, known as a "triangle without a base," is created. At the triangle's apex is the patron. At the base are all his peasant clients who deal with the patron as individuals.69 So long as this patronage is maintained, peasants will have difficulty securing internal leverage to change.

A second possibility is that patron services will decline but mechanisms of stratification will remain. This pattern of patronage is most likely to occur in the rent capitalist and hacienda structures of production. In these structures, patrons must continually squeeze peasants for greater and greater rents. Peasants will also be expected to fulfill their traditional obligations but not receive insurance
relief or other benefits. If this is the case, the interest of all peasants to participate in movements is intensified. Poor peasants will lose a vital source of subsistence relief and will have an interest in intense action. Middle peasants will protest their denial of new opportunities and will resist providing the patron any free services. Under such conditions, the potential for peasant power is great since common interest unite the peasantry. However, patrons must increase their means of social control and will try to selectively coopt peasants. If peasants are to actualize their power, they must overcome internal rivalry.70

A final possibility is that patrons rationalize their relationships; they drop all patronage but also allow relatively open competitive practices. This situation is most likely to occur in the plantation and entrepreneurial structures, where it is most profitable to adopt pure market relations that free patrons from any obligation to clients. In these systems, patronage declines at a rate directly proportional to capitalist expansion. Since middle and wealthy peasants benefit significantly from this situation, they are not intensely interested in movements. Poor peasants, on the other hand are greatly interested in collective action. However, their power is diminished as the various peasant classes are divided.

In each structure of production, state policy is also instrumental in determining changes in patronage. As the state expands its authority into rural areas, it enables patrons to drop their traditional obligations and adopt the relationships that are most profitable. But the state also tries to reform abusive labor practices
as part of its agrarian reform. Consequently, the specific changes of patronage in any system depend heavily on state expansion and state policy, which, in turn, depend on the nation's power balance.

Communal Relations

Relations among peasants are another crucial determinant of peasant interest and power in collective action. Most analyses, focus on the strength of communal relations. Some authors argue that strong communal relations deflect peasant interest in political movements because they ensure a more equitable redistribution of internal resources thus reducing the pressures of state and capitalist development.\(^71\) Others point out, however, that the same communal relations provide solidarity for peasants thus empowering them to act.\(^72\) Finally, other analyses posit that all peasant societies are stratified and that communal relations are mechanisms used by elite peasants to maintain inequity. Therefore peasants who have strong communal traditions are interested in movement activity—to free themselves from a rigid and oppressive system.\(^73\) Thus there are several contradictory assertions about how the strength of communal relations affect peasant power and interest.

But there is a flaw in this reasoning. Peasant interest and power are not influenced so much by the strength of communal relations as by their quality. As discussed in chapter 2, communal relations have three basic qualities: they maintain a system of stratification, they provide insurance, and they maintain collective welfare. Depending on
the degree that each quality exists in communal relations, interest and power in collective action is increased or decreased.

The more that communal relations preserve the existing system of stratification, the more interested middle and poor peasants are in intense movement activity. In this instance, communal relations are similar to deteriorating patron client bonds, with richer peasants forming an elite strata that collectively controls community-wide institutions such as feasts, work details, and allocation of local resources. Under the increasing pressures of state and capitalist development, these relationships maintain the status of the elite but pass on the costs to the middle and poor peasants. Moreover, if relations preserve the inequities, the community is likely to become increasingly polarized and the injustice of the relations will become readily apparent. Poor and middle peasants are intensely interested in action to alter these relationships. As with patron-client relationships, however, the power of the middle and poor peasantry is diffused. Interrelationships are focused on the elite and there are few direct ties binding them. Moreover, since leadership roles have been taken by the elite, possibility for internal leadership among these groups is unlikely and external support will be vital. Given this situation, internal power for movement participation is minimized. 74

The more that communal relations are dominated by insurance schemes such as cooperative labor exchange, savings associations, or emergency loan societies, the less interested are peasants in movement activity. There is a quite straightforward reason for this. The objective of insurance is to share risk so that the unfortunate will
receive a little assistance from everyone to offset their loss. Consequently if communal relations involve extensive insurance schemes, they tend to deflect the impacts of state and capitalist development by distributing the increased vulnerability. There is an important addendum. Insurance presupposes that participants share the same vulnerabilities, have relatively equal amounts to lose, and can make equal contributions in case of disaster. Therefore extensive communal insurance systems can operate only where peasants are relatively equal in status. Where there is inequality, only sporadic insurance schemes can be established and a limited number of peasants can be protected.

Although reducing interest in movements, insurance schemes enhance peasant power. These relations increase solidarity by strengthening cooperation among peasants, give peasants leadership and organizing experience, and provide vehicles for collective action. However in many peasant communities, there are numerous insurance schemes and they divide peasants into small groups. Although this situation does not enhance peasant power as much as village-wide insurance, it can significantly facilitate movement organization, provided that most peasants belong to some insurance cooperative. The numerous small organizations form potential building blocks that can be used to recruit participants in movement activity.75

Finally, the more that communal relations are based on maintaining collective welfare, the greater is poor and middle peasant interest and power in collective action. It must be emphasized that collective welfare in this context refers not to subsidies given to the disadvantaged, but to the relationships involved in two activities:
collectively maintaining common assets such as marshes, ponds, meadows and fields; and cooperating to build roads, water reserves, and other civic works. In such instances, communal resources are used to advance or maintain the livelihood of all. Under the pressures of state expansion and capitalist development, the resources become vulnerable to claims by outsiders and stronger members of the community. The interests of the community to act collectively against such challenges are thus clear.

Peasant power is also increased. The cooperation needed to build and guard common resources ensures pre-existing structures of solidarity and organization. The community can thus mobilize, using the existing organization as the springboard to action. Eric Wolf describes the response of such communities to state and capitalist development:

"The organization of the peasantry into self-administering communes with stipulated responsibilities to state and landlords created in both cases veritable fortresses of peasant tradition within the body of the country itself. Held fast by the surrounding structure, they acted as sizzling pressure-cookers of unrest which, at the moment of explosion, vented their force outward to secure more living-space for their customary corporate way of life."

Thus the more that communal relations are based on collective welfare, the greater is peasant power and interest in collective action.

Under pressures of state and capitalist development, communal relationships are constantly shifting. As the market expands, both insurance and welfare schemes are likely to decline. Welfare becomes increasingly difficult to maintain because wealthier and middle peasants find it profitable to stop contributing to broad schemes of
assistance. Additionally, as the state expands into rural areas, it assumes increasing responsibility for emergency relief and other assistance and also protects peasants who end their communal contributions.

Insurance schemes are also likely to decline proportionately with the rate of capitalist development. However, because insurance can be individually beneficial if participants are relatively equal and have transferrable resources, cooperative labor exchange and other forms of insurance are likely to persist among small groups of peasantry with established traditions of cooperation.

Communal relations perpetuating stratification are also likely to decline. State policy establishing property rights make physical perpetuation of class differences unnecessary. This does not mean that stratification will disappear. Quite to the contrary, peasants with the most resources are likely to make the greatest advances. Elite community members thus do not need to enforce restrictions on other peasants to maintain their status. Their power and prestige is perpetuated through the economic forces of the market, not through political and social domination.

Ecologic Vulnerability

Areas with precarious ecologic conditions—inadequate rainfall, clay soils, mountainous terrain—as well as areas with great vicissitudes in weather—storms, floods, droughts—pose perpetual existential problems for all classes of peasants.79 Any further deterioration or rise in vulnerability created by state and capitalist
development intensifies peasant interest in altering the situation. Additionally, disasters, which are most likely to occur in ecologically vulnerable regions, place the state in the worst light and "reveal government ineptitude or its unwillingness to help its citizens." Peasant interest in movement participation is likely to be intense. Peasants not only protest any new exactions by the state or elite, but also mobilize to demand that the state supply them new stabilizing inputs such as fertilizer and irrigation.

Isolation from Authority

Eric Wolf argues that peasants in peripheral areas, geographically removed from centers of state control, are more prone to collective action and a resistance of state authority. Peasants in these areas have the mobility and opportunity to organize movements without potential or actual state interference. In essence, their power is greatly enhanced.

But geographic isolation from the state does not always mean that peasants will engage in movements. In the first place, the more isolated an area is from state authority, the more likely it is to be peripheral to the market and less pressured by state and capitalist development. Not only are landlords and elite likely to respect local claims on resources, but also competitive market pressures are less. Isolation can also act as a double-edged sword. Although peasants may have more mobility relative to the state, the local elite may be completely dominant and exploit the peasantry. In this case, the elite is so powerful, the peasantry cannot act without some kind of state
intervention. Thus the effect of isolation must be viewed within the context of the peasantry's overall social and economic relations.

Reinforcing Cleavages

Common language, religion, ethnicity, and kinship supply what Gertz calls "primordial sentiments" to the bonds which link peasants. These characteristics provide attachments which facilitate cooperation, organization, mutual support and incurred obligation. The value of reinforcing cleavages becomes most apparent in negative terms. Stirring fundamental animosities, religious, ethnic and language divisions not only make organization and cooperation difficult, but also lead to factional feuds and civil strife. Insofar as these feuds do not aim at improving the peasants existing conditions but only to satisfy long-standing animosities, they divide peasant power. On the other hand, reinforcing cleavages may be so strong that they mark an entire segment of a nation as a distinct enclave, which initiates a separtist movement. Quebec, the Basques, and Mindanao are examples. Cleavages in this case contribute to power and interest in collective action. Often, however, these movements are neither peasant initiated nor intended to improve peasant status. It is only when reinforcing cleavages unite peasants against dissimilar landlords, elite, or central authority that one can speak of a peasant movement. In Algeria, Burma, Sumatra, Kenya, and the Belgian Congo, domination by culturally and ethnically dissimilar colonists provided powerful unity for peasant collective action. But reinforcing cleavages are not independent determinants of peasant interest. They facilitate
organization but cannot of themselves generate interest in a peasant movement. As Landsberger puts it, "cleavages other than economic ones may be of critical importance...depending on whether or not they coincide with, or cut across class lines." When cleavages add to the separation between a dominant class and peasants, they contribute greatly to peasant solidarity and enhance the probability for formally organized intense action.

**Consciousness**

Consciousness is often postulated by Marxist theorists as the prerequisite for solidarity leading to class based revolution. Consciousness in this sense refers not simply to a recognition of economic interests but to an interactive process in which peasants perceive of themselves as a class opposed to an antagonistic overlord class and actively struggle to rid themselves of their oppressors. True consciousness then, is the dialectic product of intellectual perception and practical action. Consciousness here is used in a much simpler fashion: Peasant power for collective action is enhanced the more that peasants recognize their common interests and have knowledge of how to act on them.

Peasants may seldom have a class consciousness in the the Marxian sense but that does not mean they are unaware of their common situation. Poor peasants, in particular, can plainly see that their livelihood is controlled by others who maintain their status through peasant labor. In this regard, the peasantry has a rich tradition of folklore, religion, and culture that portrays their situation in
millenial dreams and identifies common adversaries. Whether this tradition takes the form of the right to communal land in Peru, the right to subsistence in England, a belief in a saviour monarch in Indonesia, or the identification of the state as one of the five traditional scourges in Burma, it creates a consciousness that Scott argues has historically "served as a charter for revolt."89

Even where peasants have been overcome by fear and repression, this tradition and consciousness still exists and can be used to raise counterpoints. Gerrit Huizer explains:90

It is crucial to find "counterpoint" elements in the peasants' submissive attitude and value system, so as to be able to show them that they are already involved in some kind of resistance against the repressive system, and that the fatherly authority of the landlord is basically fictitious. Such elements can be found in folk tales and the past history of the village...The campaign, led by the Communist Party leader Aidit, to study local folk-lore and culture (which always contains a great deal of "resistance" elements and "counterpoints") and to study the present and also the past land tenure situation were highly important.

In sum, where the tradition of protest and conflict have been strong, peasant collective action is facilitated and peasant power for intense movements is increased. Not only does this tradition form a repository of common experience that aids in organizing but also it serves as a symbol of what can be done.

A further aspect of consciousness is knowledge of alternative tactics, demands, and rights. Generally this knowledge is gained from contact with the outside world and is a concomitant of the whole modernization experience. The information can come from peasants who have lived or fought outside their home area and have returned, or it can come from education, mass media, or outsiders. As Zagoria
explains, "although Marx was right in postulating isolation as the main factor inhibiting peasant organization in the past, he did not foresee the possibility that, in the modern world, peasant isolation could be ended under the impact of forces such as population pressure, the revolution of communications and education, and modern organization."91 In general then, the more exposed to modernizing experiences peasants are the greater is their awareness of alternatives and possibilities for collective action.

It must be emphasized, however, that outsiders do not simply export to peasant society new ideas that create a consciousness and an ideology of protest to guide action. Outside ideas and thought contribute to an already rich peasant ideology and consciousness. Experience also influences peasant consciousness. Thus indigenous ideology, new ideas from the outside, and experience contribute to a peasant consciousness of collective action. As George Rude expresses this idea:92

So by one means or another, these 'derived' notions became grafted onto the 'inherent' notions and beliefs and the new popular ideology took shape as an amalgam of the two...But it must be emphasized, whether the resultant mixture took on a militant and revolutionary or a conservative and counter-revolutionary form depended less on the nature of the recipients or of the 'inherent' beliefs from which they started than on the nature of the 'derived' beliefs compounded by the circumstances than prevailing and what E.P. Thompson has called 'the sharp jostle of experience.'

**External Support**

External support is not an internal part of peasant society but forms a concrete link between peasant movements and larger society. It
is therefore an important characteristic of the peasant community and has a strong bearing on peasant power. The model of peasant movements, then, envisions an open system. External support, when present, adds directly to the internally generated power of peasants.

There is no question that external assistance facilitates the emergence and development of peasant movements. The provision of leadership is crucial. A number of studies stress that once a movement progresses beyond local small-scale activity, it requires a leader with charisma and organizational ability, and time to work. This precludes many peasants because they are often ill-knowledgeable of the larger world and are tied down with the day-to-day problems of earning a living from the land. Additionally, it is sometimes asserted that peasants are not aware of their class interests because of their objective situation of domination. Therefore outside leaders who work, eat, and sleep with peasants are necessary to provide a clear perception of the political situation.

But there are three reservations to concluding that external leadership is so important. First, during the initial stages of a movement, the most necessary leaders are peasants known locally, trusted, and familiar with existing conditions. Obershall suggests that in traditional communities cut off from the rest of society, such leaders are likely to emerge because individuals are already experienced in organizing and there are few other ways for talented individuals to advance themselves. Second, many peasants have become knowledgeable by interacting with outsiders, being exposed to modern warfare, and through the overall modernization process. Because of
this experience many peasants have the capacity for leadership at all levels.96 Finally, leadership is vital, but there must be an underlying capacity and interest in collective action prior to a movement. Leadership may thus enhance and facilitate interest in movement activity but most directly contributes to peasant power in mobilizing and organizing.

External resources and expertise also add to peasant power. In fact, a number of recent studies on counter-insurgency claim that the emergence and success of protest movements depend directly on external resources. The rationale for this contention can be traced to Lenin who argued that a revolutionary situation could be created and that a revolutionary movement required a professional trained cadre, "professionally engaged in revolutionary activity."97 Perhaps the most extreme contemporary work adhering to Lenin's basic thesis is that of Leites and Wolf, based on the supply side of insurgency. These authors basically contend that power (supply) to act is all important and therefore internal resources plus external support make collective protest possible. Leites and Wolf thus stress the critical role of external organization, leadership, and resources in creating a viable organization to initiate and direct a movement.98

These are important factors. Clearly peasants require resources to mobilize. Thus external support does contribute to peasant power and increase the probability of a peasant movement while raising its likely intensity, participation, and organization.
The Mobilization Process

The two main components of collective action, interest and power, are rooted in the structure of peasant society and the dynamics of state and capitalist development. But peasants actualize their interest and power through the mobilization process. Theories of mobilization derive principally from collective choice theory, which holds that an individual participates in collective action because he rationally calculates that the benefits of his participation exceed the costs. The main proponents of this theory include Olson, Tilly, Oberschall, and such strange bedfellows as Lenin, and Popkin.

The classic statement of the theory is made by Mancur Olson who argues that "unless a group is quite small, or unless there is coercion or some other special device to make individuals act in their common interest, rational self-interested individuals will not act to achieve their common or group interests." Olson then explains what special device is necessary to elicit participation in collective action:

Only a separate and selective incentive will stimulate a rational individual in a (large) group to act in a group-oriented way...group action can be obtainable only through an incentive that operates, not indiscriminately, like the collective good, upon the group as a whole, but rather selectively toward the individuals in the group.

Samuel Popkin makes this contention somewhat more palatable by extending the conditions under which peasants will participate in movements. They will also participate: (1) for reasons of ethic, conscience, or altruism, (2) because it pays on a pure cost-benefit
calculation, (3) because of selective incentives, and (4) if others' contributions are contingent on one's own contribution.102

These propositions raise insightful questions and provide useful lenses for analysing peasant movements. For example, if peasants participate in movements because they are likely to receive certain benefits, then a central issue is the probability of movement failure, which would mean receiving no benefits. For peasants, particularly poor peasants, this is a relevant issue. Not only are they confronted by the "tyranny" of their own livelihood, but also they are opposed by the landed elite and others who might retaliate against them. Therefore their costs of failure are particularly high. Before they participate they must consider whether the movement's leadership is strong enough and whether the organization competent enough to guarantee them some protection and some assurance of success. Other valid points raised by this perspective include the problems of "free riders" and internal competition.

Thus collective action theory does make useful points.

In general, however, I would classify the use of collective action theory to analyze peasant movements as a "country club" theory of revolution. I do not use this analogy because it is precise, but because it most dramatically portrays the central implication of the theory. Like peasants who expend resources when participating in a movement, individuals joining a country must pay dues. The country club members derive status, prestige, proper contacts, and recreation from their membership. The incentive to join is selective because it depends on each individual's assessment of what he will get out of
membership and how much that is worth. Moreover, to enlist certain desireable persons, the country club may be willing to give them selective incentives. According to the logic of this theory, peasants go through a similar process. They calculate how much they will get out of their participation in a movement, and the movement may induce certain peasants to join by offering them special incentives.

For third world countries, this argument is unconvincing. Although the issues of risk, leadership, and organization are relevant and must be included in analysing peasant movements, the main premise must be modified. The underlying cause of peasant movements is not peasants who are ceaselessly seeking selective incentives. This is somewhat like suggesting that a movement can attract peasants only when it begins offering gift subscriptions like a savings and loan company. Rather the major incentive for peasants in the Third World to participate in movements stems from core human relationships and social exchanges that raise their vulnerability and perpetuate inequity. Movements are simply strategies that peasants use to attain some improvement of their situation.

Thus to fruitfully use the insights of collective action theory we must first adopt William Gameson and Bruce Fireman's warning about using economics to explain politics: "Beware of economists bearing gifts...it is refreshing to get away from the concern with instability that blinded sociologists to problems of resource mobilization. But the economists' models convey their own set of blinders." The blinder is the assumption that collective action results only from individuals following a simple economic investment logic, without
regard to underlying interests generated by the dynamics of society's social, economic, and political relations. In the contemporary third world, these underlying interests are the basis for peasant movements.105 Having stated this basic provision, I now present a model examining the process by which peasant movements emerge and develop.

**The Emergence of Peasant Movements**

In discussing the emergence of peasant movements, two broad questions must be addressed: Under what conditions are peasant movements likely to begin? What levels of participation, types of action, and levels of organization are likely during the initial phases of the movement?

**Initial Mobilization.** Three conditions are necessary for a peasant movement to emerge. Peasants must have sufficient interest in collective action, they must have sufficient power to mobilize, and they must have the opportunity to act.106 Within the capitalist system, interest in collective action emanates from either rising vulnerability or rising inequity. Hypothetically, each peasant community has some culturally defined subsistence line or living standard that represents a standard of vulnerability.107 If some class of peasants approaches or hovers about this line, it becomes increasingly interested in collective action. The actual threshold at which interest is sufficient for action, however, comes long before the point where livelihood is seriously threatened.108 Moreover, since peasant movements are processes that can, and usually do, begin with a
series of low intensity actions, collective interest need not be too intense to reach the threshold.

Inequity also generates interest in collective action.\textsuperscript{109} When productive resources are so concentrated as to create subsistence difficulties, inequity is an integral reason for vulnerability and the combined levels of inequity and vulnerability produce intense interest in collective action. In the absence of vulnerability, inequity is measured by the maldistribution of resources among peasant classes combined with unequal opportunity.\textsuperscript{110} Hypothetically there is some threshold where resource distribution is so skewed and access to resources so inequitable that peasants are sufficiently interested in collective action. In general, inequity, by itself, does not generate as much intense interest in initiating collective action as does vulnerability because there is not as direct an existential threat.

Peasants must also have sufficient power to act.\textsuperscript{111} There are two components of power, resources and solidarity. Resources refer to any factors that directly contribute to the peasants physical ability to act collectively. Resources include the numbers of peasants interested in collective action, the assets of the peasants, their knowledge and information, the isolation from authority, and their external support. Solidarity is a measure of the peasants' ability to cooperate and organize. It depends on communal relations, patron-client bonds, consciousness, cleavages, and external leadership and organization. There is a point at which peasants interested in collective action have sufficient numbers and resources to mobilize, and sufficient solidarity to act cohesively.
But power is not simply absolute, it is also relative. The power of peasants interested in collective action must be weighted against the power of groups opposed to that action. For example, the action of poor peasants is opposed by the landed elite, the state, wealthy and middle peasants, and sometimes other poor peasants. Thus in order to initiate movements, peasants must have both an absolute minimum of power, and enough relative power to provide some protection from the groups opposed to them.

Even if peasants have sufficient interest and power to initiate movements, they also require the opportunity to act. There are two general types of opportunities, events that crystalize the interests of peasants in collective action and circumstances that lead to a sudden loosening of social control over them.

Events that crystalize peasant interest are often referred to as precipitating incidents. They are not underlying causes of the movement, but provide immediate symbols of the real grievances. Events, such as the imposition of a new tax, a powerful outsider or community member claiming public land, a landlord raising rents, a disastrous harvest, a sudden drop in crop prices, the jailing of peasants, or the eviction of tenants, may provide a focus and concrete setting toward which action can be directed. Such events give "immediate substance" to underlying structural circumstances and thus serve as symbols and targets for initial action.

The loosening of social control also serves as a significant opportunity for peasants to initiate movements. In this regard, the threat of repression by the state and elite can seriously inhibit
peasants acting together. Thus, events such as international pressures on the state, a coup attempt, a war, a sudden challenge to local elites, rivalries among state elites, or sudden increases in external aid raise peasants relative power and reduce the possible risks of collective action. Such critical opportunities often provide the catalyst for action. As Marion Brown observes after examining peasant movements in various Latin American countries:

All of the above examples argue that the take-off point for peasant unionism in Latin America is usually some kind of shift in traditional power relations rather than a mere change of attitude or outlook...The traditional relations of the hacienda system simply cannot exist without systematic and effective suppression. Thus whenever the local landed elite begins to lose its grip, usually because of larger economic or political circumstances, peasant activism springs up rather quickly.

Thus, when sufficient interest, sufficient power, and opportunities coincide, peasant movements begin.

Levels of Participation, Action, and Organization. Once a peasant movement begins, what levels of participation are likely? Participation depends on three factors: the number of peasants interested in collective action, the intensity of their interest, and the likely response of state and elite. The peasants most intensely interested in collective action are most "at risk" to mobilization; the greater their interest the greater their level of participation. Peasants who are less interested in, or opposed to collective action, are less likely to participate and may even hinder the movement.

Participation is also a function of state and elite response. If the state or elite has a habit of harsh repression, the level of peasant participation will be sharply reduced despite the level of
interest and power. If the elite is tolerant, peasants are less restricted and participation will be closer to the levels dictated by interest and power.118

What types of action are likely during the initial phases of the movement? In general, the level of peasant action is determined by the same factors that determine participation: peasant interest, power, and response of elite and state. The intensity of peasant interest sets the limits on action. The more intensely that peasants are interested in collectively altering their situation, the more intensely they are willing to act.119 Peasants, however, can only initiate actions that are familiar to them or that they know about.120 Consequently, if peasants have a non-violent tradition, they are likely to use demonstrative action initially. But if they have a tradition of confrontation, they are less restrained in their action.121 Finally, the initial type of action depends on the level of organization. Structured types of action, such as petitioning, strikes, demonstrations, large meetings, and gatherings require minimum levels of organization. When organization is present, actions are more likely to be demonstrative because elite retaliation can be directed against the organization.

The level of organization of a movement during its initial phases depends on power, that is on the participants' resources and solidarity. Generally, movement organization requires a core group of committed peasants, leadership, information and knowledge, and some material support.122 These are resource prerequisites for organization. Even more important during the initial phases of the
movement, however, is solidarity. The degree of organization is directly proportional to solidarity. The quality of communal relations, the patron client bonds, cleavages, and consciousness provide cohesion and enable peasants to work together. Strong communal institutions, for example, can be used as the basis for rapid mobilization.

Most peasant communities have informal institutions and when collective action begins minimal organization can be assumed. Therefore the significant aspect of movement organization is the process by which peasants coalesce their action into more formally organized movement organization. Joel Migdal suggests that peasants advance through four stages of increasing political action, each associated with rising organizational capacity and growing solidarity. These are: 1) peasants individually adapt to pressures, 2) peasants attempt individually to change their status, 3) peasants seek gains for a segment of the community or the whole community, 4) peasants seek gains for their entire class. Each phase is sequential peasants cannot advance to the next stage until they build solidarity, skill, and consciousness in the preceding phase. Peasants who already have solidarity can thus mobilize rapidly because they already are engaged in phase 3 activity. David Korten similarly suggests that peasants progress through stages of learning. First they learn to organize effectively, then they learn to become efficient, finally they learn to expand.

Each of these stage models assume a dynamic process of growth in which peasant success in increasing solidarity, consciousness, and
organizational capacity, leads to further growth. Similarly, peasants advance along the organizational continuum. Successful organization building in early stages mobilizes resources and solidarity that help in further increasing organizational capacity. However progress is not automatic; three conditions enable peasants to progress. First, peasants must have an enduring interest in altering their situation. As Wolf has pointed out, many factors, including the tyranny of their work schedule and their isolation, make any sustained effort for peasants burdensome. Therefore the interest to motivate them to work on the time-consuming task of organization building must be intense and continuous.

Second, whether or not a movement progresses depends on peasant power. The elite is likely to try and coopt or repress the movement organization. Therefore the peasants must have enough solidarity to resist efforts to coopt it and they must have sufficient resources to withstand elite repression. Frequently, however, internal resources are not sufficient, some extra bit is needed.

Finally, organization building requires power in the form of external assistance. Although peasants are capable of high levels of informal organization, they cannot move to semi-formal or formal organization without the help of knowledgeable leaders who have experience, knowledge, and the resources to devote full time to organization building. But this contention is somewhat tautologic. Leadership and external support do not just occur randomly. External support is most likely to be provided where the conditions are greatest for peasant movements, that is, where peasants have
intense interest in changing the situation and some power to act. When these three conditions are met, the movement dynamically advances along the organizational continuum. As these advances are made, the organization contributes to peasant power and thus provides impetus for higher levels of movement participation and action. Successful movement activity thus provides the impetus for continued self-sustaining growth. However, peasant movements seldom develop in unrestrained fashion. Often movements are suppressed and coopted by the elite and by the state. The state, in fact, plays the major role in confronting peasant movements.

State Action and the Development of Peasant Movements

The state directly confronts a peasant movement if: 1) the movement expands beyond elite control, 2) the movement's actions are directed against state agents, or 3) the elite requests the state to step in. Once the state responds to peasant action, the movement's development is dependent on state-peasant interaction. This interaction unfolds in the following process: peasants initiate a movement, the state reacts to the movement, peasants adopt new strategies, the state reacts again, and so on. Two aspects of this process require elaboration. First, what tactics does the state initially use in its reaction to peasant action. Second, how does state action affect the movement and its future action.

State Tactics. Two basic tactics are used to deal with peasant collective action, either coercion or concession. In reality, states can use coercion and concession simultaneously. Combinations of
both tactics are frequently used in a selective manner to split groups and divide allies. However, the initial reaction, with which we are presently concerned, is likely to be predominantly coercion or concession because the state does not have time to develop a more complex tactic.

Coercion is simply the use of force to repress political action. One can visualize a continuum of coercive intensity. At the least intense end of the continuum the state may order a few police to issue warnings to peasants but do no more. At the most intense end of the continuum the state might use all its force to violently repress the peasant movement. Concession may range from simply having a government agent discuss problems with peasants to conceding major goods such as land reform, extensive welfare assistance, or limiting transfers of the rural surplus. Although concessions may be the same as the benefits distributed as a normal part of the state's modernization program, concession is a specific response to actual or potential peasant movements. Concessions are thus likely to be more superficial, less generalized, and more prone to withdrawal than state designed programs.

What factors are instrumental in determining whether the state initially uses coercion or concession and at what levels? First, states often react on the basis of the most commonly-used past actions. Claude Welch uses this general argument to explain why governments so frequently use repression to end peasant movements. He concludes that although regimes have alternatives, coercion is the most familiar and successful tactic because it does not display weakness.
State reaction is also determined by the peasant movement's levels of participation, action, and organization. If participation is low and the level of action involves simple demonstration, the state will probably use concession. At higher levels of participation, however, there is an increasing probability that the state will react with coercion.132

The level of movement activity is also important in determining state response. At low levels of peasant action, such as the instigation of exchange labor or local self-help, the state is likely to provide some concession unless participation is extensive. At higher levels of intensity however, when peasants are more forceful, more demonstrative, and more threatening, the state is likely to use coercion. There is a threshold level of action; when the movement passes it, the state must repress the action. In such instances, violent confrontation by peasants poses a direct threat to state authority and the challenge must be met with force.133

Organization is also important in determining state tactics. Generally, if the movement is formally organized, there is less chance that it will be repressed and greater likelihood that it will be offered some concessionary goods. There are two reasons for this. On the one hand, the formally organized movement is likely to have specific demands and a bargaining position.134 The basic preconditions for negotiating a settlement are thus present and the state is likely to agree to some concession because compromise now becomes a cheap and viable strategy that may coopt the peasants.
Another factor determining state tactics is the balance of power among the nation's interested groups. In this regard, Charles Tilly offers a general hypothesis. He contends that states simply repress the political actions of weaker groups while supporting the actions of stronger groups. While basically agreeing with Tilly, there are two modifications to his position. First, the state's past action and the type of peasant movement both affect state response. Second, the state's power must be considered in relation not just to peasants but to all other groups with interest in the outcome, including landed elite and the bourgeoisie groups.

The most direct power relationship affecting state response is that between the state and the peasants. In general, the stronger the state is relative to the peasants, the less restrained it is to use repression. If the peasantry is disorganized and weak but the state has a united bureaucracy with a strong military, then a peasant movement at all threatening is likely to be repressed. Moreover, the more dominant the state is over the peasantry, the greater is the intensity of repression likely to be since there is little fear of retaliation.

Conversely, the stronger the peasantry is relative to the state, the greater the probability that the state will try concession. In this regard, political parties, state politicians and leaders in Asian, African and Latin American nations frequently act as patron. Their patronage, consisting of goods such as welfare relief, food subsidies, state jobs, subsidized inputs, and even land reform, is a form of state concession. Although constituting legitimate efforts by the state to
promote welfare, these goods are used to prevent peasant mobilization or comprehensive social change.137

The landed elite also has considerable influence on state tactics. It basically supports the use of repression to deal with peasant movements. It takes this stance because its wealth and power are based on monopoly control of land and labor and therefore any concessions to peasants by the state threatens their position. In this respect the situation is a zero-sum game: concessions made to peasants are at the expense of the landed elite.138 The landed elite thus has no choice but to urge repression. If its overall power in the nation is great, than states are increasingly likely to use coercion at high levels.

The metropolitan and local bourgeoisie support the use of concession to deal with peasant politics. They support concession because it is a strategy that entails less risk than coercion. Their income is based on continuing capital investment and they can therefore afford to give wage and other concessions to peasants, but they cannot afford a protracted conflict and a generally poor business climate, which is likely with coercion.139

**Evolution of Peasant Movements.** Once the state initially responds with coercion or concession, what is the effect on peasant political action? With respect to coercion, there is no consensus either theoretically or empirically. Coercion is hypothesized to inhibit political protest as well as to instigate it.140 A number of general studies indicate that repression tends to escalate protest and facilitate violence.141 For peasants this implies that when the state uses coercion, calling out troops to quell a demonstration,
imprisoning, beating or shooting peasants, movement participation and action increase. Coercion simply encourages further protest since the state generates new grievances without resolving basic underlying peasant concerns.

A second generalization contends that repression sufficient to intimidate protesters and potential participants ends any political action. D.E.H. Russel, for example, argues that if the government is united in its willingness to use coercion and has ample coercive power, than any rebellion will be harshly repressed and political action extinguished.\textsuperscript{142} James Scott supports this contention, arguing that "the tangible and painful memories of repression must have chilling effect on peasants who contemplate even minor acts of resistance."\textsuperscript{143}

Both sets of assertions are consistent if qualified by the intensity of coercion and the time frame. When the state uses low levels of coercion, not repressing too harshly or in too life-threatening a manner, peasant politics escalates. At a certain threshold, when repression is sufficiently deadly, peasants have no alternative but to end their action. The state's deadly armaments terminates peasant politics or forces it into acceptable forms. At this point, however, the time frame is important. Studies indicate that sufficient coercion does end political action, but only temporarily. At a future date, when repression is lightened or peasants gain strength, political action and rebellion escalate.\textsuperscript{144} In other words, extreme repression temporarily ends peasant politics, but radicalizes peasants for future action. This radicalization is motivated not by a strict economic calculation of gain and loss, but by
the belief that justice is due and that the state has proven itself illegitimate. Unless coercion can be systematically sustained at a fairly high level, peasant movements cannot be repressed. As Ted Gurr sums up the situation: "there is no basis for a 'regime coercion' variable that consistently reduces conflict magnitudes."146

What impact is concession likely to have on the development of peasant political action? Charles Tilly hypothesizes that any concession is likely to increase the level and intensity of political action because participants quickly evaluate that the state is giving in to political pressure and they will escalate their tactics. The rationale is that political actors calculate the costs of their action in terms of changing state reaction. If concessions are granted, peasants interpret this as support for their movement. But concession does not have a single effect on political activity. Although it can encourage peasants and other groups to further mobilize, it can also reduce the intensity of action. As Claude Welch puts it, "timely changes in policy may accomplish quickly, cheaply, and relatively painlessly, what hundreds of troops could not effect."147

Concession's ability to reduce the intensity of political action depends on its adequacy. Concession may be looked upon as an economic incentive to end political action. Therefore the greater the concession, the greater the likelihood of ending the peasant movement. If the state concedes a fairly broad pool of resources competition among all peasants for these goods increases and the organizational cohesion necessary for political action is weakened. In fact, as Samuel Huntington argues, a meaningful concession of land reform
transforms the peasantry into staunch supporters of the state. In his words, "the peasantry may be the bulwark of the status quo...where the conditions of land-ownership are equitable and provide a decent living. No social group is more conservative than a landowning peasantry and none is more revolutionary than a peasantry which owns too little land or pays too high a rental." However, if the state provides minimum concession without seeming to care about the underlying problems, political participants are likely to be patronized and may escalate their activity. In such instances concession does not benefit participants and is unlikely to diminish their energy.

Ideology and injustice temper the effect of concession on peasant movements. Peasants who feel a sense of moral outrage against the state or who are committed to an alternative ideology are unwilling to settle for less than fundamental structural change. Such peasants probably form the core actors in more intense peasant movements; they will not be assuaged by state concession because they are committed to broader more visionary goals. If there is a fairly large segment of the peasantry who have become radicalized, then further concession without additional coercion will increase the intensity of a peasant movement.

Summary

In the contemporary third world, state and capitalist development form the basic context within which peasants earn their livelihood and establish social and economic relations. In aggregate terms, this
context results in a higher standard of living and rising incomes. In disaggregated terms, however, wealthier and middle peasants are most able to take advantage of new opportunities and benefit most. Poorer peasants are often confronted with new vulnerabilities and inequitable access to resources, which means a stagnant or declining livelihood. Poor peasants are thus increasingly interested in collectively altering the situation.

Whether or not peasants form movements depends on their specific circumstances. Depending on variance in eleven of their social, political, and economic relationships and conditions, the general tendencies of state and capitalist development are altered. Moreover, these same factors determine the peasants power to act. Table 5.1 lists the various elements that determine peasant interest and power. Not illustrated in the table but crucial to the model, is the dynamism of each element. Each element changes over time, with the rate and fluctuations of capitalist development providing the major impetus.

When peasants mobilize, the greater their intensity of interest and levels of resources and solidarity the greater the movement's initial levels of participation, action and organization. As peasants gain solidarity and learn to coordinate and control their resources, the movement naturally expands. Their success increases their power and resources in a dynamic self-generating process. However, peasant movements are seldom ignored and allowed to develop spontaneously. The elite frequently coopts or represses a movement before it can develop. If the elite cannot cope with the movement, the state confronts the peasants and tries to end
the movement with coercion or concession. If the state uses high enough coercion or concession, the movement is ended. But if the state uses low levels, peasants escalate their action.

The factors and dynamics involved in a peasant movement are numerous and complex. In the next chapter I will illustrate the complexities and the interrelationships with a case study of the 1960s peasant movement in Pernambuco, Northeast Brazil.

Table 5.1
The Components of Peasant Interest and Power

<table>
<thead>
<tr>
<th>Interest</th>
<th>Power</th>
</tr>
</thead>
<tbody>
<tr>
<td>General</td>
<td></td>
</tr>
<tr>
<td>State policy</td>
<td>Class structure</td>
</tr>
<tr>
<td>Capitalist development</td>
<td>Population-Inequality</td>
</tr>
<tr>
<td></td>
<td>Structure of production</td>
</tr>
<tr>
<td></td>
<td>Patron relations</td>
</tr>
<tr>
<td></td>
<td>Consciousness</td>
</tr>
<tr>
<td></td>
<td>Technologic status</td>
</tr>
<tr>
<td></td>
<td>Ecologic vulnerability</td>
</tr>
</tbody>
</table>
FOOTNOTES TO CHAPTER V


8. The general relationship between income and factor endowments is acknowledged by both market and Marxist economists. Marxists, however, do not accept a directly proportional relationship because the wealthier are likely to invest rather than accrue earnings as income. See for example, Pan Yotopoulos and Jeffrey Nugent, *Economics of Development: Empirical Investigations* (New York: Harper and Row, 1976), pp. 247-251; Martha Gimenez, et al., "Income Inequality and


23. This contention is supported by William Durham who states: "Although the relationship of population growth to resource scarcity has again become one of the major topics of debate in human ecology, there have been surprisingly few careful assessments of the relative importance of population and social factors. Instead, anecdotal evidence and global


26. Ibid., pp. 48-49.


38. Refer to Chapter IV, section entitled: "The Constraint of Social Groups on State Policy."


41. Ibid.


52. Refer to chapter 3. See also, George Beckford, "Plantations, Peasants, and Proletariat in the West Indies: Agrarian Capitalism and Alienation," in Bernardo Berdichewsky ed.,


55. Ibid., p. 432.


60. Huizer, Peasant Movements and their Counterforces, p. 189.

61. Taken from Pearse, Seeds of Plenty, p. 148.


70. Huizer, Peasant Movements and Their Counterforces, pp. 164 ff.


74. Anthony Oberschall, Social Conflict and Social Movements (Englewood Cliffs: Prentice Hall, 1973), pp. 118-37. Oberschall uses a general sociological framework and posits that where the community is vertically integrated through associations, movements will be difficult unless community members "share common sentiments of oppression and targets for hostility.

75. Ibid, p. 125.


78. Refer to chapter 3, section entitled "Horizontal Coalitions."


86. Landsberger, "Rural Protest," p. 54.


120. Charles Tilly, "Repertoires of Contention in America and Britain, 1750-1830," in Zald and McCarthy eds., The Dynamics of Social Movements, pp. 131-34.


139. Ibid., p. 23.
149. Oberschall, Social Conflict, pp. 262-63.

CHAPTER VI

PEASANT MOVEMENT IN PERNAMBUCO, NORTHEAST BRAZIL: A CASE EXAMPLE

In 1963, Josue de Castro wrote, "The Northeast of Brazil has as great an explosive potential as the Congo, South Africa, India or Vietnam. Though the suppressed masses have not yet been exposed to the propaganda and revolutionary leadership that exist in many other nations in a similar stage of emergence, explosive potential is not lacking. It is waiting for someone to light the fuse." By 1964 it seemed that the fuse had been lit. Peasant unions had organized and demanded large concessions from the landed elite, sugar workers forced plantations to increase wages and improve living conditions, demonstrations occurred in Pernambuco and in Northeastern cities, and President Goulart openly challenged the bourgeoisie and landed elite by trying to rally popular support for his land reform program. The country was on the verge of civil war and the peasants and rural masses of the Northeast were a leading force in the potential revolution.

In this chapter I analyze the emergence and growth of the peasant action in Pernambuco, Northeast Brazil, using the framework developed in the preceding chapters. My intent is not to comprehensively analyze peasant politics in Pernambuco, but to illustrate how the framework can be used to examine peasant movements. To accomplish this task, the chapter is divided into four sections, corresponding to the four
components of the framework: capitalist development, the state, peasant society, and the mobilization process. Since the case study is only an illustrative example, each of the sections uses data and information readily available.

The first section examines the relationship between capitalist development in the Northeast and peasant livelihood. The basic contention of the framework was that capitalist development provides new opportunities for those with the right resources, but transforms existing land and labor relationships to the disadvantage of most resource-poor peasants. As a result, peasants become increasingly interested in changing the situation. The case illustrates how the market expanded in the Northeast and in Pernambuco and how labor and other social relations were altered. These changes were complex and varied depending on the specific situation and the peasantry's relations with other groups. In general, however, the shift to capitalist relations lowered the living standards for most peasants.

The second section analyzes the role of the Brazilian state in the Pernambucan peasant movement. The theory presented in chapter 4 posited that state rural policies and coercive action, significantly influence whether peasants engage in collective action. The decision to enact particular rural policies or use coercive force depends primarily on the national power balance among the state, peasants, landed elite, national bourgeoisie, and foreign bourgeoisie. In Brazil, the state and bourgeoisie held the balance of power and enacted policies that lowered peasant income.
But capitalist development and state policies do not directly affect peasants. Their impact is mediated by the peasants' specific social and economic structure, which significantly shapes new economic relationships and determines the effect of state policies. The third section examines the peasant structure of Pernambuco and its role in providing peasants with the interest and power to initiate peasant movements. The Pernambucan peasant structure, especially in the region of greatest activity, intensified subsistence pressures and enhanced peasant power. The final section describes the mobilization process and analyzes the interaction of state, peasants, and landed elite. The most important elements in the mobilization process were the growth of formal peasant organizations, the landed elite's decline in power, and the state's gradual shift from concession to coercion.

**Capitalist Development in Northeast Brazil**

To analyze the Pernamubcan peasant movement of 1964, it is necessary to review the Northeast's capitalist development in historical perspective so that one can see how the market expanded, what labor transitions occurred, and who benefitted from the transitions. Pernambuco's integration into the world market began in the late 1400's when Portugal colonized Brazil and established large sugar estates in the Northeast based on slave labor. So successful was the sugar slave economy that by the early 1600's Brazil was not only the world's largest sugar producer, but also, as Furtado claims, "possibly the most profitable colonial agricultural business of all
times."³ Sugar was exported primarily to Europe, where demand was so great that sugar prices rose sixfold during the sixteenth century. The Northeast sugar industry was thus a primary source of revenue for Portugal and was, from the very outset, integrated into the capitalist world economy, figuring prominently in the expansion of the world market. Indeed, the Northeast was such an integral part of capitalist expansion that Frank has claimed Brazil was a capitalist economy, despite operating with slave labor.³

During the 17th and 18th centuries, the market continued to expand, but the importance of Northeastern sugar slowly began to decline. By 1850 Pernambuco produced only 4.2 percent of the world's sugar, compared with over 50 percent in the 17th century. In 1890 the percentage slipped to 2.1 percent and by 1910 Pernambuco produced only 0.3 percent of the world total.⁴ The decline of Brazilian sugar in world importance was paralleled by its decline domestically. Manufacturing became more significant; coffee, grown primarily in the South, displaced sugar as the leading export crop; and other agricultural products, such as cotton and beans, competed against sugar. Capitalist development in the Northeast thus continued, but not at the rapid pace of earlier times.

Nonetheless, as the result of continued expansion and market development, particularly in other areas of the nation, slavery was abolished. Slavery could not be maintained when continued expansion demanded a free labor force. But who benefitted from the opportunities afforded by a free labor market? Certainly not the Pernambucan peasantry. Plantation owners used the former slaves' economic
dependence to keep them in virtual slavery. Not having the education and knowledge to earn an independent living, nor having land and capital necessary to take advantage of the new labor opportunities, these freemen, called *moradores*, had to rely on former masters for a plot of land, seed, tools, and loans. In return for these "favors," the *moradores* had to provide the plantation with three or more days free labor. As Taylor sums up the situation: "whereas the senhor previously had been able to extract the surplus product from the laborer by virtue of his ownership of the laborer, he now did essentially the same thing by virtue of his ownership of the land." Since the *moradores* had the illusion of freedom but were in fact still captive, tensions arose from these new relations of dominance. Despite the tension, the point is clear: only the landed elite benefited; they had the proper resources to take advantage of the expanded labor market.

In addition to *moradores*, the expanding market created a class of landless laborers working exclusively for wages. Some were migrants from the non-sugar regions of Pernambuco; others were local workers who lived in nearby towns and who supplemented their income during harvest season. Again, however, an expanding market did not necessarily benefit them. Although there were more jobs, their presence swelled the labor force and kept wages low. The elite was thus able to control wages and obtain more labor for a lower price.

Market expansion in Pernambuco's non-sugar plantation areas, the Agreste and Sertão which are in the interior, was much slower because of the distance from ports and trade centers. In these areas, labor
arrangements remained a traditional mixture: tenancy, sharecropping, subsistence cultivation, wage labor, labor exchanges for land rights, clearing open frontier, and banditry. Often peasants used a combination of these labor arrangements to survive. Until the late 1940s the rate of capitalist expansion permitted this mix of labor relations to prevail. Following World War II and continuing to the present, however, there was an acceleration of Brazil's capitalist development. The dynamic for this change did not originate within the Northeast, but in the Center-South which industrialized and became the hub of dynamic growth. Some data is available to document this market expansion.

The economically active population in Brazil grew from 17 million in 1950 to 40 million in 1976. More importantly, as the economy became increasingly capitalist, the work force shifted from one that was predominantly agricultural to one that was service and industrial. In 1950 over 60 percent of the workforce was engaged in agriculture, but by 1976 only 28 percent worked in agriculture (Table 6.1). The market also expanded rapidly, as the gross domestic product (GDP) increased 7 fold between 1950 and 1976 and the per capita GDP rose from $233 to $694 (Table 6.2). The rapid expansion of the domestic economy was paralleled by a surge in Brazil's international trade. The volume of Brazil's exports and imports increased by 800 percent between 1951 and 1978 (Table 6.3). Although Brazil consistently had trade deficits after 1974, the large increases in both her exports and imports signified her growing integration with the international market and the rapid pace of market expansion.
### Table 6.1

Economically Active Population (in millions)

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>N</td>
<td>%</td>
<td>N</td>
<td>%</td>
</tr>
<tr>
<td>Agriculture</td>
<td>10.3</td>
<td>60</td>
<td>12.3</td>
<td>54</td>
</tr>
<tr>
<td>Non-Agriculture</td>
<td>6.8</td>
<td>40</td>
<td>10.4</td>
<td>46</td>
</tr>
<tr>
<td>Total Workforce</td>
<td>17.1</td>
<td>40</td>
<td>22.7</td>
<td>46</td>
</tr>
</tbody>
</table>


### Table 6.2

Gross Domestic Product in Constant 1970 US Dollars

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Total (billions)</td>
<td>12.3</td>
<td>23.8</td>
<td>42.9</td>
<td>78.4</td>
</tr>
<tr>
<td>Per Capita</td>
<td>233</td>
<td>332</td>
<td>450</td>
<td>694</td>
</tr>
</tbody>
</table>


### Table 6.3

Volume of World Trade in Constant 1970 US Dollars (millions of dollars)

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Exports</td>
<td>1,770</td>
<td>1,270</td>
<td>2,739</td>
<td>7,809</td>
<td>12,743</td>
</tr>
<tr>
<td>Imports</td>
<td>1,773</td>
<td>1,293</td>
<td>2,507</td>
<td>12,557</td>
<td>13,632</td>
</tr>
<tr>
<td>Balance</td>
<td>67</td>
<td>-23</td>
<td>232</td>
<td>-4,578</td>
<td>-1,159</td>
</tr>
<tr>
<td>Volume</td>
<td>3,473</td>
<td>2,563</td>
<td>5,246</td>
<td>20,366</td>
<td>26,375</td>
</tr>
</tbody>
</table>

**SOURCE:** Wilkie and Reich eds., Statistical Abstract of Latin America 1980, p. 349.
Who took advantage of this rapid market expansion and the concomitant increased demand for sugar? Landowners responded to the new opportunities by expanding their sugar operations and increasing their production. In order to expand they had to take back all the land that they had previously given to the peasants in usufruct. Poor peasants did not have the capital or land to take advantage of new opportunities, and were increasingly squeezed off usufruct land. A more detailed description of the impacts of capitalist development on the peasantry will be presented in the section on peasant structure. For now, however, a quote by Taylor adequately describes their situation:

High international sugar prices led directly to the increasing impoverishment of the peasant who produced the sugar cane. He was forced to work more for less and was pushed below the previous culturally established minimum subsistence level. Since the land the peasant had received in return for his labor in the cane fields had been too small to fully utilize his labor, there had been significant leisure in his life. Now forced to work five or six days a week and prohibited from cultivating the land he had previously used, he was ever closer to the minimum physiological subsistence level. Such a low standard of living had not existed in the Northeast since the crash of the world sugar market in the late seventeenth century had decreased the amount of labor needed by the plantations.
In addition to capitalist development, the Brazilian state played a key role in the emergence and development of the Pernambucan peasant movement. Not only did the state's rural policies threaten peasant subsistence, but also its coercive intervention halted the movement when peasants became too threatening. An analysis of the state, with particular regard to its rural policy and use of coercive force, is thus crucial to understanding peasant politics in Pernambuco. There are two important elements in such an analysis: the state's position in the national power balance and state policy interests.

The National Power Balance

The power balance among peasants, landed elite, foreign bourgeoisie, local bourgeoisie, and state largely determines overall state policy and how the state will use its coercive force. A thorough analysis of the precise position of each group for Brazil at the time of the peasant movement would require information on the economic assets of each group, their relative numbers, their coercive power, and their solidarity. This information is not available, but a strong case can be made that by 1964 the state was the dominant force in the nation, while the landed elite was no longer a strong national power. The bourgeoisie, especially the foreign bourgeoisie which represented the multi-national corporations (MNCs), had become a leading power in
the nation; and the peasantry was rising in power, primarily because of
the peasant movements in the Northeast. Each of these groups must be
examined in turn.

As discussed in chapter 4, the peasantry's main power asset is its
population. Although the state had embarked on a course of rapid
industrialization, peasants in 1964 constituted over 50 percent of the
economically active population (See Table 6.1)—numbering approximately
12 million—and were beginning to exert direct pressure on the state.
In Pernambuco the rural population numbered over 2.3 million, and
through their political activity were beginning to actualize their
power. As will be discussed in the mobilization section, however, the
Pernambucan peasants were divided organizationally and differed on
goals, ideology, tactics, and leadership. Therefore although their
population was high and their organization increasing, they were weaker
than their action suggested.

By 1964, the landed elite had lost considerable power relative to
other groups. One indicator of their declining power, as mentioned in
chapter 4, is agriculture's importance to the economy; but
agriculture's contribution to the economy was steadily dwindling.
Table 6.4 shows that the agricultural sector accounted for the largest
share of the gross domestic product (gdp) in 1920, and in 1950 still
had a 16.8 percent share, but by 1960 accounted for only 13.4 percent
of the gdp. Both manufacturing and commerce surpassed it in importance
to the economy, while transportation and construction were catching up.
The landed elite still retained some leverage since agriculture earned
valuable foreign exchange. But even agricultural export earnings had
lost relative importance since 1950. In that year agriculture accounted for 96 percent of export earnings, but by 1960 the percentage had dwindled to 78, and by 1970 the percentage was only 54 (See Table 6.5). Finally, it must be emphasized that not all the large agricultural producers are landed elite. Many large landholders own modern agricultural businesses. Employing capital intensive techniques, these agriculturalists are part of the local bourgeoisie and their interests are clearly tied to the MNCs with whom they have marketing, processing, and distribution agreements. Thus the landed elite's decline in power and influence is even greater than indicated by agriculture's shrinking economic importance.

The relative power of the remaining three groups—the state, national bourgeoisie, and foreign bourgeoisie represented by the MNCs—can best be examined simultaneously since each interact so closely. In assessing the relative power of each group, one must first compare their economic assets and their roles in the economy. In 1966, the year closes to 1964 for which data is available, the foreign bourgeoisie controlled 47 percent of the net assets of the nations' largest corporations, the local bourgeoisie controlled 38 percent, and the state only 15 percent. Added to the foreign bourgeoisie's dominance was the large amount of direct foreign investment (Table 6.6). Between 1950 and 1964 US investment in Brazil amounted to over $1.6 billion and this was only about 40 percent of total foreign investment. It thus appears that the foreign bourgeoisie held the balance of economic power.
### Table 6.4
Share of gross domestic product by economic sector (%)  

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Agriculture</td>
<td>22.8</td>
<td>16.8</td>
<td>13.4</td>
<td>10.0</td>
<td>7.7</td>
</tr>
<tr>
<td>Manufacturing</td>
<td>12.1</td>
<td>21.2</td>
<td>26.3</td>
<td>28.4</td>
<td>29.8</td>
</tr>
<tr>
<td>Transportation</td>
<td>2.7</td>
<td>4.5</td>
<td>5.3</td>
<td>5.7</td>
<td>6.0</td>
</tr>
<tr>
<td>Commerce &amp; Finance</td>
<td>21.4</td>
<td>21.9</td>
<td>20.7</td>
<td>20/7</td>
<td>20.5</td>
</tr>
<tr>
<td>Construction</td>
<td>9.2</td>
<td>8.3</td>
<td>5.8</td>
<td>6.4</td>
<td></td>
</tr>
</tbody>
</table>


### Table 6.5
Brazil's Exports by Industrial Origin (%)  

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Agriculture</td>
<td>96</td>
<td>78</td>
<td>53.6</td>
<td>22.1</td>
</tr>
<tr>
<td>Mining, Quarrying</td>
<td>2</td>
<td>10</td>
<td>10.2</td>
<td>9.7</td>
</tr>
<tr>
<td>Manufacturing</td>
<td>2</td>
<td>12</td>
<td>36.2</td>
<td>68.2</td>
</tr>
</tbody>
</table>

*Based on author's calculations.  

### Table 6.6
U.S. Direct Foreign Investment in Brazil  

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Millions of US dollars</td>
<td>39</td>
<td>94</td>
<td>179</td>
<td>138</td>
<td>132</td>
<td>86</td>
</tr>
</tbody>
</table>

But this appearance is deceiving because the state's main economic base is not fixed assets, but its revenue generating power, through taxation, government bonds, and control of the money supply. Because of this power, the state has a steady source of income and does not need fixed assets. Between 1950 and 1970, for example, the state annually collected and spent about 16 percent of the GDP, for a variety of projects (See Table 6.7). Since the state collects a fairly constant percentage of the GDP, its revenues grow as the fixed assets of the bourgeoisie grow. Moreover, its constant income allows it to invest large sums in national economic activity. The Brazilian state is in fact the nation's largest investor and in 1965, just after intervening in the peasant movement, it accounted for 46 percent of total national investment, far more than the foreign bourgeoisie. Thus the state's economic power is far greater than its fixed assets would indicate; and by 1960 the state had become the dominant economic force in the nation.

Table 6.7
State Expenditure as a Percent of GDP

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Percent</td>
<td>12.7</td>
<td>13.6</td>
<td>14.2</td>
<td>18.9</td>
<td>18.5</td>
</tr>
</tbody>
</table>

In addition to economic assets, each group derives power from its unique political position. The local bourgeoisie is weakest in this regard, since it has little organizational cohesion and therefore cannot organize its interests except to support state or MNC policies. However, the local bourgeoisie is important politically. It is an important agent of national accumulation and both the state and MNCs need its support, or at least compliance. As an independent power broker, however, the local bourgeoisie is quite weak.

The foreign bourgeoisie, represented by the MNCs, are an extremely potent force. The MNCs' power is based on world-wide resources and integrated political structure. Global resources and integrated structure allow MNCs to coordinate shifting capital from nation to nation to finance large ventures or secure the most favorable business climate. Additionally, MNCs have some leverage over the Brazilian state because the aggressive modernization program has amassed a huge foreign debt that cannot be repaid without MNC's continuing presence and support. Thus MNCs are in a favorable position to influence certain policy because they can implicitly threaten to withdraw operations. Even beyond the passive threat of withdrawal, which is not a realistic possibility, MNCs can influence national policy because it is they who decide global production strategies. Gereffi and Evans explain:

In many cases, there is really only one customer for the product being exported. Sales of Pinto engines, for example, depend entirely on the fortunes of a single TNC customer (the parent Ford Motor Company) and the administrative decisions of that customer as to where these engines will be made. Thus, it is the TNC, and not Brazil or Mexico, who generally has the final word on the export "market" and local production.

The foreign bourgeoisie is thus an extremely powerful group.
The state, however, is still the most powerful group in the nation and dominates policy. It has a monopoly on coercive force through the armed forces and police. In 1964, the total armed forces numbered over 200,000 permanent men and the defense budget consistently accounted for 30-40 percent of the state budget. Moreover, to fully conceptualize the Brazilian state's power, one must go back to the late 1930s when Getulio Vargas, Brazil's first contemporary president, began reshaping the state. Vargas' goal was to develop Brazil into a world power. The first step in this process was to expand the state's administrative capability and centralize authority so that the state could coordinate national economic and political policy. To this end, new ministries such as Labour, Industry, and commerce were created; officially sanctioned trade unions representing urban middle classes were established; and a cadre of competent employees was hired to design national economic policies and to administer the state organization. Vargas thus began the creation of a strong coherent bureaucracy staffed by a professional civil service dedicated to national development. It is this strong centralized bureaucracy, along with the military, that make up the great strength of the Brazilian state. During the period of the peasant movement, then the state was dominant. But as will be discussed in the next section, there was political divisiveness within the state that greatly affected policies towards the peasant movement.

In sum then, during the period of the peasant movement 1958-1964, the state was the most powerful group within the nation, followed by the foreign bourgeoisie and the national bourgeoisie. These three
groups, however, were not competitors; they formed a tri-partate coalition that guided national development policy. As Hewit explains it, these three groups formed "a partnership that had been built over the last forty years and was centered around complimentary economic roles and grounded in common interest in rapid economic growth." The state's interest in economic growth will be discussed in the next section. The peasantry was the next strongest group. Although they did not have the assets or the long time political influence of the landed elite, they were beginning to mobilize and had potentially large and active numbers. The landed elite had considerable local power and local authority, but their national power had been declining since the 1930s and in the contemporary development scheme their assets were limited.

State Interests and Rural Development Policy

Given its leading position in the national power balance and its coalition with the bourgeoisie, the Brazilian state could easily pursue the three rural development policies of modern third world states. These policies, as predicted in the model of the state, include: 1) extending state authority into the countryside, 2) transferring the rural surplus to urban areas, and 3) transforming the feudal structure of land tenure. The Brazilian state, however, did not pursue these policies. Modernization was limited to industrialization and the rural areas were virtually ignored. This deviation from predicted state policy goals requires some explanation.
The roots of Brazil's industrial biased-modernization stem back to the Vargas era when the state was developing into a strong centralized bureaucracy. As the state extended its power and achieved national planning capability, it formed its own ideology based on conceptions of Brazilian destiny. Brazil's destiny was not simply to become a modern nation, but to become a world power. The only way to attain global status was to build a comprehensive industrial base that was technologically advanced and self-sufficient. Vargas first hinted at these precepts in a speech before the military towards the end of World War II: "Our first lesson from the present war was that...the only countries that can really be considered world powers are those that are sufficiently industrialized and able to produce within their own frontiers the war materials they need." 16 The state was thus committed to actively guiding industrialization in the national interest. In so doing, the state formed a coalition with the bourgeoisie and ultimately lost sight of the rural areas.

Because industrial development was the only priority, the state's rural policy did not follow the expected course. The state did not vigorously extend its authority into rural Pernambuco. State personnel, such as tax collectors and other bureaucrats, grew in numbers and the federal legal system was supreme, but actual power resided with local level authorities.17 Since landlords were traditionally the most powerful group, they controlled local government and police. It should be emphasized that the state was reluctant to extend its authority into rural Pernambuco, not because it lacked power over the landed elite, but because it choose to invest its resources in
the more productive urban areas. The state's inaction, however, gave the rural areas considerable leeway to change based on local action. Thus, as peasants began to organize, the weakness of the landed elite became increasingly apparent and the rural power balance began to shift in favor of peasants. Based on the discussion of state action in chapter 4, when the traditional elite are radically threatened, the state will try to preserve the prevailing power balance. The section on peasant mobilization will discuss how the state reacted in Pernambuco.

The state's disregard for agrarian modernization also meant that policies were not directed at transforming Pernambuco's land tenure. Prior to 1950 no land reform bills were passed in Brazil. Between 1950 and 1960 eight agrarian reform bills were introduced into the federal legislature, but all were tabled; none were even considered seriously enough to reach a vote. Between 1960 and 1963 eight more agrarian measures were introduced and only one passed. This bill simply allowed rural workers to unionize and gave them the same rights as urban workers. No law addressing the tenure situation was passed until 1964, when peasants began directly pressuring the state.

Although the state did not attempt agrarian reform, it did manage to transfer the rural surplus to urban areas. This was accomplished in several ways. First, urban areas received a disproportionate share of federal funds. Although agriculture employed over 55 percent of the population through 1960, the state spent only 4 percent of the budget on agricultural improvement in 1950, only 5 percent in 1955, and only 3 percent in 1960. But the state spent a great deal more on basic urban
services such as industrial and commercial development, transportation, and communication. In 1950 the state spent 18 percent in these areas, in 1955 17 percent, and in 1960 19 percent.20 A second way in which the rural surplus is transferred to industry is through taxing and trade policies. Export credits and tax exemptions for manufactured goods favored industry. Moreover, because agricultural commodities did not receive the same advantage, these policies created a subsidy for industry which was paid for by rural areas. Data is not available for the years of the peasant movement, but policies were similar for the period just following it. For this time period, roughly the mid 1960s, tax credits and export incentives boosted agricultural profits by 13 percent. But all manufactured goods received credits that increased profits by 283 percent—a net advantage to industry of 270 percent.21 Tariffs and other protection for manufactured goods similarly discriminate against rural areas by creating artificially high prices for industrial products. During the same time period, the effective protection rate for agriculture was -2 percent; agriculture actually had negative protection. But all manufacturing products received an effective protection rate of 121 percent.22 Thus state policies significantly lowered rural incomes.

In sum, the Brazilian state's rural policies increased peasant interest in movement participation. On the one hand, urban and industrial biased policies drained some rural surplus, thus directly lowering peasant income. On the other hand, the state neither invested much in agricultural development to increase production, nor attempted any land reform to ease the pressure on poor peasants. Finally, by
failing to extend its authority into rural Pernambuco, the state created a power vacuum that provided significant opportunity for peasants to mobilize.

**Pernambucan Peasant Structure**

As capitalist development proceeded and state policies were enacted, increasing subsistence pressures were placed on the peasantry. In order to analyze the peasant movement, it is necessary to examine the Pernambucan peasants' social, economic, and agrarian structure and the way it changed. This analysis is important for two reasons. First, the peasant structure mediates the effects of state and capitalist development, thus determining peasant interest in collectively changing the situation. Second, the peasant structure provides peasants the power to act. Seven elements compose the relevant aspects of the Pernambucan peasant structure: 1) geography and environmental conditions, 2) class structure, 3) population and inequality, 4) structure of production, 5) patron-client relations, 6) communal relations, and 7) consciousness.

**Geography and Ecological Conditions**

To analyze the peasant movement of Pernambuco, one must appreciate the state's geographic and environmental diversity. Pernambuco, like the rest of the Northeast, is divided into three geoclimatic zones: the Mata, the Sertao and the Agreste (See Figure 6.1).
Geographic Regions and States of Northeast Brazil

Figure 6.1
The Mata, or coastal sugar zone of Pernambuco, forms a narrow belt that runs southward along the coast and extends inland some 50-75 kilometers to the Borborema Plateau. It contains only 11 percent of the state's land area but over half its population. The soil is rich and fertile, although less so as one moves further inland. The terrain is generally hilly, the climate is hot and humid, and as one approaches the coast, rainfall is ample and well-distributed creating perennial rivers with high volumes. These conditions make the Mata ideal for growing sugar cane, which is the major commercial crop. Indeed, Pernambucan sugar cane was the first grown in the New World and by 1600 the state was the world's largest sugar producer. But the land can support a wide variety of crops. The ecologic conditions are thus favorable for agriculture and a physically sustainable livelihood. Moreover, the region is the least isolated from cities and state authority.

More than 70 percent of Pernambuco's land area is located in the Sertão but only 15 percent of the total population. The sparse population density reflects the harsh geoclimatic conditions. The average annual temperature is 77 degrees F. and annual rainfall ranges from 150 to 500 millimeters, 90 percent of which falls from January through May the months of greatest evaporation. The terrain is generally flat and is traversed by temporary streams that disappear when the rains cease. The Sertão is most noted for its severe droughts, which bring "epidemics of starvation." During the most severe droughts the Sertão has no rain for 36 months. Levine describes the oppressive drought conditions:
When drought strikes, evil seems to seize hold of the earth...dogs and cattle become crazed and choke on cactus spines; bats and rattlesnakes swarm; edible roots turn poisonous. The sertanejo is frequently stricken by dry blindness, unable to see until the torrid sun sinks beneath the earth. Not even the vultures, it is said, can tear the leathery hides of the withered carcasses of fallen horses.

Because water is scarce and unreliable, the smallholdings cannot support a family; consequently many of the poor landholding peasants must work part-time as wage laborers or temporarily migrate to the Agreste or Mata. Ecological vulnerability is thus a great problem for Sertajenos; and they are most isolated from state authority. Conditions of geography and environment thus contribute greatly to this area's potential for peasant movements.

The Agreste contains 19 percent of Pernambuco's land area and approximately 35 percent of its population. Situated between the Mata and Sertao, it has greater rainfall than the arid Sertao but not as much as the Mata, and its soil, although not as fertile or deep as the Mata's, supports a wide variety of crops. Principal commercial crops include coffee, cotton, bananas, and other fruit. Because of world competition and price uncertainty in these commodities, however, cultivators grow corn, manioc, cassava, and beans both for market sale and subsistence. In the drier regions of the Agreste, cattle raising is an important commercial activity, although it usually co-exists with subsistence cultivation. The Agreste peasants are thus somewhat vulnerable, but can usually manage to eke out a living unless drought is particularly severe. Since the Agreste is in the interior, it is relatively isolated from state authority.
Class Structure

Class structure is crucial in determining interest in peasant movements because it groups peasants into economic categories with collective interests. Smallholders and landless are most adversely affected by state and capitalist development since they are resource poor. Therefore the greater their numbers in the peasant population, the greater the interest in initiating collective action. At the time of the peasant movement, the class structure of Pernambuco was dominated by landless and poor smallholders. In 1960, these peasants constituted 94 percent of all peasants in Pernambuco, fully 75 percent of whom were completely landless (See Table 6.8).

Table 6.8

Estimate of Peasant Classes in Pernambuco 1950-1975

<table>
<thead>
<tr>
<th>Year</th>
<th>Landless Peasants</th>
<th>Poor Peasants</th>
<th>Middle Peasants</th>
<th>Rich Peasants</th>
<th>Landed Elite Peasants</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>(excl. ten.)</td>
<td>(0-9 ha.)</td>
<td>(10-99 ha.)</td>
<td>(100-1000 ha.)</td>
<td>(more than 1000 ha.)</td>
</tr>
<tr>
<td>N(000) %</td>
<td>N(000) %</td>
<td>N(000) %</td>
<td>N(000) %</td>
<td>N(000) %</td>
<td>N(000) %</td>
</tr>
<tr>
<td>1950</td>
<td>673</td>
<td>76</td>
<td>114</td>
<td>13</td>
<td>56</td>
</tr>
<tr>
<td>1960</td>
<td>950</td>
<td>75</td>
<td>240</td>
<td>19</td>
<td>61</td>
</tr>
<tr>
<td>1970</td>
<td>758</td>
<td>66</td>
<td>309</td>
<td>27</td>
<td>76</td>
</tr>
<tr>
<td>1975</td>
<td>809</td>
<td>67</td>
<td>301</td>
<td>25</td>
<td>78</td>
</tr>
</tbody>
</table>

But the actual class structure varied depending on the region. In the Mata, at this time, fully 91 percent of the peasants were landless and 7 percent were poor smallholders. An incredible 98 percent of the peasants in the Mata could thus be classified as poor and interested in changing their situation. In the Sertão some 76 percent of the peasants were landless and 12 percent were smallholders. And in the Agreste, 68 percent were landless and 28 percent were smallholders (Table 6.9).

Table 6.9

<table>
<thead>
<tr>
<th></th>
<th>Landless</th>
<th>Poor</th>
<th>Middle</th>
<th>Rich</th>
<th>Elite</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>N(000) %</td>
<td>N(000) %</td>
<td>N(000) %</td>
<td>N(000) %</td>
<td>N(000) %</td>
</tr>
<tr>
<td>Sertão</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1960</td>
<td>253</td>
<td>76</td>
<td>40</td>
<td>12</td>
<td>33</td>
</tr>
<tr>
<td>1970</td>
<td>201</td>
<td>65</td>
<td>62</td>
<td>20</td>
<td>39</td>
</tr>
<tr>
<td>Agreste</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1960</td>
<td>431</td>
<td>68</td>
<td>179</td>
<td>28</td>
<td>25</td>
</tr>
<tr>
<td>1970</td>
<td>365</td>
<td>59</td>
<td>215</td>
<td>35</td>
<td>31</td>
</tr>
<tr>
<td>Mata</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1960</td>
<td>266</td>
<td>91</td>
<td>21</td>
<td>7</td>
<td>3</td>
</tr>
<tr>
<td>1970</td>
<td>148</td>
<td>81</td>
<td>28</td>
<td>15</td>
<td>4.9</td>
</tr>
</tbody>
</table>

CALCULATED FROM: See Table 6.8.

Each area thus had sufficient poor peasants to pose a viable base for movement activity. The Mata, however, had the greatest proportion of landless and poor peasants and was thus the area in which peasants had greatest interest and power in initiating a movement.

Simply looking at static figures of class, however, does not provide a sufficient basis for analyzing movement potential. One must
also view the dynamics of change. Unfortunately, prior to 1960 it is impossible to estimate peasant classes by region. There is qualitative evidence, however, that gives some indication of regional class change. In the Agreste and Sertao from 1940-1960, the proportion of landless grew as a market for cattle, staple foods, and fruit developed. As agriculture slowly began to commercialize, smallholders and tenants were exposed to rising land pressures. According to some accounts, peasants lost land or land rights and became wage laborers or rent tenants. Still, market penetration was not thorough enough to substantially decrease the percentage of smallholders nor was the state sufficiently committed to capitalist agriculture to bring about an agrarian transformation. Rather, peasants were able to retain their holdings through continued effort and pressure.

In the Mata, market pressures were the most intense since the region's sugar industry was closely integrated to the expanding national and international economy. As market opportunities grew during the 1950s and 1960s, large property owners expanded their operations, displacing poor and middle peasants whenever possible. Furtado claims that the moradores were especially squeezed. They were transformed into pure wage laborers because their traditional subsistence plots were need to expand sugar production. He explains:

The extension of areas under cane cultivation had profoundly significant social and economic effects. The "morador," in a relatively short space of time was transformed from a small sharecropper responsible for producing part of his family's food requirements, into a simple wage earner. From his confinement to an isolated hovel at the top of a hill he was pushed onto the edge of the road, no longer able to plant even "an inch of land" for food.
There is no question that moradores were transformed into pure wage laborers, but there is a question of why. The sugar producers did not need the land to expand production as Furtado's and most other economic analyses assume. Their holdings were already so vast they did not, and could not, cultivate all the additional land. They controlled 517,000 hectares of agricultural land, but even during the record cane production year of 1963 they planted only 265,000 hectares. Why then, did they take back Moradores' land and leave it idle when they could have collected some form of economic rent? Taylor concludes that the sugar producers took back the land because depriving the moradores of an independent livelihood enabled them to lower wages and control labor:

By taking away the land the morador had formerly used, the usinas and engenhos were able to insure that he had no independent access to the means of subsistence. Thus the morador was forced to work six days a week in the cane fields for a wage set very near the minimum physiological subsistence level. It was the need for labor, not for land, that led the planters to reclaim the moradores' land. The land was taken not for use, but to withhold it from use.

In the Mata, then, both from the standpoint of lower class population and from the standpoint of dynamic transition from smallholders to landless wage earners, the interest in collective action was greatest.

**Population and Inequality**

Between 1940 and 1970 in Pernambuco, the population grew from 3.4 to 5.1 million. However, the population in rural areas remained static. Population growth occurred in urban areas (See Table 6.10) and did not create resource scarcity in rural areas. Moreover, as will be
shown below, the existing peasant population was not excessive. The real factor confounding Pernambucan peasant subsistence and generating interest in collective action was land inequality. This factor, more than anything else, was the most obvious foundation of injustice and gave rise to the moral indignation of poor peasants. Each region of Pernambuco displayed different degrees of inequality.

Table 6.10

<table>
<thead>
<tr>
<th></th>
<th>1940</th>
<th>1950</th>
<th>1960</th>
<th>1970</th>
</tr>
</thead>
<tbody>
<tr>
<td>N</td>
<td>%</td>
<td>N</td>
<td>%</td>
<td>N</td>
</tr>
<tr>
<td>Pernambuco</td>
<td>2.7</td>
<td>3.4</td>
<td>4.1</td>
<td>5.1</td>
</tr>
<tr>
<td>Rural</td>
<td>1.9</td>
<td>70</td>
<td>2.2</td>
<td>65</td>
</tr>
<tr>
<td>Urban</td>
<td>0.8</td>
<td>30</td>
<td>1.2</td>
<td>35</td>
</tr>
</tbody>
</table>

SOURCE: Annuario Estatico Do Brasil, 1978 (Fundacao Instituto Brasilerio de Geografia E Estatistica), pp. 74, 81-84.

In the Agreste, during the period of the peasant movement, land was the most equitably distributed. Only 6.8 percent of the Agreste's total land area was held in large plantations of 1,000 hectares or more; 62 percent of the land area was held in enterprises of less than 99 hectares; and 85 percent of agricultural enterprises occupied areas of less than 20 hectares.30 The average holding was 8.6 hectares (See Table 6.11). There was, of course a large landless population
Table 6.11
Size and Distribution of Landholdings in
Agreste, Sertao, and Mata

<table>
<thead>
<tr>
<th></th>
<th>1960</th>
<th>1970</th>
<th>1975</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>% Farms</td>
<td>% Area</td>
<td>% Farms</td>
</tr>
<tr>
<td><strong>Agreste ha.</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>0-9</td>
<td>87.2</td>
<td>26.8</td>
<td>86.3</td>
</tr>
<tr>
<td>10-99</td>
<td>11.4</td>
<td>34.7</td>
<td>12.3</td>
</tr>
<tr>
<td>100-999</td>
<td>1.1</td>
<td>31.7</td>
<td>1.3</td>
</tr>
<tr>
<td>1,000 or more</td>
<td>0.3</td>
<td>6.8</td>
<td>0.1</td>
</tr>
<tr>
<td>Total Farms</td>
<td>158,070</td>
<td>207,097</td>
<td>193,558</td>
</tr>
<tr>
<td>Average Size</td>
<td>8.6</td>
<td>9.3</td>
<td>10.2</td>
</tr>
<tr>
<td><strong>Sertao ha.</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>0-9</td>
<td>53.4</td>
<td>4.4</td>
<td>56.5</td>
</tr>
<tr>
<td>10-99</td>
<td>39.2</td>
<td>25.4</td>
<td>35.9</td>
</tr>
<tr>
<td>100-999</td>
<td>6.9</td>
<td>41.8</td>
<td>7.3</td>
</tr>
<tr>
<td>1,000 or more</td>
<td>0.5</td>
<td>28.4</td>
<td>0.3</td>
</tr>
<tr>
<td>Total Farms</td>
<td>77,720</td>
<td>90,931</td>
<td>91,956</td>
</tr>
<tr>
<td>Average Size</td>
<td>50.1</td>
<td>38.4</td>
<td>36.4</td>
</tr>
<tr>
<td><strong>Mata ha.</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>0-9</td>
<td>84.0</td>
<td>5.3</td>
<td>80.4</td>
</tr>
<tr>
<td>10-99</td>
<td>9.0</td>
<td>6.0</td>
<td>14.3</td>
</tr>
<tr>
<td>100-999</td>
<td>6.5</td>
<td>65.0</td>
<td>4.8</td>
</tr>
<tr>
<td>1,000 or more</td>
<td>0.5</td>
<td>23.7</td>
<td>0.5</td>
</tr>
<tr>
<td>Total Farms</td>
<td>25,274</td>
<td>28,531</td>
<td>26,944</td>
</tr>
<tr>
<td>Average Size</td>
<td>40.4</td>
<td>30.6</td>
<td>32.2</td>
</tr>
</tbody>
</table>

constituting 68 percent of the Agreste's agricultural workforce. If these landless were included in an equal redistribution of cultivable land, the average size farm would be approximately 4 hectares, just barely enough to eke out an existence. In the Agreste, then, land concentration was a problem, but given that relatively little money was spent for agricultural development, population density did pose a slight problem.

In the Sertao, land was highly concentrated; the average size agricultural establishment was 50 hectares. Seventy percent of all land is held by only 8 percent of the agricultural enterprises; 53 percent of the enterprises are smallholdings of less than 10 hectares. If all cultivable land were equally distributed among all landless and present landowners, the average size holding would be over 12 hectares. Since the cultivable land is well suited for subsistence agriculture, such a distribution would be sufficient for all peasants to earn a livelihood except during the worst drought.

Land in the Mata during the period of the peasant movement was also highly concentrated. The average size holding was over 40 hectares and 25 percent of all land was held by one-half of one percent of all agricultural enterprises. Seven percent of all enterprises controlled 90 percent of the land, leaving the remaining 93 percent of the agricultural enterprises with only 10 percent. Population density is highest in the Mata, but if land were equally distributed to every agrarian worker, the average size holding would be 3.7 hectares. Since
this land is fertile and there is ample rainfall, such a redistribution would provide all peasant households with an adequate standard of living.

In sum then, population pressure in Pernambuco was not a problem. Rather, land scarcity was caused by the inequitable distribution of land. Land concentration was highest in the Sertão. But it was also very high in the Mata, where the situation was made worse by the fact that the landed elite withheld one-third of all cultivable land from production. Only in the Agreste did population put pressure on the land. Thus poor peasants had high interest in changing the land tenure system in all areas, but interest was most intense in the Mata. Here, the injustice of many peasants struggling to earn subsistence was juxtaposed against the landed elite's vast holdings, much of which was simply being withheld from use.

Structure of Production

The structure of production refers to the institutionalized patterns of economic exchange that determine to whom peasants owe their surplus, how the surplus is shared, and how it is appropriated. Within the context of state and capitalist expansion, the structure of production is extremely important in analysing peasant interest in collective action because it determines peasant livelihood. During the period of the peasant movement, each region of Pernambuco had a different productive structure.

In the Sertão, the classic Latin American hacienda system prevailed. The majority of peasants earned their livelihood through
work arrangements on large estates, which were the predominant economic institutions. Characteristics of the Sertao hacienda system were extreme concentration of land, low land values, a small peasant workforce, little investment in improving agriculture, and almost no modernization. Because of these organizational arrangements, hacienda owners could increase their profits only by squeezing labor and thus wage pressures in the Sertao were intensified. Fortunately for poor peasants, however, market expansion in the Sertao was limited. Moreover, as we shall see, labor mobility and the willingness of Sertao peasants to migrate, prevented the hacienda from imposing a system of economic bondage.

In the Agreste, the structure of production was a cross between an entrepreneurial system and a smallholding system. There were significant numbers of tenants, and the majority of peasants were landless. Their attempts to obtain land created a constant pressure on the smallholders. The smallholders, however, were a fairly large group and formed an important element of the Agreste's rural economy. As freeholding peasants, they were able to produce subsistence crops, some cash crops, and occasionally obtain wage employment. Through this means they managed to hold on to their land. Since market expansion was not particularly intense in the area, these peasants formed a stable element of the Agreste's structure of production which prevented it from becoming either a rent or entrepreneurial capitalist system.

The Mata's structure of production resembled the hacienda system in some respects: little capital was invested to modernize agriculture; the elite perpetuated mechanisms of labor bondage; there
was extreme land concentration; and unutilized land was abundant. There were, however, two significant differences: the peasant population was quite high and land values were also high. These twists created considerably greater hardship on poor peasants than a simple hacienda system. On the one hand, peasants were subject to the same labor bondage as the hacienda. But even if they overcame these constraints, they were still squeezed because a high labor supply kept wages low and high land values prevented them from buying or renting land.

In sum then, the structure of production in the Sertão did not contribute significantly to peasant vulnerability, primarily because capitalist development in the area was not intense. The Agreste similarly did not have a structure of production that increased vulnerability. In the Mata, however, the structure of production made subsistence increasingly difficult for poor peasants and as capitalist relations intensified their interest in collectively changing the situation rose.

**Patron-Client Bonds**

If patronage is paternalistic and is maintained, it can reduce the vulnerability of resource-poor peasants as state and capitalist development proceed. But if patronage is exploitative to begin with, it increases the difficulties of peasant livelihood and increases peasant interest in changing the situation.

In the Agreste during the 1950s and 1960s patron-client relations were not particularly paternalistic, but they were not exploitative. As state policy was enacted and capitalist relations expanded into the
Agreste, the small amount of patronage was reduced and relations between peasants and others of superior status became more impersonal, but not exploitative. The changing terms of patronage thus had little effect on peasant interest in the Agreste.35

In the Sertao, however, patron-client relations were characterized by continuing paternalism and reduced poor peasants' vulnerability. For example, although large landholders were beginning to reduce patronage, they were still expected to provide a plot of land for their workers, provide them with emergency loans, give them seed for planting, intervene on their behalf when there was trouble, and maintain a strong sense of moral dignity and respect.36 Several factors seemed to keep this system intact. First, drought struck everyone, including the patron. Therefore there was a distinct limit to patronage and this was well understood by peasants, who had standing plans to migrate when drought was severe. Market forces had only recently penetrated to the Sertao, especially the most arid regions, and there was less pressure on landowners to eliminate patronage. Finally and most importantly, the traditional labor scarcity in the Sertao created a high demand for peasant workers. Landlords were thus "careful not to get a reputation among the moradores that would discourage potential laborers or send their own moradores in search of a more reputable patrao."37

In the Mata, patron client relations were not characterized by protective, paternalistic exchanges. Moreover, since 1950, landlord peasant relations had deteriorated into increasingly exploitative arrangements. There were exceptions. Hutchinson cites the example of
a traditional plantation where the workers refused to participate in strikes or disputes because the owners took care of the sick and elderly and generally treated the workers as extended kin. 38 Similarly, Foreman gives the example of another plantation in which the owners acted as kindly patraos, providing economic security and well being for their workers. 39 Generally, however, patronage in a paternalistic and protective sense was limited, and historically was never widespread given the early degree of market penetration and the mutual suspicion that former slaves and masters held for each other following the abolition of slavery. 40

The state of patron-client relations in the Mata is perhaps best illustrated by the nearly universal institution of cambao, or "free labor homage." Cambao, initiated following the abolition of slavery, was an arrangement whereby the peasant agreed to work several days on the landlord's estate in return for a parcel of land. Beginning in the 1950s estate owners began collecting rent, but the institution was preserved supposedly so that the tenants could repay the landlord's kindness. But it was deeply resented. As Julio stated, "of all of the demands imposed on the peasant in the Northeast, we have no doubt in asserting that the cambao is that which weighs least upon him materially, but most touches his honor, which shames and humiliates him." 41 Other practices that went along with cambao included: the constant surveillance of tenants by landlords, debt peonage where peasants were kept as prisoners until they worked off their debts, and
the use of *capangas* or thugs to intimidate peasants. These practices, were widespread during the 1950s and 1960s, and indicate how peasants were socially dominated. The relations could not be termed paternalistic.

But in addition to these customary burdens, the peasants' economic terms with patrons became progressively worse. As formal contracts became widespread during the 1950s and 1960s, peasants were sometimes hired for a specific job but released prior to its completion and then not paid because they had not fulfilled contractual obligations. Traditional usufruct rights were eliminated. Where land rights were still respected, peasants were forced to grow cash crops so the landlord could take a portion. Formerly, if a sharecropper cleared and destumped a field he was given use of that land for a minimum of several seasons, but during the 1950s and 1960s he was evicted after, or even prior to, the first crop. Landholders increasingly hired subcontractors who paid peasants well below the minimum wage, provided only part time work, and made no provision for slack work periods. Finally, rent was constantly increasing; in some areas it became nearly one-half of the land's market value. In the Mata, then, the changing terms of patronage were clearly inequitable and unjust. Peasant interest in movement activity was increasing.

**Communal Relations**

Communal relations can provide peasants with the power and the interest to act collectively. On the one hand they may give peasants
organizational cohesion. On the other hand they may enforce relations that either provide security for poor peasants or may increase their vulnerability. Communal relations in Pernambuco since the 1950s vary greatly depending on the region.

In the Sertão and Agreste there is evidence of past and continuing cooperation on a limited basis, but there are no close-knit communities or villages as found in other areas of the world. Redistribution mechanisms were thus never prevalent nor were there extensive mechanisms to ensure domination by a village elite. The lack of communal solidarity stemmed from the fact that many peasants were individual family producers owning their own small plot or working on a hacienda with usufruct rights. Living in distinct nuclear households rather than communal villages, most peasants were fiercely independent and tenaciously defended their own small plot. There are exceptions to this generalization. Andrade points out that in some instances, labor exchange regularly occurred, especially in the most arid regions where cooperation was needed for critical activities like irrigation. And Furtado argues that many of the tenants and sharecroppers of the Agreste and Sertão lived in small communities off of the main estate. The peasants in these communities had usufruct rights to estate land, but beginning in the 1940s when these rights were revoked, they organized to protect their livelihood. This cooperation, however, was not based on communal social interaction but on the immediate problem of land alienation. Once land was secured, peasants once again acted as small property holders, individually keeping to their own plots.
In the Mata, moradores normally lived in isolation on a plot of land allowed them by the sugar plantation. Since this land was usually found on the fringes or at the top of hills, moradores were dispersed all over the estate and did not have any communal tradition. During the 1950s and 1960s, the plantations started consolidating and reducing moradeiro land, thus forcing peasants to live on smaller holdings in the same area. By forcing peasants onto plots next to each other, the plantation owners created a community of workers with a new sense of social organization and solidarity. As Furtado explains:

> The extension of areas under cane cultivation had profoundly significant social and economic effects. The morador, in a relatively short space of time, was transformed from a small sharecropper responsible for producing part of his family's food requirements, into a simple wage earner. From his confinement to an isolated hovel at the top of a hill, where his family had lived without any concept of neighborliness, he was pushed onto the edge of the road, no longer able to plant even an inch of food...Thus the moradores very soon established community relations and contacts that facilitated the emergence of local leaders. These leaders differed, but all worked toward fomenting an awakening of consciousness of workers' common interests.

Traditionally then, no area of Pernambuco displayed the communal solidarity that would give interested peasants the power to organize. In the Mata, however, the pressures of state and capitalist development were greatest and were bringing the peasants closer together and increasing their solidarity.

**The Consciousness of the Pernambucan Peasantry**

Consciousness refers to the peasantry's tradition of protest and resistance. It is a critical element of peasant power. Not only does consciousness provide peasants with a knowledge of their own
capability, but also it gives them an awareness of the possibility for change. The Brazilian peasantry, however, is often considered to be lacking in political consciousness and has been accused of being incapable of political action. Jan Black, for example, claims that, "excepting such sporadic and isolated conspiracies to revolt as the one instigated by the now legendary Tiradentes in the 1780s, the peasant class had constituted Brazil's truly silent majority."48

This view of Brazilian peasants is a common misconception. Northeast Brazil and Pernambuco have a rich tradition and long legacy of rural protest. When the Portuguese first colonized Brazil and introduced slavery, both Indians and imported Africans resisted. Indian uprisings occurred in Pernambuco from 1500 to the late 1800s. Many of these resistances were led by prophets and messianic figures who promised an afterlife free from the Jesuits and Franciscans. Uprisings, such as the Cristo Alexandra movement in 1857 and the Vincinte Cristo in 1884, demanded the expulsion of all merchants and state officials.49 African slaves attempting to free themselves from plantations established quilombos, or refuges, in the interior where they formed their own governments. Palmares, for example, was a self-sufficient, self-governing town of several thousand. Like many other quilombos through the centuries, it served as a haven for runaway slaves and even repulsed many attacks before being destroyed.50

Messianic movements were also widespread in the northeast and had the common theme of alleviating rural misery. The Sebastianist movements, like the Enchanted Kingdom of Pedra Bonita 1838 and the City of Terrestrial Paradise 1896, incorporated common folk themes of a
better life, a just protector, and sufficient food for all.51 And the action of rural people to their plight is memorialized in Euclides da Cunha's classic, Rebellion in the Backlands, which describes Antonio Conselho's socialistic society of Canudos. Canudos was composed of peasants, criminals, and other rural vagabonds, who had the common ideal of creating an equal society. All who joined, including large donors, shared an equal quota of the produce. But by 1900 the visionary society was massacred by military expeditions.52

Further testimony to the tradition and consciousness of protest in the rural Northeast is social banditry. Jose Brilhante and his son Jesuino Viriatos are renowned for assaulting convoys of the rich and distributing the goods to poor peasants. Antonio Silvino also took from the rich and gave to the poor before his capture and punishment in 1914. And Lampiao is a legendary figure who protected the poor of the Northeast until his death in 1938. Although bandits were often cruel and treated landlords and peasants with equal ferocity, they symbolized resistance to the established social order. Consequently their romantic images as champions of peasants, who stole from the rich to give to the poor and who killed only in self-defense or just revenge, is more indicative of peasant consciousness than actual deeds.53

There were other significant movements involving peasants. Most of these movements occurred in the Mata. The Prestes column 1927, joined together army lieutenants, peasants, and soldiers who marched through the interior and distributed their newspaper "O Libertador" to peasants, while terrorizing large landholders. In 1935 the Brazilian Communist
Party joined with rebellious soldiers to capture Pernambuco's capital Recife. Sporadic action also occurred throughout the 1940s, but as the state centralized, far fewer rebellions could emerge. Then from 1945-1947, the Communist Party of Brazil formed Peasant Leagues in Pernambuco, modeled after the highly successful urban trade unions. When the communist party was banned in 1948, however, the leagues were destroyed. Several large scale protests occurred after 1948, including the Revolt of Dona Noca, 1951, the establishment of the Free Territory of Formoso 1954, and the Guerrilla War of Procatu 1954. Then as a precursor to the rapid mobilization in the 1960s, the First Northeastern Congress of Agricultural Workers was held in Pernambuco in 1954.54 Thus far from being a silent majority, peasants in the Northeast have a strong tradition of resistance and have actively engaged in political action.

Summary of Structural Elements in the Pernambucan Peasant Movement

From the mid-1950s to the early 1960s, state and capitalist development had given the peasants of the Pernambuco, particularly in the Mata, sufficient interest and power to initiate collective political action. Capitalist development had intensified and market expansion had reached a new peak. The Mata's peasants were becoming increasingly vulnerable and subsistence was a constant problem. The state's rural policies had reduced peasant income, failed to redistribute land, failed to increase productivity, and created a power vacuum that virtually invited peasants to seize power. It was clear that the prevailing system was unjust and inequitable.
The elements of the peasant structure in the Mata also contributed to peasant interest and power in collective action. Peasant interest was intensified by the predominance of poor peasants in the class structure, by the inequality in land tenure, by the twisted structure of production in the Mata, and by exploitative patron relations. Their potential power was also evident. The population of poor and landless provided an ample support base; the growing solidarity within the new communities gave them some cohesion; and the peasants had a rich tradition of protest and thus a consciousness of what could be done.

Peasant Mobilization

Thus far we have focussed on the underlying structural conditions that made the Pernambucan peasant movement possible. But a movement is a dynamic process of mobilization, involving growth and change. Therefore, in order to adequately analyze the movement, we must now examine how it evolved. Three phases of the mobilization process must be analyzed: the initial growth of the movement, the state's reaction, and the movement's evolution.

The Emergence and Growth of the Pernambucan Peasant Movement

Three conditions are necessary for peasants to initiate a movement. They must have sufficient interest in collectively changing the situation; they must have sufficient power to act; and there must be a precipitating incident that serves as a catalyst or focus for action. In Pernambuco, peasants had sufficient interest. As just described,
poor peasant vulnerability was increasing and inequality was extremely high. The sense of injustice and moral indignation were clear. These conditions occurred in each region but especially in the Mata. Peasants had sufficient power. Poor peasants constituted the vast majority of peasants in each region. Moreover, although not well organized, peasants in the Mata had a tradition of protest and were developing a communal solidarity. All that was lacking in the mid-1950s was some incident with sufficient symbolic focus.

In 1955, the incident occurred. On a small estate, Engenho Galiliea in the Mata, a group of peasant tenants organized the Agricultural Society of Planters and Cattleraisers of Pernambuco. The society was formed to provide tenants with an emergency rent fund and a burial fund. These funds were desperately needed. Tenants were constantly threatened with eviction since the landowners had progressively raised annual rent until it now stood at one-third the land's market value. The burial fund was necessary because many families could not afford a coffin and it was humiliating to bury their kin in the bare earth. Such a thought "offended the peasant, who desired to obtain in death a dignity he had never known in life." Soon after the society's formation, the owners began evicting the tenants. Threatened with the loss of livelihood, the peasants sought legal assistance and were referred to Francisco Juliao.

Juliao was an alternate deputy of the Pernambucan legislature and a lawyer. He had developed a reputation for defending the poor and was troubled by the rural poverty and peasant abuse in the Northeast. He therefore agreed to defend the peasants of Engenho Galiliea. His
defense took place at two levels. On the one hand, specific legal actions were taken to protect the peasants: lawsuits were undertaken to halt the eviction, the peasant organization was registered as a legal entity, and various legal maneuvers were begun to gain time while expropriation legislation was introduced to the state legislature. Additionally, Juliao frequently visited the peasants and brought other state deputies with him who used their influence as legislators to prevent the police from intimidating peasants or siding with the landlord.56

It should be emphasized that in 1955 the large landholders controlled the local police and authorities. Not only did they abuse peasants, but they also attempted to intimidate Juliao and others who dared to help peasants. During one visit, for example, Juliao was arrested by local police, despite having political immunity. When the commanding police officer realized what had been done, he immediately released Juliao but the peasant rally had to be cancelled. During another visit he had to flee from landlords' thugs when his state police escort mysteriously disappeared. And at one point several landowners even hired an assassin to kill Juliao while he attended a legislative session. According to Juliao's account, the gunman was on the way to carry out the exection when he heard voices telling him not to kill Juliao. The assassin later confessed, even giving Juliao the names of his employers.57

Juliao's defense of the peasants, however, went further than local level action. On a broader level, Juliao's actions were addressed at the entire Northeast; and he tried to organize peasant leagues.
patterned after the Galiliea organization. To this end he traveled widely attempting to mobilize peasants with stirring speeches about injustice and the need for radical change. For example, one of his slogans to inspire peasants and pressure the legislature was: "radical agrarian reform, with the law or with the masses, with flowers or with blood."\textsuperscript{58} Another popular speech ended with: "I am not thirsty for blood, I am hungry for justice. Justice is land, it is a home, it is bread, it is school, it is work, it is liberty, and it is peace."\textsuperscript{59}

Although Juliao and the leagues provided the initial focus for peasant mobilization, their action symbolized a movement which was much more broadbased and reflected the general concern over the Northeast's deplorable rural conditions. Exemplifying the broadbase was the Congress for the Salvation of the Northeast held in 1955. For the first time, all strata of society, peasants, businessmen, clergy, politicians, labor leaders, and educators, gathered together to discuss the Northeast's rural problems.

The Brazilian Communist Party (PCB) also began organizing peasants and in 1957 formed the Union of Agricultural Laborers and Workers of Brazil (ULTAB) in an attempt to unite urban and rural workers. Holding their first meeting in São Paulo, the ULTAB invited the peasant leagues to join their organization. The leagues sent representatives to the meeting but did not join because they did not want to lose their own identity. Nonetheless close affiliations were maintained. The ULTAB then proceeded on an independent strategy of mobilization.\textsuperscript{60} It emphasized the development of a national organization with centralized control over local level peasant units. Using this classical
organizational approach, the ULTAB sent numerous party organizers throughout the Mata. The organizers were quite successful, concentrating on the agricultural wage earners and addressing their concrete concerns.61

During this period, roughly 1955-1961, the peasant movement reached a stage of organization that was definitely formal. The peasant leagues claimed some 200 organizations throughout the Northeast, although the Pernambucan Mata was their stronghold. In numbers, by Juliao's own estimate, there were 100,000 league members, primarily living in Pernambuco. By other estimates there were anywhere from 20-50,000.62 And the PCB claimed a network of tightly coordinated organizations throughout the region. According to Terra Livre, by 1962 ULTAB associations numbered 500 with over 500,000 members.63 Although these organizations were in most Northeast states, most members were located in the Mata of Pernambuco.

The action of the movement ranged somewhere between confrontation and conflict. There were organized efforts by the leagues and the ULTAB to alter existing conditions. These efforts ranged from direct negotiation with landlords, to introducing agrarian legislation, to individual confrontations and demonstrations. But there was not consistent or widespread enough protest and large demonstrations to assess movement action as conflict. Most of the action was, in fact, quite spontaneous and directed at publicizing the peasants plight and putting increased pressure on the state and landed elite. Overall much of the activity was amateurish and might have even been characterized as humorous, if some incidents were not so tragic.
For example, one of the many student radicals who joined the peasant cause was Joel Camara. Camara helped a league member who was being threatened with eviction. His plan was to organize a self-defense warning system using firecrackers: one firecracker meant the landlord's thugs were approaching, two meant the police or army was coming, and so on. As the plan was put into operation, the landlord sent his thugs to kill Joel but he hid and threw a cherry bomb at them. There was a big explosion and the gunmen ran away. Unfortunately for Joel, he had written down his warning system and was accused of fomenting communist guerrilla warfare and arrested by the military.64

Then there was Padre Alipio, who Juliao referred to as "the people's priest." The good padre would turn up one day in Rio, the next in Sao Paulo, the next at a rural league meeting, and then in a media interview. Always Padre Alipio would make a radical speech, damning the landlords, condemning the military, and urging the peasants to turn their hoes in for rifles. The father was arrested numerous times and eventually defrocked for scandalous behavior. Because of his flamboyance, however, he was something of an embarrassment for the leagues.65

At the grass-roots level, however, some incidents were more serious. Joao Teixeira, the leader of one of the leagues, obtained legal assistance for peasants who were not paid for work or who wanted to pay an annual rent instead of cambao. The landlords, unaccustomed to peasants standing up to them, tried to intimidate them, but two of their thugs were slashed to death. Shortly after, two thugs ambushed and killed Teixeira. The two were captured and turned out to be rural
police. Although a tragedy, this and similar incidents illustrate that peasants at the grass-roots were learning alternative tactics, gaining organizational skills, and fighting back.

The initial era of the peasant movement ended in 1961, with the First National Peasants' Congress. At this conference, every peasant organization sent representatives, as did the government, and the Catholic church. Represented were the various elements of the left, ranging from the ULTAB, to the Leagues, to the Maoists, to the Trotskyites. A schism became evident during the Congress. The ULTAB was committed to moderate proposals of reform, such as rent reduction and rural social security. The Leagues, however, represented authentic agrarian populism and were not interested in technical proposals concerning graduated reform. They demanded immediate radical reform and they carried the Congress. From this point on, any long-term coordinated agreement on goals, tactics, and ideology was impossible. The movement was struck by internal factionalism, what Page has referred to as the "congenital disease of the left."

The State Role

As previously discussed, the Brazilian state had concentrated on industrialization and did not interfere with rural areas. This left a power vacuum in rural Pernambuco with the landed elite in control of local authority. By 1956, however, the power of the landed elite had declined in Pernambuco just as it had nationally. As a last ditch effort to retain its control over the rural areas, the landed elite managed to pass through the Pernambucan legislature repressive tax laws
that severely hampered every sector except for large landholders. The bourgeoisie, the workers, and peasants banned together and held two general strikes to protest the tax and other repressive measures. These two strikes paralyzed the state and forced the tax laws to be recinded.\textsuperscript{68} Then in 1958, an industrialist, Cid Sampiao was elected governor. His election was assured because federal election reforms forced the landed elite to strike from the registration roles, their 200,000 "ghost voters."\textsuperscript{69} The local state government apparatus had been taken over by the bourgeoisie. Although the bourgeoisie was not in favor of radical agrarian reform, it respected the peasants' new found power and eased the repression of peasant organizations. It also passed the expropriation bill, which gave the land to the peasants of Engenho Galiliea. Peasants were thus able to operate and organize more freely.

In 1962, the peasant movement received an even bigger boost. Miguel Arraes was elected governor of Pernambuco, due in large part to the support of the peasant organizations. He was a socialist and ardent supporter of both the Leagues and the ULTAB. Until the time of the coup in 1964, he aided peasant organizations with money and political support.

The rise of the peasant organizations and their growing strength was not unnoticed by the Brazilian state. As peasants increased their pressure on the landed elite and threatened the power balance in the rural Northeast, the state had to act more decisively, increasing its concession or coercion. The state responded with increased concession. The Superintendancy of Agrarian Reform was established, money was given
directly to the Leagues and the ULTAB, and the Rural Workers Law was passed. This law recognized peasant laborers rights, such as minimum wage, employment stability, and social security. More significantly, however, it allowed the state to recognize official peasant unions and channel state funds directly to them. 70

The state, of course, was considerably more powerful than peasants and could have easily repressed the movement. But there were two reasons for increased concession. First, by meeting some of the peasants' demands, the state might coopt peasants. Thus the state offered officially recognized peasant unions continuing funds if it joined the National Confederation of Rural Workers (CONTAG). This state organization would then direct rural development and the actions of the peasants. In essence the state would bring rural workers and peasants into the corporate framework of the state. 71 And if this did not work, the state could give money to various peasant organizations and not to others, thereby causing them to feud among each other for state funds.

The second reason is that the state, although the dominant group in the nation, was at this time undergoing a divisive internal crisis. Joao Goulart, the president, was attempting to maintain the state's industrialization policy and was being squeezed between the bourgeoisie and the urban workers. In this regard, continued industrialization required wage restraint so profits could be made and money reinvested. 72 But the urban working class was demanding higher wages or at least increases to keep up with rising prices. The urban workers had been incorporated into the state apparatus during Vargas' era in
the late 1930s. Their incorporation as official state unions allowed industrialization to take place smoothly under state control and now, as a powerful element of state power, they could not be taken lightly. But they and the bourgeoisie could not be satisfied simultaneously.73 Goulart was willing to grant some concessions to the workers and in an attempt to solidify his position over the bourgeoisie, he was trying to coopt the peasant movements as a new power base. In essence then, the state was simply not a monolithic power at the moment and was divided on how to to react to the peasant movement.

One last state element must be mentioned—the U.S. state. The U.S. government feared another Cuba-like takeover in Northeast Brazil and believed the Leagues and other peasant organizations were directed from Cuba or the Soviet Union. But the U.S. had less to fear from direct intervention than from Cuba's example. As Horowitz explained: "For the twenty-five million peasants of northern Brazil, the Cuban Revolution potentially represents the pragmatic extension of agrarian reform through political revolt. Geographical differences, climatic distinctions, population sizes, count for nothing when confronted with a singular hemispheric fact: Cuba has achieved agrarian rationalization, while Brazil has only rationalized about its agricultural dilemmas." 74 Thus, to prevent any revolutionary threat in Brazil, Communist or otherwise, the U.S. used covert coercion against the peasant movement and its allies.

Two tactics were employed. On the one hand, as will be discussed in the next section, the U.S. channeled CIA money to moderate organizations in order to divide and coopt the peasant movement. On
the other hand, it used covert tactics against the movement. Agents were used to distribute literature accusing the leagues of being atheistic; leaflets were printed announcing fictitious rallies and demonstrations; and thugs were used to start brawls at meetings. During the 1962 election campaign for governor of Pernambuco, the CIA also paid for posters of Miguel Arraes, which showed him praying with rosary beads before a hammer and cycle. For the deeply religious Northeast, this was a great affront. Considerable amounts of money were also given to the Brazilian military to support domestic security. When the coup occurred in 1964, the U.S. supported the military through a covert operation, called Operation Big San. Big San would supply the military with huge supplies of weapons and also involved the use of an aircraft carrier to threaten any disidents.

Through 1961, then, the peasant movement was allowed to grow as the state tried to coopt peasants through concession. However, a crisis was approaching as the peasant movement grew larger and more organized and peasants threatened to form a coalition with urban workers. And the U.S., influential but invisible, would support any repressive reaction by the state.

**Evolution of the Peasant Movement**

By 1961, buoyed by state concessions and initial success throughout the region, the peasant movement entered a new phase of organization and activity. Organizationally, the movement was already divided between the ULTAR and the Leagues. It was further divided by
the Catholic Church, which decided to form its own peasant unions. The Church's decision was motivated in part by a genuine concern for the peasantry's abysmal conditions, and in part by its interest in counteracting the growing agrarian radicalism with moderate humanist reform. Ideologically the Church's role in the peasant movement, as defined by a papal encyclical, would be "primarily reformist and consiliatory, stressing improvements in living conditions for the salaried worker, cooperation with the federal government, and the inapplicability of the concept of the class struggle." 78

In mid 1961, the Bishop of Recife, Pernambuco's capital, appointed four priests, including Padres Melo and Crespo, to organize peasants through the Church's Pernambuco Rural Orientation Service (SORPE). 79 Their strategy was to form numerous local unions that were state sanctioned and therefore had the right to strike and the right to negotiate for peasants in wage disputes. To this end, the four went into the countryside, preparing parish priests and training peasants to become union leaders. The SORPE union training emphasized using the legal system and initiating dialogues with landowners. The SORPE unions spread rapidly, because they appealed to peasants who were frightened by the League's radicalism and opposed to ULTab's communist ideology. 80

The Catholic unions also spread rapidly because they received considerable financial support from the U.S., which realized that the moderate actions of SORPE channeled class conflict away from potentially revolutionary to reformist objectives. The unions received money directly from the Cooperative League of the USA, which received
its funds from the CIA. SORPE also received support from the American Institute for Free Labor development, another CIA conduit. This organization attempted to organize peasant activities around marketing strategies and cooperatives.81

By 1963, then the organization of the peasant movement had become a complicated maze. The Leagues, ULTAB, SORPE, and various splinter groups were all organizing peasants. The organizational situation was additionally confused by the Brazilian state's efforts, U.S. tactics, and the actions of the Pernambucan government. Competition among the factions and groups was inevitable. Each group, although having the avowed purpose of improving the peasantry's conditions, disagreed on strategy, tactics, and appropriate political action. The ensuing disarray of organizational maneuvers understandably led to confusion and chaos. As one peasant explained: "We don't know what to do. One becomes crazy: one person says we must pay the landlord, the other says we must pay the judge, the third says not to pay at all because land reform is coming and everyone will have some land...It does not matter if we pay rent or work one day a week, but we'd like to have a solution."82

Underlying the dispute on tactics, were significant ideological differences. The peasant leagues were the most militant and aggressive organization. Although Juliao was the symbolic leader, the leagues were often led at the local level by peasants, who adhered to the populist ideology of land-to-the-tiller. The leagues thus represented authentic agrarian radicalism and their purpose was to "awaken the political consciousness of the peasants so that, when the favorable
historical conditions would be at hand, the peasants would have the
capacity to determine their own form of action." The ULTAB, although
closest to the leagues in ideology, was centrally organized with
leadership in the hands of urban dwellers and agrarian workers. Its
strategy was to unite urban and agrarian workers to build proletarian
solidarity. The organization moreover, was not inclined towards
populist spontaneous action. Their analysis of existing conditions led
them to an incremental strategy of co-existing with the established
order and they considered the League's actions as "infantile
adventurism and opportunism."84

The church union, SORPE, was led by progressive fathers and
priests who were appalled by Northeast conditions. However, they were
generally opposed to the Leagues and ULTAB, and challenged their
activities. Padres Crespo and Melo, leaders of SORPE, worked within
the traditional social and ideologic framework of the Northeast and
rejected any notion of radical change or class confrontation. They
pursued traditional goals and organized around concepts of
conciliation, limited reform, and incremental gains.85 The state,
through local and state initiatives, tried to coopt the peasants by
providing money and direct assistance to the leagues and ULTAB. It
must again be noted, however, that there was considerable divisiveness
within the Brazilian state. President Goulart, by trying to bring a
popular peasant movement into the state framework, threatened the major
state ideology of rapid industrialization, middle class expansion, and
growth of bourgeoisie agriculture. Arrayed against Goulart were the
bureaucratic apparatus and the military. Although opposed to his
actions, they were willing for the time to allow the period of liberal
policies. Finally, the U.S. sponsored organizations were
ideologically committed to preventing a Cuba-like takeover by popular
agrarian forces in the Northeast. Although their avowed purpose was
humanitarian, their actual aid strategy was to undermine, contain, and
repress the more radical peasant organizations. The dual purposes of
the US organizations strained their credibility; they "found themselves
torn between their highly publicized humanitarian reformist goals and
the considerations of US security that were the underlying raison
d'etre of the aid program."88

The organizational schisms and differences, however, did not
deter peasant participation or action. By 1964 in Pernambuco, peasant
membership in various organizations had reached 280,000. Each group,
moreover, tried to outdo the other in initiating dramatic and highly
politicized events. The League sponsored the "Great March to
Brasilia; there were peasant uprisings in Jales, the "peasant war of
Prado, the confrontation with police in Parana, and armed clashes with
local police in Sape, Parhiba, and Buique. On the local level,
spontaneous strikes occurred throughout Pernambuco; land invasions took
place; and most significantly, rural workers and smallholding peasants
coordinated their demands for both better working conditions and
agrarian reform. Then in November 1963, the PCB called for a general
strike to shutdown all sugar operations. The strike was an unqualified
success as 200,000 workers and peasants participated in the strike and
sugar production in the Mata came to a halt.91 This successful strike
led to a wave of spontaneous action. Clearly, the state had not coopted the peasant movement and it was doubtful that anyone controlled the peasants.

All of this activity indicated that the movement had reached a phase of action that was very close to conflict. Even more significant than the activity, however, was the growing radical consciousness of the peasantry. Although peasants already had a tradition of protest, this tradition was being tied to a broader class consciousness. This growing radical consciousness was symbolized best by the peasantry's learning to read and write. Through various teaching techniques, particularly Paulo Freire's conscientizaciao, peasant organizations were helping peasants become literate in 40 hours. Some proclaimed this the "revolution in 40 hours." The Freire technique was highly criticized as subversive because it taught peasants to read by using common elements in their existence such as poverty, misery, suffering, and oppression. It was also criticized because some of the primers included radical phrases like, "the vote belongs to the people" and "Democracy is a government of the people, by the people, and for the people."

Thus by 1964 the peasant movement appeared to be growing out of control and peasants seemed to be moving towards independent political action. If an autonomous peasant movement could be united with urban workers and other leftist elements, the coalition could undermine the state's drive towards modernization and challenge state ideology. Moreover, a coalition between peasants and workers would move Brazil decisively to the left and jeopardise the bourgeoisie. By mid-1964
then, anti-Goulart elements in the state saw a clear choice: military coup or socialist revolution. The decision was obvious; "the bourgeoisie gladly exchanged the right to rule for the right to make money." Thus the military initiated a coup to remove Goulart from the presidency and purge leftist elements in the state. The nation had to be set back on the course of rapid industrialization and capitalist development.

In the Northeast the military moved swiftly. The fourth army surrounded Pernambuco's capital, Recife, removed the governor from office, and imprisoned him. State offices which assisted the peasant organizations were closed; peasant League and ULAB officers were captured; and, despite assurances of military protection, landlords and local police took vengeance on peasants who had dared to assert their rights. The anticipated peasant revolution never occurred as the various organizations were in disarray and not equipped to resist force. Thus, like all previous peasant movements in the region, the 1964 movement was suppressed.

Epilogue

For the individuals prominent in political activities, retribution was quick. Juliao went into hiding but was captured, tortured, imprisoned, and exiled to Mexico. Goulart escaped to Uruguay. Paulo Freirie was imprisoned and later exiled. Celso Furtado, head of the state department for rehabilitating the Northeast, also fled into exile. Many of the peasant leaders were not so lucky. Some of
Juliao's closest associates and other peasants were killed or jailed, and their land taken from them. Padre Crespo was placed in charge of all peasant unions, while Padre Melo, who had been more outspoken, was continually threatened with arrest. The peasant leagues and ULTAB were disbanded and SORPE was carefully scrutinized by the military governor.

Conditions for the peasantry gradually reverted to those prevailing prior to the creation of active peasant organizations. Although minimum wage legislation, a 13th month paid bonus, tenants rights bills, and land reform legislation had become law, the government would not enforce the laws nor could peasant organizations pressure landowners into observing them. The situation was well summed up by a peasant's comment about Brazil's motto of "Order and Progress:" "Every peasant knows the motto means progress for the rich and order for the rest of us."
FOOTNOTES TO CHAPTER VI


11. Ibid.


22. Ibid, p. 87.


33. For a description of the Sertao see Andrade, *Land and People*, chapter 5.

34. Ibid.


45. Ibid.

46. Furtado, *Diagnosis of the Brazilian Crisis*, p. 148.

47. Ibid, pp.132-134.


63. Moraes, "Peasant Leagues in Brazil," p. 482.


67. Moraes, "Peasant Leagues in Brazil, pp. 480-484.
68. Moraes, "Peasant Leagues in Brazil, pp. 474-477.
73. Flynn, Brazil, pp. 266-271.
77. Flynn, Brazil, pp. 278-279.
80. Ibid, p. 58.
82. Hewitt, "Brazil," p.386.
83. Moraes, "Peasant Leagues, pp. 481-82.
84. Ibid.
85. Peter Flynn, Brazil: A Political Analysis, p. 263.
86. Ibid, pp. 264-66.
87. Black, United States Penetration of Brazil, p. 128.
93. Ibid, p. 111.
94. Flynn, *Brazil: A Political Analysis*, p. 263.
Peasant movements are often viewed as isolated phenomena, far removed from the more significant political and developmental issues confronting a nation. Indeed, unless peasant politics involves widespread or intense mobilization, it is hardly noticed. No one, for example, would have heard of Engenho Galiléia if it were not for peasant mobilization throughout the Northeast. It would have been another isolated event, viewed separately from the mainstream of national development.

But, as has been demonstrated, peasant movements are not isolated independent phenomena. They are crucial elements in societal change and are an integral part of national development. In general terms, peasant movements reflect the development of capitalism, the growth of the state, the power balance among contending groups in the nation, and the social transformation of society. In concrete terms, peasant movements reflect agrarian structural change and the essential political character of the rural sector which demands a voice in determining national events.

In this chapter I will amplify this theme in two ways. First, since the preceding chapters have viewed peasant politics as an
integral part of national development, I will appraise their findings. Chapters 2-5 have individually provided components of an overall theory of peasant politics. But each chapter was based on information and data from varying countries. The overall framework has been applied only to Brazil. I will thus briefly review the theory by presenting an integrated schematic diagram of the overall model, and then critically examine each component in light of the more detailed analysis of Brazil. Second I will discuss the implications of the theory for larger developmental issues. In this regard, peasant movements have important implications for national development policies such as land reform, rural development, and agrarian transformation.

**Overview of the Theory**

The overall theory is schematically represented in Figure 7.1. This diagram is a simplification of the theory, but visually integrates all components of the model in compact form. The independent dynamic for the model are the long waves of world capitalism, whose periodicity determines the rate of capitalist development. As capitalist development proceeds, the power balance of the nation shifts from a dominance by the traditional landed elite to control by new groups, the bourgeoisie and the state, which have access to capital and new methods of conducting business. Depending on the new power alignments, particular state and rural policies are enacted. It should be emphasized that the state plays a key role in the policy making process as an actor with its own interests. State policy and capitalist
Theory of Peasant Movements: A Schematic Diagram

Figure 7.1
development then affect peasant society, but the actual impacts depend on the peasant structure which acts as a filter, determining how market forces and state policy operate in rural areas. There is also a dynamic interaction in which state and capitalist development alter the peasant structure. Depending on these changes and the specific impacts of state and capitalist development, peasants may become interested in changing the situation. If there is sufficient collective interest, peasants initiate movements. The shape and evolution of the movement depend on whether the state provides concession to peasants, whether it acts to repress them, or whether it ignores their demands for change.

**Capitalist Development and Peasant Society**

Capitalist development is central to the discussion of peasant movements because it transforms society and in so doing alters preexisting institutions and interests. In analyzing such an all encompassing force, numerous issues involving the nation are important. However, two issues are fundamental for the discussion of peasant politics. First, there is a controversy over the very nature of capitalism. Is it simply the expansion of the world market which generates structural pressure towards continual accumulation? Or is it a set of social-economic-political relationships embodied in a division of labor between owners and wage-workers? This question is of more than academic interest. At its core are issues relating to how capitalism transforms society and ultimately how can intelligent changes be made to achieve development in an equitable manner. Second
is the question of capitalism's impact. Does capitalist development lead to increased impoverishment or does it benefit all by raising national productivity and accumulation?

In classical Marxian analysis, capitalism is a mode of production characterized by a division of labor between the bourgeoisie, who own the means of production, and the proletariat who own only their labor power. The transition to capitalism thus means that peasant society becomes increasingly divided between bourgeoisie farmers who own land, and agricultural laborers who must obtain wage employment. Wallerstein interprets capitalism in a different way. He argues that the world capitalist system was created in the 16th century when a world market was established. Each nation was integrated or forced into this market and by participating in its productive relations became capitalist. As the world market expanded, more and more areas became capitalist.

A major critique of Wallerstein's position is that it tries to explain historical development by means of one general mechanism, market expansion. In so doing it ignores the specific historical circumstances and interactions among classes which determine various forms of elite domination and the unique paths of development. By concentrating on profit maximization and market growth, Wallerstein places at the center of his analysis the exchange and transfer of capital. In contrast, concentrating on class relations places the focus on the specific way in which the transfer occurs. Capitalism, for example, is defined by wage labor and thus focuses on the
appropriation of surplus value through cash wages and the corresponding political and social relationships that grow out of that mode of appropriation.

Based on the Brazilian case study, market expansion provides a superficially satisfying explanation of peasant action. The rapid expansion of the market following WWII led to extreme pressures on the peasantry and increasingly exploitative labor arrangements. Upon closer examination of specific circumstances in the Agreste, Sertao, and Mata, however, market growth and expansion are not sufficient to explain the social and political phenomena in the Northeast. The Mata had long been integrated into the world market, and even played a major role in its embryonic growth. Moreover, the world market had been through phases of rapid expansion and then contraction prior to WWII. It was thus not simply rapid expansion in the the 1950s that suddenly led to peasant action. More important was the transformation of labor from exchange labor, to share cropping, to semi-permanent and semi-proletarianized moradores, and ultimately to pure wage labor. The interaction and dynamics that accompanied these transitions created the structural conditions for the peasant movements of the 1960s.

At the same time, however, there is no doubt that market expansion placed varying degrees of pressure on each area and influenced the specific labor forms as well as the intensity of political action. In the Mata, for example, rapid market growth had a profound impact on labor relations. In the Agreste and Sertao, the pressures were much less because market development occurred more slowly. Class change and the dynamics of class relationships are thus comprehensible partly in
terms of the expanding market. In sum, market expansion and changing class relationships must be examined simultaneously: the market provides a general mechanism to explain increased tension, and the changing class relations provide a detailed analysis of historical development and peasant action.

The second major issue is whether capitalist development improves rural living standards or whether it leads to growing impoverishment. Evidence can be found for both contentions. Capitalist development does raise income for certain groups, but on the other hand, it also leads to the impoverishment of others. The question is therefore who benefits and who loses from capitalism. It was asserted in chapter 3 that the winners are those with resources. Peasants with sufficient land, with capital, with information and knowledge, and with sufficient overall resources to take advantage of market opportunities. The losers are precisely the opposite. Those without capital or land, the weak and the old, and generally those who cannot afford to take risks.

In economics this is known as the resource endowment theory: Given a relatively free market, those with resources gain, those without resources lose ground. The problem is thus to redistribute productive assets, so that more equitable development can occur.

The Brazilian case study generally confirms these assertions. But it also reveals serious weaknesses in its implications for redistribution. Resource endowment theory cannot adequately explain how those with resources advance, while the have nots stagnate. The theory's essential thrust is that wealth accumulation is a neutral and apolitical economic process. It asserts that, for whatever reasons
individuals started off with greater resources than others, their initial head start allows them to maintain the gap. The dynamic mechanism is thus possession of assets. The situation in Brazil, however, demonstrates that the rich grow richer not so much because they possess greater economic assets but because they monopolize political power. In the Mata, the only way for the rich to reap great profits was to keep the moradores wages as low as possible. To do this large and medium landholders restricted land use and would not rent out their surplus land to moradores or other landless peasants. Unused land was simply allowed to remain fallow, thus creating land hunger. The landless had no choice but to work for the low wages sugar owners were willing to pay.

Landholders did not individually decide to withhold land from use, but took explicit political action to ensure upper class collusion. The large and medium property holders collectively agreed through a quota system how much land each would withhold from production. Whenever a landholder tried to rent his unused land to tenants, his access to credit and financial support was quickly restricted. Additionally, the landholders used their power to obtain state support for restricting laborers mobility. Thus the landholders of Pernambuco not only took advantage of market opportunities, but also took advantage of peasants. Class power and political domination then are integral factors of capitalist development in the third world. It is not sufficient to analyze poverty solely as a problem of resource endowment.
The State and Peasant Society

The modern capitalist state in the third world also plays a key role in changing peasant society through policies such as land reform, taxation, and extension of central authority. These policies directly affect peasant interest and influence peasant political action. In chapter 4 I presented a model of state policy making that had three basic assertions. First it was argued that the national power balance in third world nations was composed of five major actors. These five are the foreign bourgeoisie, representing the MNCs, the national bourgeoisie, the landed elite, the peasantry, and the state. Each group has particular interests and competes with the others to enact national policies in its interests. However the competition has one clear restriction: group strategies may not threaten the capitalist framework. This restriction is set by the coalition of state and bourgeoisie, which is by far the nation's dominant alliance, and which shares a common interest in preserving capitalism. Accepting this restriction, the groups contend with one another to dominate the national power balance and gain an advantageous position to form national policy.

Second, it was argued that the state is an individual actor in the power balance. In opposition to this perspective, some theorists see the state either as a neutral decision-making arena or the institutionalized coercive arm of the bourgeoisie. As an individual actor, however, the state is composed of the total bureaucratic
apparatus that carries out state policy—the military, the justice system, the educational sector, the formal planning sector, the health sector, and all other public sector institutions.

Finally, it was contended that, because the state is an individual actor, it has its own interests. The state's core interest is to perpetuate itself and extend its power within the capitalist framework. To this end the state pursues various strategies, the most important of which is modernization. In terms of governance, the state centralizes operations and adopts rational planning and organizational techniques. In terms of the economy, the state supports industrialization in the urban areas. For the rural sector, modernization is pursued through policies such as land reform, subsidization of improved technology, and construction of market infrastructure. These rural policies serve state interests because they increase the taxable surplus and transform the agricultural sector into a productive element of national power. In pursuing these policies the state also attempts to bring about an agrarian transformation based on the emergence and dominance of a rural middle class who will expand commercial agriculture and support state policy interests. Such policies have severe implications for poor peasants and landed elite. As the state proceeds to transform agriculture, poor peasants are squeezed out and must migrate to urban areas or become agricultural workers. The landed elite must transform their landholdings into modern capitalist enterprises or lose them.

The Brazilian case study generally substantiates the model, but reveals significant shortcomings. To begin with, major actors in the third world are not limited to the bourgeoisie, state, landed elite,
and peasantry. The urban working class is also a significant force. In major cities such as Rio in the South, São Paulo in the Center-South, and Recife in the Northeast, the working class played a significant role. This class put direct pressure on the state through mass demonstrations; and since it was organized into trade unions, it had a strong bargaining position with the bourgeoisie. Significantly as the nation became increasingly urbanized, this group grew rapidly until it was more powerful than the landed elite or the peasantry. It was ultimately the urban working class that posed the greatest threat to the state and forced the military coup in 1964.

A second significant shortcoming of the model is its mechanistic treatment of the state. Although the case indicates that the institutionalized bureaucracy is interested in perpetuating its power within a capitalist framework, there are always progressive elements within the state who support change. Goulart represented a more liberal element that advocated broader popular participation in policy making and a more leftist polity. Goulart did not have broad support within the state and was stopped by a coalition of military and civilian technocrats who could not tolerate further deviation from the capitalist framework. However, the fact that Goulart did succeed in initiating change from prescribed norms indicates the dynamic tension within the state. It should be emphasized, however, that Goulart's tactics were not intended to create a socialist state. His actions were meant to coopt the peasantry and working class as a power base.
The Brazilian case thus indicates that, at times, power contenders within the state are willing to trade state reform and concession for political support.

The final weakness of the model is its prescribing one particular modernization strategy to the state. The basic state interest is indeed organizational perpetuation and power expansion. However there are numerous strategies through which this can be accomplished. In Brazil, for example, the modernization strategy does not hinge on a middle class transformation of agriculture. Rather, the state virtually ignores the rural sector and concentrates on industrialization. Given the state's disinterest in agrarian reform, rural policies are determined by the balance of power among interested parties, provided that those policies do not conflict with state interests. The major point, however, is that state strategies and policies cannot simply be ascribed. Strategies seem to evolve from indigenous ideas, external concepts, traditional thinking about development, new concepts of development, and practical experience. For the rural sector this means that a broad range of modernization strategies is possible, so long as they do not weaken the state or threaten the capitalist framework.

Peasant Movements

State policy and capitalist development transform society and create new patterns of social, political, and economic interaction. As a result of these changes, many peasants become increasingly vulnerable
and are interested in changing the situation. One strategy for changing the situation is political action. Before one can conclude that peasants will initiate movements at certain levels of state and capitalist development, however, two factors must be considered. First, one must examine the specific structural circumstances of the peasantry, which not only mediate market and state policy pressures, but also provide peasants with the power to act. In some instances, for example, peasant institutions, such as patronage or communal welfare, may minimize market forces and reduce interest in altering the situation. In another case, the class structure or pattern of production may inhibit peasants from organizing and thus render them impotent. Second, peasant movements are determined in large measure by the mobilization process. The evolution of a movement depends on how effectively peasants organize, what support they obtain as they proceed, how quickly they learn appropriate tactics, how they utilize their resources, and what action the state takes. This was the basic theory of peasant movements presented in chapter 5. The Brazilian case largely supports the model, but also provides further theoretical insight which can now be presented.

On the most general level, the theory analyzes peasant movements by combining structural and mobilization perspectives of collective action. The case study clearly supports this integration as neither structural nor mobilization approach alone can adequately explain the Pernambucan peasant movement. In the Mata, as the market expanded rapidly following WWII and as labor forms shifted towards pure wage labor, peasant institutions could not respond to subsistence pressures.
The increased subsistence difficulties raised peasant interest in political action. But peasant institutions had never operated well and there had always been subsistence difficulties. Moreover, peasant movements had occurred before and they were never sustained. Different at this particular time were the new levels of organization made possible by the shifting power balance within both the nation and the state. Receiving support from various politicians, peasants were able to initiate movements and work towards increased participation and organizational capacity. On the other hand, conditions for sustained mobilization existed in the Agreste and Sertao, but in neither area were peasant unions and organizations strong or widespread. It was only in the Mata, where structural problems were most severe and had the longest history, that peasant organization and participation was particularly intense. The evidence is thus quite clear that the peasant movements in Pernambuco can be explained only by using both structural and mobilization perspectives.

There are several specific issues. First, class is extremely significant. As was asserted in chapter 5, the mix of peasant classes is crucial because each class has different interests and thus different bases for political action. Smallholders are the first to be interested in movement participation, but they do not aim at radical transformation. Landless and poor peasants cannot immediately participate because they do not have sufficient resources to take risks. But once active, they are likely to make demands to significantly alter the existing system. It was the smallholders of engenho galiliea, for example, that first organized and served as symbols of resistance.
However, once the movement expanded, the landless became the most active and dynamic participants. A further point should be made concerning class action. Just as poor peasants have interests and employ various strategies including political action, rich and middle peasants also have interests which they try to advance. To capture the truly dynamic nature of peasant movements, it is crucial to analyze elite interest and in preventing and discouraging poor peasants from mobilizing.

Population is frequently cited as a major cause of subsistence pressure and thus of peasant movements. Between 1950 and 1980, the population of Brazil more than doubled as did the population of the Northeast. But population did not pose a problem; land hunger was caused by great inequality in land ownership. There is no question that the Northeast's problem is inequitable land tenure rather than overpopulation. However, for a long time, the problem was perceived as drought. Even a moderate land reform was not seriously considered until after peasants forced the political issue of inequality. This indicates, at least for Brazil, that perceptions of problems and policy options are determined as much by political pressure as by honest analysis.

The structure of agricultural production is also an important element in analyzing peasant movements. Northeast Brazil, especially the Mata, presents an almost ideal model of the hacienda system. It has extremely concentrated landholdings, low levels of technology, a large servile labor force, and a firmly entrenched elite. It was initially theorized that under capitalist expansion the hacienda system
would intensify peasant interest in political action, but that peasants would be relatively powerless unless they received external support. The theory is consistent with the case study. Although peasants had considerable interest in changing their situation, it was only after the landed elite declined in power that they were able to mobilize. The case also indicates that the structure of production, alone, cannot explain peasant action. Other factors, such as the role of the state, the specific organization of the peasantry, the changing class and horizontal relations are crucial.

Peasants' social relationships emerge from the case as an increasingly key element in analyzing peasant movements. In the Mata, although historically there were was an absence of redistributive mechanisms, insurance schemes, welfare, or other communal relations, moradores were finally able to organize because the engenho owners forced them to live in close proximity. The moradores formed social relations through self-help and other cooperative endeavor and this sense of community enabled them to redirect their efforts to collective action. It should be emphasized that the cooperative effort was recent and peasants did not have a communal history. Nonetheless it was the recently established network of horizontal cooperation that enabled peasants to mobilize so rapidly. Finally, it should be pointed out that patronage, although never strong in the Mata, virtually disappeared under the pressures of market expansion. This seems to further substantiate that patronage is motivated less by altruism than by peasant power. If it is profitable and safe, patrons may rapidly trade patronage for naked exploitation.
Mobilization is also extremely important in determining the character and eventual direction of a movement. The case study illustrates two elements of mobilization, which are particularly significant, consciousness and external support. Consciousness refers to the peasants' tradition of political action and to their knowledge of alternatives tactics and strategies. Initially it was contended that consciousness was an integral part of the peasant structure. However, the case study shows that consciousness is more an evolving process of thought and belief than a definitive element of structure. Peasants throughout Pernambuco possessed a long history of resistance, but this was not enough. Consciousness had to be unlocked through a learning process that consisted of colorful speeches, catchy slogans, traditional songs, poems of injustice, a recognition of current injustice, a realization of class solidarity, and ultimately political action. It was this process of consciousness raising that made the peasant movement so ominous for the elite.

External support can also play a key role in peasant movements. In the case study, peasants received considerable support from progressive politicians, the Catholic Church, the Brazilian Communist Party, and the CIA. The resources enabled the peasant movement to grow rapidly and effectively and it is likely that the resources, particularly state support of peasants, enabled the movement to begin. There is also little doubt that external leadership helped greatly, providing the initial organizational and planning knowledge. However leadership does not seem as crucial as structural factors. In the past, able leaders both peasants and urbanites, had been present but
were unable to sustain a movement. Moreover there were numerous up and coming leaders, particularly among the peasantry who would likely have provided organizational and other skills. Leadership, however, gave the peasant movement its particular character and ensured the historical timing.

The external leadership, except for the Leagues, also guaranteed that it would take a long time to develop a truly autonomous peasant movement.

Peasant Movements, Agrarian Transformation, and Rural Development

Ted Gurr claims that some who study collective action are interested in understanding violence so that they can either foment revolution or prevent it.1 To think of peasant movements in these terms is to think narrowly in two senses. In the first sense it is to imply that peasant movements are either subversive acts of irresponsibility or instruments to be used in violent transformation. In the second sense it is to contend that peasant movements are isolated political phenomena unrelated to societal development. But peasant movements are not limited in these ways. In the first place they are creative acts of political will; they can be directed towards revolution or they can be directed towards a wide range of actions to improve the well-being of peasants. In the second place they are integral elements of national development and reflect the transformation of rural society. The analysis has examined peasant
movements in these broader senses and therefore has significant implications for agrarian transformation and rural development.

For the agrarian sector there is always the possibility of a rapid capitalist transformation of agriculture. This would imply a middle class land reform so that large agricultural enterprises would produce alongside a strong rural middle class of medium sized farmers. This strategy has been attempted on Taiwan and is being attempted in Peru. For Brazil, however, such a transformation is proceeding slowly and in fact has not advanced much in the past 30 years. Rather, because of the growing population and the lack of urban employment opportunities, the peasantry clings to their plots, slowly becoming a semi-proletariat. These peasants do not have enough land to be self-sufficient, but neither are they totally dependent on wage employment. Given the conditions in the world economy, where the export production in the Third world is largely dominated by Korea, Taiwan, Singapore, and Hong Kong, industrial urban employment is unlikely to increase. Peasants are thus forced to cling to their impoverished existence, while the elite are likely to protect their interests.

But this is an extremely mechanistic view. It is the unilineal view that each developmental step is necessarily the sequential step projected by the past one and based largely on the experience of Western development. It endorses the notion of limited possibility for change within the present capitalist system and eliminates the possibility for innovation and political action.
While I do not claim that major transformations are likely, the implication of the study is that alternative rural development strategies are possible. These strategies may be implemented or they may slowly gain credibility if there is sufficient political power behind them or if they reflect the indigenous character of the nation. Although it is not possible to speculate on what might be the specific content of alternative rural development strategies, it is possible to discuss, what elements might help it succeed. First, political power is an integral element of any development strategy, whether it is capitalist or socialist development. The first element would thus be to openly acknowledge that different groups would try to use their power to benefit themselves. One way to deal with this issue would be to have some form of open participation in decision-making. Although this might not change anything, less powerful peasants would at least be alerted to the decisions and might have some impact on them.

A second element of an alternative strategy would be to eliminate subsistence pressures. A floor of survival would eliminate peasant fears that innovating might lead to ruin. This suggestion should be palatable to those market theorists who argue that all individuals are economic maximizers and the new technology increases productivity. If that is the case, then a guaranteed income should not hinder any peasants from innovating and producing surpluses larger than their guaranteed subsidy.

A third element might be organizing cooperatives or other mutual benefit groups according to class. Class was an extremely important element and provided cohesion and common interest. If cooperatives
were organized according to class, the targeted peasants might benefit in an equitable manner without worrying about more powerful individuals dictating the terms of benefits.

A final element would be to incorporate consciousness within the strategy. The possibility for change comes about only when there is a recognition of interest and a knowledge that the interest can be obtained through action. This further implies that the rural development strategy would ultimately be an autonomous one guided by the peasants themselves. What form that might take is unanswerable. It might take a truly radical populist form, or if Scott is accurate about the human solidarity of a moral economy, it might take a communal form. Whatever content such a strategy might take, it would be possible only through peasant political action.
FOOTNOTES TO CHAPTER VII


BIBLIOGRAPHY


tion of Nation States in Western Europe. Princeton: Princeton


Bousquet, Nicole. "From Hegemony to Competition: Cycles of the Core?" in Hopkins and Wallerstein eds., Processes of the World-System.


Miller, Solomon. "Hacienda to Plantation in Northern Peru: The Processes of Proletarianization of a Tenant Farmer Society," in


Nayyar, Rohini. "Poverty and Inequality in Rural Bihar," in International Labour Organization, *Poverty and Landlessness in Rural Asia*. 


Young Whan Kihl. "Politics and Agrarian Change in South Korea: Rural Modernization by 'Induced' Mobilization," in Hopkins et al. eds. Food, Politics, and Agricultural Development.


