# What is the Agrarian Question?<sup>1</sup>

## A.V. Chayanov

This text is a translation into English of the brochure "What is the 'Agrarian Question'?" published by A.Chayanov in the summer of 1917, between the February and October Revolutions in Russia.

Young 29-year-old professor Chayanov took an active part in the revolutionary events of 1917, trying to justify the fine-drawn plan for agrarian reforms for the new Russia. Chayanov became one of the initiators of the creation of the League for Agrarian Reforms, which included many leading agrarians of various political trends in Russia with a view to discussing and developing a holistic strategy for agrarian reforms in Russia.

The popular-science version of his views on agrarian reform, summarizing the most varied ideas of the League for Agrarian Reforms, Chayanov presented in the brochure "What is the 'Agrarian Question'".

In the ideological basis of this work lies the realization of the revolutionary demand "Land to the working people!", which affirmed the necessity of transferring the landlord's land into the hands of the peasantry. Chayanov considered various options for such a transition of land in the form of agrarian programs of socialization, nationalization, municipalization of land, a single land tax, and the system of state regulation of land ownership.

In reforming Chayanov proposed to be guided by two principles: 1) the greatest productivity of peasant labor applied to the land; 2) democratization of the distribution of national income. The extensive development of peasant cooperation was to ensure the implementation of these principles. Chayanov also stressed in every possible way the importance of taking into account regional and national peculiarities in resolving the agrarian question in such a huge country as Russia.

Personally, Chayanov was inclined to the way of agrarian reforms combining state regulation of land ownership and progressive taxation. Though, the October Revolution under the leadership of the Bolsheviks and left-wing socialist revolutionaries in their "Decree on Land" declared the implementation of the most radical version of agrarian reforms — the socialization of the land, stopping the search for the best compromise agrarian solutions that Chayanov and his colleagues tried to implement in the League for Agrarian reforms.

Chayanov's brochure "What is the 'Agrarian Question'?" is a model of theoretical and practical search for alternatives to the fine-drawn solution of the agrarian question in the interests of the peasants on the basis of a broad political coalition of democratic forces.

Keywords: agrarian reform, peasantry, revolution, A.V. Chayanov

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### **1. Introduction**

The Revolution has presented Russian society with the very great task of creating a new, democratic Russia.

The Russian democracy will need many years of hard, creative work for its political, civil, and economic development. Our political and civil tasks are clear and relatively simple; they depend entirely on our will and human laws, whereas the task of economic development is much more difficult.

Economic life develops according to its own spontaneous laws, which are almost independent of the will of man. Therefore, when starting to reform our economic system, we must remember that far from everything in economic life is subject to our will.

We must know the basic laws of economic development. Having learned them, we must adopt our human state laws according to them to bring the future economic development of Russia closer to our social ideals. If we choose any other way, we will inevitably doom ourselves to bitter disappointment!

This is especially true of *the agrarian question*, which is the most important for our economic life.

In our country, three-quarters of the population work on the land. Agriculture is the basis of the entire, national economy of our homeland. By providing our agriculture with a democratic and sustainable structure, we will ensure a solid foundation for the entire national economy and our statehood. Therefore, we are to start the agrarian development with a clear awareness of our greatest responsibility, thoughtful caution, and firm determination. If we take a closer look at the leaders of our public opinion, we admit with a feeling of profound satisfaction that they all share these ideas.

Today, discussions about the agrarian question rarely take the form of intolerant party disputes. There are almost always serious debates that respect different opinions and joint work aimed at one goal with unpredictable results.

The very creation of the inter-party League for Agrarian Reforms<sup>2</sup>, which unites the Narodniks, Marxists, and supporters of a single tax system, testifies to the statements above.

There is no doubt that all old agrarian programs should be revised, and the agrarian question should be addressed anew.

The old programs were created by us ten to twelve years ago in a completely different situation than the current one.

<sup>2.</sup> The League for Agrarian Reforms is an inter-party organization established in April 1917 to develop a recommendation for agrarian reforms in Russia, the publication of materials on the agricultural issue. The League includes leading farmers from various social, scientific and political organizations. Chayanov was one of the initiators and active participants of this League...

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The peasant economy of 1917 is not the peasant economy of 1905. It has changed: fields are cultivated differently, livestock is kept differently, and peasants sell more and buy more. The peasant co-operation covered our village and transformed it; our peasantry became more developed and more cultured. The Stolypin land reform confused land relations to the extreme, and the peasantry bought millions of *desiatinas* of land in private ownership.

The political situation has also changed radically.

But the most important thing is that the agrarian question must be solved tomorrow. Today is not the time to proclaim some common ideas, nor the time for bare principles.

We need detailed draft laws, organizational plans for land redistribution, instructions for land surveying, and financial calculations for the reform...

The agrarian question has moved from the world of abstract ideas and conflicting principles to the field of specific, organizational, economic work.

Certainly, we cannot give up our guiding ideas; our social ideals will still remain our guiding lights. However, we must remember that today's task is not only to profess certain ideas, but also to find specific forms to bring these ideas to real life. Such an implementation should not be superficial or forcibly squeezed into the very body of the national economy. It should enter economic life organically and merge with it.

We cannot block the flow of the developing economic life, but we must direct it according to our social interests by all the means available to us.

To resolve the agrarian problem, we must delve into the very nature of farming. All of our activities aimed at this goal must be consistent with the basic laws of agricultural development.

In the vastness of our huge homeland, the forms and directions of agricultural development are far from the same. Different economic patterns determine different land relations.

In Asiatic Russia, we still find pasture land; in the southeast, there is still farming without manure but with long-term fallows instead; and in central Russia, dairy cattle breeding and fodder crops are rapidly developing.

Under such circumstances, the agrarian question cannot be solved uniformly for the whole country. There should be a special solution for each agricultural situation. This is the new formulation of the agrarian question in all its complexity.

We will need many months of hard work to see clear and concrete ways to solve it. There will be conflicting opinions and contradictory methods for agrarian reform. However, we clearly understand the key solutions of agrarian disputes.

Everyone agrees that the peasant labor economy should be the basis of the agrarian system in Russia, and that this economy should use the land of our homeland.

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This land transfer must be carried out according to the state plan of redistribution. It will take into account households and economic features of certain regions of our fatherland and will be systematically and orderly implemented without disturbing the intense production activities of the national economy.

We are all clearly aware that the land system is only a part of the solution of the agrarian problem. After providing the peasant economy with land, we must organize this economy by enriching it with culture and agronomic knowledge, by creating powerful cooperatives, strengthening its position in the market, and providing it with affordable loans.

This is the path our agrarian reform will follow.

#### 2. Formulation of the agrarian question

Under the current revision of agrarian programs, as when solving any question, success depends largely on how correctly the question is posed.

If the question is asked correctly and successfully, the question will solve itself by half. However, if we make mistakes in the very formulation of it, then all our efforts will be fruitless, and the work will be fatally doomed to failure. Therefore, before we begin to solve the agrarian question, we must carefully formulate it.

We must clearly identify exactly what the question in the agrarian problem is and what requirements the answer to this question must meet. Without such clarifications, our work on the agrarian programs will inevitably remain random and deprived of systematic planning.

The agrarian question can be approached from various starting points. Many of us tend to believe the solution to the agrarian problem is the realization of the basic social ideas in our worldview.

Some say that light, air, and land by their very nature are free elements and cannot be seized by anyone in private property. They belong equally to all and everyone. From this point of view, the agrarian question can be solved by liberating land from the shackles of private property. The agrarian reform should pursue this very goal, and once it is has been achieved, the agrarian question will be solved.

Others approach the agrarian question using the principle of state socialization of all processes of national production. They consider agriculture to be a branch of state production, which delivers the products of farming and cattle breeding. Using this point of view, the agrarian question can be solved by organizing agriculture as a branch of the state economy based on the same social principles as other industrial sectors.

We, the social builders of today, certainly do not deny the great importance of these social ideas, but we cannot accept them as a starting point to solve the agrarian question. Explanations of this denial are listed below.

Every social phenomenon consists of two principles — spontaneity and reason. Spontaneous development does not depend on someone's guiding will and follows its own laws, which people can learn 9 \_

but are powerless to cancel or replace. The other principle is the dictate of social consciousness.

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The organized public mind presented by the state and other forms has considerable power to influence social and economic development. However, when confronted with spontaneous laws of social development, it is far from absolute.

The impact on economic life of the organized public mind is especially limited, for here the spontaneous processes are extremely powerful and poorly amenable to rationalization. That is why when we start laying the new foundations of the agrarian system of our homeland, we cannot draw a plan, which relies solely on reason or our abstract ideas.

These ideas do not depend on time and place. The agrarian systems deduced from them are equally applicable to the Assyrian agriculture of Ashurbanipal<sup>3</sup> and the era of Aristotle<sup>4</sup> or Robespierre<sup>5</sup>; to the subsistence farming in Russia at the times of Radischev's *Journey from Moscow to Saint Petersburg*<sup>6</sup>, and to the contemporary Russian village covered by cooperatives and reorganized into a monetary commodity economy.

This is a situation with which we, the builders of real life, cannot agree. We believe that at different phases of agricultural evolution, we face different issues of agrarian policy that need different solutions.

In the Kyrgyz nomad camps of Central Asia, there are some problems of agrarian development in the Tambov three-field system<sup>7</sup>— completely different problems. The agrarian system of the Estonian village outlines a different path of agrarian development, than the vineyards of the southern coast of the Crimea, or *kishlaks* with irrigated rice and cotton in the Zeravshan valley.

Finally, there is very private land ownership that does not meet our ideals. Nevertheless we do not consider it a social misunderstanding accidentally determined by seizure. For us, private land ownership is a social fact generated by time and place. It has social roots not only in the seizure by those in power.

Thus, the only way to solve the agrarian question seems to be a detailed and thorough analysis of the existing organization of agricultural production and of the agrarian and labor relations determined by it. It must include a study of the origins of the systems of economy and agrarian relations together with possible ways and tendencies of their further development.

<sup>3.</sup> Ashurbanipal (669-633 BC) - the famous king of Assyria.

<sup>4.</sup> Aristotle (384-322 BC) - a great Greek scholar and philosopher

<sup>5.</sup> Robespierre Maximilian  $({\scriptstyle 1758-1794})$  — the famous leader of the French Revolution

<sup>6.</sup> Radishchev Alexander (1749–1802) — a Russian writer and philosopher.

<sup>7.</sup> Three-field system — an archaic system of crop rotation that was widespread among peasant households in pre-revolutionary Russia.

However, such research is not the end of our work. We must not only study and describe the reality and trends hidden in it, but also estimate it. We must give a social assessment of the observed facts.

Therefore, at the next stage of work, we should set theoretical criteria that allow an evaluation of both the analyzed organization of production and the agrarian relations inherent in it. The criteria should include possible ways for their further development.

Then we should use these criteria to reveal shortcomings in the existing agrarian and production systems to develop such forms of an agrarian system that would lack the existing shortcomings and not contradict the spontaneous development of economics. Finally, we should use these criteria to suggest a number of necessary state and public events to realize our plans. Only this way promises us real success and protects us from heavy disappointments.

Our statistical, economic, and historical research provides us with strong weapons for doing this. The most crucial task for our entire work is to set social criteria determining the direction of it.

Usually one of these criteria is the development of productive forces. Any changes in the economic system that increase the productive power of the national economic mechanism and multiply the country's total national income are progressive.

For us, the representatives of labor democracy, the development of productive forces in agriculture can be expressed in the improved conditions and methods of the people's work on the land. This increases the productivity of this labor. Such an interpretation considers the increase in national wealth not per unit of capital or land, but per capita. All reforms and any impact of the organized public mind on our economic life should be evaluated from this point of view.

However, we cannot use only this criterion. For us, the democrats, it is not enough to organize national production; we must also think about distribution. We do care about the fate and possessors of national wealth produced by the people's labor in our fields.

Therefore, in addition to the production criterion, we must develop a criterion that allows for an assessment in terms of the distribution of national income. This criterion is the democratization of the distribution of national income. In other words, it is the most uniform distribution among all people contributing to its creation.

When applying this principle to the organization of our life, we cannot confine ourselves to agriculture only, but must keep in mind the national economy as a whole.

In modern society, the economic life long ago carried out a complex social distribution of labor. The labor of the peasant, agronomist, worker, merchant, engineer, employee, banker and sailor has divided our society into special production groups and classes.

Our national income is the product of not any one of these groups, but of their joint work. In a piece of cloth bought from a rural merchant, you will find the labor of a farmer, a factory worker, a railwayman, an 11

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engineer-technician, and an inventor of a steam engine. It is difficult to discern in the final product which part of its value was created by whom. The same applies to all products. Thus, when we start to organize the distribution of our national income among all the workers who created it, we cannot confine ourselves to any one branch of the national economy. Instead, we must aim at the general redistribution of national income.

When speaking of the redistribution of our national income, we hardly consider something like the black market redistribution of available material goods. Only a young, revolutionary democracy in its youthful and naive condition could consider such an aim. It is clear to every economist that such actions do not solve the problem.

Therefore, we are talking about new production relations that will ensure that the national income will be distributed more democratically than it is now distributed.

Thus, we insist on (1) the greatest productivity of people's work on the land, and (2) the democratization of the distribution of national income. These are our two main criteria to assess the existing system of agrarian relations, their historical past, and possible ways to the future.

These criteria can be also used to evaluate conceivable systems of production relations, including the system of state socialism and anarchist communism, which can be considered ideal organizational expressions of the second criterion. When applying these criteria to evaluate our agrarian projects and state measures, we should not forget for a moment that there are two criteria. We should evaluate each phenomenon from both a production and a distribution point of view.

Such assessments can be conflicting and even opposite, for what increases productivity does not necessarily ensure democratic distribution, and vice versa — not every democratization increases production capacity. However, we cannot offer a general solution to these conflicts and should try to creatively and harmoniously combine both organizational principles in each case.

#### 3. "Land to the working people!"

The main demand of all democratic agrarian programs is the slogan "Land to the working people!"

According to this slogan, all land used by the large landlord economy must be given to the peasant labor economy. Before accepting this demand, we should evaluate it using two criteria from the previous chapter.

First, we should decide if the peasant labor economy, in which only the owner and his family work, is just as powerful and perfect an economic organization as the large, capitalist economy, in which work is done by wage workers, while the owner deals only with the control and general management of the enterprise.

In due time there were many scientific papers and heated debates about the struggle of large and small economies in agriculture. Sup-

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porters of the large form of production pointed out that in agriculture, small-scale farming was as doomed to perish as was the manufacturing industry. This was because the capitalist factory long ago killed the artisan and handicraftsman.

Advocates of small-scale agriculture objected by pointing to a number of fundamental features of agriculture, which determine different results in the struggle between large- and small-scale production in agriculture compared to industry. If we recall these old disputes and arguments of the opponents, we certainly will admit that, other things being equal, a large-scale economy almost always has an advantage over a small-scale economy. This is a basic economic law. It would be absurd to deny it.

However, when recognizing this law, we have to ponder it and then, observing even the manufacturing industry, we will have to admit that large-scale production does not overcome small-scale production equally in all branches. In some branches it completely replaced small artisans and handicraftsmen; for example, hand spinning was crushed by a mechanical spindle.

According to the Barykov's research<sup>8</sup>, a Kostroma female spinner-peasant selling her yarn at factory prices worked for approximately 8 *kopeks* per a 14-hour working day. In such conditions, no competition is possible.

However, in weaving, we already see a somewhat different state of things. Until now, hand weaving is still common in the Moscow and Vladimir provinces. Although the conditions of its existence are difficult, it still withstands competition with the factory. Actually, commercial capital captures hand weavers, but the production remains small-scale.

Among locksmiths, fullers, toy-makers and the like, small-scale production still prevails. Thus, even in industry itself, the advantages of largescale production over small-scale production are not always the same: in some branches they are overwhelming, in others they are insignificant.

Therefore, when we talk about the advantages of a large form of production over a small one, it is not enough to recognize the advantages. It is necessary to ask ourselves a quantitative question about the quantitative measure of such advantages of a large economy over a small one. If this question involves agriculture, we should answer that the advantages of the quantitative measure of large-scale farming over the small one are insignificant.

This is primarily because in industry, large forms of production displace small ones mainly if there is a possibility for the spatial concentration of production, i.e., if tens of thousands of horsepower can be reduced to one steam engine or if thousands of workers can be placed under one roof of a multi-story factory building.

Such changes provided huge savings and significantly reduced the cost of the manufactured product. If there was no way for such

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<sup>8.</sup> Barykov V.I. (1868–?) — a Russian Zemsky statistician of the Kostroma province.

a spatial concentration, there was no victorious procession to largescale production.

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In agriculture such a concentration is unthinkable. What is agriculture? At its core there is the human use of solar energy at the surface of the earth.

One cannot collect sun rays falling on a hundred *desiatinas* on one *desiatina*<sup>9</sup>. One can only catch them with the green chlorophyll of his crops on the entire territory of his field. In its very essence, agriculture is inherently connected with space, and the larger the agricultural enterprise, the larger area it should occupy. No spatial concentration is possible here.

I will give a small example. A manufacturer with an engine of 100 horsepower willing to increase his production by ten times can install an engine of 1,000 horsepower and, thus, significantly reduce the cost of production.

A rural owner plowing his field with one horse and willing to increase its crops tenfold, certainly, cannot get a horse ten times larger in size. He is forced to get ten horses of the same quality as the first one. He can slightly reduce the cost of production by transitioning from a horse traction to a tractor (automotive). However, an owner of one tractor cannot increase its power according to the tenfold increase in crops. He is forced to get ten of the same machines working simultaneously in different spaces, which will reduce the cost of production insignificantly. The same applies to other implements — seeds, fertilizers, cattle, etc.

A rural owner willing to increase his production in most cases should increase the number rather than the size of his implements. Therefore, the quantitative measure of the benefit of enlargement cannot be significant.

Moreover, it should be noted that the very nature of agricultural production puts a natural limit on the enlargement of the agricultural enterprise. Whereas agriculture is inevitably scattered in space, the farmer has to move a huge number of objects throughout this space — people and animals, machines, fertilizers, and products must be transported.

The larger the farm and its cultivated area, the greater number of products will be transported for a greater distance. The cost of transportation within the farm will increase per the economy as a whole and per unit of production. The more intensive the farming, the deeper and more careful the cultivation of the land, the more fertilizers and care for crops are needed. Also, the more often the farmer travels from the farmstead to the fields, the more expensive these trips are for the cost of the product.

The extensive grain system in our Orenburg or Saratov provinces allows the farmer to make only two trips — for sowing and harvesting. However, if he begins autumn plowing for spring crops and brings manure to the fields, the number of trips will increase accordingly, which we can observe in our central agricultural provinces.

<sup>9.</sup> Desiatina (Desyatina) — an old Russian unit of area measure: 2.7 acres or 1.1 hectares.

Further intensification in the form of pre-sowing tillage for industrial crops and replacement of cereals with beets, turnips, and potatoes will increase the number of trips to such an extent that every extra  $sazhen^{10}$  on the way from the farmstead to the field makes difference.

All the benefits of the enlargement of production are brought to naught by the rise in the cost of within-farm transportation. The more intensive the farming, the sooner this happens.

Our Orenburg and Saratov farms often consist of a manor managing a territory of two or three thousand *desiatinas*. In the Poltava province, such an enlargement would be impossible. In the Kiev province and cultural countries of Western Europe, the costs of within-farm transportation further limit the size of the economy — to an optimum of 200-300 *desiatinas*.

There are cases under the intensification, in which the large owners were forced to divide an estate into several separate farms (khutors). At the time, they were large landowners and small or medium-sized farmers.

Thus, the very nature of the agricultural enterprise limits its enlargement, so the quantitative measure of the advantages of a largescale economy over small farming can never be particularly significant.

However, for us, such an admission is not enough. Let us examine where the advantages of a large-scale economy over small farming are mainly manifested. The large farm mostly wins in the relations with the outside world. A large buyer and a large seller in the market of a large-scale economy enjoy all the benefits of the wholesale market and cheap bank loans, whereas the peasant remains in the power of buyers and usurers.

Further one can note significant advantages in the use of complex machines, such as separators and grain-cleaners, of males for breeding such as bulls and studs, and, most importantly, of agronomic science by inviting agronomists and specialists.

However, in all these spheres, cooperative practice clearly indicates the possibility of making the advantages of a large economy available to small peasant economy. It is sufficient to separate those branches of the peasant economy, in which large forms have undoubted advantages over small ones, from individual peasant farms without destroying their individuality. It is also possible to organize them into a cooperative, i.e., to make them a large-scale production. In all cooperatives, small peasant farms reach such a large size and production capacity that they exceed the possibilities of any large, private farm.

Russian cooperative centers — Moscow People's Bank, Moscow Union of Consumer Societies, Central Partnership of Flax Growers, and the Union of Siberian Dairy *Artels* — unite hundreds of cooperatives and millions of peasant farms with a turnover of tens of million rubles.

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<sup>10.</sup> Sazhen — an old Russian measure of length: 2.3 yards, 2.1 meters.

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Therefore, because of the features of agriculture and the potential of the peasant economy to cooperate in separate branches, a smallscale, peasant economy as an economic organization is technologically not inferior to a large, capitalist, agricultural enterprise.

However, to prefer the peasant labor economy to the landlord or capitalist economy, we need to identify not only the lack of advantages for large farms, but also their availability for peasant farms.

Are there any advantages? To answer this question, we have to delve into the nature of the peasant economy.

So far, we have considered large and small farms, but, today, for the majority of economists, this opposition seems obsolete and wrong in its very formulation.

Speaking of small and large economies, we again contrasted quantity and quantity, although, in fact, this is a qualitative opposition.

We have to contrast not small and large economies but rather a labor economy based on the workforce of its owner and his family and a capitalist economy based on wage labor.

These are two fundamentally different types of economic organization.

A semi-subsistence peasant labor economy is nearly always closely connected in its organization to the consumer budget of the household. This determines the task of this type of economy.

This task is to obtain the means of subsistence for the household with the fullest possible use of its means of production and workforce.

Such a statement in no way applies to the capitalist economy for it denies the last condition. The whole definition is eventually reduced to the following: the task of the non-labor economy is the fullest use of capital invested in the enterprise, or, briefly speaking, maximum profit on this capital.

This definition, in its turn, cannot be applied to the labor economy because it admits the possibility of benefits of a smaller profit on capital (by calculating profit by assessing one's work according to wage rates), if there is an opportunity to use the family workforce much more extensively and eventually achieve a greater increase in the means of subsistence.

In other words, the task of the capitalist economy is *net profit*, whereas the task of the labor economy is *gross profit*. A high gross profit does not always coincide with a high net profit. Thus, there is no need to admit in many proofs that, from the point of view of the greatest productivity, the interests of the labor economy largely coincide with the interests of the national economy as a whole. This is a huge social advantage of the labor economy.

I will try to explain my idea with a small example. We have a flax crop and an oat crop. As a labor-consuming crop the former requires one hundred working days per *desiatina* and ensures a high gross profit, whereas the latter requires only twenty working days and provides a small gross profit but a higher net profit as can be seen from the table.

Limited in its land area, there is no doubt that the peasant economy will always prefer flax to oats, whereas the capitalist economy will always do the opposite and will sow oats.

	Crop	Gross	Cost	Other	Net
		profit	of labor	costs	profit
	Oat	40 rubles	20 rubles	5 rubles	15 rubles
	Flax	115 rubles	100 rubles	10 rubles	5 rubles

The flax crop increases the national income and the scale of work on the land, which is also desirable for the national economy in general.

From the point of view of production, these are the grounds that make us prefer the peasant labor economy over the capitalist landowner economy. It is hardly necessary to prove that we should also choose the peasant economy for the democratization of the national income.

### 4. What we should do with forests and special types of economy

In the previous chapter, when we considered the peasant labor economy to be the most perfect, economic organization of people's labor in agriculture, it combined some of its economic branches into a cooperative, and we meant the most common forms of agriculture, i.e., growing traditional field crops and breeding cattle.

One is tempted to ask whether our findings can be applied to all types of agriculture, or do some of them constitute an exception to the general rule?

These questions refer mainly to forests and special types of agriculture, such as livestock breeding, plant selection, horticulture, and so on. Some technical features of these types of economy make them exceptional.

A properly organized agriculture that divides forests into many dozens of plots, which are gradually cut down at the age of 60-80 years old and then artificially planted, requires huge areas. It also requires a plan of development for future decades and a single will to implement this plan with the hands of numerous workers, watchmen, foresters, sawyers, forest wardens, clerks, estate managers, forestry scientists, plant pathologists, and entomologists.

The size of such an economy and its inherent complexity in the division of labor among numerous categories of workers make it impossible for a labor economy. Therefore, when forests are made public property, they cannot be divided among individual labor economies or even communities (*obshchinas*). Instead, they must be placed partly under the management of self-government bodies and partly under state management (forests of national importance).

Quite different reasons turn our attention to livestock breeding. These include selection and other types of economies, which require greater knowledge and workmanship than large capital and numerous workers.

There are very few such farms, and their organization consists of two elements. The first is a creative mind, which has mastered the whole stock of knowledge accumulated by mankind in this field; a mind that 17 \_

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explores and often guides the economy intuitively. The second element is numerous workers performing tasks assigned by the agronomical mind.

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No one can deny the great importance for the state of such economies, and the number of leaders who can manage them is negligible. The importance of their knowledge and work forces is significant for the creative will of the state. Their own hands, but also a number of other hands form a powerful working device to fully realize this will.

We do not now resolve the controversial issues of whether such economies should become state or cooperative, or what should be done under the reform with the privately-owned ones. It is clear only that these economies cannot become labor economies.

After these lines I can be accused of inconsistency. One can ask that if I value cultural economies so much, why do I not stand up for the preservation of private farms, which are, on average, much more developed in terms of their culture than peasant economies. If private farms are given to the currently unenlightened labor economy, the productivity of the land will certainly and significantly decrease.

I will answer this reproach by stating that privately sown areas make up only 11% of the total sown area of European Russia. A reduction of their yields by half will reduce the total national yield by only 5%.

Undoubtedly, the rise of agronomic technology after the land revolution will quickly cover this deficit.

It is much more dangerous that the harvest of these 11% of the sown area was sold nearly totally by private owners, whereas the harvest of the peasant economy for the most part was consumed by the household. Thus, more than 40% of the total amount of bread on the market was the bread of private farms. Certainly, the transfer of private lands to the peasant will weaken the commodity character of their exploitation, and the supply of grain bread to the Russian market will immediately decline, which will significantly raise prices and reduce our exports.

However, the growing needs of our peasant way of life will force the peasantry to increase the monetary value of their economy and, thus, gradually increase the supply of bread.

## 5. Land question or agrarian question?

A few days after the formation of the Provisional Government, a large red poster, "Land and Freedom — Ministry of Agriculture," was hung at the entrance of the ministry in Petrograd.

The old Narodnik slogan that has been the banner of revolutionary demonstrations for decades, became the banner on a state building.

What will be the government work under this banner?

What is "freedom"?

What is "land"?

For us, the builders of New Russia, freedom means not only liberation from the arbitrariness of the old authorities and police surveillance, but also the free creation of the democratic state and democratic *zemstvo*<sup>11</sup>. It means the joint work of all the living and cultural forces of our homeland on the development of public education and health and the organization of the spiritual and economic life of our people.

Similarly, when we talk about land, we think not only about *desiatinas* of arable land, meadows and forests. The land itself is of little interest to us.

When we talk about land, we mean work on the land. The labor of the farmer is the economic basis of our state, and it must be protected and organized by democratic Russia. We must facilitate work on the land, multiply its power, improve all its conditions, double and triple its productivity.

The first condition of the farmer's work is certainly land; therefore, the first step of our agrarian reorganization must be land reform.

All the lands of our homeland should be given to free labor. However, we frankly admit that the land reform alone cannot help our village.

For half a century after the liberation of peasants, they bought about 27 million *desiatinas* of mostly arable land from private owners.

The complete nationalization of non-peasant private land will mean that the price of 20 million *desiatinas* of land permanently leased from owners will be reduced and paid not to the owners but to the state. It means also that about 10 million *desiatinas* of owners' plowed land, (a part of the income peasants have already received in the form of wages), will expand the area of the peasant economy.

If our peasant labor economy absorbs all the capitalist plowed land and means of production, its expansion will be insignificant. Before the Revolution our agriculture was predominantly peasant.

The agricultural census of 1916 shows that in 44 provinces of European Russia, 89 *desiatinas* out of every 100 *desiatinas* of cropped land were peasant, and only 11 *desiatinas* were of the landlords. The census also shows that 93 horses out of every 100 horses in agriculture were peasant, and only 7 were of the landlords.

Nevertheless, we still consider land reform the first and most important step of our agrarian reform. This is because the quantitative value of private lands given to peasants is insignificant, but their moral value is great.

For the peasant, there are so many memories of serfdom associated with private lands that the moral significance of each landlord's *desiatina* is many times greater than its economic value. Therefore, the land question is urgent, and the land reform is our primary state duty.

However, to start the reform we must clearly remember that it is only an introduction to our hard and long-term work on the organization of agriculture. Land reform is only a part of agrarian reform and, perhaps, the easiest part. 19

<sup>11.</sup> Zemstvo — an elective local rural council established after the liberation of the serfs in Russia.

First of all, we must not only give land to the working peasantry, but give it in an organized form and, at the same time, organize the land of the peasantry.

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The strip allotments of land in 1861, the endless division of land in redistribution in rural communities, the unsystematic allotments of separate farms (*khutors*) and pieces of land, the Stolypin consolidation of land — all of this determined an incredible land chaos in our village.

Correct land surveying, the rounding of borders, getting rid of strip farming and small strips in rural communities, i.e., the general organization of land, will provide our peasant with not less but more benefits than giving him private lands. If the general organization of land is combined with the latter, we will witness the greatest era in our agrarian history.

Certainly, such a land system will be complete only if supported by extensive reclamation works on drainage and the irrigation of uncomfortable lands. It must be accompanied by the resettlement of the population from land-hungry to land-rich areas.

This will be the final step in the organization of one of the conditions for the people's work on the land, which is land itself. However, agricultural labor requires not only land but also other means of production: buildings, machines, implements, and seeds.

Before the war, the supply of rural households with means of production was in the hands of private commercial capital. Only the *zemstvo*, cooperatives, and in part the Resettlement Department tried to organize the distribution of the means of production on a voluntary basis.

The supply of agriculture with means of production was guided not by the interests of production, but by the goal of maximum profit for private capital. Due to its exceptional circumstances during the war, the supply of the country with machinery and binder twine was concentrated in the hands of the association of three *zemstvo* partnerships, the People's (Cooperative) Bank, and the state represented by the Department of Agriculture.

It is necessary to consolidate this achievement so that the supply of agricultural labor with the means of production will be confidently controlled by the democratic state and public institutions.

The human labor must organize the economy from land and the means of production. And, in this organization of production, we must help our peasantry. Despite huge changes of the last decade, our peasant economy is technically backward. Many arable lands are still organized in the form of our grandfathers' three-field system and hoed by plow, and the peasants' method of cattle breeding aims mainly at manure production.

Meanwhile, the future of our country, the entire strength of our democratic statehood depends on the dynamic and rapid rise of our agriculture. It depends on how successfully we will "make two ears grow upon a spot of ground where only one grew before."

Our Constituent Assembly can nationalize land and transfer the country's supply with the means of production to the state. However, neither the Assembly nor any other power can order and force the

Kalmyk to grassland farming and the Tula peasant to intensive dairy farming with the use of skim milk to feed Berkshire pigs.

Indeed, in due time, the Empress Catherine, King Frederick the Great, and other representatives of enlightened absolutism used violence with guns and executions to introduce potatoes. However, there are grounds to believe that such methods are beyond the power of the public mind, even with all the power of the state.

There are millions of economic agents with their own skills and ideas about agriculture, who will not obey any orders. They will do everything on their own and according to their understanding.

It is necessary to draw their attention with verbal and written explanations to the possibility of changes in traditional methods of work. It is necessary to convince the population of the advantages of new agriculture by examples and obvious cases, to prove its greater profitability, and, moreover, to awaken the population to activity and give people an emotional push.

These tasks have been solved for more than a decade by *zemstvo* agronomists in the very heart of our village. These tasks are as follows:

1) Introduce into the national economy the improved methods of farming and cattle-breeding.

2) Change the organizational plan of the peasant economy in the direction of greater compliance with the current economic realities of the country.

3) Organize the local population into unions and groups. On the one hand, this will use the cooperative generalization of individual aspects of production to provide the small farm with all the advantages of the large one. On the other hand, it will take on consolidation and the further development of new economic principles.

Today, when the frozen agrarian forms become flexible and are ready to turn into a new agrarian system and when the people's psychology gets rid of the ossification, the social agronomy faces an exceptionally important challenge of bringing agronomic reason into the spontaneous process of creating a new agrarian system and a new agriculture.

Our young cooperative movement is no less responsible for this than the organized economic initiative of our peasantry.

The task of the state is to provide all possible support to both types of creative work.

By supplying the people's work on the land with the means of production, by organizing the peasant economy on new principles, and by strengthening its power with cooperation, we will facilitate the relationship of a peasant economy with the world market.

We must bring the peasant closer to the market by building new railroads; we must facilitate the use of transportation by revising our tariffs in the interests of agriculture; we must protect the products of our agriculture in foreign markets by new customs treaties and trade agreements.

We must also correlate the heavy postwar tax burden with the capacities of the peasant economy. 21

I can continue this list of tasks for our agrarian development, but from the above, it is already obvious that our future work goes far beyond land reform.

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The agrarian question we are to solve is much broader than the land question. Yet, because of its inherent social acuteness, the latter can push out of public attention all other issues related to the people's work on the land.

#### 6. Forms of land socialization

Certainly, the land question will be the part of the agrarian reform that will attract the greatest public attention. We put it in the first place due to its inherent social acuteness and great moral significance. However, the fact that the land question is brought to the fore does not mean that we must first carry out the land reform and then proceed with the development of other sections of the agrarian program. It is our deep conviction that all aspects of the agrarian reform should be developed and implemented simultaneously.

The reform of land use is inconceivable without restructuring economic organizations. Therefore, the land reform will yield insignificant results if it is not accompanied by land resurveying, melioration, agronomical reforms of production itself, and a credit system for restructuring farms.

To take land from private owners, especially large ones, seems a relatively easy task. It is much more difficult to organize this land, distribute it among labor economies, and organize the cultural labor economy that is not inferior in its productivity to the old private economy.

If we consider and imagine only the organization of the distribution of land taken from the private owner, we will face a huge and extremely difficult task, which requires efforts of all the organized forces of our state.

The simplest way to expropriate private property would be to allow neighboring peasants to seize private estates and follow the principle of "grab what you can.» However, such a land reform would confuse and complicate the agrarian question rather than solve it. Only the neighbors of landed estates would benefit from such seizures, whereas the majority of peasants would stay with what they had. Landed estates would be seized mainly by strong peasant economies with the greatest economic power and are capable of cultivating the seized lands. It was these strong farms and not the land-hungry ones that rented most of the landlords' land. Now, undoubtedly, they will try to secure the lands that are already in their use. Such results are unlikely to correspond to the social significance of the reform we are planning.

It seems perfectly clear to us that the organized public mind must use all the power of the state and public authority to direct the agrarian reform to the state solution of the social and economic tasks that we face.

The national economy of Russia outgrew its previous subsistence forms long ago. Our national economic organism is a single whole. The agrarian need is the need of this very national, economic whole and not of individual villages or peasants.

Individual farms and areas are different parts of the same economic mechanism. They do different work but are connected by the unity of joint movement.

Therefore, our land reform, the transfer of land to the working peasants, should be carried out not by unorganized seizures, but according to the state plan of a land-use system. This plan takes into account households and economic features of different regions of our country and is systematically and orderly implemented without disrupting the production cycle of our national economy.

The last circumstance is evident for all of us, who painfully survived the severe food crisis. Once again it stresses the need to conduct the agrarian reform in an organized and state form. We cannot afford a single unsown *desiatina* and a single smashed and destroyed herd.

What are the main ideas of Russian public opinion considering the state solution for the agrarian question?

The idea of land *socialization* to the greatest extent contradicts the basis of the existing agrarian system. According to this idea, land is a public domain. We emphasize that it is a domain and not a property. It belongs equally to everyone, like light and air. The peasant labor economy is only a user of this free element.

To organize this use, the working peasantry unites into special bodies of land self-government and land communities. The state transfers land for distribution to these bodies according to the economic and social order, in the form of communal or households' land tenure. It can also introduce a large-scale, collective farm on the whole territory.

If land is free, if it cannot be owned, and does not have value, then every farmer should use it for free. State and local taxes are imposed on the economy, not on land.

However, the difference in soil fertility and in the position of farms should be taken into account by taxation that must put all workers in the same conditions of labor productivity. For temporarily weak and inefficient farms, the land community should organize public plowing and harvesting.

Buildings, implements and livestock should remain in private property together with agricultural products.

The idea of land *nationalization* is based on quite different creative grounds. Land rent and land value are not excluded from the existing social categories claiming that land can and should be a property. But land is to have one owner — the state.

As an owner, the state gets (1) the right to all land rent, which is the main source of public finances, and (2) the right of disposal of all the country's lands in national interests.

According to the latter right, the state gives a part of land to the labor economy on terms similar to rent and makes sure that the usable land of each family does not exceed the labor standard. A.V. Chayanov What is the agrarian question?

And the state does not interfere in the internal structure of the economy and allows the possibility of wage labor.

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Forests and special types of economy can stay in state and public use or be exploited on capitalist terms if it corresponds to the national economic interests.

The supreme command of land is in the hands of the state; at the local level, land is managed by local land authorities based on the principle of self-government.

One of the forms of nationalization, in which all local lands are at the autonomous disposal of the *zemstvo* self-government (its rights are limited only by the national law on land), is called land *municipalization*. Under municipalization, the local, self-government bodies collect land rent.

These are the basic ideas of the land system that are most common in our socialist circles. These ideas are somewhat similar to the ideas of the followers of Henry George<sup>12</sup>. They recognize the right of all people to land and the right of every person to the products of his labor. They seek to establish these rights by taking away the unearned income from land (rent) in favor of all the people.

The single land tax in the amount of land rent is sufficient to solve the agrarian question, because land without rent will lose its value and, therefore, attractiveness for capital.

Capitalist land tenure will lose its meaning, and we will have only a labor economy and such a capitalist economy that is intensive and rational enough to survive under the tax equal to rent. This type of capitalist economy is of great value for the national economy.

Thus, the single tax system is similar to land socialization and nationalization by giving all land rent to the state bodies. But it is different for it does not suggest to the organized public mind to dispose of land. This system claims that without state intervention, the labor economy regime will establish itself on the lands free of rent.

This idea is particularly interesting, because it implies a solution for the agrarian problem not by an active state reorganization of the existing system of land tenure, but rather by creating a land regime in which the spontaneous process of economic evolution itself would lead to the sought-for ideals.

This idea is most developed in *the system of state regulation of land tenure* suggested by some economists. Under this regime, private land property remains, but the free sale and purchase of land are completely destroyed. Land ceases to be a free commodity. It can be sold only to the state and be bought or received only from the state. All lands at the disposal of the state form a land fund, which the state uses in the national economic interests by giving land either for use or into possession of farmers. Moreover, the state organizes and carries out the reclamation of lands at its disposal.

<sup>12.</sup> Henry George (1839–1897) — an American economist and journalist.

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To speed up the transition of private farms into labor economies, a system of land tax is introduced. It reduces taxes for the labor economy, raises taxes for small and medium-sized private farms up to the alienation of land rent, and raises taxes for large farms even above land rent. In addition to this tax pressure, the state reserves the right to compulsory alienation of any land if it is necessary for the land system of a particular region.

When comparing the above-mentioned land systems, we should first note that their main differences are determined by motivation and justification rather than by specific conditions of land use.

Under all the systems, the farmer pays to the state or local self-government bodies a part of his income equal to or about the same as land rent. The difference in the names of payments or their justification does not matter from an economic point of view. Furthermore, using various state measures, all systems seek to turn the economy into the labor type.

We can arrange them in the following order of the increasing impact of the organized public mind on everyday economic life: socialization, nationalization, state regulation of land tenure, and, finally, a single tax system.

Land socialization simply prohibits wage labor in agriculture. If some types of economy cannot manage on their own with the labor efforts of the family, this system imposes on the society the organization of work on a labor partnership basis.

Land nationalization approves the labor principle by a compulsory restriction of land use by labor standards; however, it allows the use of wage labor in special types of agricultural production.

State regulation of land tenure places the capitalist economy in extremely difficult tax conditions. It forcibly directs all land resales in the interest of the labor economy.

The single tax system considers it sufficient to destroy land rent as the only source of landed property and capitalist farming.

In fact, all these systems aim at the same goal but use instruments of different power to achieve it.

The implementation and maintenance of land socialization requires the exceptional activities of all the organized forces of the public mind and an extraordinary amount of work. The implementation of the single tax system requires minimal state efforts, because it leaves all the work on the development and strengthening of the labor economy to the spontaneous process of economic evolution free of rent.

The basis of all organizational skills is the ability to correctly scale the estimated means to the sought-for goals and the means for achieving it to the possibility of their implementation.

A successful solution of the problem is the one that is based only on necessary and, at the same time, sufficient means. Therefore, to choose one or another way of approving labor economy, we should clearly answer the question of whether the planned set of measures is really necessary for the desired effect or can it be achieved with less effort and less waste of resources. A.V. Chayanov What is the agrarian question?

On the other hand, the opposite is also true: for example, when assessing the single tax system, we have to answer the question of whether the selected means are sufficient to introduce and maintain the labor economy. Considering quite a number of other measures, e.g., the prohibition of wage labor, we have to decide if such measures are feasible at all.

Only after evaluating the above-mentioned systems from the organizational-technical point of view, we can accept them as the guiding principle of real work.

However, we must remember that they are presented here as ideal schemes. And we have to do a lot of work to turn these schemes into reality and concretize them according to the conditions of the Russian village.

Therefore, I ask all those wishing to purposefully choose and implement any system of land use to imagine a well-known rural district  $(volost)^{13}$ , for instance, the Shchipovatovskaya volost of the Volchansky  $uezd^{14}$  of the Kharkov province, or the Murikovskaya volost of the Volokolamsky uezd of the Moscow province. Then, consider the possible outcomes of the implementation of a particular system of land use for these familiar villages and farms.

The above described schemes can be fully understood only if translated into a whole world of concepts and living representations. We can confidently say that they will be differently turned into reality by residents of Samara, the Mogilev province, Vologda, or by the Cossacks from the Don.

Our vast fatherland has absorbed countries that are so diverse in their economic and everyday life that by enumerating them inwardly one can trace the economic history of all mankind.

The Siberian taiga reminds us of the period of hunting life, the steppes of Central Asia represent a nomadic economy, the Akmolinsk region and the Orenburg steppes preserve examples of a fallow economy. We know the belt in the Samara and Saratov provinces, where the three-field economy is only developing; we know all the phases of the decay of the communal three-field economy; we witness the rise of the grassland economy near Moscow, and observe the western regions of intensive farming and dairy cattle breeding in the Vologda province and near Moscow.

According to the differences in the organization of production, there are different production relations and ideals. In the northern Siberian regions, land is as free an element as light and air, and there are no grounds to introduce any right to it.

In some regions of Siberia, there is still a grabbing right to land: the farmer who cultivated a new land will be its owner as long as he works on it. Here, the right to land is the "right of labor" spent on its cultivation.

If population density increases, the grabbing right to land leads to conflicts and determines the need for some social regulation of agra-

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<sup>13.</sup> Volost — a rural area administrative subdivision of uezd; the primary administrative unit for the peasants in the late 19 and early 20 centuries in Russia.

<sup>14.</sup> Uezd — a terrirorial administrative unit, a subdivision of the province.

rian relations. Thus, the land community develops. Its regulating activities lead to, according to the figurative expression of K.R. Kocharovsky<sup>15</sup>, the "'right to work," i.e., the right to get land to work on. The workforce becomes an allotment unit for land redistribution.

Today, in some parts of the Astrakhan province and the southeast, we witness only the emergence of this regime and land ideology. But, in the regions where the land community is alive, the number of workers is the land redistribution unit, and the "right to work" is still the main idea of egalitarian redistribution.

In land-hungry areas, where the available land is too small to provide work for all under the existing field crop cultivation, because the land is barely enough to feed the population, the idea of the "right to life" spontaneously develops, and the land redistribution unit is the number of mouths to feed rather than the number of working hands. Consumer redistribution was discovered by *zemstvo* statisticians in a number of land-hungry areas.

Finally, when commercial agriculture develops and land becomes value and capital, the egalitarian community begins to disintegrate, and the ideology of private landownership begins to win the minds of farmers. Here and there we see only the start of this process, whereas the entire west and southwest of Russia have long ago switched to household land tenure.

Undoubtedly, such a diversity is not accidental; it has deep economic and everyday-life roots. Therefore, it is absolutely clear that we have to coordinate the content of our plan of land reform with the features of the local economic order.

A member of the land community from Samara willing to transfer his entire agrarian ideology will probably be greeted with stakes in the Mogilev province. Not a better fate will befall the fanatic from the Mogilev province in the Balashovsky district. And no matter how deeply we, the leaders of democratic Russia, are convinced of our agrarian ideals, we cannot follow the path of "enlightened absolutism" and forcefully introduce a single land regime in all areas of Russia regardless of their everyday and economic order.

Thus, our agrarian ideas are preliminary guiding schemes, and the task of local land committees and local departments of the League for Agrarian Reforms is to turn them into specific plans of the new land system.

#### 7. Land reform

The ideas of land socialization, nationalization, and municipalization as the bases of the ideal land regime do not clarify the essence of land reform. They allow us to imagine a land system after the reform but say nothing about how the reform will be implemented and what the path will be from the existing land regime to the ideal one. 27

<sup>15.</sup> Kocharovsky K.R. (1870-?) — a socialist revolutionary, the author of the book on the Russian peasant community.

Meanwhile, this is exactly the question that can cause great discrepancies and even irreconcilable confrontations between us, representatives of democratic Russia. Therefore, special attention must be paid to this question.

Actually, in many party programs, we find some indications of the path of agrarian reform. However, we can confidently say that these sections of programs are the least developed and strongest parts of them. Only some issues of the agrarian reform have become sufficiently clear.

First, for most of us, it is clear that the future land system should be based on the interests of the state as a whole, and in the same way, the paths to this new system should follow the interests of the state. There can be no regional or local ways to solve the agrarian question.

We must take into account household and economic features of different regions. We cannot impose on the local life recipes for those aspects of the agrarian organization that concern them and only them. However, in the course of our agrarian reform we must not for a minute forget the interests of our national economy as a whole.

One example will be enough to prove the importance of what was said above.

Imagine our southeastern provinces. Peasant and Cossack economies there still have large enough plots for extensive grain farming of almost a fallow type. There are also large private and state lands in these provinces. Perhaps, for Samara and Orenburg peasants, the best solution will be to divide these estates among peasant farms, thus, increasing their size by ten or fifteen *desiatinas* each.

However, such a solution is unacceptable for the state, because an increase in the already large plots would strengthen for years the most extensive forms of farming and would not contribute to the growth of the productivity of our national economy. From the state's point of view, it is much more valuable to use these alienated lands to settle settlers from land-hungry provinces.

In the Kiev and Podolsk provinces, in some parts of the Poltava province, overpopulation is so enormous that, despite exceptionally intensive farming, the people's labor cannot be used even in half.

The outmigration from these provinces to the southeast will reduce their population and, undoubtedly, will intensify our southeastern economy and, thus, significantly increase our national income. However, we are equally certain, that the settlers will encounter a very hostile attitude and the serious opposition of the local population.

Here, the interests of the whole are confronted with the interests of the units. The key secret of agrarian reform is the ability to reconcile these interests, which is an extremely difficult task. Local interpretations of the state issues are the most dangerous pitfalls of the agrarian reform.

In one of the chapters I pointed out that every social phenomenon consists of an element and reason. These two manifest themselves not only in the future agrarian system, but, unfortunately, in the very implementation and discussion on the reform.

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One element that does not take into account arguments of reason and does not accept the laws of logic will play an important role in our future agrarian development. Nevertheless, reason should not lay down its arms. It must exert all its power to direct the resultant force of the historical progress closer to the state course of the reform.

What does reason tell us? How does it portray the desired course of the agrarian transformation?

First, it tells us that the organized egalitarian redistribution of state and private land in the interests of the working people requires an infinite number of the most difficult statistical, land-surveying, and organizational activities. Even if there are no social difficulties and social resistance to the reform, such a huge work will require many years to finish it.

Therefore, whatever regime we take for an ideal, we will approach it only after a long transition period.

Only systems of the single tax and state regulation of land ownership can be introduced almost immediately, because they establish new conditions for economic life and do not create a land system. This is especially emphasized by the fact that, for example, the state regulation of land ownership as we described it in the previous chapter, can be both an independent land regime and a transition stage for land socialization, nationalization, or municipalization, depending on the policy of regulation.

The state regulation of land ownership is such a powerful instrument of the Organized Public Mind that, provided the strong pressure of the state, it can force the spontaneous process of agricultural evolution to automatically come to nationalization or municipalization in one or two decades.

It is our deep conviction that three means of the state regulation system — progressive land taxation, abolition of free land purchase and sales, and the right to expropriate any land — are necessary and sufficient for the state to get full control of land reform. However, we admit that political conditions and the understandable impatience of the broad democratic masses can force the state to speed up the reform by a violent method of implementation. At the same time, we must clearly realize that the immediate issuance by the Constituent Assembly of a decree declaring that, from some date, all land is state property is not yet a land reform.

The state should not only declare that all land constitutes its property but it must also organize this transfer of land into its hands. The very fact that the decree was issued does not really make land a public domain.

If the law on land nationalization is issued without a system of measures for the transition period, we will have only a dangerous state fiction. That is why we will have a long transition period in all cases.

During this period, we have to be extremely careful in two respects.

First, with respect to those relatively few private estates, which are centers of culture. Livestock-breeding farms, plant-selection farms providing the country with seeds, horticultural economies, stud farms, dairy farms, and other similar types of economy are the cul29

tural treasures of our country and a public domain. It is our deep conviction that almost all these types of economy can become labor economies on a cooperative basis.

Today necessary cooperatives have not yet matured, and we do not have organizational forces to transfer all these types of economy into the hands of the peasantry. Therefore we should take special care to ensure that the fine thread of our cultural agronomic tradition does not tear.

Cherry orchards should not be cut down, stud farms and breed herds should not be sold and destroyed, fields of selection farms that produce new varieties of plants should not be sown with a poor grade of oats. All these cultural values are our common cultural heritage. In the name of our future we must save them from being plundered and destroyed.

The second issue that requires a particularly cautious approach is land privately owned by peasants. Over the last decade, our peasantry has bought from other classes about 27 million *desiatinas* of land.

This land is scattered among thousands of peasant farms and often bought with hard-earned money. It is not uncommon that this land exceeds the labor standard. Quite often it exceeds allotments of whole land communities and even districts (the Cossack lands). Therefore, we consider it dangerous for the state to be pedantic in the implementation of the reform and to begin immediately to alienate all peasant land above a certain labor standard. Such a measure is acceptable only after socialist ideas penetrate deeply into all minds of our village and become firm beliefs. Otherwise, violent strife among peasants and Cossacks is inevitable, which will pave the way for a counter-revolutionary strike. Thus, although logically this measure is a correct conclusion from the idea of land socialization, politically its premature implementation will be fraught with terrible dangers.

The same or nearly the same applies to the question of refundable or gratuitous alienation of private land. If one believes that landed property is an accidental social mistake, then this question can be easily solved by the gratuitous alienation of private land.

However, for us, who believe that even though it does not correspond to our social ideals, landed property is a fruit of the historical development of national economic life with sufficient social roots, the question of alienation of private land cannot be so easily solved.

We cannot consider the existing landowners as invaders and usurpers. They and their property are the consequence of the existing economic system, which has developed historically and is now close to destruction by virtue of the same historical necessity.

Land reform is the reform of our economic system and not the division of wealth between different groups of the population.

When we consider agrarian reform a complex organizational-economic task, we are interested in only one question: what is the easiest way (i.e., with the fewest difficulties and costs) to socialize land and give it to the labor economy?

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From this point of view, we have to oppose, on the one hand, several billions of rubles of gradually paid-off state debt resulted from the state's payment of compensation for the alienated land. On the other hand, we must oppose a severe financial crisis determined by the denial to pay mortgage debts and aggravation of social antagonism, which paves the way for counter-revolutionary movements. We solve this opposition in favor of refundable alienation.

Our private land for the most part is mortgaged to the eyeballs in state and private land banks. Therefore, the value of private land largely belongs not to landowners, but to depositors of land banks and holders of mortgage bonds. In other words, gratuitous confiscation of private land aimed against landowners, in fact, misses the aim and, for the most part, falls on our financial system and on holders of mortgage bonds scattered among diverse social strata.

As of January 1, 1916, the amount of money lent by land banks on land and real estate in cities and districts (*uezd*) reaches *five and a half billion rubles*. If we subtract from this amount loans secured on city property and mortgage bonds of the Peasant Bank, we will get about *two and a half billion rubles* issued to landowners as loans secured on about fifty million *desiatinas* of land.

This money was given by depositors of land banks and holders of mortgage bonds scattered among diverse social strata. Suffice it to say that the deposits of our savings banks amounting to more than eight hundred million rubles are placed in securities of land banks. These few figures clearly indicate the possible financial danger and social discontent with that would occur with the refusal to pay land debts.

The idea of gratuitous confiscation with paying mortgage debts does not stand up to scrutiny from the point of view of elementary justice. This system implies paying debts of the squandered nobility at the expense of those cultural enterprises that managed to survive without indebtedness and had a large positive impact on our national economy.

Moreover, it is necessary to take into account the political outcome of this measure, because it will affect a huge number of small peasant landowners who have bought approximately 27 million *desiatinas* of land in private ownership since the reform of 1861. We consider it very difficult to carry out socialization of these lands in the near future, and yet their alienation without compensation will encounter extremely strong resistance and is fraught with political dangers.

When accepting the idea of refundable alienation, we involuntarily ask ourselves: in the end who will pay the landowners for their alienated lands? We suggest the following financial plan for the land reform. To our state debt, which by the end of the war will exceed 50 billion rubles, another 5 or 6 billion will be added to compensate for the alienation of private land.

The owner of the alienated land will receive government liabilities for an amount equal to the real value of land and not to its market

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price. The state will annually pay interest on these liabilities and gradually repay them by extending the repayment period for 50-100 years.

ТЕОРИЯ

Payments will be made from the general state budget. Because its revenue part is democratic, i.e., based on income and rent taxes, the propertied classes will bear the main burden of land reform. Certainly, the peasantry will also participate in paying rent and income taxes, thus contributing to the financing of land reform.

However, it should be remembered that according to the basic idea of income taxation, families with income below the statutory subsistence level are not taxed at all. A large number of land-hungry and weak peasants have incomes below this level. That is why only the well-to-do strata of the village will have to pay income taxes, and will thus pay the compensation for the alienated land.

The financial plan of land reform can be developed in different ways, but we have to bring to the fore the principle stating that the need for land is not the need of individuals or classes but the need of the state as a whole.

Land reform should be carried out according to the plan and at expense of the state as a whole.

## 8. Conclusion

In the previous chapters, we considered almost all the key issues of the agrarian problem. We did not seek to offer final solutions for these issues but rather tried to correctly formulate questions and outline some directions for their possible solution. We think that, at the present moment, when these lines are being written, we cannot take on any other task. We expect many months of hard work by many hundreds of local land committees, the State Land Committee, and League for Agrarian Reforms.

By no means can such work be considered predetermined; otherwise the very existence of local land committees would lose all meaning. It is our deep conviction that only they alone are capable of transferring agrarian reform from the world of abstract ideas and concepts to the real world of live representations and of making the reform a fact.

This painstaking and difficult work will gradually lead us to the solution of all the above questions. Such decisions will take into account local experience and follow the idea of social development. The creation of local and central bodies of land reform as its efficient apparatus, which is deeply rooted in the local life, will be the main token of the success of the undertaken reform. It clearly feels the heartbeat of local life and at the same time uses the full power of Russian economic science and the state's creative thought. However, the work of these bodies can be fruitful only if comprehensively supported by the living public opinion of the general Russian public.

Agrarian reform is the long overdue need of our entire state; therefore, it is every citizen's business and a direct duty for each of us. The basic law of citizenship ethics tells us that participation in state affairs is everyone's responsibility. The most serious reproach to our civil conscience is that we did not do what we could do in our state building.

That is why we believe that we have the right to call all citizens to participate in the solution of the agrarian question and to remember that each of us is responsible for its successful solution.

Translated by Irina Trotsuk

#### Что такое аграрный вопрос?

#### Александр Чаянов

Данный текст представляет собой перевод на английский язык брошюры «Что такое аграрный вопрос?», опубликованной А.В. Чаяновым летом 1917 года, между Февральской и Октябрьской революциями в России.

Молодой 29-летний профессор Чаянов принял активное участие в революционных событиях 1917 года, стараясь обосновать оптимальный план аграрных реформ для новой России. Чаянов стал одним из инициаторов создания так называемой Лиги аграрных реформ, в которую вошли многие ведущие аграрники различных политических направлений России с целью обсуждения и выработки целостной стратегии аграрных преобразований в России.

Научно-популярное изложение своих взглядов на аграрную реформу, суммирующее самые различные идеи Лиги аграрных реформ, Чаянов представил в брошюре «Что такое аграрный вопрос?».

В идеологической основе этой работы лежит реализация революционного требования «Земля — трудовому народу!», утверждавшего необходимость передачи помещичьих земель в руки крестьянства. Чаянов рассмотрел различные варианты такого перехода земель в виде аграрных программ социализации, национализации, муниципализации земли, единого налога на землю, системы государственного регулирования землевладения.

В проведении реформ Чаянов предлагал руководствоваться двумя принципами: 1) наибольшая производительность крестьянского труда, прилагаемого к земле; 2) демократизация распределения народного дохода. Широкое развитие крестьянской кооперации должно было обеспечить воплощение этих принципов в жизнь. Чаянов также всячески подчеркивал значение учета региональных и национальных особенностей в разрешении аграрного вопроса в такой огромной стране, как Россия.

Лично Чаянов склонялся к варианту аграрных реформ, совмещающих государственное регулирование землевладения и прогрессивное налогообложение. Но свершившаяся Октябрьская революция под руководством большевиков и левых социалистов-революционеров в своем «Декрете о земле» заявила о реализации самого радикального варианта аграрных реформ — социализации земли, таким образом оборвав поиски оптимально компромиссных аграрных решений, которые пытался осуществить Чаянов и его коллеги в Лиге аграрных реформ.

Брошюра Чаянов «Что такое аграрный вопрос?» является образцом теоретического и практического поиска альтернатив оптимального решения аграрного вопроса в интересах крестьян на основе широкой политической коалиции демократических сил.

Ключевые слова: аграрная реформа, крестьянство, революция, А.В. Чаянов

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