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Agricultural Workers and Agrarian Reform in Central Europe

by

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The schemes of agrarian reform undertaken by the States of Central Europe after the war have naturally changed the situation of the paid workers who were formerly employed on the large estates that have been divided up. In the present article, a brief survey of the opposing views on the relative values of large-scale and small-scale farming that have been put forward since the middle of the nineteenth century is followed by an analysis of the provisions included in the various laws on agrarian reform to safeguard the interests of the workers. Having shown that in the new legislation there has been an almost unanimous desire to protect the workers who are directly and adversely affected by the reform, the author next examines the practical value and the actual results of the various measures adopted for this purpose, including the formation of workers' agricultural co-operative societies, the establishment of workers as settlers, the payment of compensation, and transfer to other occupations. The argument is strictly limited to the effects on the agricultural workers of the redistribution of land, and no attempt is made to draw general conclusions on agrarian reform as a whole. But keeping within the limits assigned, the author shows that the adoption of a policy of workers' protection will in itself provide a natural means of discriminating between badly managed large estates and those that have a real economic value. The former, which depended for their existence on the cheapness of labour, will be unable to adapt themselves to the new conditions, and will therefore automatically be eliminated, while undertakings which are capable of providing their workers with satisfactory living and working conditions can be left untouched by the reform.

AFTER the war all the States of Central and Eastern Europe embarked on a policy of agrarian reform aiming at a better distribution of land by the reduction, or even the complete suppres-

sion, of large landed estates. It is evident that a reform of this type cannot be carried out without indirect effects on the situation of agricultural workers formerly employed on the large estates which have been divided up. It has thus raised many questions, and among them one whose social importance justifies the study of it which it is proposed to make in this article. It is hardly necessary to point out that, in examining agrarian reform under one only of its aspects, the mere fact of treating the subject in this way rules out the possibility of drawing any general conclusions regarding it.

This study will deal exclusively with the States of Central Europe : Austria, Czechoslovakia, Germany, Hungary, Poland, Rumania, and the three Baltic countries (Estonia, Latvia, and Lithuania). Russia, where however the upheaval caused by agrarian reform is the most complete, has been excluded not only with a view to limiting the study to countries whose agrarian problems present certain resemblances, but also on account of the special character of the reform in Russia. This reform was an episode in the Communist revolution undertaken by the Soviet Government, which, in the agrarian sphere, tried to nationalise the land, just as it was nationalising the other means of production, but it met with the opposition of the peasants, who, by a spontaneous movement, instituted the system of peasant smallholdings in place of the large estates of the nobles. In Russia, therefore, there has been no reform carried out by the State in accordance with a preconceived scheme. In the countries of Central Europe, on the contrary, the principles of agrarian reform were fixed by legislation, and their execution has been, or is at present being, undertaken by the authorities or under their supervision.

In studying the question of agricultural workers in relation to agrarian reform, it will be well at the outset to define the meaning of the expressions " agrarian reform " and " agricultural workers ", which in themselves are not clear enough to be used without preliminary definition.

In almost all the States of Central Europe, post-war agrarian legislation aims not only at dividing up large estates, but also at modifying the structure of existing peasant holdings by reconsolidating scattered holdings, abolishing servitudes, and dividing up land farmed by several persons in common. The break-up of large estates is only a fragment of the reform, and its importance varies in different countries. Nevertheless, as most of the post-war laws in Central Europe for the break-up of large estates are called

"Agrarian Reform Acts", although their object is merely the fragment of the reform represented by redistribution of areas and by home settlement schemes, we shall follow their example and limit the expression "agrarian reform" to the narrow sense it has in post-war legislation.

It is more difficult to define the expression "agricultural workers", for there are numerous categories of such workers in Central Europe.¹ The expression will be taken here in its narrowest sense, including only those workers who do not own either land or dwelling, and who do not carry on any agricultural undertaking, however small, on their own account. No reference will be made, therefore, to the numerous small peasants who, in Central Europe, do paid work during the harvest and at other periods of great pressure of agricultural operations, nor of agriculturists who farm land temporarily granted to them by large landowners in exchange for a certain number of days of work. No mention will be made, either, of share farmers (*métayers*), who are numerous in certain regions of Central Europe, and who are really a category of tenant-farmers, nor, *a fortiori*, of agricultural workers who lease parcels of land belonging to a large estate in order to farm them on their own account. We shall consider exclusively as agricultural workers those workers who derive all, or almost all, their livelihood from paid work, and who constitute the true rural proletariat. Although their name may vary in different countries, they form a single type of worker in every country where large agricultural holdings exist. They may be classified as follows:

(1) "Deputat" workers, who, along with their families, are housed by the employer, who work always under a long-term contract (generally of one year), and who receive the greater part of their wages in kind.

(2) Members of the families of "deputat" workers, working under the same contract as the head of the family or (especially since the war) under special contracts, and who receive the greater part of their wages in cash.

(3) Farm servants (male and female), who differ from the "deputat" workers chiefly in that they have no families, and do not receive a dwelling from the employer nor a supply of food as part payment of their wages, but are housed in any kind of shelter

¹ Cf. on this subject the study published by the INTERNATIONAL LABOUR OFFICE: *The Representation and Organisation of Agricultural Workers*, pp. 29-31. Studies and Reports, Series K, No. 8. Geneva, 1928.

(often in stables, cattle sheds, etc.), and have all their food prepared for them.

(4) Seasonal workers coming from other districts or other countries than those in which they are employed, who spend several months every year on large agricultural undertakings, where they are lodged and fed by the employer.

THE GENERAL SITUATION AFTER THE WAR

In all the States of Central Europe the immediate aim of agrarian reform has been to democratise landed property by dividing it up among small peasants and the rural population who do not own any land. Its purpose is therefore essentially both political and social, since it consists in strengthening the peasant class, but at the same time it involves a phenomenon that is essentially economic, since it substitutes the smallholding for the large undertaking. It can be understood in these circumstances that the carrying out of agrarian reform has brought back into renewed prominence the old discussion as to the respective economic values of large-scale and small-scale farming. There is a whole literature dealing with this problem ; no attempt will be made here to discuss it over again, far less to reach a decision. But it appears interesting to recall the manner in which the problem has been viewed in the course of the last fifty years by the labour world, and in particular by the exponents of Socialist theory, whose programme was of necessity inspired by the wish to consider the lot of agricultural workers. The analysis will be of real practical interest for this study, because in most States of Central and Eastern Europe post-war agrarian reform legislation was passed by a parliamentary majority largely composed of Social-Democratic elements.

It was in 1867 that the agrarian problem was for the first time discussed, so to speak officially, from the Socialist point of view, at the Lausanne Congress of the International Workingmen's Association, where two absolutely contradictory theories were put forward. The first of these sought to defend the peasant smallholding, which had predominated in France since the Revolution ; the second aimed at showing the economic superiority of the large estate. A year later, in 1868, the Brussels Congress adopted a resolution which marked the triumph of the latter view :

Considering the needs of agricultural production, considering that the new advances of agricultural science cannot be applied except in

large-scale undertakings, and considering that economic development tends naturally to the constitution of large landed estates,

This Congress is of the opinion that the economic evolution of modern society will make it necessary to transform private property into social property, and that this property, like mines and railways, will have to belong to the State and be developed by workers' co-operative societies.¹

In 1869 the Basle Socialist Congress attentively studied the agrarian problem for the second time, and discussed in particular the question whether nationalised land should be leased to individual agriculturists or to co-operative societies. It did not settle the question, but merely recommended all the sections affiliated to the International to study the best methods for ensuring the successful exploitation of this land.

The ideas reflected in these resolutions had their source in the works of Karl Marx, who had himself raised the land question several times in his work *Capital*. At the end of Chapter 13 of the first edition, Marx wrote as follows :

In the sphere of agriculture, the large-scale undertaking has the most revolutionary effect because it effectively destroys the strongest bulwark of the older type of society, the peasant, and replaces him by the paid worker. . . . The least scientific and most routine-bound methods of farming are gradually displaced in favour of methods embodying the deliberate technical application of modern science.

The attitude of the Socialist world did not change during the next twenty years. But in 1894, on the occasion of the Frankfort Congress of the German Social-Democratic Party, voices were already heard advocating a revision of the Socialist agrarian programme. The Congress passed a resolution drawn up in somewhat general terms, in which it insisted on the necessity of following a policy which should improve the lot of the peasants as well as that of the agricultural workers, and instructed a special committee to study the problem as a whole. But the necessity of trying to raise the peasant class had not yet been recognised by the majority of the Party, and in 1925 the Breslau Congress by a large majority adopted a resolution put forward by Kautsky rejecting the programme drawn up by the committee, which aimed at improving the lot of the peasant class.

From this time onwards Kautsky became the avowed champion of the older Socialist programme. He developed his ideas in a very

¹ Translated and summarised from the text of the resolution given on page 22 of the work *Sozialismus und Landwirtschaft*, by E. DAVID (Berlin, 1903).

exhaustive study, *Die Agrarfrage, eine Uebersicht über die Tendenzen der modernen Landwirtschaft und die Agrarpolitik der Sozialdemokratie* (1899), which became the profession of faith of the old school. A short time after this work of Kautsky's, however, there appeared Bernstein's well-known work, *Die Voraussetzungen des Sozialismus*, which, with the help of statistics from various countries, invalidated Kautsky's theory by proving that small and medium-size holdings were increasing, in spite of the forecasts of the older Socialist school. The same theory was expounded by the Viennese Socialist, Frederic Hertz. Finally, Eduard David developed the new ideas to their full extent, and created a completely new Socialist agrarian theory in his important work, *Sozialismus und Landwirtschaft* (1903). After pointing out the difference between industrial production and agricultural production, he concluded that the Marxian theory on the concentration of undertakings could not be applied to agriculture, and declared himself a partisan of the smallholding, in the following terms :

The constitution of independent smallholdings on the land at present belonging to large estates should be the chief point in the programme which the Social-Democratic Party should offer to agricultural workers, and is the only one which can touch these masses, who are always eager to become independent.¹

Before the war these opposing doctrines had only a theoretical value in the countries of Central Europe, because the agrarian policy there was dominated by the Conservative Parties. But at the outbreak of the 1918 Revolution, which almost in a day was to upset the political and social structure of the countries of Central Europe, events demanded a solution to these problems. The Bolshevik Revolution had just put an end to the large estates in Russia, and neighbouring countries could not delay in undertaking agrarian reform in their turn. But the chaos of ideas continued in the Socialist ranks, and the Labour Parties, in default of a definite programme, were led in each country to adopt a different policy, inspired by local conditions and the political, economic, and social position of each State. In countries where the large landed estate is the basis of the political power of the Conservative Parties — as in Poland, for example — the Socialist Party declared itself in favour of radical agrarian reform, to suppress the large agricul-

¹ *Op. cit.*, p. 701.

tural undertaking. This attitude was still more marked in States such as the Baltic countries, where the large estates were in the hands of a national minority which was all-powerful before the war. In those countries, on the other hand, where this factor was not of primary importance, and where large estates had at the same time a particularly high productive value, the Socialist Party adopted a much less sweeping policy, and it is interesting to note that the least radical of the laws for the redistribution of land was the Decree promulgated in Germany in 1918 by a revolutionary Government composed entirely of Socialists.

There is one other factor that must be taken into account in trying to understand the attitude of the labour world to the problem of parcelling out large estates. This factor is the appearance of trade unions of agricultural workers. Such unions did not exist before the war, as the right of association was not then recognised for these workers. But as soon as the barriers had disappeared there was a spontaneous movement throughout the whole of Central Europe. Almost in a day powerful organisations of agricultural workers arose, which, in the very first months of their existence, took their place everywhere among the most important occupational associations.¹ Thus a new force appeared, representing well-defined interests, and such that no political party could neglect it. This it was which forced the legislatures, in drawing up new Land Acts, to take account of the special interests of agricultural workers.

Such are the various factors which have influenced post-war agrarian legislation, the tendency of which is everywhere to suppress the large estate, and in most cases also to replace large-scale farming by peasant farming, but which also shows an almost unanimous desire to protect the interests of those who, up to the present, had worked on the large estates as paid workers, and who, in consequence, were directly affected by the reform.

LEGISLATION

A study of the laws on this subject promulgated after the war shows that all have attempted to solve this last problem. Here there are four possibilities open to the legislator.

¹ On the growth of agricultural workers' organisations after the war, cf. the study of the International Labour Office already cited: *The Representation and Organisation of Agricultural Workers*.

The first is, while suppressing the large landed estate, to maintain the system of large-scale farming, and transform the former capitalist undertaking into, e.g., a State undertaking, or into a co-operative undertaking of which the workers would be the members. If, on the contrary, it is decided to abolish not only the large estate, but also large-scale farming, the former agricultural workers can be changed into peasant farmers by granting them a parcel of land on particularly favourable terms; or they may be compensated by the payment of either a lump sum or an annuity; or, finally, steps may be taken to secure work for them in other agricultural undertakings or in other branches of activity.

A brief analysis of the legislative provisions on this subject, contained in the various laws on agrarian reform which have been promulgated in Central Europe since the war, will show which of these solutions has been preferred in each country, or how they have been combined.

The German Land Settlement Act of 11 August 1919 devotes very little space to this problem as compared with the laws of other countries. Sections 23 to 25 of this Act do indeed make it compulsory for municipalities and large-scale agricultural undertakings (*Gutsbezirk*) to lease parcels of land to the agricultural workers whom they employ, if they desire it, but these provisions aim at improving the lot of the workers who remain wage earners on large agricultural undertakings, and not at transforming into independent peasants the workers who lose their livelihood as a result of the redistribution. It was not until four years after the promulgation of the Act of 11 August 1919 that this second question was dealt with by the Act of 7 June 1923, which added to the previous Act a section (section 25 (a)) worded as follows:

When private or public large-scale undertakings are divided up, the settlement undertakings must, as far as possible, establish on such land as settlers by purchase or lease those agricultural workers and employees who live in the servants' dwellings of the said large undertakings, and who have been employed there for at least two years.

If these workers and employees have applied for a grant of land, and cannot be established as settlers, the settlement undertaking must allow them to remain for one year in the servants' dwellings, dating from the day on which it took possession of the land which is to be broken up, or else provide them with another dwelling of equal value before the expiry of this period.

If the workers and employees who have not obtained a grant of land temporarily lose their livelihood as a result of the redistribution, the settlement undertaking must supply them for a longer or shorter period

with some other suitable employment, or pay them compensation equivalent to at least three-quarters of the wages which they drew during the last six months. If the persons concerned have had to remove, the removal expenses must be refunded to them.

This provision was supplemented on 8 July 1926 by a new paragraph stipulating that the settlement undertaking must grant agricultural workers and employees a certain period to decide whether they wish to acquire a parcel of land, and that they must be given all necessary advice on the methods of purchasing such land.

It should be noted, finally, that the German Act of 11 August 1919 also provides for a further possible means of safeguarding the interests of agricultural workers by granting more favourable treatment to large-scale undertakings employing a particularly large number of workers. This intention is well brought out in the Administrative Order of 26 September 1919, which stipulates that large-scale undertakings employing only a small number of workers in proportion to their area must be considered as badly worked agricultural undertakings, and must be expropriated and parcelled out before the others. Thus the undertakings employing a large number of workers are protected.

The legislation of Czechoslovakia and Poland deals more exhaustively with this question.

The Czechoslovak legislation shows more than any other the stamp of the double influence exerted on post-war agrarian legislation by the Marxian doctrine on the one hand, and on the other by the programme of the parties representing the mass of the peasants. The Agrarian Party, which was the most powerful one in the Czechoslovak Parliament in 1919, wished to guarantee the peasants the ownership of the expropriated land; the Socialist Party, on the contrary, wished as far as possible to preserve the large-scale agricultural undertakings, which it considered as the most scientific for the purposes of production, and to transform them into collective holdings.

Czechoslovak legislation attempted a compromise between these two views. The Act of 16 April 1919 (No. 215), which lays down the principles of agrarian reform, states in section 10 that expropriated land not intended to be employed for public utility purposes must be either parcelled out or granted to co-operative societies. The last paragraph of section 9 of the same Act further provides in a general fashion that the expropriation of large-scale

undertakings must be made in such a manner as not to injure the interests of those persons who are entitled to a pension on the large-scale agricultural undertakings.

These principles are developed in the Act of 30 January 1920 (No. 81), which gives details concerning the co-operative societies which are to be created. These societies must be composed of agricultural workers, small peasants, handicraftsmen, or ex-soldiers of the Czechoslovak army; they may not obtain land which has been expropriated from large estates, except for the sole purpose of developing that land in common, and on condition that all their members are directly and personally employed on agricultural work or on the supervision of this work.

The rules of each co-operative society must be approved by the authorities, and the dividends paid to the members may not exceed 5 per cent. on the shares paid up by them. The co-operative societies may obtain as much land as could have been obtained by all their members if the land had been divided individually between them — that is, from 6 to 15 hectares per member, according to the quality of the soil, the situation, etc.

Czechoslovak legislation contains a number of other provisions aiming at the protection of former agricultural workers, in particular Chapter V of the Act of 8 April 1920 (No. 329) and the Act of 18 March 1921 (No. 130). These two Acts¹ make it compulsory for the authorities entrusted with carrying out the agrarian reform to draw up a register of workers on the large rural estates which are to be parcelled out who are over 18 years of age, of Czechoslovak nationality, and derive the greater part of their income from work on the estates in question.

If under the Social Insurance Act of 5 February 1920 (No. 8) the workers have acquired the right to a pension — that is to say, if they are over 60 years of age — the amount of the pension must be fixed by the authorities and paid (unless, under the existing legislation, it has to be paid by the former employers) out of a special fund constituted for this purpose and provided by the State and by the large landowners.

For workers who lose their livelihood as a result of the redistribution, and who are not entitled to a pension, various methods of compensation are provided :

- (1) They have a prior right to obtain parcels of land resulting

¹ Cf. "Social Aspects of Land Reform in Czechoslovakia", in *International Labour Review*, Vol. XII, Nos. 1 and 2, July and Aug. 1925.

from the redistribution of the large properties belonging to the State.

(2) They may obtain a parcel of land resulting from the breaking up of a private estate.

(3) The Land Office may compel the purchasers of land which has been divided up, and exceeds the dimensions of a peasant holding, to engage these persons as workers.

(4) It may compel large estates which have not been expropriated to give preference, when engaging workers, to those who have lost their livelihood as a result of the redistribution of another estate.

(5) The authorities must take steps to find employment for them.

(6) Finally, such workers may obtain compensation in cash to enable them to keep themselves during a period of unemployment.

The existing Polish legislation — that is to say, the Act of 28 December 1925 and the numerous Administrative Orders published since — make practically no mention of the institution of workers' co-operative societies. It is true that paragraph 1 of section 52 of this Act contains a clause stating that redistributed land may be bought either by individuals who are taking up agriculture or by associations of individuals, but it does not go beyond this hint.

The Polish legislation, on the other hand, like the German legislation, tends to grant favourable treatment to large agricultural undertakings employing a great number of workers; thus, the Order of 1 April 1927, which gives a list of those landowners who are entitled to keep more than 180 hectares of land, mentions (section 1, paragraph (e)) those employing a particularly large number of workers per hectare.

The Polish legislation also safeguards the future of the agricultural workers by granting them easy terms for acquiring land. Section 45 of the Act states :

If a large agricultural undertaking is wholly or partly divided up, small peasant farms must be created on such land for the families of workers who lose their livelihood as a result of the redistribution.

Section 90 of the Administrative Order of 7 December 1926 states still more clearly :

Land which is broken up must, *after the farms destined for agricultural workers have been created*, be employed for extending existing peasant smallholdings, etc.

Such an explicit provision demands a clear definition of what is understood by "agricultural workers". Such a definition will in fact be found in section 79 of the same Order, in the following terms :

Agricultural workers are taken to include all workers and artisans employed on large estates who do not own land, who work under annual contracts, who must furnish permanent work on the large undertaking which is being divided up, and who live in the servants' dwellings along with their families.

These workers, who are called "deputat" workers, must, under this Act, be granted relatively great facilities for the purchase of land. The long-term credits granted them may cover the whole purchase price of the land in question. The workers may also obtain working capital up to 4,300 zloty for the equipment of new farms, and if the redistribution has been carried out by the State they may obtain special credits for the construction of the essential buildings.¹

If the workers do not wish to take advantage of these privileges for buying land, or if they are too old to be able to work, the Act provides compensation for them up to 500 zloty at the end of the year of service for workers who have been employed at least ten years and not more than twenty-five years, and compensation equal to the annual wage of a "deputat" worker multiplied by 2.5 for workers who have been employed more than twenty-five years.

The legislation in countries where agrarian reform is being carried out more slowly, as in Austria and Hungary, takes much less account of agricultural workers.

The Austrian Resettlement Act² contains a clause granting priority for the purchase of land which has been broken up to those persons who worked on this land before it was broken up. The Act also provides that land may be bought not only by individuals but also by legal persons, thus providing for the possible creation of agricultural co-operative societies.

¹ Section 74 of the Administrative Order of 23 December 1926 (*Dziennik Ustaw*, 1927, No. 7) and information provided by the Ministry of Agrarian Reform in Warsaw.

² *Bundesgesetzblatt*, No. 255, 16 Dec. 1921.

The Hungarian Act of 7 December 1920 contains only a general clause stating that agricultural workers may purchase parcels of land not exceeding 3 arpents.¹

The Rumanian legislation, promulgated between 1918 and 1921, also goes into very little detail on this subject, although the reform there has been carried out with extraordinary rapidity. This lacuna is partly explained by the fact that before the reform a considerable part of the land belonging to large landowners was already being worked by peasant farmers, who, after the reform, simply became the owners of the land, and also because the area of the land put at the disposal of the Government has been sufficient in many regions to provide parcels of land for the whole agricultural population that did not previously own land, including agricultural workers.

Chapter X of the Act of 14 July 1921, however, contains a clause stating that if there is not sufficient land to provide a parcel for every applicant, priority must be given to disabled soldiers and to workers formerly employed on the land in question.

A study of the legislation of the three Baltic countries, finally, shows that the Estonian Act is the only one that encourages the formation of workers' co-operative societies.

Part II of the Latvian Land Act, passed on 22 December 1920, makes no reference to the rights of the workers, but grants priority in the purchase of land to peasants whose holdings are close to those which are being divided up.

The Lithuanian Act of 15 February 1922 contains the same general clause as has been found in numerous other Acts, granting priority to workers who lose their livelihood as a result of the agrarian reform (Chapter III).

This brief survey shows that almost everywhere the legislation has aimed at safeguarding the interests of agricultural workers who were threatened by the agrarian reform. We must now see to what extent the various measures adopted (the creation of agricultural co-operative societies, the establishment of workers as settlers, the payment of compensation, and transfer to other branches of activity) have had a practical value.

¹ 1 arpent = 0.57 hectare = 1.4 acres.

DIFFICULTIES IN THE WAY OF APPLICATION

The Formation of Workers' Co-operative Societies

The transformation of large rural holdings into workers' co-operative societies certainly appears attractive. From the economic point of view it is the sole method of preserving the advantages of large-scale farming for the national production, as well as the productive power of the capital which is invested in the large undertakings, and is for the most part lost when the land is divided up. From the social point of view it represents a considerable advance for the workers who become members of the co-operative societies. Finally, from the financial point of view it results in an enormous saving for the State and the national economy, since it renders superfluous the parcelling-out operations, which are always costly, and the considerable construction work demanded in transforming large agricultural estates into peasant holdings if the latter are to be well equipped for purposes of production. In principle, therefore, the value of this programme appears undeniable, but there remains the question of its practical application.

It is a fact that in certain countries, notably in Italy, co-operative societies for agricultural work have given excellent results, and yet it must be observed that in Central and Eastern Europe, with the possible exception of Rumania, this method of working the soil has not succeeded in taking root. Even in Germany, where the co-operative idea is so much in favour and where the rural population considers credit co-operative societies and agricultural trading co-operative societies as an integral part of the organisation of their farms, co-operative societies for the common working of large agricultural undertakings are practically unknown. It has been seen that the State of Czechoslovakia considered the formation of co-operative societies as an essential aim of agrarian reform, but in reality the number of co-operative societies which it has created is almost negligible. From 1922 to 1 May 1925 only 97 have been registered, of which 35 were for the purpose of the joint working of industrial undertakings (dairies, distilleries, etc.) depending on large agricultural undertakings, which entirely changes their nature.¹ Since 1925 this figure has

¹ Cf. *International Labour Review*, Vol. XII, Nos. 1 and 2, article cited above.

scarcely risen, as is shown by a report on the results of agrarian reform published by the President of the State Land Office in Prague, Mr. Wozenilek, in a supplement to the *Prager Presse* of 13 May 1928 devoted entirely to agriculture.¹

In Poland, the question of the formation of co-operative societies of this type is no longer even discussed, in spite of the attempts made some time ago by certain political parties. In Estonia, where the legislation also tried to create these societies on a large scale, the results did not correspond at all to the legal provisions, and we read in an article by the Socialist Deputy Martna, one of the leading Estonian experts on this question, that "in fact the country has scarcely any associations of this nature, that the idea of co-operative production has not made much headway in Estonia, and that only very feeble propaganda on behalf of it is being made".²

In Austria, Hungary, Latvia, and Lithuania the same question arises : the collective working of land, although recognised by the law in every case and often encouraged by it, does not take root ; ten years after the beginning of the agrarian reforms the co-operative societies are still the exception and show no tendency to become more numerous.

How is this phenomenon to be explained ? Is it lack of propaganda, or lack of vocational training, or merely lack of confidence among the agricultural population ? It seems to the present writer that the reasons lie much deeper. To become the owner of some land is the supreme ambition of the Central European peasant. Only individual ownership, complete and unrestricted, can satisfy him, and work in a co-operative society even as a member appears to him paid work. Along with these psychological reasons are various economic reasons. Since the war the agricultural situation has been somewhat precarious in Central Europe, a great number of large agricultural undertakings have shown a deficit for several years in succession, and credit has been scarce and dear — all circumstances to discourage any new method of farming. In addition, the depreciation of the currency in the States of which we are speaking has only increased these difficulties.

¹ According to an article based on official information appearing in *Industrial and Labour Information*, Vol. XXI, No. 7, 14 Feb. 1927, there were at the beginning of 1927 not more than 42 labour co-operative societies in Czechoslovakia formed by former workers on large agricultural undertakings.

² M. MARTNA : " Social Aspects of Land Reform in Estonia ", in *International Labour Review*, Vol. XIII, No. 1, Jan. 1926, p. 25.

These are some of the reasons which possibly explain to a certain extent why the idea of the formation of workers' co-operative societies on a large scale has not been realised.

Establishment of Workers as Settlers

The second important method contemplated in the various laws is the establishment of former workers as settlers. If it were possible to give a parcel of land to all the workers threatened with the loss of their livelihood and thus make them independent peasants, the remedy would be simple and effective. But, alas, it is not easy to apply this solution. There are, in fact, two considerations to be taken into account : first, whether local conditions allow the creation of new farms, and then whether the worker is able to farm the parcel granted to him on scientific lines.

The first question arises in countries where there already exist a great number of peasant farms which are too small to give a sufficient yield, a phenomenon very frequent in Central Europe. Thus, to take only one example, the part of Poland which formerly belonged to Austria (the four Voivodias of Cracow, Leopold, Stanislaw, and Tarnopol) contained, according to the 1920 census, 1,022,000 peasant farms of under five hectares, covering 1,712,000 hectares of cultivable land. Each of these farms has therefore an average area of 1.7 hectares ; further, 50 per cent. of them are not continuous holdings but are made up of 10, 20 or even more isolated parcels. It is quite clear that the first reform to be undertaken here is to reconsolidate and enlarge the existing farms. It should be added that this reconsolidation involves very considerable expense, which is only justified if the farms so formed are sufficiently large for proper working. In these conditions, the land resulting from the break-up of large estates must necessarily be used for increasing the size of these reconsolidated peasant farms, and the provision of new farms for the use of agricultural workers would be a serious error from the economic point of view. Here, then, there is a very clear opposition of interests between the workers on the redistributed estates, on the one hand, and the small peasants and the general economic needs of the country on the other. The peasants drag out a miserable existence on holdings which are so small that neither the work of their hands nor that of the members of their family nor their livestock can find adequate scope. They are consequently prepared to acquire an arpent of land at any price,

and their interests agree on this point with the economic and social needs of the country, for the formation of new farms is superfluous and harmful where there are already too many idle hands during the greater part of the year, too many horses, too much cattle, too much unproductive equipment in proportion to the area of ground available. No office undertaking to carry out agrarian reform could ignore these facts, and even the Polish legislation, which, more than any other, clearly recognises the worker's right to priority in acquiring parcels of land, expressly suspends the exercise of this right when the land being broken up must be used for enlarging existing peasant farms which are both too small to maintain their owners and also in need of reconsolidation (section 51 of the Act of 28 December 1925).

If this first difficulty is met with only in countries or areas where the agricultural population is particularly dense, the second difficulty mentioned above is found to be acute everywhere. Are the agricultural workers in a position to farm the land of which they are to become the owners on scientific lines? Have they the necessary vocational training and material resources? On the first point it seems that in general an affirmative answer may be given. The workers nearly always carry out the various agricultural tasks well and have often even greater experience than the peasants of modern agricultural machinery, artificial manures, drainage systems, and other rural improvement operations. And while it is true that they are not always fitted to take over the management of a smallholding, especially in the case of labourers who are no longer in their first youth and cannot rid themselves of certain routine habits, it is nevertheless also true that among rural labourers a great number of individuals can be found who from the vocational point of view are capable of becoming excellent settlers.

The question of the financial resources is more serious, for the agricultural worker has hardly ever any money to stock a farm. Even if he gets the land without having to pay down anything on account but merely on payment of rent, and even if he is granted a credit of 80 per cent. (which is high) for the work of starting the farm, he must still possess a few thousand gold francs as working capital; but this would be quite exceptional in the States of Central Europe, which have all suffered from inflation. The "deputat" worker has in general one or two cows, a few pigs, and some poultry, but hardly ever any cash reserves. In these circumstances there is only one method to be followed if he is not to begin his life as an

independent peasant in poverty, which would be disastrous from the economic, as well as the social, point of view; that is for the public authorities who are carrying out the agrarian reform to provide him with the necessary fixed and working capital in the form of credits or subsidies.

The following example will suffice to show that considerable sums are involved. According to the Polish Land Act of 28 December 1925, 200,000 hectares must be parcelled out every year. Since, in Poland, there is on the average one family of "deputat" workers on every 15 or 20 hectares, there are 10,000 to 13,000 workers' families every year who lose their livelihood as a result of the agrarian reform. If all these families are to be provided merely with the absolutely indispensable working capital, say at an average of 3,000 gold francs (£120) per family, the Government would have to set aside for this purpose 30,000,000 to 40,000,000 gold francs (£1,200,000 to £1,600,000) a year, quite apart from the fixed capital required for the purchase of the land and the construction of buildings, which would be at least three or four times as much as the working capital. None of the post-war States is in a position to devote such a sum of money to the settlement of agricultural workers. Thus, too often they have had to stop short at granting land without providing the means of farming it. In these circumstances a great number of workers have been obliged to give up at once the idea of buying land or have abandoned it after a fruitless attempt.

The statistics given farther on show that the number of workers who have become settlers is very small everywhere in proportion to the area parcelled out. In other words, most of the workers who lose their livelihood on the large undertakings do not become independent peasants but have to be content with drawing compensation for the unemployment to which they have been reduced. This compensation is indeed the third remedy to which certain post-war legislations have had recourse in order to alleviate the lot of the agricultural workers who are deprived of their employment by the agrarian reform.

Compensation of the Workers

If this compensation is paid in the form of a pension to elderly workers who are no longer fit for work, it may be considered as a definite solution of the problem. But that is not the difficulty; it lies in the necessity of providing maintenance and employment

for the workers who lose their livelihood and who are still strong and fit for work. The compensation paid them may enable them to get through some months of unemployment, but after that the vital question of finding them new employment must be faced. This point needs to be stressed, because up to the present it is chiefly by the payment of compensation that attempts have been made to help these workers as the law intended ; but from the economic and social point of view it is no real solution.

Other Employment and Emigration

What happens to workers who lose their livelihood and do not become settlers ? In Czechoslovakia and in Poland there has often been, besides the holdings resulting from the redistribution of a large agricultural undertaking, a "remnant" estate (*Restgut*), larger than the new holdings, on which a certain number of workers' families can find work. But even this is only a partial solution and the other workers have no alternative but to find employment on peasant farms, in other branches of national production (industry etc.), or abroad.

The life of agricultural labourers on the peasant farms is generally harder than on the large estates. There is rarely any question of a collective agreement. The State inspection officials have practically no means of supervising the conditions of work ; the accommodation provided is nearly always inadequate and it is rare for a worker employed by a peasant to have a dwelling for himself where he may live and enjoy family life. Agricultural workers who have worked on large-scale undertakings feel this change of conditions acutely and do not accept this solution unless they have no other means of earning a living. It cannot therefore be considered as a normal means of protecting the workers who have suffered by the redistribution of land, especially as the indirect aim of agrarian reform is to create peasant farms which can be worked by their owners without paid help.

The effectiveness of the other two remedies (work in industry, etc., and work abroad) is evidently very relative. It depends on general economic conditions, the possibilities of emigration, and the capacity of industry to absorb more workers, quite apart from the difficult question of how far an agricultural worker, ignorant of any trade but his own, is capable of doing useful work in industry.

It is clear that the break-up of large estates may have serious consequences for the workers employed on them, and that the various legislative provisions on the subject have not always succeeded in effectively protecting these workers. The risk they run is certainly less when agrarian reform can be carried out during a period of economic, and in particular financial, prosperity or when there are great possibilities of emigration. It increases, on the contrary, in proportion to the speed with which the reform is carried out.

Such being the difficulties of the problem, it remains to examine the effect in practice of agrarian legislation on the condition of agricultural workers.

SOME RESULTS

The problem of the agricultural workers, as has just been shown, is not really acute except in countries where the break-up of large estates has been carried out rapidly, that is to say, where the area divided up annually represents a considerable percentage of the total amount of land belonging to large landowners.

If only a small area is divided up each year it is infinitely easier for the workers to find employment on the remaining large undertakings, especially since agricultural labour is scarce in certain countries of Central Europe. It is particularly this aspect of the problem which presents itself in Germany.

German legislation, as has been seen, does not aim at the suppression of large agricultural undertakings as such ; it does not fix a maximum area for large holdings, as many other legislations do ; finally, it allows expropriation only in strictly specified conditions, when large estates are particularly numerous and do not lend themselves to voluntary redistribution.

According to detailed statistics of the redistribution in Germany published in March 1928¹, 192,900 hectares were divided up between 1919 and 1925 under the new legislation, and of these only 26,200 were expropriated. According to the census of 16 June 1925, there were 18,669 large agricultural undertakings with more than 100 hectares of cultivable land and covering a total of approximately 5,159,000 hectares ; hence it is clear that the area divided

¹ *Vierteljahrshefte zur Statistik des Deutschen Reichs*, 1927, No. 4.

up in the course of the six years in question has been a trifling fraction of the whole.

During these same six years, 16,812 new farms with a total area of 146,700 hectares were formed. The rest of the land thus divided up was used to enlarge 44,935 peasant farms which were too small to be worked properly.

The same statistics (page 90) contain details regarding the occupation of the persons who acquired parcels of land, but only for the period 1923-1925. Among 7,073 persons who acquired new farms there were 503 former agricultural workers, or approximately 7 per cent. This percentage may no doubt have increased since 1925 as a result of the grant of new credits to agricultural workers, but to-day it certainly does not exceed 10 per cent.

The area divided up between 1923 and 1925 was altogether 120,240 hectares. Deducting from this figure the land which was uncultivated before being broken up, there remain about 117,000 hectares which were actually being worked by large agricultural undertakings. As there is in Germany on the average one family of permanent workers to 15 hectares of land it may be estimated that the number of families who have lost their livelihood as a result of the redistribution is about 8,000. In other words, only 6 per cent. of them were able to take advantage of the reform and become the owner of a peasant farm between 1923 and 1925.

It may be added that the leasing of land to workers, as provided for in sections 22 to 24 of the German Land Settlement Act, has only been carried out in exceptional cases between 1919 and 1925.

Up to the present no detailed figures have been published for the period after 1925, but certain partial data that have been made public justify the assertion that the situation has not changed to any considerable extent. Certainly, the problem of finding employment in other large rural holdings for the 2,000 to 3,000 workers' families who annually lose their livelihood as a result of the redistribution of land is not a serious question for a country which, like Germany, has no rural unemployment; but at the same time it must be noted that the workers have only rarely obtained any benefit from the reform.

In Czechoslovakia, the area which, before the reform, belonged to the large landed proprietors and which came under the post-war agrarian legislation was 1,230,000 hectares of cultivated land (fields, meadows, gardens, and vineyards) and 2,733,000 hectares

(including 181,000 hectares of pasture land) of non-cultivated land.¹ Deducting forests, building land, stretches of water, etc., there were approximately 1,400,000 hectares of land which were being worked for agricultural purposes (including pasturage).

According to an article, already cited, by Mr. Wozenilek, President of the State Land Office in Prague, the reform was almost concluded by the end of 1927, since at that date there remained only 192,000 hectares of cultivable land to be distributed. How had the land been distributed? This is how Mr. Wozenilek answers the question:

The land has been used chiefly for enlarging existing peasant farms of not more than five hectares. That is a natural consequence of our system of agriculture — a system which is characterised by a far too high percentage of tiny farms which do not yield a living. It was necessary to develop this class of small peasants in order to carry out a reasonable population policy and put a stop to emigration, as well as to increase the purchasing power of the home market.²

Reckoning that on these 1,400,000 hectares there was on the average in Czechoslovakia one worker's family for 15 to 17 hectares, it is found that 80,000 to 90,000 workers' families must have been affected by the reform. Approximately 10,000 families have doubtless found employment on the 1,531 "remnant" estates which were formed on 135,000 hectares where the former large-scale undertakings showed a particularly high productive value. This figure of 10,000 families seems reasonable because on the estates concerned very intensive cultivation was carried on.

With regard to the 70,000 to 80,000 remaining families, the State, according to Mr. Wozenilek, had up to the end of 1927 made satisfactory arrangements for 64,311 workers, which is a very high percentage. Of this number only 25.2 per cent., or about 16,000, have been able to become owners of 54,900 hectares of available land, making an average of only 3.4 hectares per settler; 4.8 per cent. of the workers (old and infirm) have been granted a pension; 23.8 per cent. have been found employment by the authorities; the others (46.2 per cent.) have merely obtained cash compensation, amounting for 30,000 workers to approximately 155.5 million

¹ *International Labour Review*, Vol. XII, Nos. 1 and 2, article cited above.

² *Agricultural Supplement to the Prager Presse*, 13 May 1928, p. 10.

Czechoslovak crowns, i.e. an average of 5,000 crowns (approximately 800 gold francs or £32) per worker.

These figures are very significant. They show :

(1) that the percentage of workers who have become owners of land as a result of the reform is higher in Czechoslovakia than in Germany, but is still very low ;

(2) that even the workers who succeed in buying a parcel of ground generally get too little land for successful working ;

(3) that about half the workers have obtained no other relief than cash compensation, which has enabled them to live without working for a few months or even a year, but cannot be considered as a real solution of the problem dealt with here.

The data from Czechoslovakia, therefore, in spite of the admirable efforts made by the State, confirm what has already been observed for Germany, namely, that agricultural workers rarely benefit and often suffer by agrarian reform.

The problem is perhaps still more acute in Poland.¹ The area divided up from 1919 to the end of 1927 was 1,409,000 hectares. This figure includes approximately 136,000 hectares in the eastern voïvodias used for purposes of so-called "military" land settlement under the Act of 17 December 1920 ; as this Act aims chiefly at dividing up for the benefit of ex-soldiers the land belonging to large estates abandoned during the war, the number of workers who have lost their livelihood as a result of this particular redistribution cannot be very large. The figure of 1,409,000 hectares also includes a great extent of land which before the war was covered with forests that have been cut down either during or since the war, so that here again the redistribution cannot be considered as a cause of unemployment. There remain, therefore, about a million hectares which had formerly been used for agricultural purposes by the large estates, either public or private.

The breaking up of land in Poland is generally done voluntarily ; recourse is had to expropriation only when voluntary action does not give sufficient results. The following table will give some idea of the rapidity with which the reform has been carried out :

¹ The data for Poland are taken from the "Quarterly Review of Statistics", 1928, No. 1, published by the Polish Central Statistical Office, and from a report entitled "The Work of the Ministry of Agrarian Reform, 1918-1928", submitted to the Supreme Council for Agrarian Reconstruction by Mr. KASINSKI, Director in the Ministry, on 30 January 1928.

Year	Area of land broken up (hectares)
1919	14,200
1920	74,300
1921	224,000
1922	221,600
1923	163,500
1924	132,600
1925	121,400
1926	218,300
1927	239,000
	<hr/>
	1,408,900

The Act of 1925 provides that 200,000 hectares at least must be broken up every year; since 1926 this figure has not merely been attained but even exceeded. The area remaining to be divided up is about 1,500,000 hectares, so that the reform ought to be completed within six or seven years if it continues at the present speed. The greater part of the million hectares of agricultural land that has already been parcelled out has been used to enlarge existing peasant farms. Assuming that there is on an average one family of permanent workers to every 20 hectares of large estates¹, it may be estimated that up to the present 50,000 families have lost their livelihood.² Between 1919 and 1927, 63.1 per cent. of the purchasers of parcels of land resulting from the redistribution were small peasant proprietors, most of whom bought a parcel in order to enlarge the small farm they already owned. Between 1919 and 1925 (the period for which exact data on the point have been published) the number of workers who acquired land and who were formerly employed on estates which were divided up was 6,534 out of the 172,598 persons who benefited by the reform, or approximately 4 per cent.³

In 1926, after the new legislation came into force, there was little change in the situation. According to Mr. Kasinski⁴, the

¹ This average seems sufficiently accurate for Poland as a whole; for Western Poland, where cultivation is specially intensive, it is evidently larger.

² To be precise it would be necessary to add a certain number of families who have been dismissed as a result of the abolition of servitudes which in the former Russian territory still affect a number of the large estates in favour of the peasants. In fact, the abolition of these servitudes is an integral part of the Polish agrarian reform; peasants to the number of almost 50,000 have at present obtained 175,000 hectares which formed part of large estates as the equivalent of these servitudes, and this has necessarily meant a reduction in the number of workers employed. In accordance with the definition of the term "agrarian reform" given at the beginning of the article, this problem will not be discussed here.

³ "Quarterly Review of Statistics", Vol. quoted, pp. 231-233.

⁴ Page 68 of the report.

percentage of former workers who acquired parcels of land was 8.6 per cent. for land broken up by the State, and from 0.9 to 2.1 per cent. for land broken up by private persons. Out of 218,000 hectares broken up in 1926, 134,000 hectares were broken up by private persons; it is therefore clear that the average percentage of workers who have acquired parcels of land has certainly not been more than 4 per cent.

It appears that at most 20 per cent. of the 50,000 workers' families who have lost their employment as a result of the redistribution have obtained a parcel of land. The rest of the workers, in the most favourable circumstances, i.e. after the adoption of the 1925 Act, have received nothing but an indemnity of a few hundred zloty, which cannot be considered as a solution of the problem.

For Estonia it will suffice to refer to the article by Mr. Martna mentioned above¹, which states:

The reform deprived these workers [i.e. "deputat" workers] of the land on which they worked. Perhaps a few thousand of them with their families will be able to go on working on the small number of large farms which remain in existence; the remaining 30,000 or more will be replaced by smallholders. Up to the end of 1924 only 4,224 of the former estate workers had been allotted settlers' holdings. Nothing else has been done either for them or for the estate officials, who also lost their occupation through the reform. . . . Estonia is considered an agricultural country, and some people maintain that 70 per cent. of the population are supported directly or indirectly by agriculture. But we have seen that much of the labour of the farm population is unoccupied and must seek employment elsewhere. Besides the owners of dwarf holdings of various sizes there are a large number of families and single workers, who might be described as jobbing workers, or workers without a regular occupation, who are ready to seize any opportunity of employment that may present itself. Their number is increased by adult members of artisan villagers' families, who need paid work in order to add to the family income. Since the reform their ranks have been further swollen by the unemployed former estate workers, whose calling is field work and who understand nothing else. It can hardly be said that any of these have benefited by the reform.

The review *Letlands Ekonomist* for 1928, published by the Latvian Ministry of Finance, provides fairly full data on the results of agrarian reform in that country.

The area seized under the post-war agrarian legislation was 3,710,400 hectares, including 1,654,700 hectares of agricultural land. At the end of 1927 the greater part of this land (1,427,000 hectares)

¹ *International Labour Review*, Vol. XIII, No. 1, Jan. 1926, especially pp. 29-30.

had been distributed among new owners, so that there remained at that period only 200,000 hectares to be distributed in order to complete the reform; 956,000 hectares had been used to form new farms or to enlarge small peasant farms.

The statistical data unfortunately do not show clearly what area has been used for forming new farms, and it is still less clear what percentage of the farms has been granted to former workers on large estates. It seems probable, however, that the situation in Latvia does not differ much from that in the other countries. The statistics in fact show that up to the end of 1926 only 3.63 per cent. of the area divided up had been used for making new farms of under 10 hectares; and in all probability the workers would hardly have been able to buy parcels of land of more than 10 hectares. Further, the provisions of the Act give grounds for supposing that a great number of the workers have not been able to obtain land. As the number of applications went far beyond the amount of land available, the Latvian Act divides all applicants into five categories, without giving any definite priority to agricultural workers; on the contrary, priority is generally given to agriculturists who already own the necessary livestock for farming a holding, which is rare among the workers.

No data for the study of the situation in Lithuania are available.

In Hungary the problem is rather different. Under the Act of 7 December 1920 agrarian reform is being carried out less rapidly there than in the other countries. Its aim, moreover, is to create a great number of very small holdings, but not to suppress large estates as such. In 1913, in the territory at present belonging to Hungary, large landowners held 55.8 per cent. of the area of the country, or 9.1 million arpents — a very high percentage as compared with the other States of Central Europe which have undertaken agrarian reform.

According to data communicated to the Hungarian Chamber at the end of 1925 by Count Bethlen, the Prime Minister¹, 1,100,000 arpents or 12 per cent. of the land belonging to the large estates were to be divided up under the Land Act. At the end of 1925, at the end of the five years prescribed for the application of the 1920 Act, 850,000 arpents had been parcelled out and there remained still about 250,000 to be divided up in order to complete the reform. Of the 850,000 arpents parcelled out, only 180,000 to

¹ *Industrial and Labour Information*, Vol. XVII, No. 11, 15 March 1926.

190,000 had been used for enlarging "dwarf" peasant holdings which existed before the reform; the rest, or about 660,000 arpents, had been used to form new holdings.

According to an article by Mr. Jules de Konkoly Thege, Ministerial Councillor in the Royal Hungarian Central Statistical Office¹, confirmed by the statements of Count Bethlen, the number of peasant smallholdings has reached 840,000 as a result of the reform, i.e. it has increased by about 220,000 as compared with 1913.

From a comparison of the figures quoted, it appears that the average size of the new farms is only 3 arpents. This figure agrees with the provisions of Chapter I of the Act of 7 December 1920, which stipulates that disabled soldiers, the members of the families of soldiers killed during the war, and agricultural workers shall enjoy priority for the purchase of 3 arpents at most. This result has also been confirmed by Mr. Szebo, then Minister of Agriculture, who stated in an article in *Pester Lloyd* for 9 August 1924 that the first category of those who benefited by the reform must be taken to include disabled soldiers, war widows and orphans, and agricultural workers who have received 3 arpents at most and 2 arpents on the average.²

Assuming that on the 850,000 arpents (488,500 hectares) divided up at the end of 1925, there were 20,000 to 25,000 families of permanent workers, it is quite clear that these families can easily have been allotted 2 arpents on the average, or a total of 50,000 arpents or 6 per cent. of the land distributed. But it is important to notice that a holding of 2 or even 3 arpents in Central Europe can only ensure an independent existence in quite exceptional cases, and that the majority of the workers who have obtained parcels of land will therefore be forced to continue to look for paid work on the large undertakings, which even after the reform will still occupy 45 per cent. of the area of the country.

The Hungarian reform has therefore consisted in transforming the former "deputat" workers into "free" workers living in their own houses and working on the large estates, often under short-term contracts, during periods of intense agricultural work (harvest, seed time, etc.); but it is obvious that this phenomenon, whatever its social importance may be, is possible only in a country where large estates continue to exist on an extensive scale.

¹ "Review" of the Hungarian Statistical Society, 1925, No. 4, p. 159.

² Information taken from *Bulletin quotidien de la Société d'études et d'informations économiques* (Paris), No. 175, 27 Aug. 1924.

The position is similar in Austria in this sense, that the Austrian agrarian reform does not aim at revolutionising the general system of land tenure. On the contrary, the Austrian Resettlement Act aims merely at transforming into peasant holdings land bought after 1870 by large landowners at the expense of smallholders. This aim is such a special one that the problem of the agricultural workers as discussed in this article does not arise or is of only very small importance.

We come now to the State where agrarian reform has been conceived and carried out on the widest scale — Rumania. It is very difficult to get an accurate idea of the effects of the reform on the agricultural workers.

The area expropriated is 5,714,000 hectares of the territory of present-day Rumania, representing 30 per cent. of the total area of agricultural land.¹ The reform has been carried out under a series of regional Acts, all aiming at the expropriation of large estates exceeding a certain maximum, fixed at 500 hectares in the former Kingdom of Rumania, 500 arpents (285 hectares) in Transylvania, the provinces of Crishana and Maramouresch, and the Banat, 250 hectares in the Bukovina, and 100 hectares in Bessarabia. The land broken up has been used chiefly for increasing the size of peasant farms up to 5 hectares, and for making new farms of not more than .5 hectares.

If the 5,714,000 hectares expropriated had been worked by their former owners before the reform, the reform would have deprived at least 250,000 workers' families of their means of support. In reality, however, a great part of this land had for a long time been leased to peasants and farmed by them. The large estates in this case existed from a legal but not from an economic point of view, and the post-war reform consisted merely in transferring to the peasants the title deeds of lands which from the economic point of view were already peasant property. The problem of the agricultural workers did not therefore arise in cases of this kind.

There have nevertheless been a great number of large estates in Rumania, and especially in the former Hungarian territory and in Bessarabia, the division of which has necessarily involved unemployment for a great number of former workers.

As the Rumanian Act provides for the creation of small farms

¹ Mitita CONSTANTINESCU : *L'évolution de la propriété rurale et la réforme agraire en Roumanie*. Bucarest, 1925. 480 pp.

ordinarily not exceeding 5 hectares, the number of persons who have benefited by the Act, i.e. the number who have acquired land, has been relatively very high in proportion to the area divided up, and higher than in Germany, Czechoslovakia, or Poland. Mr. Constantinescu, General Secretary of the Rumanian Agricultural Committee, whose important study of the Rumanian agrarian problem has been cited above, states however¹ that the number of applicants for parcels of land in Rumania so far exceeded the amount available for distribution that 400,000 of them could get nothing, and among these were a high proportion of agricultural workers. Further on he says² :

The second and most numerous category of peasants, the agricultural workers, must also be dealt with by an extensive programme, the aim of which would be to absorb all the floating elements of country life and direct them into channels leading to orderly, useful, and productive work. A great number of these agricultural workers who own no land forms the labour supply with which the large or medium landowners who have remained after the expropriation will carry out the agricultural work on their respective holdings. The rest will of necessity form a harmful proletariat in the villages and will provide favourable ground for sowing the seeds of revolution. Thus the employment of these surplus elements is a matter of extreme urgency.

And again³ :

From these considerations it follows that the chief problem in the period after the Agrarian Acts in Rumania . . . [is] particularly and before everything the question of the effective and continuous employment of the agricultural workers who have no land.

We find therefore in Rumania the same phenomenon as in the other countries, particularly Czechoslovakia and Poland : the agricultural workers have for the most part not profited by the reform, but, to use the expression of Mr. Constantinescu, they tend to become a "surplus element", the useful employment of which, while it is a social and economic duty, presents enormous and often insurmountable difficulties.

CONCLUSION

Is it necessary, in these conditions, to strengthen the case made out above by mentioning the innumerable articles that have

¹ *Op. cit.*, p. 427.

² *Ibid.*, p. 459.

³ *Ibid.*, p. 463.

appeared in recent years in the labour press of every country ? Is it necessary to quote the numerous questions asked in various parliaments by the Labour Parties, which agree unanimously that the redistribution of land has had harmful and even disastrous consequences for agricultural workers ; to recall that in 1925, the Polish National Labour Party, representing in Parliament the powerful Federation of Polish Trade Unions, which includes more than 150,000 agricultural workers among its members, has to the last, with the support of the large landowners, opposed the new agrarian legislation ? Is it necessary to recall that the new agrarian programme of the German Social-Democratic Party, adopted in 1927 at Kiel, provides only for the expropriation and division of large estates exceeding the " economic optimum " (*optimale Betriebsgrösse*), calculated for eastern Germany at 750 hectares ?

It appears preferable to repeat here what has been said at the beginning, namely, that in limiting this study to a single aspect of agrarian reform, we must necessarily refrain from drawing any conclusions regarding the general outcome of this reform. The redistribution of large landed estates is a complex problem which the different States of Central Europe have had to solve taking into account economic, social, and often political considerations, and on which no general judgment can be passed without a profound study in each State of *all* the questions that centre round it. The object of this article is solely to study the effects of this redistribution on the agricultural workers, and the conclusions reached must of necessity be limited to this one question.

In the first place, it seems necessary to ask whether the redistribution cannot be carried out in some manner more favourable to the interests of the agricultural workers. That obviously depends chiefly on the amount of capital a State can devote to this reform ; the greater the amount of capital, the easier it is to help the workers to purchase holdings, and to provide them with fixed and working capital. The period over which the reform is spread has also a certain influence on the fate of the workers ; the longer it is, the easier it becomes to consider their interests. But it seems that there is still another way of reducing the acuteness of the problem under consideration, namely, to take the situation of the workers themselves as the point of departure for the administrative policy of the reform.

The main reason for the redistribution of the large estates is obviously the desire to secure the maintenance of a greater number of individuals on a given area of land. In this case redistribution

is almost a synonym for internal land settlement ; and there is no doubt that it often has this character. In Central Europe, there is on the average one family of agricultural workers to 16-20 hectares on the large estates, i.e. 50-60 families gain a livelihood on an area of 1,000 hectares. If the land is broken up, this number may be doubled, provided 100 new farms are made with an average area of 10 hectares, which is sufficient to keep a family of peasants. But the problem does not present itself in the same fashion everywhere. Throughout Central Europe there are, besides the large agricultural undertakings under extensive cultivation, numerous modern estates farmed on scientific and intensive lines which are capable of supporting a worker's family on 12, 10, or even 8 hectares. If these are divided up, the number of families which will find a livelihood on them will not increase and may, on the contrary, decrease. In fact, the maximum yield which can be got from these estates and which requires the employment of so many workers is a result not only of scientific farming but also of the capital invested in the form of buildings, machinery, various agricultural improvements, etc., most of which would be lost if the land were divided up.

It is therefore necessary to distinguish between well farmed and badly farmed large estates ; and for this reason the post-war Land Acts contain special provisions for estates recognised as having a particular productive value.

In countries where the reform has been carried out almost in a day (Rumania and the Baltic countries), the choice of these estates has had to be made in a more or less arbitrary fashion by the authorities. In other States conformity or otherwise to progressively raised standards for the treatment of workers employed might be made a means of discriminating between one large estate and another.

It has already been stated that before the war the right of association did not exist for agricultural workers in Central Europe ; this is one of the reasons why wages and other labour conditions have always been lower in agriculture than in industry. This state of affairs has changed since the war ; agricultural workers have been secured the right of association, and agricultural work, especially on large farms, is carried out on the basis of collective agreements concluded between the organisations of employers and workers. Thanks to these agreements, the workers' conditions of employment are already better than they were before the war, and some large estates which before the war were able to exist only because of the cheapness of agricultural labour can no longer pay their way

and are therefore broken up. The progressive improvement of conditions of labour, the extension of protective labour legislation and of legislation on social insurance in agriculture, in short, the levelling up of agricultural labour conditions to those of industry, will hasten this process, and will result in a natural, one might almost say an automatic, selection of the large estates that have a real economic value and therefore a social value.

It appears, therefore, that by following a policy of workers' protection in the strict sense of the term it will be possible not only to improve the lot of the workers who remain on the large estates, but also to facilitate the solution of the problem studied in this article. If competition is allowed to eliminate the large undertakings that are incapable of adapting themselves to the new working conditions, those others can be left untouched whose yield enables them to employ a large number of workers and to guarantee them satisfactory conditions of life and labour. At the same time the number of workers forcibly thrown out of work by the reform will be reduced to a minimum, for the only estates to be broken up will be those second-rate ones which employ relatively few workers and which cannot provide them with suitable conditions of existence. Applied in this way, agrarian reform will no longer involve the risk of suddenly depriving of their employment workers who had satisfactory conditions before the reform; for the others it will be a factor making for progress by enabling them to set up as smallholders on the land on which the level of existence they reached as wage earners was too low.