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THE LAND TENURE SYSTEMS IN EUROPE

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THE LAND TENURE SYSTEMS IN EUROPE (*)

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I.

MAIN TYPES OF EUROPEAN LAND TENURE SYSTEMS.

In modern Europe the development of rural life, and indeed of the life of the community in general, is dependent upon a number of extremely varied factors. To attempt to distinguish the one most important factor among them would be an arduous and perhaps fruitless task.

Innumerable forces influence the development of society. Among the most prominent, a place must certainly be allotted to the land tenure system, i. e. the manner in which man draws wealth from the soil and is at liberty to dispose of land by law. Land settlement, the system under which land is worked, the devolution of rural property, etc., are all factors which exert a profound influence upon the communal life of the countryside, and which combine to form the basis of the economic structure of agriculture.

The system of land tenure in present-day Europe is the outcome of a long process of evolution; its complexities would be practically incomprehensible if the historical factor were not taken into consideration. At no time has the system remained static for long; it has undergone practically continuous change under the influence, partly of government intervention, but mainly of economic and social forces.

The evolution, through past centuries, of the relations between owners and tenants can be traced; from them spring the present land tenure systems of the various European countries. " The plough and the furrow " states Prof. Acerbo (*Compiti e Prospettive dell'Agricoltura nei Sistemi di Economia Regolata*, Città di Castello, 1935, p. 17), " symbolise a millenary civilisation which first Italy, then in turn all the other European countries, inherited from Rome as the fruit of her physical and moral power. Since those times, agriculture has throughout been looked upon not only as a productive form of activity but as a mode of life and the pivot of the social structure ".

Examination of the recent history of European land tenure reveals a slow development, during the last half-century, of the legal relationships which determine the structure of agriculture in the four great western countries. The change has been most marked in Germany, less so in the three other main countries, the United Kingdom, France and Italy. In all four countries the object has been gradually to modify the land tenure system, through the application of various laws relating to land settlement, without destroying pre-existing systems, and hence without causing a sudden change in the national economic structure.

The same slow modification of the system of tenure has occurred in the northern countries—Belgium, the Netherlands, Denmark, Norway and Sweden—

as also in Switzerland, where the agrarian system is similar to that found in Northern Europe.

Land settlement consists in the creation of new undertakings and the extension of the area under cultivation, mainly by the allocation of lands owned by the State. It is the most moderate way of transforming a country's land tenure system but it is also a long-term type of agrarian reform, which only gradually changes the distribution of landed property.

In none of these Western European countries have the distribution of land and the optimum use of the soil been imposed by outstanding occurrences such as war or peasant revolutions. In most cases they were the outcome of the application of an agrarian policy harmonising with historical developments and designed to counteract effectively a social evil which, although in its early stages was growing in intensity.

A very different situation to that obtaining in the west is found in Eastern Europe, namely the Union of Soviet Socialist Republics. Agrarian developments here differ entirely from those briefly outlined above, not only in degree but also in their nature. The agrarian system in the U. S. S. R. has nothing, or practically nothing, in common, either with that of the former Russian Empire, or with that found in Western Europe. The *muzhik* has become a member of the collective farm, while the former large estates are now State farms, established on communist lines after the 1917 Revolution. The relative power of the various social classes and their relative importance in the country's economic life have altered completely. The chief change though, has been in regard to the principle of land ownership. Private possession of the soil is now looked upon as an obsolete notion, while the collective principle has become the foundation of land tenure, as of the entire social organisation of the U. S. S. R.

Between these two extremes—the evolution of the Western European system of land tenure, and the agrarian revolution in the U. S. S. R.— we may place, not only on geographical grounds but also by virtue of their type of organisation, the land tenure systems of North-Eastern Europe (Finland, Estonia, Latvia, Lithuania), and of Central and Southern Europe (Poland, Czecho-Slovakia, Romania, Yugoslavia, Hungary, Bulgaria and Greece); in each of these countries agrarian reforms have been introduced, and the former situation changed.

Those reforms, which vary according to the country concerned, depending on the social and racial composition of the population and the salient factors in the country's agrarian development, display characteristics which recall in varying degrees either the land settlement system, or the revolutionary methods of the U. S. S. R. at any rate during the immediate post-War period. As a result of these agrarian reforms land ownership underwent such profound changes that large numbers of the peasant population became owners. The principle of ownership has been preserved, but some infractions of the rights of private individuals could not always be avoided. The object of any agrarian reform, whether partial or fundamental, is, in the last analysis, the same: to contribute to a solution of the problem of maintaining an even distribution of the population as between town and country. But the means resorted to, and the results obtained, differ in each case.

The various land tenure systems can be classified on uniform lines by dividing Europe into three principal zones:

1. The land settlement zone, in which the evolution of land tenure has been progressive (Western and Northern European countries):—

a. the four principal countries: United Kingdom, France, Germany and Italy;

b. the five northern countries: Belgium, Holland, Denmark, Norway and Sweden, to which Switzerland may be added;

2. The zone of agrarian collectivism introduced by revolutionary means, namely, the Union of Soviet Socialist Republics;

3. The agrarian reform zone, including all Central and Eastern European countries.

An attempt to classify agrarian reforms will be made later in this study (Section IV).

Naturally, land settlement schemes can also be found in countries where agrarian reform has been undertaken, while conversely, measures of agrarian reform have sometimes been taken in countries where land settlement is the rule. Here the chief object, however, is to classify the various land tenure systems, taking economic characteristics as the starting-point.

II.

LAND SETTLEMENT ZONE.

System of Land Tenure in the United Kingdom, France, Germany and Italy.

In embarking on a study of the development of land tenure in Europe, one point which the International Institute of Agriculture has always explicitly stressed must be clearly borne in mind in any comparison of the structure of agriculture in different countries. It is the following:—

"Attention must be drawn to the fact that data concerning the various countries are not compiled on uniform lines, and that much caution must be exercised in comparing, or drawing conclusions of an international character from the existing statistical information.

Different meanings attach to the expression "agricultural undertaking" in the statistics of the various countries. Classifications of undertakings according to size differ appreciably from country to country, and sometimes from one census to another within the same country. In addition, some countries base classification on total area, whereas others reckon only the agricultural area, or sometimes the area under cultivation.

Just as great a variety of methods is found where undertakings are classified according to type. One of the reasons for this fact is the varying nature of the contracts governing legal relationships in respect of land in the several countries.

Finally, only a few countries supply statistics in which agricultural undertakings are classified according to both type and area".

Nevertheless, as a result of the Institute's efforts matters have appreciably improved in this respect. In 1927, in the documents contributed by it to the first International Economic Conference at Geneva, the Institute found itself compelled to state (*Agricultural Problems in their International Aspect*, page 311): "With respect to certain countries, statistics of the distribution of property and of agricultural holdings are completely lacking. In other countries again these statistics are not renewed periodically; the figures available refer to one year only, and so comparison is impossible. In many cases the particular year dealt with is far from recent". Since then the situation has changed considerably. Between 1930 and 1933, on the Institute's suggestion, practically every country in the world carried out an agricultural census, the results of which were published, following a uniform plan, by the Institute. It would be difficult to exaggerate the value of this work from the international point of view; the present study is based mainly upon its results (1).

(1) "The First World Agricultural Census" — the various volumes were published from 1931 to 1938.

It must also be borne in mind that the two concepts, land ownership and agricultural holding, do not coincide; we have preferred to deal with the latter. The circumstances governing the ownership of land, particularly as regards agriculture in Western Europe, constitute a special problem. The agricultural surveys made in various countries only supply very general information on the subject, which is quite inadequate for purposes of scientific study. Several attempts have been made in Germany, but most of them are no more than fragmentary, and therefore also hardly suited to scientific analysis. In the United Kingdom a census of landed property, generally known as the "New Domesday Book", was made in 1875; but it is, of course, somewhat obsolete. The number of owners of land can only be estimated indirectly by reference to land-tax collection figures. Even then the result is very largely an approximation (1).

United Kingdom.

1. *General observations.* — The origins and growth of the British land tenure system show that at no stage has the economic development of the country favoured the emergence of a strong and prosperous peasant population.

Even in the 17th and 18th centuries, when agriculture was at its zenith, and when the country not only covered its own requirements in wheat but was also such a large exporter as to be looked upon as the granary of Europe, it was noticeable that the peasant population benefited but little from the agricultural prosperity thus enjoyed. Later, as England gradually became an industrial country, agriculture took second place to trade and industry to the great detriment of the economic independence of the peasantry.

In the last half-century, however, more attention has been paid to agricultural problems, and several attempts have been made to reform the system of land tenure.

2. *Land reform.* — As early as 1875, when steadily increasing quantities of American wheat were entering European markets, a law was passed in Great Britain, the Agricultural Holdings Act, to encourage the creation of small holdings.

The 1908 Small Holdings and Allotments Act had a wider purpose: the creation not only of small holdings, but of employment for agricultural labourers; under it the Minister for Agriculture was empowered to create and lease small holdings and homesteads, the cost of which was to be met by the county councils

The Act defines small holdings as agricultural undertakings over one acre but less than fifty acres in area, holdings exceeding fifty acres being included only if, at the time of sale or leasing, the annual value for income tax purposes did not exceed £ 50. Allotments were limited to a maximum area of five acres,

(1) The principal measures concerning rural property, internal colonisation, the formation and conservation of small rural properties etc. are published by the International Institute of Agriculture in *l'Annuaire International de Legislation Agricole.*

except in certain special cases. A particularly important provision of the Act was that empowering county councils to expropriate land when they could not obtain it by voluntary agreement.

Under the terms of this Act, 13,270 farms of a total area of 186,768 acres, representing 5 per cent. of the total farms in the country, had been established up to December 1918, *i. e.* up to the end of the War. The average size of each farm was 14 acres.

One of the principal objects of British agricultural legislation being to improve the living conditions of agricultural labourers, it is interesting to note that, in 1909, 25 per cent. of the applicants for small holdings were agricultural labourers; the proportion was 30 per cent. in 1910, 28 per cent. in 1911, 29 per cent. in 1912, 24 per cent. in 1913, and 32 per cent. in 1914.

The Land Settlement (Facilities) Act passed in 1919 encouraged the purchase of land by county councils and by the Board of Agriculture. It empowered county councils to acquire land for the creation of small holdings in exchange for permanent annuities payable by the councils. These annuities could be redeemed by the councils at any time, at a price to be settled by agreement or, failing such agreement, at the average price of government securities yielding in annual interest an amount equal to one annuity. The circumstances prevailing at the time this Act was passed were abnormal, for the price of land had reached a record level; its principal object was to provide land for soldiers discharged after the Armistice.

The Public Works Loan Commissioners were given powers to grant loans to county councils on terms to be laid down by the Treasury, £ 20,000,000 being thus provided for.

Up to December 31, 1924, 16,550 holdings, representing 7 per cent. of the total number of farms not exceeding 50 acres in area, had been created under this Act. The total area involved was 254,520 acres, the average size of each farm being 16 acres.

The above summary shows that government action to encourage small holdings has not given results commensurate with the efforts made. In 1930, out of a total of 255,000 small holdings in England and Wales, only 31,000, or approximately 12 per cent., had been created since 1908 under the terms of the relevant Acts. The number of the small holdings now owned by the farmers is quite insignificant, only 451, or slightly above 1 per cent. of the total. The terms under which land was sold for small holdings by the county councils were not such as to encourage farmers to become owners.

3. *Distribution of undertakings according to size.* — The effect of the reforms outlined above, and of other measures of agricultural policy, is shown in the following table, which illustrates the main characteristics of the land tenure system in England.

This table reveals the predominance of large undertakings exceeding 121 hectares in relation to the whole area under cultivation: from a quarter to a fifth of this area is accounted for by large holdings, although they only represent 3 per cent. of the total number. Small allotments, averaging from 0.4 to 2 hectares, constitute one-fifth (18.4 per cent.) of the total number, but only

Distribution of Undertakings according to size.
(1930 agricultural census).

Size of holding	1921				1930			
	Number	%	Area (hectares)	%	Number	%	Area (hectares)	%
From 0.4 to 2 ha. .	81,217	19.3	102,000	1.0	72,984	18.4	91,718	0.9
» 2 » 8 » .	116,159	27.7	530,000	5.0	103,975	26.3	477,688	4.7
» 8 » 20 » .	80,967	19.3	1.101.000	10.4	77,970	19.7	1.069.251	10.4
» 20 » 40 » .	61,001	14.5	1,798,000	17.0	61,703	15.6	1,815,599	17.7
» 40 » 61 » .	32,020	7.6	1,601,000	15.1	31,998	8.1	1,586,050	15.4
» 61 » 121 » .	35,822	8.5	3,025,000	28.6	34,957	8.8	2,955,960	28.8
over 121 ha.	12,947	3.1	2,423,000	22.9	12,236	3.1	2,274,949	22.1
Total . . .	420,133	100.0	10,580,000	100.0	395,823	100.0	10,271,215	100.0

0.9 per cent. of the total area. Holdings of from 2 to 8 hectares represent over 26 per cent. of the total number of holdings, but barely 5 per cent. of the total area. The proportion of medium-size holdings of from 8 to 40 hectares is more satisfactory: 35.3 per cent. of the total number and 28.1 per cent. of the total area. The dominant type of holding, therefore, is the large farm of from 40 to 121 hectares; it accounts for 16.9 per cent. of the total number and 44.2 per cent. of the total area.

Generally speaking, the distribution of farm lands in England shows that there are too many small farms in the lowest category, and too much farm land divided among a few undertakings in the highest category.

The change in the distribution of farm lands in recent years is very instructive. The table shows that the total agricultural area decreased by some 300,000 hectares between 1921 and 1930, while the drop in the total number of farms has also been appreciable: from 420,133 in 1921 to 395,823 in 1930.

Without entering into all the economic, social, technical and other factors responsible for this decline, it may be observed that the decade from 1919 to 1929 was remarkable for the economic boom enjoyed by the world in general including, to a considerable extent, British industry. Higher wages in the towns, and larger imports of agricultural produce prejudiced the position of British agriculture.

The proportion of agriculturalists in the gainfully employed population of Great Britain fell from 8.5 per cent. in 1911 to 6.4 per cent. in 1931. This exodus from the countryside was doubtlessly due to lasting influences closely bound up with the whole economic development of England. A statement made by Prof. A. W. Ashby may, however, be noted, in passing: " Great Britain herself might have avoided part of her loss of agricultural population by a drastic change in economic policy; but she might also have become economically poorer in the process... Unless there is a more radical reversion of economic policy than has yet occurred, any appreciable rise in the more recent proportion is quite im-

probable " (" The Farm Worker in England and Wales ". *International Labour Review*, Geneva, March 1935).

4. *Methods of exploitation.* — As regards the terms under which land is held, the proportion of lands worked directly by the owner rose in England from 10.6 per cent. in 1913 to 20 per cent. in 1921 and to 36 per cent. of the total agricultural area in 1927. Although there are no figures for more recent years this indicates a tendency towards an increase in the proportion of land worked directly by the owner. This tendency was particularly marked between 1917 and 1927, when agricultural prices, and consequently the prices paid for land, were high. Many landowners seized this opportunity of selling land, and numerous farmers were thus able to become the owners of the land which they tilled. The purchase by tenants of over 5 million acres and of some 50,000 farms within a period of fourteen years is a remarkable fact, although the circumstances were so exceptional that the movement cannot be expected to continue.

Some two-thirds of the agricultural acreage is worked on lease, and Great Britain can therefore be considered as the outstanding example of a country in which leased lands are the rule.

Leases generally run only for one year, but farmers hold the same farm all their lives. In Scotland leases are also concluded for one year, but farmers sometimes leave their holdings at the end of that period.

5. *System of succession.* — The law and practice of successions exerts a considerable influence on the distribution of landed property. Under the laws of inheritance, the whole landed estate passes to the eldest son without any compensation being paid to brothers and sisters. Movable property alone is divisible. This legal situation has led to the growth of a landed aristocracy, and to the substitution of leasehold farmers for farmer-owners.

The social consequences of this change in England have been considerable. The landed aristocracy has tried to retain ownership of the soil by family arrangements or entails, and by maintaining the right of primogeniture. About two-thirds of the large estates in England and Wales are at present subject to entails. Their effect, as in the case of estates held in trust (under *Fidei-commis*) in other European countries, has been to keep in existence the larger estates.

A further consequence of the system of devolution, also favourable to large estates, has been the fact that sub-divisions of land have never been considerable in England. Practically every estate is of one piece, and questions of consolidation or reintegration have never been raised.

France.

1. *General characteristics of land tenure.* — The French system of land tenure, as it has developed in the course of centuries, whether freely or as the result of State intervention, is so different from the English system as to call for comparison.

In contrast to the English system, under which the greater part of the land is held by tenant farmers on lease from big landowners, small peasant properties

sufficient to provide a single family with a more or less independent livelihood are the general rule in France. The effect of successions on the conservation of landed estates also differs fundamentally in the two countries, the English system of entails on the one hand being sharply contrasted with the French system of division of the land under the Code Napoleon.

There has been no land settlement on any considerable scale in either country. In England this is a consequence partly of the law of inheritance and the existence of a powerful landowning aristocracy, which retains control of the land, and partly also of the general economic conditions obtaining in that country. In France, on the other hand, there is little variation in the distribution of holdings, for the reason that there are so few large estates.

The changes that have been made in the land tenure of the two countries as a result of land settlement have been inspired by very different aims, the object in England being to reduce the size of the excessively large estates still found in that country, whereas the object in France has been to increase the size of the excessively small holdings which are so common in France. For reasons already indicated, the problem of consolidation is of secondary importance in England, whereas in France it is very serious indeed as a result of the excessive parcelling of land; but in France, as in other countries, there are a variety of obstacles in the way of a successful solution.

2. *Distribution of undertakings according to size.* — Although comparison between the general results of the 1892 Enquiry and those of the 1929 Enquiry (published in 1936) is not easy, a glance at the two tables side by side suggests certain general observations.

Distribution of Holdings according to size

Size of holding	1892				1929			
	Number	%	Total area in hectares	%	Number	%	Total area in hectares	%
under 1 ha. . . .	2,235,405	39.2	1,327,300	2.9	1,014,731	25.6	724,908	1.5
from 1 to 10 ha.	2,617,538	45.9	11,244,700	24.1	1,863,867	47.0	9,556,284	20.7
» 10 » 50 » [1]	711,118	12.5	14,313,400	30.0	973,520	24.5	22,437,770	48.6
» 50 » 100 »	105,391	2.4	22,493,400	43.0	81,844	2.1	6,126,880	13.3
over 100 ha. . . .	33,280				32,468	0.8	7,359,477	15.9
Total . . .	5,702,732	100.0	49,378,800	100.0	3,966,430	100.0	46,205,319	100.0

[1] From 10 to 40 hectares.

1. In 1929 the number of big undertakings of more than 100, or even 50 hectares had decreased.

2. A striking reduction had occurred in the number of small properties of less than one hectare, chiefly owing to the flight from the land.

3. The number and total area of medium-sized undertakings had greatly increased.

Hence medium-sized or peasant property tends more and more to become the predominant form. " Medium-sized " in this connection may be defined as " sufficient to provide work and a livelihood for an entire family ". It is this type of property which forms the economic and social basis of the French peasantry.

The above table should be completed by the following particulars.

Apart from undertakings of less than 1 hectare which, from the agricultural point of view, can be regarded as agricultural undertakings only in the case of intensive cultivation (and even then not in every case), it will be seen that the agrarian system obtaining in France in 1929 included a large number of undertakings of from 1 to 10 hectares which constituted 47 per cent. of the total number of undertakings, while accounting for only 20.7 per cent. of the total area of agricultural land. The average area of such undertakings is 5.13 hectares. Medium-sized undertakings of from 10 to 100 hectares form 26.6 per cent. of the total number of undertakings and include 61.9 per cent. of the total area. The average area of the undertakings of from 10 to 20 hectares, is 16 hectares, whilst of the undertakings from 10 to 50 hectares and from 50 to 100 hectares the average areas are 34 and 75 hectares respectively.

Large undertakings exceeding 100 hectares represent only 0.8 per cent. of the total number and include only 15.8 per cent. of the total area of cultivated land in France. Undertakings in excess of 1,000 hectares are very rare: excluding the property of public bodies, there are not more than a few dozen, situated chiefly in the north and in the area north-west of Paris.

The total number of permanent workers in agricultural, wine-growing, horticultural and forest undertakings amounted to 6,214,565 in 1929.

With reference to the distribution of undertakings according to area, M. Augé-Laribé has written as follows (*L'Agriculture pendant la Guerre*, Paris, p. 198).

" Certain economists would like to see the large estates strengthened because they feel how necessary rapid progress in agricultural production is, if national recovery is to be achieved, and they look for such progress to better technical organisation. They would welcome the introduction of powerful capital backing in the case of large and scientifically managed estates. Politicians on the other hand in general rejoice that small and medium-sized peasant properties have maintained, and even increased their number, because they think such properties have a traditional value from the social point of view with which France cannot afford to dispense, and which has no counterpart in the case of big estates worked by paid labour. They argue that peasant properties do not fall behind large estates, even in the matter of output. While this part of their thesis is no doubt more questionable, it at least acquires some weight when peasant undertakings are backed by co-operative combination; and the force of the argument will become increasingly cogent as and when agricultural training is organised on the scale for which the situation calls ".

3. *Measures to develop small properties.* — A class of peasant proprietors has come into being, as it were, of its own accord. The State has not ignored

this development; but such direct measures as it has adopted to encourage the process have had only limited results. Some reference must nevertheless be made to certain of these measures, viz. to the various laws on family properties, agricultural credit and endowment with land on retirement (*domaine-retraite*).

Laws on family properties. — A series of laws (1906, 1908, 1909) prohibit the attachment or division of properties which have been declared "family properties" (*biens de famille*) by a declaration made by the owner to the judicial authorities. The operation of these laws is not very extensive. It is largely confined to the case of buildings with a few hundreds of square metres attached. Incidentally, where such properties are agricultural, the owners find it impossible to obtain credit owing to the inability of the creditors to seize the properties.

Decree on non-attachable family properties (June 14, 1938). — The Law of July 12, 1909, on the constitution of non-attachable family properties was intended to effect a far-reaching economic and social reform in the sense of maintaining small properties, protecting the family against the ordinary accidents of life, and so forth.

Unfortunately, it has not been prolific in results, the number of family properties (urban and rural) constituted up to the present time being less than 300.

The failure of this legislation, from which so much was expected, may be attributed mainly to the low maximum value fixed for the properties concerned. To remedy this defect, the maximum value which a property may have in order to become a non-attachable family property under the Law of July 12, 1909 was raised to 120,000 francs by the Decree-law of June 14, 1938.

Agricultural credit. — The results achieved by the *Caisse Nationale de Crédit Agricole* have been much more satisfactory. Under the Law of August 5, 1920, this institution makes long-term advances not exceeding 60,000 francs for the purpose of facilitating the acquisition, improvement, transformation, and establishment of small rural undertakings. Some 80,000 families, mostly of ex-servicemen and War victims, have taken advantage of such loans since the War.

Endowment with land on retirement (*domaine-retraite*). — Lastly, the Decree law of May 24, 1938, was intended to develop small rural properties (as distinct from small undertakings) by the introduction of a system of endowment with land on retirement, so as to enable all wage-earners to acquire a small rural property for their old age.

In return for annual contributions varying from 100 to 1,000 francs, which are capitalised by the *Caisse Nationale de Crédit Agricole* and by the State at rates graded from 7 per cent. to 10 per cent., the beneficiaries under this law are enabled to acquire or equip a place of retirement for themselves in a rural commune (commune with less than 2,000 inhabitants).

Holders of "*domaine-retraite*" books, who at the time of payment of their contributions have not less than three legitimate children living of less than sixteen years of age, are entitled to a rebate of 25 per cent., or 50 per cent. if they have five such children. These rebates are at the charge of the State.

Advances are made for the purpose by the *Caisse Nationale de Crédit Agricole*, which are refunded to the latter monthly out of special credits included for the purpose in the budget of the Ministry of Agriculture. The amounts of the rebates are credited to the book-holders. They cannot be capitalised, and are payable only on the completion by the book-holders of the acquisition or equipment of their rural properties.

4. *Methods of exploitation.* — Systems of exploitation have followed *pari passu* the development in the distribution of landed properties: that is to say, with the increasing predominance of peasant properties there has been a corresponding increase in direct working.

Each region, however, remains faithful to its traditional system—for example, *métayage* in the centre and south-west of France and tenant farming in the north and in the Ile de France, both of which persist without notable change. Current tendencies can best be seen from the figures for the territory as a whole.

	Percentage of number of Undertakings		Percentage of area cultivated	
	1892	1929	1892	1329
Direct working	70	75.5	53	60
Tenant farming	23	20.0	36	30
Métayage	7	5.5	10	10

The tables serves to give a rough indication of the position, but not much more, for, as already stated, the two *Enquêtes* of 1892 and 1929 respectively were not made on identical lines and did not cover quite the same field. It is sufficiently clear, however, that tenant farming and *métayage* have both declined, while direct working has correspondingly increased—which is precisely what might have been expected in the light of what has taken place in connection with the distribution of landed properties.

The decline of *métayage* is probably more marked than would appear from the table, as a result partly of the improvement of agricultural methods and the development of credit and partly of the operation of social factors such as land lords' absenteeism, restriction of the birth rate in peasant families compelling the *métayer* to call in paid labourers at onerous wage rates, and the like. *Métayage* is hardly possible except in countries with large families. It is true that after the War the depreciation of the franc and its subsequent fluctuations in value gave a renewed stimulus to *métayage*.

Amongst other beneficial results, *métayage* has enabled land to be settled in parts of South-Western France which were becoming depopulated as a result of the flight from the land.

Tenant farming is still common. A very interesting development is, however, to be noted in this connection. The rent in the majority of contracts concluded under present conditions is no longer always a sum of money fixed for the duration

of the lease, but is determined by the current money value of a fixed quantity of wheat or other produce, the price of which may vary from year to year. The risk involved in fluctuations in produce prices is in such cases shared between the landowner and the tenant farmer.

5. *Consolidation (remembrement).* — In contrast to the distribution of landed property which may be said to be satisfactory, the position in regard to the division of the land leaves much to be desired. In certain areas, the reduction of output as a result of excessive parcelling is estimated at as much as 30 per cent.

Consolidation, i. e. the concentration of scattered parcels of land belonging to the same owner in a single block, or at any rate in a smaller number of parcels, has been advocated and attempted for years past.

The simplest method is by amicable exchanges between owners in the same locality. A good deal has been done in this way; but the process is not of universal application, being apt to split on the rock of peasant individualism – in which case there is nothing for it but the resort to collective consolidation.

There are no less than four legislative measures governing collective consolidation, viz: — the Law of 1865: the Chauveau Law of November 27, 1918: the Law of March 4, 1919 concerning Areas Devastated in the War: and the Decree-Law of October 30, 1935, in amendment and replacement of the Law of 1918. The exchange of parcels is based on the productive value of the land as distinct from its sale value, so that the owner of a parcel of well-kept land need no longer be afraid of being given a plot of waste land in exchange for it. Disputes are settled by a committee of landowners *not resident in the commune where the consolidation takes place.*

The publication *Résultats généraux de l'enquête agricole de 1929* (General results of the agricultural enquiry of 1929) gives the following figures:

Consolidation and Exchange of Parcels of Land 1919-1929.

Area which cannot be divided up without harmful effects.	Consolidation Operations		Exchange of parcels of land.	
hectares	Number	Number of hectares affected	Number	Total area in hectares
9,721,018	541	218,972	916,889	447,955

While the results obtained by 1929 were by no means negligible, they were inadequate in face of the situation with which they were intended to deal. Leaving out of account the 452 consolidations effected at the expense of the State in areas devastated as a result of the War, only 89 are left for other areas, i. e. an average of 5 consolidations per year effected at the instance of the parties concerned. It is still too early to say whether the Decree-Law of October 1935 will

prove any more effective than other legislative enactments. The chief obstacles to consolidation would seen to be the individualist attitude of the peasant, his attachment to – and indeed affection for – any plot of land that has been in his family for generations, and the expense of the proceedings, even though the State grants under the 1935 Decree have reduced the latter by 80 per cent.

6. *System of succession.* — In addition to the above remedy against the division of the land, there are certain preventive measures which have been suggested. The Civil Code allows each heir to claim his share of the estate in kind; and the division of estates in this manner necessarily involves dividing them up into new parcels, unless the heirs come to an agreement to prevent this development. The Law to prohibit the Attachment of Family Properties was intended to prevent such division; but its effects have been extremely limited.

The number of peasant families in France has greatly declined since 1892. The social and economic consequences of this development will readily be imagined.

The effect of dividing up rural holdings as a contributory factor in the flight from the land was the basis of a Decree of June 17th, 1938, which modified certain provisions of the Civil Code in regard to successions of rural property.

Under this last Decree, an estate or estates forming an agricultural undertaking of less than 200,000 francs in value may be declared indivisible, subject to certain specified conditions, despite the opposition of a joint owner or the parties entitled to benefit on his account. The period of the declaration of indivisibility applied for may not exceed five years; but the declaration may be renewed until the decease of the surviving spouse or the coming of age of the youngest descendant.

The Decree further gives certain exemptions from taxation to co-heirs in cases where it has been found possible to avoid the parcelling of an estate or the division of an agricultural undertaking.

By the Laws of March 31 and December 31, 1935, fiscal exemptions were granted on successions in the direct line of descent to small rural properties and artisans' properties not excceding 50,000 francs in value. A Decree of April 21, 1939 has extended these exemptions to the surviving spouse and has raised the value-limit of the exempted property to 100,000 francs; and in order further to aid whichever of the heirs continues the working of the undertaking, the Decree provides for the reduction by a half of the taxes for which he is personally liable in all cases where, before the authorised deduction, the value of the succession does not exceed 200,000 francs.

GERMANY.

1. *General observations.* — For various reasons, the German system of land tenure may be classed as half way between the two systems already considered, namely the English and the French. In Eastern Germany the system of land tenure, like that in England, is characterised chiefly by the presence

of large estates, whereas small-holdings are predominant in Western Germany, as is generally the case in France. In regard to methods of working, German agriculture more closely resembles French, in that undertakings are most frequently run by the owner himself; on the other hand, the German customary and successional law is more akin to the English.

The most characteristic features of German agrarian policy in the last half century consist in the progress and methods of land settlement and in the systematic establishment of peasant holdings by the breaking up of large estates.

2. *Settlement.* — Land settlement has been taking place in Germany for over half a century, and its history may be divided into three principal phases. The first, which began under Bismarck in 1886 and lasted until the end of the War, was prompted chiefly by ethnic motives. The second, based on the Weimar constitution, lasted from 1919 to 1933, and was influenced chiefly by theories of social policy. The third, dating from 1933, draws its inspiration from nationalist and racial conceptions.

a. The fundamental idea during the first phase of settlement was the introduction in Eastern Germany of a system of tenure similar to the western system by the establishment of small and medium-sized peasant holdings.

Under the various laws on settlement of 1886 and 1890-1891, three forms were available for the purchase or rent of land, namely:—

1. leasehold tenure;
2. purchase for cash;
3. *Rentengutbesitz*, i. e. possession in return for payment of a fixed rent (royalty) to the State.

Contracts of the last-named kind, which offered to agriculturalists the advantages of tenancy and ownership combined, were preferred in almost every case. Special clauses provided for sound management and State control. Under the Law of June 8, 1896, estates passed to the principal heir without splitting or division of the land, the co-heirs being compensated in bonds (*Rentenbriefe*) issued by the *Rentenbank* on demand on the security of a mortgage on the land. The banks responsible for the payments fixed by the contracts were in the position of intermediaries between the cessionaries and the recipients of the *Rentengüter*. They made the money derived from the issue of these bonds, secured on the properties, available for landowners in need of capital who were anxious to dispose of their estates. It must however be said that, in spite of partial successes, the results achieved during this period were disappointing. Of 1,000,000 hectares of land in peasant occupation, which had been enclosed by big landowners between 1811 and 1860 (*Bauernlegen*), only some 600,000 hectares had been distributed amongst some 44,000 *Rentengutsbesitzer*, notwithstanding the vigorous legislative, financial and technical activity displayed in favour of the programme; and the significance of these figures is even less when taken in conjunction with the annual increase of 20,000 hectares in the area of entailed estates. In other words, far more land was closed to settlement every year than was made available for settlers.

In 1914, there were 1,311 entailed estates in Prussia, representing 2 ½ million hectares of untransferable land or 7.1 per cent. of the total area. The position

in regard to these estates remained the same until after the War, when the breaking of the entails was allowed and encouraged by the Prussian Decree of May 13, 1919, and still more by the Reich Law of July 6, 1938.

b. The second phase of land settlement was inaugurated by the Law of August 11, 1919, concerning Land Settlement in the Reich, which was undoubtedly the most important agrarian enactment since the Stein-Hardenberg legislation. In general, this phase showed better results than the pre-War period. The important changes embodied in this Law consisted in the provisions regarding settlement on land adjacent to agricultural undertakings (*Anliegersiedlungen*), i. e. the extension of small holdings to enable them to support entire families. This Reich Law required the Federal States to open up their State domains for settlement as soon as the leases expired.

In addition to State domains, marshy areas and waste ground, great areas of land were taken over for settlement from big landowners. The latter were compelled to give up their land, unless one-third of the cultivated area of large estates in any given district was already in process of settlement, and unless the cultivated land in the area given up to undertakings of over 100 hectares did not amount to more than 10 % of the total.

The Reich Law set up a new institution in the shape of Land Acquisition Associations (*Landlieferungsverbände*), operating generally in single provinces or districts with the object of inducing large land-owners to sell of their own initiative and encourage settlement.

Land for settlement was obtained from the following sources. Some 77 per cent. came from large private estates of more than 100 hectares, 10.4 per cent. from other estates of less than 100 hectares and 9 per cent. from public bodies, while 3.6 per cent. consisted of marshy and waste land brought into cultivation. Each settlement cost about RM. 23,000, and was financed entirely out of public funds. Between 1919 and 1933, an area of 1,040,000 hectares was acquired for settlement, of which 821,552 hectares were actually settled, 662,407 hectares being used for the establishment of 62,371 new undertakings, and 159,143 hectares for the enlargement of 104,621 existing undertakings.

c. The third phase of land settlement has been strongly influenced by racial theories, the principles of which are embodied in the Law of September 29, 1933, on Hereditary Peasant Holdings (*Erbhöfe*). This measure modified the laws on rural property and inheritance. All agricultural or forest properties sufficient to keep a peasant family—which, in general, means properties not exceeding 125 hectares in area—are declared to be peasant holdings, and are entered in the Land Register as such, if they belong to persons entitled to the description of peasant (*Bauer*).

The owners of hereditary peasant holdings (*Erbhöfe*) are alone entitled to the appellation of peasants (*Bauern*). Proprietors or possessors of any other agricultural or forestry undertaking are described as agriculturalists (*Landwirte*).

A hereditary peasant holding may not be divided on succession, but must pass as a whole to a single heir. The rights of co-heirs are limited to other property; and the order of succession of heirs is strictly regulated. The Law

on Peasant Holdings is intended to maintain a strong peasant class by the preservation of agricultural properties.

There are about 700,000 of these hereditary peasant holdings, covering roughly half the total area of cultivated land in Germany.

The Reich Law on Peasant Holdings restricts the conditions of indebtedness, sale and forced sale of these properties. It is otherwise with the inheritance of landed property in general. In extensive areas of Germany, amounting in all to some four-fifths of the whole country, land passes in accordance with ancient custom to a single heir, usually the eldest son, the co-heirs receiving compensation. In general, the compensation paid to co-heirs (*Abfindung*) is less than what each of them would receive, if the property was equally divided. The principal heir (*Anerbe*) receives the estate in such condition as to enable him to make a living out of it. The compensation paid to the co-heirs is therefore calculated on the basis of earnings accruing from the undertaking, and not on that of its sale value. Advances are also made in many cases to the principal heir.

This custom obtains only in certain parts of the country: but it is so deeply rooted, and conforms so closely to peasant traditions, that disputes regarding the amount of compensation are extremely rare.

Before 1933, the division of land on succession was largely confined to the middle and upper Rhine, where the land had accordingly come to be held in very small parcels.

The Law on Peasant Holdings was no innovation in Austria, in so far as the non-division of land on succession was concerned: it merely legalised a centuries-old custom.

It is hoped that the Law's support of hereditary holdings will encourage agriculturalists to resort to every legal, financial or other means at their disposal to acquire the right to call themselves peasants (*Bauern*).

With a view to increasing the area of agricultural and forest land which can be cultivated by independent peasants, land has been freed from entail. The Law concerning the Extinction of Entails was promulgated in Germany on June 30 and in Austria on October 1, 1938. All family entails were thereby abolished. It affected some 900 entailed estates in Germany, and in Austria 164 estates aggregating 293,000 hectares or an average of 3 per cent. of the total area of agricultural and forest land. Henceforth, there will be only one form of property subject to special successional conditions—namely, the hereditary peasant holding, the area of which may not exceed 125 hectares. It is only in special cases in connection with the abolition of entail, that large estates can be converted into peasant holdings, where the other essential conditions are complied with.

The number of peasant undertakings newly established was 4,914 in 1933, 4,931 in 1934, 3,905 in 1935, 3,308 in 1936 and in 1937 only 1,785, as compared with 9,000 for each of the two years 1931 and 1932. The reason for this decrease is that in 1932 land cost RM. 643 per hectare, while by 1935 the price had risen to RM. 905 per hectare, and has risen continuously ever since.

3. *Distribution of undertakings according to size.* — In 1933 the distribution of undertakings according to area was as follows:

Size of undertakings	Undertakings		Agricultural land	
	Number	%	Hectares	%
Under 2 ha.	945,666	30.7	987,689	3.7
From 2 to 5 ha.	831,417	27.0	2,738,457	10.3
» 5 » 20 »	1,048,954	34.1	10,247,445	38.4
» 20 » 100 »	231,013	7.5	7,865,160	29.4
Over 100 ha.	18,404	0.7	4,866,276	18.2
Total	3,075,454	100.0	26,705,027	100.0

As this table shows, the number of undertakings less than 2 hectares in area—which are not therefore really entitled to rank as agricultural undertakings, inasmuch as they are not large enough to support the owner, who is accordingly obliged to look elsewhere for his principal occupation—is very large, amounting to nearly one-third (30.7 per cent.) of the total number and 3.7 per cent. of the cultivated area.

Small holdings of from 2 to 5 hectares, providing the owner with the greater part of his livelihood but necessitating outside occupation for at any rate some members of his family, are less numerous than the above, representing 27 per cent. of the total number and as much as 10.3 per cent. of the cultivated area.

Medium-sized peasant undertakings of from 5 to 20 hectares, which are usually worked by the peasant family themselves, generally without any help from outside workers—with the result that they are less dependent on market or wage conditions—represent 34.1 per cent. of the total number and 38.4 per cent. of the cultivated area. This group therefore comes first in the classification of agricultural undertakings in Germany.

Big peasant undertakings, covering an area of between 20 and 100 hectares and regularly employing outside workers, constitute 7.5 per cent. of the total number and 29.4 per cent. of the total cultivated area. Undertakings of more than 100 hectares, employing chiefly outside labour, account for only 0.7 per cent. of the number and 18.2 per cent. of the total cultivated area. The average areas of the undertakings of these two categories are respectively 138 and 1300 hectares.

Between 1882, when land settlement began, and 1933, when the last census of agricultural undertakings in Germany was taken, the number of medium-sized peasant undertakings increased by rather over 225,000, while that of large undertakings fell by some 4,500; the number of small undertakings remained approximately the same.

4. *Methods of exploitation.* — The direct exploitation of land by the owner is by far the commonest method. Between the 1907 and 1933 censuses, the area of land directly cultivated increased in Germany as a whole from 83.6 per cent. to 88.7 per cent. of the total area. The proportion of cultivated land worked by tenant farmers diminished from 12.6 per cent. to 10.7 per cent. during the same period. The amount of *Deputat* (1) and other land decreased from 1.1 per cent. to 0.6 per cent.

5. *Consolidation.* — One of the chief objects of the Law on Hereditary Peasant Holdings was to prevent excessive division of land. Consolidation was no new thing. The assistance of the State had long since been sought in dealing with the problem of excessive division, particularly in parts of the country where dividing up the land was customary, as also for the purpose of promoting more intensive cultivation. Since the area of land still to be consolidated is reckoned at the high figure of 3.7 million hectares, a Consolidation Law (*Umlegungsgesetz*) was promulgated on July 26, 1936 and a Decree on the same subject on July 16, 1937. These two enactments take the place of more than 50 older legislative measures, and make the law uniform throughout the territory of the Reich. Consolidation is almost complete in East Prussia. In the western provinces, and in the Rhineland and Hesse-Nassau, a great deal remains to be done.

6. *Flight from the land.* — Germany's agrarian policy is directed to checking the flight from the land by improving the distribution of agricultural undertakings. In the east, which is the country *par excellence* of large estates, the exodus of agricultural labourers is on such a scale as to render State action more imperative than in the west and the south. But even in the west and south, where demographic conditions and the distribution of land are admittedly favourable, the lack of labour is now keenly felt.

The extent of the flight from the land in recent years is shown by the fact that between 1882 and 1932 more than 2 ¼ million people left the rural areas, bringing the total rural population down from 15.9 to 13.6 millions.

ITALY.

1. *General observations.* — Land tenure in Italy, as compared with European land tenure in general, has certain affinities with the English system. There are, for example, resemblances in the geographical distribution of the large estates in the country. Unlike the big estates of France and Germany, which have become concentrated as a result of social and historical developments in a small number of well-determined regions, the Italian latifundia are scattered throughout the country. But the density of such estates varies according to the regions in which they are situated: it increases from north to south, viz. from Piedmont, Venetia, Tuscany, and Latium to the extremity of the peninsula.

(1) *Deputat* land is land turned over by the owner to agricultural labourers for their own use in lieu of wages.

Large estates in their most characteristic form in Latium, Calabria, Sicily and Sardinia are tending gradually to disappear as a result of division into small and medium-size undertakings. The peasant's land hunger and the necessity for more intensive cultivation as a means of increasing production to meet growing nutritional requirements are sufficient explanation of this tendency.

2. *Establishment of small undertakings.* — A pre-War Law of Sonnino's dated June 15, 1906, encouraged the creation of small peasant undertakings with special reference to Sicily and Sardinia.

But the principal cause of the establishment of small undertakings in place of large estates was the marked development of Italian emigration, particularly to the United States. The remittances to Italy by emigrants in the pre-War period averaged half a milliard lire per year.

These remittance enabled emigrant peasants to pay off agricultural debts, improve their land and acquire new holdings on Crown land properties.

After the War, from 1923 to 1925, this process of creating new holdings with the savings of emigrants had made great progress, though no exact figures are available. In a study on the establishment of small holdings in the Campagna after the War—the results of which may give some idea of what has taken place in other provinces—Professor Brizi says in this connection: " The creation of peasant properties as a result of emigration to America during the period from about 1908 or 1910 until the outbreak of the Great War is incontestably linked up with the post-War situation. The latter is only the continuation of the former. During the War the movement was slowed down; but it never actually ceased, and it was resumed with increased intensity after the War, whether as a result of (occasional) emigrants' remittances from America or because of increase in the peasants' savings. No special investigation was ever made of the number of small peasant properties created during the pre-War period. The number was certainly large, as the increase in emigration was constant ". (*Inchiesta sulla Piccola Proprietà Coltivatrice formatasi nel Dopoguerra*, Vol. IX. Campagna. Istituto Nazionale di Economia Agraria, Rome, 1933, p. 16).

The movement for the creation of small properties has been powerfully fostered by the activities of the National Organisation of ex-Service Men, founded in Rome in 1919 with corporate status. The Organisation is the owner of landed estate freely purchased or made over to it by special enactments together with Crown lands ceded by the Crown.

The law also gives the Organisation the right to apply for compulsory expropriation of land which is suitable for reclamation or development, or for the establishment of industrial undertakings closely connected with the Organisation's agricultural activities, or again for the establishment of villages or settlements.

All land rendered fit for cultivation by the Organisation is conceded to cultivators under contracts which enable the tenant farmers to become proprietors after a trial period of varying length, if favourable results are obtained. A clause in the contracts also obliges the concessionary to effect agricultural improvements. The concessionary pays a quarter or a fifth of the price when the contract is signed, and the remainder in ten annual payments. Thousands of agricultural labourers have become small proprietors in this way.

These institutions are in harmony with Italian agrarian policy, the whole object of which is to strengthen the attachment of the peasant to the soil by transforming him into a small proprietor, tenant farmer or *métayer*.

The success of internal settlements as a means of attaching the peasant to the soil is proved by the amazing achievements of the *Bonifica integrale*. At the end of 1937 this organisation was dealing with an area of 5,700,000 hectares. The full measure of the results of this immense activity is not yet apparent, for the reason that much of the work already done is only a preliminary to further more important development.

3. *Distribution of undertakings.* — The factors which have enabled the peasant class to develop their activities in the manner described have led to the following distribution of undertakings in Italy, as shown in the 1930 agricultural census:—

Distribution of Undertakings according to size.

Size of holding	Undertakings		Area of undertakings	
	Number	%	Hectares	%
Under 3 ha.	2,763,671	65.8	3,043,792	11.6
From 3–10 ha.	1,025,036	24.4	5,574,407	21.3
» 10–20 »	253,959	6.1	3,535,864	13.5
» 20–100 »	132,536	3.1	4,970,718	18.9
Over 100 ha.	21,064	0.6	9,126,963	34.7
	4,196,266	100.0	26,251,744	100.0

The first point in connection with the above table is the large number of small undertakings of less than 3 hectares. Holdings of this size can only yield a livelihood to the peasant in certain districts with highly intensive agriculture. The number of such undertakings is 2,763,671 or 65.8 per cent. of the total number, while their area is 11.6 per cent. of the total area. It will be gathered that these undertakings constitute a very important factor in Italian economy. Their existence is probably due, to some extent at any rate, to the equal division of estates between heirs, there being no law of primogeniture in the Italian Civil Code to protect the small property against parcelling.

Small undertakings of 3 to 10 hectares are also very common. They represent almost one quarter of the total number of undertakings, and more than one-fifth of the total area.

The third group, consisting of medium-sized agricultural undertakings of from 10 to 20 hectares, includes 253,959 undertakings (6.1 per cent.), with an area of 3,535,864 hectares (13.5 per cent.). (The classification, it should be explained, is purely arbitrary, the object being to enable the distribution of the

land in Italy to be compared with that of other countries). The undertakings in this group, which have a higher economic power of resistance, are to be met with chiefly in Piedmont, Lombardy, Venetia, Emilia, Tuscany, the Marches and Sicily.

The number of large agricultural undertakings of 20-100 hectares is very small, namely 132,536 undertakings (3.1 per cent.); but their area totals 4,970,718 hectares or 18.9 per cent. of the total area.

Finally, the last category of undertakings, that comprising large estates of more than 100 hectares, consists of 21,064 undertakings, i. e. scarcely more than 0.5 per cent. of the total number of undertakings, though the area which they cover is 9,126,963 hectares, i. e. more than one-third of the total area (34.7 per cent.). Such undertakings are chiefly found in Piedmont, Lombardy, Venetia, Tuscany, Latium, Calabria, Sicily, Sardinia, etc.

In general, it is found that regions with large-scale undertakings are also regions with large estates, but only where the latter are directly worked by the owner, e. g. in the rice-fields of Piedmont or the irrigated lands in Lombardy. Tenant farms, *métairies* and forms of undertaking other than directly worked properties appear in the census as small undertakings and are classified according to their area.

4. *Methods of exploitation.* — Nearly three-fifths of the total number of undertakings (59.1 per cent.), representing an area equal to 57.5 per cent. of the total, are worked directly by the owner. According to Prof. Angelini, the number of undertakings worked directly by the owner has increased by 18.8 per cent. since 1922 ("Organisation and Valorisation in Agricultural Work", in *Le Travail Agricole*, 1938, Rome, No. 1, p. 30).

Tenant farms amount to 13 per cent. of the total number of undertakings, and *métairies* to about the same. These two systems therefore represent 26.1 per cent. of agricultural undertakings with a cultivated area corresponding to 28.5 per cent. of the total area. 14 per cent. of the total area is still worked under a mixed system.

The *métayage* system occurs in its typical and purest form in Tuscany, where it is characterised by century-old traditions. It is common in Umbria and the Marches, and in Venetia and Emilia, where it has reached a high standard of development. A mixed form of *métayage* is found in the dry areas of Lombardy, and various forms of the system exist in the Abruzzi and in Calabria. Lease and sub-lease contracts are in force in Sicily where they are called *metateria*. The classical home of the *métayage* system, however, is Central Italy.

5. *Collective tenant farms.* — Side by side with these individual forms of undertaking may be noted some characteristic collective forms—the collective farms and the *compartecipazioni collettive*. A typical example of collective tenant farming with a mixed régime is found in the province of Ravenna. The collective tenant farms of this region are controlled by the Federation of Agricultural Associations of Ravenna, comprising 18 societies in 1938 and 11,620 hectares, of which 4,888 were leased. It is responsible for the management of funds amounting to about 15 million lire belonging to 9,800 day-labourers who are at the same time employers and workers. They are bound by a labour contract

which entitles them to a third of the gross produce. Thus the undertaking receives two-thirds of the gross produce, while the other third goes to the worker (*terziario*), who also contributes one-third to the costs of cultivation.

Collective tenant farming is an original form of the Italian co-operative system, consisting as it does of associations of agricultural labourers. These associations make themselves responsible for the complete management of agricultural undertakings and assume all the risk involved. They usually rent the land on a farming lease or a crop-sharing contract (*métayage* or one-third profits), or they may acquire it by purchase outright. Collective tenant farms, collective *métayages* and collective holdings are distinguished according to the nature of the contract: but it is now customary to give the generic name " collective tenant farm " to the society responsible for the management of the undertaking without regard to the particular form of the contract under which the land has been acquired.

There are two systems of collective farming. Under the " single control " system the members work all the lands in common, whereas under the " divided control " system each member works a piece of ground for which he is responsible. Under the first system the members are simple day-labourers. Under the second system they are either day-labourers or small proprietors or part-share settlers who have in addition a holding of their own; but without this auxiliary occupation neither would earn enough for the support of their families. The duration of contracts varies according to circumstances from a minimum of one year to 3, 9, 15 or more years. Land leased under a collective contract is either the property of welfare or similar organisations or else of private estates.

These co-operatives have serious problems to face and formidable obstacles to overcome if they are to exist. Consisting as they do of modest working people, mostly without substance of their own, they are compelled to resort to credit on an extensive scale for a great part of the sums required for the acquisition and operation of their undertakings.

The need of a credit organisation adapted to the special conditions and requirements of these associations led the Government to establish at the *Istituto Nazionale di Credito per la Cooperazione*, now called the *Banca Nazionale del Lavoro*, a special Land and Agricultural Credit Section for granting credits to these associations of agricultural workers.

Collective tenant farms cannot always come by land readily. They have generally had recourse in the past to private owners, or in recent years to welfare organisations.

In short, it may be said that collective tenant farms are an experiment which, though it bristles with economic difficulties, is socially interesting. In several cases this type of undertaking has provided a solution to problems of settlement which could hardly have been solved in any other way.

6. *Collective contracts.* — One characteristic example of an improved form of contract is the collective contract for participation in the yield (*compartecipazione collettiva*), the rules of which have just been fixed for the first time for the whole of Italy.

The *compartecipazioni collettive* owe their origin to the policy already described of attaching the worker to the soil by giving him a share in its production and an interest in the results of the enterprise. Wages under this system are replaced by a share in the yield. The worker ceases to be an employee. He works the whole year round, receives advances from the treasurer, and at the end of the year is paid by way of remuneration an income proportionate to the total income of the undertaking, i. e. a net income over and above the expenditure incurred.

This system of participation in the yield is confined to undertakings worked directly.

The system has spread from the province of Mantua (Po Valley) to other parts of the country such as Maccarese (Latium). The participation is regulated by a national contract concluded between the Agricultural Workers' and Agricultural Employers' Federations.

7. *Distribution of rural population.* — During the last few decades the distribution of the rural population in Italy has undergone a profound change, as may be seen from the last population census (April 21, 1936).

To take first the " active " population, i. e. persons of 10 or more years of age present in the Kingdom at the time of the census and exercising a profession or occupation, it will be seen that, of every 100 persons, more than 48 were engaged in agriculture, about 33 in industry and transport, and 8.8 in commerce and banking, and the remainder in other professions.

The industrialisation of the country during the past century has not therefore profoundly modified the distribution of the Italian population, which is still *essentially agricultural.*

On the other hand, considerable variations are to be found in the distribution of the occupations of the rural population. More than seven-tenths of the Italian agriculturists are now heads of undertakings, who cultivate the land themselves with the assistance of their families only. Out of 4,444,289 heads of undertakings (proprietors, tenant farmers, long-lease and life tenants, and others), 4,188,168 (94.2 per cent.) belong to this category. If crop-sharing settlers (1,862,380) and mixed types of agriculturalists working outside the undertaking (112,605) are included, the total number of heads of undertakings in the wider sense of the word is 6,359,275 or 72.8 per cent. of the entire rural population.

The number of part-share workers, i. e. agriculturalists who undertake to cultivate the land, or raise stock on the land of another person (head of an undertaking) in return for a share of the yield, is 123,565. This group is halfway between the paid worker and the cropsharing settler. The Italian Government, in pursuance of its policy of attaching the individual more closely to the soil, is concentrating its attention on this type of worker.

Day-labourers (2,320,858) constitute only one-fifth of the agricultural population. They cannot therefore be said to be typical of the Italian peasant population. So far as the various population censuses admit of comparison, the figures of the Central Statistical Institute reveal a progressive decline in the number of labourers (*sbracciantizzazione*). The male labourers, who in 1871 represented about 60 per cent. of the agricultural population, now only represent 28 per cent.,

whereas the number of heads of undertakings during the same period has increased from 18 to 33 per cent. and the number of tenant farmers and others from 7.7 to 18.4 per cent.

The transformation of day-labourers into wage-earning workers with annual contracts or *compartecipanti*, and the fixation of the worker on the land, have thus been progressing more rapidly during the past 15 years as a result of the agrarian policy of the Government.

System of Land Tenure in Belgium, the Netherlands, Denmark, Norway, Sweden and Switzerland.

1. *Distribution of undertakings according to size.* — The general features common to the land tenure systems of these six countries, in all of which the peasant class plays a very important part, will be apparent from the following general survey of the distribution of agricultural undertakings according to their area. But it is essential to bear in mind the two reservations which have already been made in this connection—to remember, that is to say (1), that the nature of agricultural undertakings in these countries is not indicated, or is only roughly indicated, by their size and (2) that the size of properties and the size of undertakings are not necessarily identical. The standards, for example, by which the importance of peasant properties is measured in Germany are not applicable in Sweden or Norway, where climatic conditions cut short the time available for cultivation of the soil.

The cultivable areas in the Scandinavian countries are relatively very small, and the amount of woodland belonging to the farms is very large. The further north a peasant is settled, the greater the importance of his forest holdings. The area required to make an agricultural undertaking independent is naturally much greater in the harsh northern climate than in the western part of these countries or in countries such as the Netherlands or Belgium, where an undertaking of a bare 2 hectares may suffice to afford a livelihood. In the north, the minimum for economic independence is about 4 or 5 hectares. The figure is somewhat less in Denmark and somewhat higher in Sweden and Norway, according to the climate, which is the decisive factor in all these cases.

The distribution of undertakings according to size is not only a product of natural conditions: it depends no less on the density and standard of living of the population, and on the degree of its scientific and technical development. Others factors of a legal or moral order—in particular, the legal position in regard to successions—are also operative.

As the table shows, undertakings of less than 10 hectares represent over 75 per cent. and more of the total in every one of these countries except Denmark, where the number of undertakings belonging to this class is only a little more than half (51.7 per cent.). In Norway, Belgium and Switzerland, these undertakings cover about 50 per cent. or over of the total area. In Sweden and the Netherlands the proportion is about one-third, and in Denmark about one-sixth with a considerably lower relative number of these undertakings than in the other five countries.

Distribution of Agricultural Undertakings in Belgium, Denmark, the Netherlands, Norway, Sweden and Switzerland.

Country	Year of Census	Less than 10 ha.		From 10 to 50 ha.		From 50 to 100 ha.		More than 100 ha.		Total	
		Number	%	Number	%	Number	%	Number	%	Number	%
Belgium	1929	1,090,108	96.4	38,548	3.4	2,026	0.2	464	—	1,131,146	100
Netherlands	1930	304,082	81.7	65,348	17.6	2,456	0.7	195	—	372,081	100
Denmark	1929	106,000	51.7	92,000	44.9	5,000	2.4	2,000	1.0	205,000	100
Norway	1929	277,430	93.0	20,606	6.9	292	0.1	32	—	298,360	100
Sweden	1932	333,601	77.8	87,521	20.4	5,100	1.2	2,395	0.6	428,617	100
Switzerland	1929	197,982	83.9	37,150	15.7	(1) 498	0.2	(2) 465	0.2	236,095	100
		Area in hectares	%	Area in hectares	%	Area in hectares	%	Area in hectares	%	Area in hectares	%
Belgium	1929	1,034,965	54.3	683,740	35.9	134,115	7.0	53,777	2.8	1,906,597	100
Netherlands	1930	102,756	32.7	1,263,049	58.7	151,658	7.1	32,940	1.5	2,150,403	100
Denmark	1929	524,000	16.5	2,008,000	63.2	339,000	10.7	305,000	9.6	3,176,000	100
Norway	1929	619,000	62.2	354,000	35.5	19,000	1.9	4,000	0.4	996,000	100
Sweden	1932	1,286,000	34.5	1,695,000	45.5	349,000	9.4	395,000	10.6	3,725,000	100
Switzerland	1929	711,082	49.5	615,395	42.9	(1) 29,833	2.1	(2) 77,857	5.4	1,434,167	100

(1) 50 to 70 hectares. — (2) Over 70 hectares.

In the second category—10 to 50 hectares—Denmark heads the list, not only as regards the relative number of undertakings (which amount to 45 per cent. of the total) but also as regards the area they cover (more than 63 per cent. of the total agricultural area). Sweden comes second with 20.4 per cent. of the undertakings and 45.5 per cent. of the area, followed by the Netherlands with 17.6 per cent. of the undertakings but almost 60 per cent. of the area (58.7 per cent.), then Switzerland with 15.7 per cent. of the undertakings and 43 per cent. of the area, Norway with 6.9 per cent. and 35.5 per cent. respectively, and lastly Belgium with 3.4 per cent. and 36 per cent.

The categories of undertakings of 50-100 hectares, and especially those of over 100 hectares (in Switzerland over 70 hectares) are less numerous. Denmark is an exception, however, as in this country these two categories taken together constitute 3.4 per cent. of the number and 20.3 per cent. of the area, so that their total area exceeds that of the undertakings under 10 hectares. In Sweden, the proportion is 1.8 per cent. and 20 per cent. As regards area, Belgium comes next with 9.8 per cent., then the Netherlands with 8.6 per cent., Switzerland with 7.5 per cent. and Norway with only 2.3 per cent.

Speaking generally, it may therefore be said that medium-size and large peasant undertakings predominate in Denmark, and small undertakings in Norway, Belgium and Switzerland, while Sweden and the Netherlands occupy an intermediary position. Agriculture in the latter two countries is mainly concentrated in undertakings of from 10 to 50 hectares. In this respect, as also in respect of the intensive methods of cultivation which they practise, all these countries are reminiscent of France.

The results of the above attempt to find a common denominator for all six countries are shown in the figures quoted: but the figures are largely meaningless without a concomitant explanation of the agrarian policy which has given the rural economies of these countries their present characteristic form.

2. *Methods of exploitation.* — The distribution of undertakings in these countries according to systems of exploitation is shown in the following table:

System of Exploitation.

Country	Direct working	Tenant farming	Life tenancy	*Métayage*	
	Percentage of area.				
Belgium	40.9	59.1	—	—	100
Netherlands	51.0	49.0	—	—	100
Switzerland	80.0	17.0	3.0	—	100
	Percentage of number of undertakings.				
Denmark (1)	87.1	4.6	1.9	6.4	100
Norway	85.7	14.3	—	—	100
Sweden	80.0 (approx.)	20.0 (approx.)	—	—	100

(1) 1919.

As will be seen, tenant farming predominates in Belgium, where it comprises almost three-fifths of the total area. In the Netherlands tenant farming and direct working by the owner are almost equally common with a slight predominance in favour of the latter. These two countries, and especially Belgium, are in this respect reminiscent of the United Kingdom, as also to a certain extent of Italy, where, as we have already seen, tenant-farming is fairly common. In the other four countries, i. e. the three Scandinavian countries and Switzerland, direct working comes easily first, representing as much as 80 per cent. of the cultivated area in Switzerland and 80-87 per cent. of the number of undertakings in the Scandinavian countries. In Sweden the last census only showed the number of undertakings of over 2 hectares; but it is known that the proportion of leased farms in that country is greater among large than among small undertakings.

Direct working may therefore be said to be the predominant system in all these countries (except Belgium), as it is in France and Germany, in both of which it is in general true to say that cultivator and owner are one and the same person.

3. *Settlement, consolidation and system of succession.* — The system of land tenure, which has been described above in what may be called its static state i. e. in its present form, has evolved gradually under the influence of internal settlement and agrarian policy and the operation of the law of succession. The aim of all these influences is no doubt the same, viz. the maintenance of an economically sound peasantry. The chief means to the attainment of this end are, broadly speaking, the rational distribution of the national soil and the organisation of agricultural undertakings on viable bases; but the particular measures adopted in application of these principles vary greatly from one country to another in accordance with the general character of the country's agriculture and the trend of its social policy.

In *Belgium* a country with a highly developed industry, such measures may not be as numerous as elsewhere, and may not affect the life of the country to the same extent. The division of the land in Belgium is due in part to the provisions of the Civil Code under which small properties have to be divided on passing by succession. The division of small properties in a country with so dense a population as Belgium is bound to lead to migration from the country to the towns.

Despite the increase in the number of undertakings in Belgium the agricultural population has decreased during the past century. The number of undertakings increased from 572,550 to 1,131,146 between 1846 and 1930; but the agricultural population decreased from 1,083,600 to 662,382 over the same period. The proportion of the active agricultural population to the total active population in Belgium is 17 per cent. as compared with 20.6 per cent. in the Netherlands, 21.3 per cent. in Switzerland, 30.6 per cent. in Sweden, 35.3 per cent. in Norway and 35.5 per cent. in Denmark. The percentage is therefore highest in the three Scandinavian countries, where it is approximately the same as in France. It is lowest in Belgium, which occupies in that respect the same position in this group as England does in the first group.

In the *Netherlands* the division of land is relatively unimportant in the coastal provinces except in the case of horticultural properties. In other parts of the country its effects are strongly felt. Under the Law of May 20, 1938, application for consolidation must be made at least by one-fifth of the owners of the parcels concerned. The general administrative costs are borne by the State, while the costs of consolidation are advanced by the State and divided among the parties concerned who repay the State in thirty annual payments.

Inherited property in old villages with separate fields (*Gewann*) is always divided up equally among all the heirs. In such cases the division of the land continues uninterruptedly, the only check to the process being the late age at which marriages are contracted.

In the Frisian coastlands, where the agricultural undertakings are isolated from one another, the peasant has, up to now, conserved the traditional system under which one child, usually the eldest son, takes over the property while the other children continue to reside on it, so that the property remains in the family. This ancient tradition, under which the property passes to a single heir as representative of the new generation, is inconsistent of course with the system of succession at present in force in the Netherlands, based on the Code Napoleon, which gives each child an equal part of the inheritance. The tradition has never been put into legal shape, and varies in form in the different districts.

The passing of property without division is subject to the influence of various factors of an economic character. Where, for example, there are towns or industrial undertakings in the neighbourhood, land can be sold at high prices; and the tendency in such cases is against the maintenance of the tradition and in favour of division. Periods of great prosperity on the other hand make it easier for the peasant single heir to compensate the other heirs who are excluded from the property; and the tendency in such cases is in favour of the tradition.

In *Switzerland*, under the Ordinance of December 14, 1936, the Confederation subsidises land settlement within the country, in particular the establishment of rural undertakings, and of market-gardening undertakings for the unemployed. The cost of setting up an agricultural undertaking must not, as a general rule, exceed 3,000 francs, or that of a small market-gardening undertaking 12,000 francs. The sum of 1,000,000 francs is available for settlement purposes under the Federal Decree of June 20, 1936, to promote Internal and External Land Settlement.

The total amount of grants for the operation of undertakings under the land settlement scheme (two-thirds of which are paid by the Confederation and one-third by the Canton) must not in the ordinary course exceed 40 per cent. of the cost of setting up the undertaking. Loans may be accorded free of interest in lieu of, or in addition to the grants, with no repayment for the first five years where the debtor is a good worker: after five years the loan is repayable in ten equal annual payments.

The Swiss Civil Code of 1912 has greatly facilitated consolidation by providing for compulsory action where two-thirds of the proprietors concerned owning more than half the land to be consolidated apply for it. The area to be consolidated

in Switzerland is estimated to amount to some 400,000 hectares, and the total costs of consolidation are put at 320 million Swiss francs. The area consolidated in the period 1885-1936 (inclusive) was 66,650 hectares or about one-sixth of all the parcelled land in Switzerland.

The position in regard to successions is that as a general rule isolated undertakings pass without division, while undertakings in village areas are divided. The passing of peasant properties without division has become more frequent since the beginning of the twentieth century. The movement in favour of this arrangement, which is based on custom and cantonal law, was already becoming more common before the introduction of provisions in the new Swiss Civil Code to legalise the practice, which have naturally encouraged its extension.

Under the Swiss Civil Code (Article 620), an agricultural undertaking may not be divided on succession, but must pass in its entirety to a single heir, if ome of the co-heirs declares himself ready to take over the undertaking and is capable of managing it.

In the *Scandinavian countries*, land settlement has been conditioned by past division of the land, which has given rise to a class of owners of very small plots who are economically and socially in the position of day-labourers.

Endeavours have been made to improve the situation of these day-labourers by various measures intended to prevent any increase in their numbers in the future and to improve their position in the present.

For this purpose loans were granted to day-labourers to enable them to settle on the land but at the same time to remain agricultural labourers. The sequel was not always what was expected. In the first instance, the loans made by the State were relatively too small. In Denmark they amounted to 4,000 crowns, in Sweden to 5,000 crowns and in Norway to 3,000 crowns per parcel, and the settlers had to make contributions of their own before they could get to work on their settlements. Later, the amount of the loans was increased in Denmark to 4,000, in Sweden to 8,000 and in Norway to 6,000 crowns. But the consequence was that the settlements instead of becoming settlements of labourers as had been intended, became settlements of small independent peasant owners in all but a few cases.

It must be admitted that these small undertakings have given good economic results in all cases: but the effect of their establishment has been to deprive agriculture of a part of its former supply of labourers, since the latter had no sooner become small independent peasants than they did everything in their power to sever all connection with the class of agricultural labourers.

Danish legislation in particular has for a long time endeavoured to preserve the largest possible number of independent agricultural properties, and more recently has encouraged the establishment of new undertakings. The majority of peasant properties are protected by the legislation which prohibits their absorption by large properties or amalgamation to form large properties. At the same time the law allows the parcelling of large properties, provided the latter are not thereby reduced below a specified limit.

It was a Law of 1899 which was the first to enable agricultural workers to acquire small undertakings of their own. The communes provided the land,

while the State granted loans on advantageous terms and, in some cases, free of interest. Since then, the Law of 1919 on the conversion of enfeoffed and entailed into free property has enabled the number of small holdings to be increased.

Under the Laws of March 24, 1924 and May 14, 1934, loans may be granted for the establishment of new undertakings up to nine-tenths of the total value of each undertaking: but the total amount of any given loan must not exceed 16,500 crowns. The number of undertakings so established between the first introduction of this legislation and the year 1936 was 16,154.

Parties acquiring properties established on former enfeoffed or entailed estates do not pay the purchase price to the State, but only the interest on the value of the land as periodically assessed for Land Tax.

In the hope of making an end of the practice of inheritance without division in the case of large properties, entailed estates have been heavily taxed with a proviso for slight remission of the impost in the event of the succession being freed.

The small size of agricultural properties in *Norway* carries with it the danger of rapid dispersion by sale or by succession. In order to safeguard the small property, there are two special institutions which have existed in Norway for the last two centuries, viz. the practice of transmission without division (*Åsetesrett*) and the right to re-purchase family property (*Odelserett*), which are now governed by the Laws of October 28, 1857 and May 9, 1863, respectively.

Åsetesrett, i. e. the principle of transmission without division, corresponds more or less to the *Anerbenrecht* of German law. It is the right of the nearest relative of the deceased to enter into possession of the latter's landed estate without sharing it with the co-heirs. In order to satisfy the latters' rights, the principal heir pays them a certain sum representing their share in the landed property. This sum may either be specified in the will or, in default, be determined by experts. In either case the assessed value is below the real value, so as to make it easier for the principal heir to pay out the shares. Should he not be in a position to pay the specified sum at the moment of taking possession of the estate, he guarantees the rights of the co-heirs by mortgages on the property.

The protection of family properties is carried even further by *Odelserett*, i. e. the right of repurchase by the family of the seller. The family only has this right, however, when the property has belonged to the same person, or his or her husband or wife, or his or her descendants in the direct line for more than twenty consecutive years. The right lapses under the statute of limitations, if the landed property has remained in the possession of strangers for more than five years.

Thus, while *Åsetesrett* preserves the landed property from division as a result of partition of inherited property, *Odelsrett* prevents permanent alienation of the property from the family.

The joint effect has been to preserve for landed property in Norway the size which is more or less requisite for its effective exploitation, while at the same time it has been possible – in spite of the increasing popularisation of capitalistic con

ceptions – to prevent the division of the land and its continual sale or transfer from one owner to another. On the other hand, there is no doubt that the exiguousness of payments to younger brothers and sisters has also had the effect of encouraging emigration to America.

With the object of consolidating and improving the position of *Swedish* agriculturalists who are not proprietors, and generally bringing land back into peasant possession, a special Law on Tenant Farming was passed in 1909 for the province of Norrland and for the northern part of Dalecarlia. In 1927 the Law was extended to the whole of Sweden. It affects primarily undertakings of 4-25 hectares let on lease by industrial companies.

Under this Law, the period of the lease must be at least fifteen years, and the owners are obliged to provide the property in question with the necessary buildings etc. The stringency of the provisions affecting the owners was designed to encourage the purchase of the land by the farmers; and the results have not belied expectations, the companies having ceded a considerable number of the holdings to their tenant farmers.

A Law of 1924 introduced a right of re-purchase of land purchased from the Crown or from communes or other public bodies, where such land was not exploited by the peasants to a specified extent.

A number of highly effective measures have been adopted as the result of direct intervention by the State to encourage the movement in favour of small family undertakings. The State does not assume direct responsibility for the organisation of loans for these family holdings; but it subsidises them in the form of advances to responsible intermediaries, including the National Society for Rural Economy, which are then free (subject to a certain measure of public control) to use the money in their own way and at their own risk for loans to individual owners of family holdings. The funds made available for loans to family holdings in 1938 amounted to 250,000,000 crowns.

The recipient of a loan must comply with certain conditions. His financial means must be small: he must have a good character: and he must belong to the working class or an equivalent social category with the requisite qualifications for the effective exploitation of the undertaking.

The maximum value of the family holdings which it is proposed to establish has been fixed at 5,000 crowns in the case of holdings including land, and 3,000 crowns in the case of holdings consisting only of a dwelling. In the former case, the loans may represent five-sixths of the value; but in the latter case they must not exceed three-quarters. Interest is payable at the rate of 3.6 per cent. per annum from the outset.

The number of undertakings set up in Sweden between 1905 and 1935 is about 80,000, of which 48,000 are independent, while the others belong to day-labourers.

On the completion of the repayment of the debts on the properties, the latter become divisible. The State has no prior claim in connection with the re-purchase of the land; and successions are commonly based on the principle of equal division, so that ultimate parcelling of the land is inevitable here as elsewhere.

* * *

The above survey concludes the chapter dealing with the land tenure system of ten countries in Western and Northern Europe. In all these countries the land tenure system is in process of development within the framework of the established social order on the basis of private property and to the exclusion of drastic changes.

Another European region, where the development of land tenure is based, on the contrary, on revolutionary principles, has now to be considered—namely, the Union of Soviet Socialist Republics.

III.

ZONE OF AGRARIAN COLLECTIVISM.

UNION OF SOVIET SOCIALIST REPUBLICS.

In the very short space of about half a century, the Russian countryside has seen three measures of agrarian reform. Although Catherine the Great, an admirer of Voltaire, had entertained the idea of freeing the serfs, her autocratic rule continued even after 1789 and the feudal system, introduced by Boris Godounov towards the end of the sixteenth century, remained in force. Other important events, however, were taking place elsewhere, including the Prussian edicts of 1811, which instituted reforms in the system of land tenure. But despite these happenings and despite the events of 1830 and 1848, no serious attempt was made to transform the traditional organisation of Russian agriculture. Not until the unfavourable outcome of the Crimean War did the authorities turn their attention to the institutions which kept the peasant dependent on his lord as regards both his person and his property.

In 1861 the new agrarian institution, the *mir*, introduced a system for the peasants under which the ownership of all property was vested in the village community, but land was given to each peasant for his use.

Thus, the *muzhik* came to practise a kind of primitive socialism subject to compliance, as regards his work with the general rules of the *mir* and the annual division of the land. With the growth of the population, the individual parcels of land became in process of time so small as often to make agriculture impossible.

At the beginning of the twentieth century, it was decided to dissolve the *mir*. By his agrarian reform of 1906, Stolypin took steps to abolish the institution and to give the peasant full ownership over the soil. It was hoped thereby to win the peasant support for the Government should need arise. The agricultural proletariat was to be absorbed in future, partly by industry and partly by settlement in Siberia.

The new agrarian reform was energetically carried through and continued to yield remarkable results from the time of its coming into force up to the War.

The Revolution of October 1917 was the very antithesis of Stolypin's reform. Socialist agriculture became the objective and planned economy the instrument of the new order.

In the early days of the new régime, a Decree of November 8, 1917 abolished landed property without compensation.

The reform of agricultural undertakings in accordance with the socialist ideal was effected by the Land Organisation Decree of February 14, 1919.

In its main lines, this legislation of the Russian revolutionary régime has formed the real basis of the whole agrarian policy pursued by the Soviets up to date; but that policy has had to pass through various transitional stages implying, on occasion, a temporary setback.

Under the new order of things agriculture was reorganised in two principal forms: collective farms (*kolkhozi*), and the great Soviet estates (*sovkhozi*).

The collective farms are formed by joining up a number of peasant undertakings so as to constitute fair-sized, agricultural units, the division of estates, scattered parcels of land, communal land, etc. being abolished. The estates thus formed are worked in common. The land belongs to the peasants "in unlimited usufruct, i. e. in perpetuity". This principle has also been introduced into the new constitution of the U. S. S. R., promulgated at the end of 1936; paragraph 8 reads: "The land of the *kolkhozi* shall be given to them in usufruct, rent-free, without time-limit, i. e. in perpetuity".

The *kolkhozi* form extensive agricultural estates; more than half of them comprise between 200 and 1,000 hectares. A *kolkhoz* includes, on an average, 77 peasant farms, with 458 hectares of arable land and 163 working members.

Three sorts of *kolkhoz* may be distinguished:

a. The Land Cultivation Co-operative (*toz*), under which members unite to do a given piece of work, lasting a certain length of time, and only part of the work of production, such as ploughing or harvesting, is done in common, the rest being left to the individual. This type of co-operative which may he said to represent the simplest form of agricultural socialisation, is generally of a temporary nature. It constitutes an interesting initial stage in the development of a more complex form of co-operaton in agricultural production, namely, the *artel*.

b. The *artel* is the commonest and, in practice, almost the only form of *kolkhoz* now found; all land is collective property and all work is performed in common. The distribution of produce among individual members is governed by the rules of the *artel*. Each member, however, continues to manage his own household. Any one aged over sixteen years and capable of working may participate in an *artel*.

Kulaki (richer peasants) and peasants who have disposed of their means of production, either by selling or slaughtering their livestock or in any other way, are excluded from the *kolkhozi*.

Should one or more members be excluded from the system of joint production, land which forms part of the property of the State may be allocated to them, but the area belonging to the *artel* may in no case be touched.

The *artel* appears to go very far back in Russian history and even to date from the origins of the Slav race. For centuries past, unions of manual workers, usually builders' co-operatives, have been formed to carry out certain work in common under conditions of friendly rivalry and with a minimum of capital. The principles governing their organisation, which are very much on the lines indicated by Owen, Fourrier and others, were adopted somewhat vaguely as an economic ideal by the *Nihilists* of the eighteen-sixties.

Under present-day conditions, when the whole economic system of Russia tends to draw further and further away from capitalism without, however, becoming purely socialistic in character, the least revolutionary form that of the *artel*, would seem to be the most suitable. Its methods of production are very similar to those of the agricultural "commune", while in the methods it employs for the distribution of produce it closely resembles the cooperative for the farming of land in common.

c. The highest form of collective ownership is represented by the agrarian "commune", where both agricultural production and the distribution and consumption of produce are conducted in accordance with socialist principles. Individual holdings are completely incorporated into the collective undertaking, and the whole forms an economic unit organised and worked on pre-determined lines. The community, besides caring for the welfare of its members, has also an educational aim, as befits a socialist organisation in a proletarian State, and it sets out to convert the peasants gradually to the ideology of the new social order. Profits earned by the agrarian "communes" are not distributed among the members, but are used to strengthen and improve the economic position of the entire community. It the latter is dissolved, all its property, land, livestock, buildings etc. revert to the State.

The establishment of agrarian " communes " similar to those of the war-time communism of the period 1917-1921 has now been almost completely abandoned.

2. The second element in the socialist land tenure system consists of the great Soviet agricultural undertakings. In these, the land and all means of production belong to the State, so that socialist principles here find their most complete expression. Work is carried out according to plans drawn up by the State and labour is subject to socialist regulations.

From the point of view of technical progress, the *sovkhozi* may serve as models for the rational employment of equipment and labour. The *sovkhozi*, though by reason of their social character more appropriate to the socialist State than the *kolkhozi;* are not so numerous as the latter.

On October 1, 1936, there were 4,295 *sovkhozi*, with a cultivated area of 10,722,600 hectares. Of this number, 2,644 *sovkhozi*, with a cultivated area of 7,342,600 hectares (68.4 per cent. of the total area), were situated in the Russian Socialist Federal Soviet Republic; 772, with a cultivated area of 2,269,400 hectares (21.3 per cent.) in the Ukraine; 279, with 168,000 hectares (1.6 per cent.) in White Russia etc. The year 1934 was of particular importance in the history of the *sovkhozi*. Not only was specialisation, which they had carried to an extreme, as, for example, in the system of monoculture practised in the so-called " wheat factories ", abolished in that year , but from that time on they were obliged to balance their budgets without State assistance.

3. A third and last type of agricultural undertaking is represented by the individual undertaking, which, although seemingly almost in the nature of a social anachronism, has nevertheless retained its full importance. It is illuminating to see how the number of such undertakings has varied during the revolutionary period. In 1916, i. e. before the Revolution, there were approximately 21,008,000, the numbers fluctuating as follows after 1923:

1923	22,825,400
1924	23,459,300
1925	23,961,800
1926	23,579,000
1927	25,015,900
1928	25,614,100

Thus in 12 years there was an increase of over 4,500,000. The new peasant undertakings were established partly in pursuance of the Government principles on the former estates of the big private landowners, and partly as a result of the resistance put up by the peasants to the Government's policy. In order to protect themselves against the requisitioning of their produce during the period of wartime communism and the subsequent N. E. P. (New Economic Policy), and also to avoid attacks to which their economic independence exposed them and the heavy taxation to which they were liable as *kulaki*, the peasants attempted to subdivide their properties as far as possible.

However, the energetic campaign for the introduction of collectivism in agriculture soon caused a rapid decline in the number of such peasant undertakings, which fell from 25.6 million in 1928 to 1.5 million in 1938.

Individual undertakings, however, are not completely outside the socialist organisation of agriculture. The contracts (*kontraktatsia*) concluded between the State organs and the peasants and their associations regarding conditions for the delivery of agricultural produce to the Government, the quality of such produce, prices and the dates fixed for delivery, specify the areas to be devoted to various crops, the type of grain to be sown and the organisation of labour in the peasant undertakings. These contracts, which have become more numerous since 1927, now apply only to the cultivation of plants for industrial uses.

Another and more important factor in the influence of the State on individual undertakings has been the mechanisation of agriculture and the progress achieved in agricultural equipment thanks to machinery supplied by the State.

The changes which had taken place in agriculture by 1937 were as follows: Instead of the 25 million small peasant undertakings, 243,700 collective undertakings, with an area under cultivation of 110,511,000 hectares were established in the territory of the U. S. S. R. These figures actually represent 93 per cent. of the peasant undertakings and 99.1 per cent of the area under cultivation, compared with 1.7 per cent. and 1.2 per cent. respectively before the coming into force of the first Five Year Plan in 1928. Individual undertakings represent only 7 per cent. of the total number of undertakings existing before the introduction of collectivism and 0.9 per cent. of the area under cultivation.

The Soviet agrarian laws have thus completely transformed the legal régime obtaining in the Russian countryside.

IV.

AGRARIAN REFORM ZONE.

Characteristic Features - Classification of Agrarian Reform.

Agrarian reform is the term used, especially in most of the Central and Eastern European countries, to describe the various measures taken by the legislator to provide for the formation or development of a class of small and independent agriculturalists.

The chief aim of post-War agrarian reforms has been to effect a better distribution of land and to improve the living conditions of dwellers in rural areas. When these measures were passed, social questions were being placed in the forefront of policy, and purely economic aims, such as the increase of agricultural production and exports, etc., gave way to moral considerations.

At the time, reforms of this kind were essential for the maintenance of social peace in the countries concerned, which were then in a very disturbed condition. In some of them, economic and social problems were complicated by questions of national policy.

" There can be no doubt ", says M. G. Acerbo, in his work *Le Riforme Agrarie del Dopoguerra in Europa* (1) " that some of the motives behind agrarian reform in certain countries were of a racial and national character. In States formed after the War as a result of the break-up of old territories in Eastern Europe... the campaign against minorities of foreign origin, who held the greatest areas of land, undoubtedly gave a marked impetus to the movement for reform ".

Despite the importance of this factor in agrarian reform, lack of space prevents us from dwelling upon it.

Agrarian reforms, which are highly important social reforms, rest upon the conviction that the basis of every nation must be the peasantry, and that the latter's welfare depends upon the distribution of the soil which its members till.

The area of large estates had therefore to be reduced, with a view to the formation of peasant properties, consisting of good land, suitable for intensive cultivation on a sound economic basis. In this distribution of land, preference was given to war invalids, widows and orphans, and to ex-service men.

In the various countries where agrarian reforms have been introduced, a considerable difference exists as regards the distribution of the undertakings and that of the properties, according to the relative importance of tenant farming. The reforms have tended to modify conditions of ownership to a greater extent than the actual distribution of the undertakings.

These reforms have been instituted by means of numerous agrarian laws, and the subsequent enactments for the enforcement of those laws often differ in important respects, even in the same country. As regards their principal features, the agrarian laws have varied greatly according to the economic and social

(1) Florence, 1932, pp. 28-29.

conditions obtaining in the country and also according to the purpose underlying them.

The first agrarian laws were conceived on very radical lines, as may be judged, for instance, from the Polish legislation enacted in 1920, which was considerably modified by that of 1925, or the Bulgarian legislation in 1920, slightly modified in 1924, etc. In the U. S. S. R. itself, as has been seen, the agrarian commune of the period of wartime communism was succeeded by the agricultural *artel* of the period of the Five-Year Plans.

The systems of land tenure in Eastern Europe resulting from the agrarian reforms occupy, whether by reason of their legal content or of their method of application, an intermediate place between the two types already considered, namely the progressive type characteristic of western countries and the revolutionary type of the U. S. S. R. We have dealt with this point in the *Encyclopaedia Britannica* (1926, Vol. II, p. 656) as follows:—

" Thus agrarian reform was undertaken by a whole series of states; and, generally speaking, the more closely the States followed the Russian agrarian revolution, the more radical were their reforms, both in principle and in practice. Estonia and Latvia came nearest in this respect, while the model was least closely followed by Finland, Austria and Germany. Between these two groups there lies a whole gamut of variously devised agrarian reforms ".

Like those of the western countries, the land systems of countries in Eastern Europe are all based on the principle of private property. But here this principle must be justified by considerations of social utility. The private property of large landowners has frequently been the object of measures of expropriation, compensation being paid in varying degrees for the land thus expropriated.

These reforms will be found classified below according to their legal, economic and social aspects, including the nature and area of the land expropriated, the amount and nature of the compensation, the rate of execution, etc., all these being factors which, in a sense, reflect the profound differences between social classes in the rural areas of the various countries.

This classification is, of course, merely approximate, and implies no considered opinion. Its object is simply to bring out the main features in a mass of detail which may obscure essential facts, to permit of forming certain general ideas and to determine the leading types of agrarian reform found in Europe.

The various agrarian reforms may be divided into three groups:

1. Three Baltic countries	Estonia Latvia Lithuania	Almost complete liquidation of large estates.
2. Four countries in Central and Southern Europe	Poland Czecho-Slovakia Romania Yugoslavia	Fairly extensive reduction of large estates.
3. Two countries in Southern Europe, one in Central Europe, and Finland	Greece (1) Hungary Bulgaria Finland	Relatively slight modification of land tenure by less extreme measures.

(1) Greece has not been dealt with in this report owing to the lack of recent information.

The place occupied by each country in these groups corresponds to the more or less radical nature of the agrarian reform introduced by it.

The measures taken in the third and last group, especially in Finland, are more in the nature of land settlement, and have not therefore appreciably altered the agrarian physiognomy af such countries. Bulgaria remains, as before, a nation of peasants. In Hungary the system of large estates was too strongly established to be seriously affected by the measures taken.

Agrarian Reform in Estonia, Latvia and Lithuania.

In these three Baltic countries, the aim of agrarian reform was the complete, or almost complete liquidation of the large estates. To begin with, the peasants' right to the land was not based upon the idea of ownership, but upon that of emphyteusis, which is heritable, although the emphyteusis was subsequently converted into ownership. Part of their land was left in the hands of the former landowners, but this accounted only for a relatively small proportion, namely in Estonia and Latvia an average of 50 hectares, and in Lithuania, up to 1930, 80 hectares of arable land and 25 hectares of forest, which since 1930 has become 150 hectares of arable land and 25 hectares of forest, provided that the forest is not such as to be capable of being used by the State. Expropriated landowners have also received compensation, to a greater or lesser extent, as will be seen:

1. – *Situation before the agrarian reform.* — The situation obtaining before the reform may first be briefly surveyed.

In **Estonia,** large estates predominated. Of the total area of the country (4,189,000 hectares), 58 per cent. (or 2,428,100 hectares) consisted of large, and 1,761,000 hectares, or 42 per cent. of small estates. There were 1,149 large estates, with an average area of 2,113 hectares.

These large properties comprised numerous undertakings, so that the total number of undertakings was considerably greater than that of the properties.

Landed property was similarly distributed in **Latvia** before the War, 58.5 per cent. of the total area being owned by the big landowners and 39.7 per cent. by the peasants.

Thus about 60 per cent. of the land belonged before the agrarian reform to the great landowners, although these constituted less than 1 per cent. of the population of Latvia. In fact, the private estates were in the hands of 820 families.

In the two countries together, 85 per cent. of the large estates belonged to the Balt nobility, and were consequantly in the hands of persons of foreign origin.

In **Lithuania** before the War, landowners with more than 100 hectares owned 40 % of the national territory, which amounts to 8,500,000 hectares. The State and clergy owned 10 per cent and the rest belonged to the peasants. Of the latter, 30 per cent. had less than 3 hectares, 3 per cent. had from 3 to 10 hectares, 66 per cent. from 10 to 50 hectares and only 1 per cent. areas ranging from 50 to 100 hectares. Lastly, 17 per cent. of the rural population owned no land at all.

Moreover, in the Baltic provinces agricultural land and woodland may be said to have been unpurchasable. The reduction below a certain area of the

land belonging to a noble family caused its owner to lose the title and privileges of nobility, and there were also numerous inalienable legal rights connected with trusts, ecclesiastical establishments etc. At the same time, the acquisition of small landed properlies was extremely difficult.

2. – *Agrarian reform.* — The agrarian reform completely altered the social conditions obtaining in rural areas, and transformed numerous agricultural labourers and unemployed workers into peasants.

Without entering into details regarding the measures taken, it may be remarked that in the case of **Estonia** the question of compensation, a vital point in all agrarian reforms, was at first passed over in silence. But after the extremist period immediately following the War, it was decided that the State should pay 7.5 Estonian crowns for all expropriated land of which the yield was reckoned as the equivelent of one rouble net. The former owners received the compensation in the form of bonds guaranteed by the State. The stock is redeemable by the State in 55 years and bears interest at 2.66 per cent.

The Law on Agrarian Reform was amended by a Law of April 16, 1930; this provides that, pending the issue of stock representing the compensation due for expropriated land, landowners shall be compensated by the conclusion of individual agreements signed by the Minister of Agriculture and confirmed by the Council of Ministers. Under an agreement of this kind, the owner receives as his property, for every 100 hectares of agricultural land or forest expropriated, 5 to 9 hectares of arable land or one hectare of woodland.

Compensation had to be paid to landowners in respect of an area amounting to 944,551 hectares of agricultural land and forest. Up to April 1, 1938, 324 landowners had received compensation under individual agreements for an area amounting to 496,249 hectares or 52.53 per cent. of the total area for which compensation was payable.

Up to 1936 (inclusive) the following undertakings had been constituted:

New undertakings	56,076	with an area of about	640,000 ha.
Existing small undertakings enlarged	9,277	» » »	35,000 »
Farms newly consolidated from the former estates	23,479	» » »	470,000 »
In all . . .	88,832	with an area of about	1,145,000 ha.

The average area of these new peasant undertakings is 13.5 hectares.

In **Latvia** a special law was passed regulating the question of land compensation, and it was decided that no compensation should be paid if it could be shown that the former landowner had behaved in a manner hostile to the people.

In contrast to the pre-War period, peasant land constituted about 3,400,000 hectares or approximately 55 per cent. of the total area of agricultural land on January 1, 1938, when the agrarian reform had been carried through. The new peasant lands resulting from the agrarian reform comprised 1,700,000 hectares,

or 24 per cent., on which there have been constituted 54,154 agricultural undertakings, 1,502 market gardens, 10,857 artisans' properties, 3,007 fishermen's properties, etc.

Lands belonging to the State covered an area of 2,204,547 hectares and those belonging to the former landowners which had not been expropriated 100,021 hectares, amounting altogether to 35.07 per cent. of the whole land. The other lands distributed in virtue of the agrarian reform and the remaining lands represented 345,700 hectares or 4.27 per cent.

According to the 1929 agricultural census, there were in Latvia:

	Gross	%
Inhabitants on agricultural undertakings:		
on former undertakings	837,900	68.4
on new	304,700	(1) 24.9
remainder	82,000	6.7
	1,224,600	100

In **Lithuania**, the agrarian reform, so far as concerned the expropriation of lands and its utilisation had been practically completed by July 1936. In all, there were expropriated under the agrarian reform 566,350 hectares of agricultural land (including 40,000 hectares placed at the disposal of the reform by the State and 33,700 hectares of communal property).

Information collected for the purposes of the agrarian reform showed that about 100,000 persons had asked for land, of whom 60,000 were landless agriculturalists and 40,000 small landowners. Only half of these applications had been complied with up to 1936.

Ex-soldiers who had taker part in the struggle for Lithuanian independence form an important group among the landless agriculturalists who received land for the purpose of establishing undertakings. Next come former agricultural labourers, small farmers and other agriculturalists who did not own their land. Supplementary parcels of land have been distributed to the owners of small undertakings under 8 hectares. Building blots of 1/8 hectare close to towns and villages, have been given to workers and employees possessing no property.

Under the agrarian laws, the area of the new peasant undertakings was fixed as follows: in Estonia from 10 to 50 hectares, according to the quality of the soil; in Latvia 22 hectares on an average, and in Lithuania from 10 to 20 hectares according to the fertility of the soil.

The peasants in Estonia paid the State a variable sum for the land they received; this was based on the net yield and amounted on an average to 74 crowns per

(1) This percentage corresponds fairly closely to the proportion of new undertakings in the total number of agricultural undertakings.

Distribution of Agricultural Undertakings in Estonia, Latvia and Lithuania.

Country	Year	1 – 5 ha.		5 – 10 ha.		10 – 50 ha.		Over 50 ha.		Total	
		Number	%	Number	%	Number	%	Number	%	Number	%
Estonia	1929	23,456	17.6	21,600	16.2	81,397	61.0	6,904	5.2	133,357	100.0
Latvia	1929	35,329	15.7	43,814	19.5	129,457	57.7	16,070	7.1	224,670	100.0
Lithuania	1930	53,463	18.6	78,237	27.2	147,602	51.4	2,078	2.8	287,380	100.0
		Area ha.	%	Area ha.	%	Area ha.	%	Area ha.	%	Area ha.	%
Estonia	1929	67,261	2.5	160,648	6.1	1,944,430	73.3	479,432	18.1	2,651,871	100.0
Latvia	1929	86,091	2.3	283,154	7.8	2,346,404	64.6	918,851	25.3	3,634,500	100.0
Lithuania	1930	138,877	3.7	526,496	13.9	2,538,477	67.3	570,577	15.1	3,774,427	100.0

hectare of plough land and 60 crowns per hectare of pasture; in Latvia, the sum varied according to the yield of the soil, reckoned in such a way that the average output per hectare was assessed at 10 lats and most not exceed 20 lats. In Lithuania under the terms of an amendment introduced on September 19, 1934, in the Law on Agrarian Reform, those benefiting under the reform are required to pay to the State, within 36 years, a purchase price for their land varying from 18 to 252 litas per hectare, according to fertility and situation. Annual instalments become payable as from the ninth year following receipt of the title deeds.

3. – *Distribution of landed property.* — The new distribution of landed property in these three States as a result of the agrarian reforms is illustrated by the above table.

As the table shows, undertakings comprising from 10 to 50 hectares come first. In Estonia these constitute 61 per cent. of the total number of undertakings and comprise 73.3 per cent. of the agricultural land. In Latvia they represent 57.7 per cent. of the total undertakings and 64.6 per cent. of the total territory, and in Lithuania 51.4 per cent. of the total undertakings and 67.3 per cent. of the total territory. It must be noted that the figures for Estonia refer to the agricultural territory and those for Latvia and Lithuania to the territory as a whole. Hence comparisons can be made only with certain reservations.

Undertakings over 100 hectares are few in number and do not account for a large total area. In Estonia they represent only 0.4 per cent. of the total number and 3.2 per cent. of the total area, in Latvia 0.4 per cent. and 3.3 per cent. and in Lithuania 0.5 per cent. and 5.7 per cent. respectively.

Before the reforms, the great landed properties played an important economic and social part in the Baltic countries, from which they may now be said to have disappeared. The system of land tenure is approximating ever more closely to that of the Western European countries, of which the French system is the prototype.

4. – *Methods of exploitation.* — The method of direct exploitation is the one most commonly found; it obtains in Estonia on 72.4 per cent. of the area, the figures for Latvia being 84.3 per cent. and for Lithuania 89.4 per cent. Tenant farming is now practiced only in about one-quarter of the area in Estonia and rather more than one-tenth of the area in Latvia and Lithuania. Peasant ownership, which is practically synonymous with exploitation, is the characteristic feature of land tenure in these countries.

5. – *Consolidation.* — Consolidation of land has proceeded in all three countries at a relatively rapid pace.

In Estonia, between 1926 and 1937, 3,025 separate plots comprising 51,591 hectares were consolidated in accordance with the Law of 1926.

During the period 1920-1937, 11,760 undertakings, totalling 112,544 hectares, were established on community land ("community" in the sense of the Russian *mir* and *obshchina*).

Lastly, the redistribution between 1926 and 1937 of land held as collective property effected 674 units, totalling 4,142 hectares.

Consolidation of land in Lithuania has been carried out in a very radical manner. In villages where the land was not cut up, the average number of strips

(parcels) per undertaking is 16.7 and the number of strips per 100 hectares 168. After consolidation, on an average 80 per cent. of these isolated undertakings now have a single tenant. The buildings are removed to the plots thus consolidated. As a result, Lithuania is becoming a country of isolated undertakings and villages are disappearing. This process recalls the agrarian reform by which Stolypin abolished the system of *mir* in Russia.

6. – *System of succession.* — With a view to saving peasant undertakings from subsequent division, the right of property in the former peasant indertakings has been restricted in **Estonia** and certain measures have been taken with regard to inheritance.

The restrictive measures prescribed by the Laws of 1859 and 1860 regarding peasant lands, according to which a newly established unit of landed property in the south of Estonia (the former province of Livonia) might not be less than 15 hectares are still in force. In the northern part of the country, a new unit may be subdivided if it contains 3.3 hectares of arable land with the corresponding fields and pastures. It is intended to modify this provision in accordance with changing requirements and to extend it to all agricultural units (including undertakings established on land belonging to the State), in order to prevent the country from being broken up unduly.

Succession to landed property is dealt with under the ordinary law, subject to the restrictions regarding the area of peasant undertakings and certain other forms of derogation.

In practice, the two most common methods by which peasant property is inherited in Western Europe, namely division and succession without division, are both found in Estonia. The second is more usual in the richer districts in the south, while division is the system encountered chiefly in the eastern part of the country.

In **Latvia** new undertakings are heritable. Owners may cede their rights according to the provisons of the Civil Code, but only with the Government's consent. They may let their lands on lease, either wholly or in part.

The provisions of the Civil Code regarding the inheritance of immovable property have not been greatly modified by the agrarian reform. In cases where, as a result of succession, several properties, the total area of which exceeds 50 hectares are concentrated in the hands of a single person, the latter must liquidate them voluntarily within three years of the day on which he entered into possession of the deceased's property. He is free to choose one or other of his properties up to a total area of 50 hectares.

Lastly, in **Lithuania,** upon the death of the head of the family, the property becomes the undivided property of all the heirs. The estate has always been settled in accordance with the laws in force. The heirs could proceed to share the estate by amicable agreement, or they could apply to the judge to determine their several portions, in which case there could be no derogation from the above mentioned provision. One or more of the heirs could retain the property, on condition that he or they compensated the others in cash or in kind up to the value of their share.

Agrarian Reform in Poland, Czecho-Slovakia, Romania and Yugoslavia.

In these four countries of Central and Southern Europe, owing to a variety of causes connected with their past history, agrarian reform did not – as in the Baltic States – result in the abolition of large estates, but merely reduced them in size. Here, as elsewhere, the nature of the reform is to be explained by the system previously in existence. The majority of holdings had been extremely small, and a large proportion of the land was in the hands of a few great landowners.

Such a distribution of land meant that thousands of families of small agriculturalists had not enough land to provide employment for all their members. The result was a seasonal, or in some cases continous emigration of surplus labour. A further consequence of the concentration of a large proportion of the land in the hands of a few owners was the prevalence of tenant-farming and hired labour.

1. – *Agrarian legislation.* — To remedy this state of affairs, a law was passed in **Poland** on December 28, 1925, subjecting to agrarian reform all land belonging to private persons or corporations with the exception of orchards, roads and house property. In industrial areas and the neighbourhood of the large towns in the east, the former owners were allowed to keep 60 hectares; and persons in those areas whose ancestors had worked the land before January 1, 1864 in districts now included in Poland were allowed 300 hectares. In the remainder of the country the owners retained 180 hectares.

In theory, the law of December 28, 1925 is based on voluntary division; but if the voluntary division is not carried out to the extent or at the rate desired the Government can either proceed to divide up the land for the owner at the latter's expense, or expropriate him against compensation. In general, however, such extreme action is confined to the case of land subject to compulsory division.

The law of December 28, 1925 provided for the dividing up of 200,000 hectares a year during the period from 1926 to 1938. Where the owner failed to divide up the area indicated on a "nominative list" within one year, or did not proceed within a period fixed by the Minister of Agrarian Reform with the enlargement of very small holdings in accordance with the provisions concerning consolidation, he was expropriated.

As, however, the land was generally divided up voluntarily in accordance with the parcelling programme and the nominative lists, only a very small area had to be expropriated.

20 per cent. of the compensation for expropriated property was payable in cash, and 80 per cent. in State land bonds at their nominal value.

In addition to the portion of the purchasing price for which a credit was granted them, persons acquiring parcels of land could obtain loans on mortgage, either from the Treasury or from the State Agrarian Bank. Liens on the parcels in favour of third parties were not allowed (except with the consent of the Land Offices) until the loans from the State or the State Agrarian Bank were repaid in full.

In the event of insolvency of a person acquiring one of the new holdings into which the land was divided, his holding became subject to the ordinary law of attachment.

In **Czecho-Slovakia** the State took possession of all estates containing more than 150 hectares of arable land (fields, meadows, gardens, vineyards and hop-fields) or 250 hectares of land of any kind. Possession in such cases involved limitation of the owner's rights: he was unable, without authorisation from the Land Office, to alienate, lease or divide his property. Transactions running counter to these provisions of the law did not automatically become null and void; but they were invalid as far as the State was concerned.

Possession by the State further restricted the right of ownership in so far as the law allowed the State to dispose of the property in favour of public or private charitable organisations, subject always to payment of compensation, except in the case of entailed properties where the family concerned became extinct.

For properties of more than 100 hectares in size, the owners received compensation calculated according to the average market price during the period 1913-1915.

For properties of less than 100 hectares, the rate of compensation was based on what is known as the cadastral yield, calculated according to a special coefficient established empirically and varying according to district, type of cultivation, distance of the land from the nearest railway station, etc.

As a rule, compensation for expropriated land was less than its value. However, according to Pavel, who was at the head of the Land Office from its origin, if the large landowners had been obliged to pay a tax on real estate, so much land would have come into the market that the affect – taken in conjunction with the liberation of land resulting from the Law of July 3, 1924 abolishing entails – would have been to diminish the value of their land to such an extent as to involve an even heavier loss.

Compensation was for the most part paid from the Compensation Fund of the Compensation Bank, and 35 per cent. of the payments, namely 2,500 million crowns, were made in cash.

In **Romania,** the new Constitution determined the categories of land to which expropriation should apply, and stipulated in particular that all cultivable land held in mortmain should be expropriated. It gave a list of all the categories of land to be expropriated, and fixed the area to be taken from private individuals according to a progressive scale at 2 million hectares.

The Agrarian Reform Law provided for (*a*) total and (*b*) partial expropriation. Total expropriation applied, as provided in the Constitution, to cultivable lands in mortmain and also to the property of foreigners and absentee owners.

Partial expropriation applied only to cultivable land, namely arable land, pasture, meadow and all other land suitable for cultivation.

In the case of land which had been leased for more than ten years, the Law expropriated all holdings of more than 30 arpents (1) in urban districts. In the case of those which were already leased on May 1, 1921, expropriation was applied

(1) 1 arpent = 0.58 hectare.

to all properties of over 50 arpents in the mountains and hills, and 100 arpents in the plain.

In the territory of the Old Kingdom the Law fixed the amount to be left intact at 100 hectares, and the maximum which could be left in the hands of the owner at 500 hectares. In the newly acquired provinces the limits were different. In the Bukovina, for instance, in no case could an area of more than 250 hectares be left in the hands of the owner, whatever the size of his property.

In Bessarabia, vineyards, orchards, nurseries and other plantations were not expropriated; but only 100 hectares of other forms of cultivable land could be kept by the owners. In the case of properties which had been leased for five years between 1905 and 1916, the law only allowed the owners to keep 25 hectares, etc.

The Law decided that the price of expropriated land in the Old Kingdom should be determined by multiplying the rent fixed by the Regional Commissions in the years 1917 to 1922 by 40 in the case of arable land, and by 20 in the case of pasture.

The price was to be paid to the owners in bonds redeemable in fifty years, bearing interest at 5 per cent.

In **Yugoslavia,** the agrarian reform did not affect the territory of Serbia proper, in which there had been no large estates since 1830. The problem arose only in the newly acquired regions.

The principles on which the reform was based were the liquidation of all fiefs and the abolition of all enfeoffed lands in the countries of the Serbs, Croats and Slovenes, and in particular the abolition of the *kmet* system of tenure in return for fair compensation.

Under the *kmet* system, the land belonged to one large landowner, but was farmed by peasant (*kmet*) families who paid for the right to do so in kind. As a rule the payment in kind consisted of about one-third of the crop.

For reasons of public utility – and, in particular, with the object of dividing up the land for settlement by the peasant population *en masse* – all agricultural properties which, whether by reason of density of population or the conditions of production, could be regarded as large, were expropriated subject to payment of fair compensation.

The *colonat* system under which the rent was paid in kind, and analogous forms of tenure on a sharing basis as between landlord and peasant in Dalmatia and other parts of the Kingdom, were abolished.

All leases of large estates had to be cancelled, if the holder did not farm the land himself. Sub-leasing was forbidden.

All large forest holdings became the property of the State, grazing rights and the right to cut wood for fuel and building purposes being allowed to the peasant cultivators.

2. – *Results of the agrarian reform.* — In **Poland** in the course of the agrarian reform in the years from 1919 to 1937 inclusive, 2,535,690 hectares were divided up among 694,411 purchasers.

From 1927 to 1937 the area was utilised in the following way. 145,600 independent holdings, with a total area of 1,366,900 hectares, were established:

476,400 very small holdings were enlarged, 958,500 hectares being used for the purpose: 70,800 lots for workmen, artisans, etc. were formed out of 68,900 hectares: and 55,000 hectares were used to form 3,600 special types of holdings.

The above figures show that 50.77 per cent. of the area divided up was used to form new holdings, and 44.04 per cent. to enlarge small holdings.

The average size of the newly formed and enlarged holdings is 9.4 and 2.3 hectares respectively. In determining the size of such holdings, the principle followed was that the holding should be large enough to provide work and sustenance for a peasant family.

Where the division was carried out by the Government, the purchasers only paid an instalment of from 5 to 10 per cent. of the purchase price on taking possession, the rest being payable in 57 annual instalments with interest at 3 per cent. per annum.

Where the division was carried out by private arrangement, the purchasers could obtain credits in the form of State Agrarian Bank bonds; and, in certain cases provided for in the Law, additional credits were available from the special agrarian reform reserve fund for the purchase of land.

Loans for the purchase of land divided up by private agreement were repayable within a period of thirty-five years, the rate of interest being 3 per cent. per annum.

From 1927 to 1936 inclusive, credits amounting to some 96,153,000 zloty were granted to would-be purchasers.

The abolition of servitudes in connection with the agrarian reform put an end to the distinction between rights of ownership and rights of user in respect of the same piece of land – i. e. the rights of the former landlord and those of the local peasant. Between the years 1918 and 1937 inclusive servitudes were abolished in 8,235 localities. The total number of properties where authorisation was given for such liquidation was 272,964. Only a few servitudes still remain in the central and eastern voivodships, and they are due to disappear in a few years time.

In **Czecho-Slovakia** the agrarian reform was not applied to all the land taken over by the State. For one thing, each owner was able under Article 11 of the Law to claim a minimum of 150 hectares of arable land, or 250 hectares of land of any kind. In certain exceptional cases provided for by the Law, the Land Office had the right to increase the minimum to 500 hectares.

According to a survey prepared by Pavel (1), the total amount of land taken over by the State up to January 1, 1938 was 4,021,617 hectares, namely 28.6 per cent. of the national territory. To that must be added 34,693 hectares obtained in exchange for lands belonging to large State domains. The amount of land not taken over was 12,060 hectares. Altogether, therefore, at the end of 1937, 4,068,370 hectares had been made available for agrarian reform.

(1) *Pozemková Reforma* No. 3, 1938, Prague.

From that total, 642,574 new owners received 1,800,782 hectares, or 44.3 per cent. of the available amount of land. Of that number, 638,182 obtained 789,803 hectares in small and medium sized lots of from 0.1 to 30 hectares; 2,055 new owners, the majority of whom had formerly been paid employees on the land taken over, received 226,305 hectares of land which was mostly arable, each of them receiving over 30 hectares; and, finally, 2,337 new owners obtained larger holdings such as woodlands, pastures, etc. amounting in all to 784,873 hectares.

The demand for small lots was generally greater than the supply. Consequently a large percentage of claimants who possessed the qualifications required by law could not be satisfied.

The former owners of the land taken over kept 1,831,920 hectares, namely 45 per cent. of the agricultural land.

The agrarian reform therefore affected, up to January 1, 1938, 3,632,702 hectares or 83.9 per cent. of the total amount of land taken over. At the end of 1937 there were 435,668 hectares, or about 10 per cent. of the land seized, still available for the purposes of the reform.

The land which changed hands under the reform amounted to 13 per cent. of the national territory: in other words, a little over one-tenth of the total area was mobilised for the purposes of the reform, while nearly nine-tenths remained unaffected.

In **Romania,** according to the official figures, the amount of land expropriated up to August 1, 1937 was as follows:

In the Old Kingdom	an area of	2,554,658.37	ha. from	4,467	estates
In Transylvania	»	1,688,465.89	» »	8,963	»
In Bessarabia	»	1,491,916.06	» »	4,271	»
In the Bukovina	»	75,798,52	» »	561	»
Total . . .	an area of	5,810,838.84	ha. from	18,262	estates

The tables showing the number of persons entitled to possess land in each province give the following figures:

In the Old Kingdom	1,075,330	persons entitled to possess land.
In Transylvania	490,528	» »
In Bessarabia	357,016	» »
In the Bukovina	82,603	» »
Total . . .	2,005,477	persons entitled to possess land.

As in certain districts there was not enough expropriated land to satisfy the claims of all those who were entitled to possess it, the number of persons to whom possession was granted was as follows:

In the Old Kingdom	648,843	persons entitled to possess land.
In Transylvania	310,583	» »
In Bessarabia	357,016	» »
In the Bukovina	76,911	» »
Total	1,393,353	persons entitled to possess land who actually received land.

The above operation naturally resulted in a radical change in the distribution of land. Before the agrarian reform, the total cultivable land in the country, amounting to 20,134,661 hectares, was divided as follows:

Small properties	12,025,814	ha. i. e.	59.77 %
Large properties	8,108,847	» »	40.23 %

After the agrarian reform the figures were as follows:

Small properties	17,830,652	ha. i. e.	88.56 %
Large properties	2,304,009	» »	11.44 %

The agrarian reform has resulted in a great decrease in the number of large estates, with a corresponding increase in the total area of small properties.

The price due from the State to the expropriated owner was, as already mentioned, equal to the average rent in the district during the period from 1917 to 1922 as officially determined and multiplied by a maximum coefficient of 40. The price due from peasant purchasers of expropriated property was established on the same basis, but only multiplied by 20. Peasants therefore only paid 50 per cent. of the price of the expropriated land, the rest of the cost being borne by the State.

Further, the peasants only paid 50 per cent. of their debt to the State at once: the rest was advanced to them to enable them to make their first purchase of livestock.

Once the land was expropriated, the first aim of the State was to place it as rapidly as possible in the hands of the peasants, first on a temporary lease, and subsequently in permanent ownership.

The size of typical holdings ranged in the Old Kingdom from 0.5 to 5 hectares, in Transylvania from 0.58 to 4.03 hectares, in Bessarabia from 1 to 6 hectares, and in the Bukovina from 0.25 to 2.5 hectares.

Additional lots of various sizes were allocated to persons already in possession of land.

Furthermore, holdings were granted for settlement purposes. They varied in size according to different districts and the quality of the land, but were always larger than the typical holdings.

To allow of the formation in the countryside of a middle class, destined to be the backbone of the nation, the Agrarian Reform Law permitted the sale of lots five years after the grant of possession, except in Bessarabia, where the new owner was not allowed to sell until he had paid off the price of the land to the State.

Permission to sell was granted subject to the reservation that no one person could purchase more than 25 hectares.

The results of agrarian reform in the various parts of **Yugoslavia** are as follows.

a. In the north, the reform had been applied by 1936 to 1.3 million hectares. By that time 426,000 hectares had been expropriated, i. e. 23.3 per cent. of all the land subject to reform. The former owners had voluntarily sold 129,132 hectares to the persons benefiting from the reform, and still retained 726,906 hectares, or 56.5 per cent. of the total amount of land available for the reform.

Those benefiting from the agrarian reform included (1) 7,289 families of War volunteers, who received a total area of 50,103 cadastral arpents (1), i. e. 6.9 cadastral arpents per family, (2) 13,059 voluntary settlers with their families, who received 108,449 cadastral arpents, i. e. 8.3 cadastral arpents per family, (3) 4,271 other settlers' families, to which 28,498 cadastral arpents were allocated, i. e. 7.2 cadastral arpents per family, (4) 1,783 families of " squatters " who at the very beginning of the reform had occupied land belonging to large landowners and, for one reason or another, were later allowed to keep the land, amounting in all to 6,988 cadastral arpents, i. e. 4.4 cadastral arpents per family, (5) 2,282 families of optants who had returned to their country, having renounced their right of citizenship in other countries in the regular way, and received 12,844 cadastral arpents, i. e. 5.9 cadastral arpents per family, and (6) 400 other families who had taken refuge in the country and received 1,262 cadastral arpents, i. e. 3.1 cadastral arpents per family. Consequently, altogether, 29,084 families had received 211,250 cadastral arpents. Furthermore small agriculturalists established in the country had also received land amounting to 266,936 cadastral arpents for 143,891 families, i. e. an average of 1.85 cadastral arpents per family.

b. In Bosnia and Herzegovina the abolition of the *kmet* system had transferred 566,000 hectares to 113,000 families in full ownership. Compensation was paid by the State by means of a lump-sum payment of 255 million dinars. Further, *begluk* property, i. e. individual property not held under *kemetage*, to the extent of approximately 4,000 hectares was distributed to 55,000 claimants. Compensation in this case amounted to 500,000 dinars.

c. In the southern districts, the *čiflik* (or *kmet*) system was largely abolished. By December 31, 1935 29,733 families had been settled on 152,658 hectares, the average size of each holding being 5.1 hectares. In Montenegro there was no agrarian reform, the primitive tribal organisation being left unchanged.

(1) 1 cadrastal arpent = 0.58 hectares.

d. Finally, in Dalmatia, agrarian reform only started in 1933. For the present there is no information available regarding the final results obtained in that part of the country.

3. – *The new distribution of agricultural undertakings.* — The change in the distribution of undertakings in the above four countries resulting from the agrarian reforms is difficult to summarise in a table, not only for the reasons already mentioned, but also because in Poland the 1931 census distinguishes undertakings according to size without full particulars. It merely states in a general way that of a total area of agricultural land amounting to 25,589,000 hectares, 76.3 per cent. consisted of undertakings of less than 50 hectares, 18 per cent. of undertakings of more than 50 hectares, and 5.7 per cent. of undertakings belonging to corporations. The latter category was not indicated at all in the previous census of agricultural undertakings in Poland in 1921., If, therefore, it is disregarded for the purposes of comparison, the first group (under 50 hectares) constituted in 1931 approximately 80 per cent. of the total number of undertakings, as compared with 70 per cent. in 1921, and the second group (over 50 hectares) approximately 20 per cent. as compared with 30 per cent. in 1921. The decrease in large undertakings was therefore accompanied during those ten years by a corresponding increase in small undertakings.

To afford at any rate an approximate idea of the new distribution of undertakings in these countries and, in particular, to draw attention to the most typical forms under present conditions, the following table has been compiled to show the position in respect of area in three of the countries concerned, viz. Czecho-Slovakia, Romania and Yugoslavia.

Subject to all necessary reservations, the following conclusions may be drawn from the above table.

The smallest undertakings of from 1 to 5 hectares represent in number a little over two-thirds of the total in these countries; but in area they amount to no more than about one-seventh of the land in Czecho-Slovakia, and less than one-third of the land in Romania and Yugoslavia.

Undertakings of 100 hectares and over represent only a very small proportion of the total number, viz. 0.1 per cent. in Yugoslavia, 0.4 per cent. in Romania and 0.6 per cent. in Czecho-Slovakia. But in Czecho-Slovakia they represent nearly two-fifths of the total area and in Romania more than one-quarter, though in Yugoslavia they only represent 6.5 per cent. To judge by these figures, large estates still occupy a very important position in Czecho-Slovakia. Account must, however, be taken of the fact that in calculating their size, the area under timber, which is very large in that country, is included.

While the first group includes a large number of undertakings and covers a relatively small area, and the second group includes a small number of undertakings and covers a vast area, undertakings of from 5 to 50 hectares occupy an intermediate position and are better balanced. In Czecho-Slovakia they represent 28.2 per cent. of the number of undertakings and 41.2 per cent. of the area, in Roumania 24.3 per cent. and 39.7 per cent. respectively and in Yugoslavia 31.8 per cent. and 62.3 per cent. This group therefore appears to be the typical category of undertakings.

Distribution of Undertakings in Czecho-Slovakia, Romania and Yugoslavia.

Countries	Year	From 1 to 5 hectares		From 5 to 10 hectares		From 10 to 50 hectares		From 50 to 100 hectares		More than 100 hectares		Total	
		Number	%	Number	%	Number	%	Number	%	Number	%	Number	%
Czecho-Slovakia	1930	1,168,205	70.8	258,076	15.7	206,188	12.5	7,302	0.4	8,833	0.6	1,648,604	100.0
Romania (1)	1930	2,460,000	75.0	560,000	17.1	236,000	7.2	11,800	0.3	12,200	0.4	3,280,000	100.0
Yugoslavia	1931	1,348,149	67.8	407,237	20.5	223,382	11.3	5,156	0.3	1,801	0.1	1,985,725	100.0
		Area in hectares	%	Area in hectares	%	Area in hectares	%	Area in hectares	%	Area in hectares	%	Area in hectares	%
Czecho-Slovakia	1930	2,084,641	15.4	1,825,842	13.6	3,709,180	27.6	505,018	3.7	5,333,785	39.7	13,458,466	100.0
Romania	1930	5,535,000	28.1	3,955,000	20.0	3,895,000	19.7	895,000	4.5	5,470,000	27.7	19,750,000	100.0
Yugoslavia	1931	2,981,112	28.0	2,873,155	27.0	3,769,396	35.3	338,076	3.2	684,241	6.5	10,645,980	100.0

(1) Provisional figures.

The large estates remaining after the reform only play a comparatively insignificant part. The rural economy of these countries is now based on peasant cultivation.

4. – *Methods of exploitation.* — 90.8 per cent. of the land in Czecho-Slovakia is worked direct by the owner. For Poland and Romania no recent figures are available on this subject. There too, however, direct working predominates. After the agrarian reform and the disappearance of many large estates, tenant-farming became rare. It is only found to any considerable extent in connection with small market-gardens; but in comparison with the total area it is negligible.

The most important feature of the agrarian reform in these countries, as in others, is the transfer of the ownership of the soil to those who formerly exploited it as tenant-farmers. In such cases the change has not been in the method of exploitation, but merely in the legal position.

In Czecho-Slovakia the agrarian laws do not exclude any current methods of exploitation. In addition to individual direct working and individual tenant-farming, they also recognise collective farming. The development of agricultural co-operative societies should certainly be of much interest in connection with this form of exploitation, which has hitherto been rather the exception both in Czecho-Slovakia and elsewhere.

5. – *Consolidation.* — Of the various means of remedying the defects resulting from the division of property in the countries, the most important is consolidation. Without discussing the various natural, legal, and social factors which tend to induce (though they cannot economically justify) the division of the land into small holdings, it may be said that in general division renders sound cultivation of the land impossible, or increases the cost to a point at which cultivation ceases to pay.

But although the consolidation of small undertakings or holdings is always advantageous, it nevertheless often encounters in agricultural circles obstacles which are sometimes difficult to overcome. The opinion of the countryside can only be won over to consolidation where its practical advantages are successfully explained and proved.

It is interesting to note what Professor Brizi has said in this connection about the Italian Campagna. " Merely for the purpose of our investigations ", he writes, " we have from time to time asked peasant proprietors their opinion as to the possibility of consolidation. It would not be correct to say that they were against such a thing. It would be more true to say that they did not even regard it as a possibility. So powerful and unshakeable in the peasant mind are the conceptions of *meum* and *tuum*, particularly in connection with land. But this particular obstacle should not be overrated. A properly conducted experiment on a large scale might well convince the peasant, who is very intelligent and always ready to discuss and to learn " (1).

(1) *Inchiesta sulla Piccola Proprietà Coltivatrice formatasi nel Dopoguerra*, Vol. IX. Campagna. Milano-Roma, 1933, p. 30.

It is obvious that consolidation means very considerable interference with private property, though always in the true interest of such private property itself.

In **Poland** the initiative in all cases of consolidation rested with the persons directly concerned, being in possession of not less than 25 hectares for consolidation in the administrative unit concerned: but the actual consolidation was in the hands of the State Land Offices. There was a provision for the compulsory inclusion of land belonging to persons not parties to the petition for consolidation in the area to be consolidated.

Official encouragement of the movement mainly takes the form of exemption of consolidated properties from the State Land Tax. The cost of consolidation is borne by the parties concerned in the form of small annual instalments distributed over five years or by immediate liquidation, partial or complete. Landowners who move their buildings to land acquired by consolidation receive advances in cash or in building material from the agrarian reform funds. Such advances are usually made for periods of from 8 to 16 years; and the rate of interest, which was at first from 4 to 5 per cent. per annum, has now been reduced to 3 per cent.

Between 1919 and 1937, consolidation took place on 783,796 undertakings, with a total area of 4,993,724.5 hectares. According to statistics collected in 1937 in the various voivodships, there were still some 7,203,000 hectares of land awaiting consolidation, the greater part of which was in the central and eastern voivodships.

Between 1927 and 1937, the parties concerned in consolidation operations received credits amounting in all to 48,116,041 zloty, 46,559,734 of which were advanced in cash and 2,956,307 in the form of building materials.

In **Romania** the problem of consolidation became acute from the moment the agrarian reform came into operation, since the effect of the allocation of additional plots to the peasants was to make the property of the latter even more scattered than before. The moment was therefore ripe for consolidation; and provision had already been made for the purpose in the Agrarian Law. As the position was more acute in the Dobrudja than in the rest of the country, it was decided to make a beginning with that province.

A list of parties concerned was drawn up by the courts and a systematic programme was prepared. Work began in July 1930; and out of 182 communes in the new Dobrudja, 150 now have lists completed and posted up, while in 70 communes consolidation plans have already been put into execution.

In **Yugoslavia**, the process of division has been greatly accentuated by the progressive dissolution of family communities (*zadruge*), as the latter are parcelled into an ever increasing number of plots. Cases are on record where properties of no more than 2.89 hectares have been divided into as much as 122 separate parcels. A consolidation law to cover the entire country is now in preparation. Up to the present, consolidation has been confined to Croatia and Slovenia under a law passed in 1902. At the close of 1935 there were 201 communes and a total area of 291,860 hectares in which consolidation operations had taken place.

6. – *Maintenance of the area of undertakings.* — The steps taken in these States to maintain a standard area for agricultural undertakings include the following.

In **Poland,** land acquired under the Agrarian Reform Law may not be divided, alienated or mortgaged until all loans by the State or the State Agrarian Bank have been paid off in full.

On April 14, 1937 a law was passed under which properties acquired as the result of division of an estate may not be sold, either in whole or in part, or divided, leased, or mortgaged without the consent of the authorities, while the owners of such properties are compelled to work them personally.

Successions are governed by the laws of the several countries between which the territory of the present Polish State was formerly partitioned.

In **Czecho-Slovakia** the Land Distribution Law introduced the principle of family properties into the land tenure system. Family properties under the Law may not be alienated or charged with mortgage or other rights *in rem* without the authorisation of the State Land Office.

The area of family properties depends upon economic conditions in the region concerned, the underlying principle being that undertakings should be large enough to provide a livelihood for a peasant family. The average area required for this purpose is estimated at from 6 to 15 hectares.

It would still be rash to venture a prophecy as to the future of this innovation in Czecho-Slovakia, a country accustomed to the idea of equal sharing of property among heirs.

There are those who fear that unattachable family properties may be open to the same social objections as the entailed estates of the nobility, to which an end was put by the Law of July 3, 1924.

In **Romania** the State was given a right of pre-emption on the sale of land or expropriated properties of over 50 hectares in area, to prevent evasion of the agrarian reform of 1921. The Law of March 22, 1937 on the Organisation and Encouragement of Agriculture restored the right to alienate and mortgage agricultural property acquired under the reform: but agricultural properties not exceeding 2 hectares may not be divided after sale or succesion. Properties of less than 2 hectares are indivisible.

Despite all official measures, a high proportion of land in Roumania continues to be held in scattered plots, and small-scale farming on isolated parcels of land is still the rule.

In **Yugoslavia** the principle of indivisible succession obtains only in parts of Slovenia, where it is usual for the father to leave his property to a single son selected by himself. In such cases the heir, who is not necessarily the eldest son, must compensate his co-heirs.

According to von Frangeš, (1) the problem of succession, in the strict sense of the word, never arises in connection with the *zadruga* or family community. A law under consideration in 1936 proposes to allow agriculturalists who have hitherto been individual landowners to form *zadruge*, while remaining within the framework of the individual family. All members of the *zadruga* in such case

(1) Dr. O. von Franges: Die sozialökonomische Struktur der jugoslawischen Landwirtschaft, Berlin 1937, p. 127.

have exactly the same rights; but they no longer depend, as hitherto, upon their several degrees of relationship. The rights are confined to members actually living on the *zadruga* and earning their livelihood there, and do not cover members who carry on an occupation elsewhere.

These new provisions are in striking contrast to the legislation hitherto in force, under which (in accordance with Roman Law and the Code Napoleon) all children have equal rights as regards the inheritance of their father's property. This system has always been considered unjust by the people, and has given rise to family disputes of the most serious kind.

Agrarian Reform in Hungary, Bulgaria and Finland.

In these three countries, which constitute the last group in our classification, the reforms are, both legislatively and administratively, in the nature of land settlement schemes.

Hungary.

In Hungary, land redistributed under the Law on Agrarian Reform may be classified in four categories, viz. (1) land ceded in payment of the capital levy, (2) land purchased, (3) land subject to the right of pre-emption and (4) expropriated land.

1. Like many other countries, Hungary was obliged to reform her public finances after the War by imposing a capital levy on such part of the wealth held by her nationals as it was found possible to include. In the case of land, the amount of the levy was made dependent on the tax on the net cadastral income.

On properties of 1,000 cadastral arpents (1), the levy – or "ransom", as it was called – consisted of an area of land corresponding in value to 14 per cent. of the net cadastral income: on properties of 10,000 cadastral arpents it was equivalent to 17 per cent. of the net cadastral income: and on properties of over 15,000 cadastral arpents it rose to a total not exceeding 20 per cent. of the net cadastral income.

The result was to make an area of 432,000 cadastral arpents available for the agrarian reform; and nearly one-half of the land acquired for the purpose cost the State nothing.

2. and 3. Under the Agrarian Reform Law the State was to acquire the necessary land, wherever possible, by purchase: compulsion was to be avoided where other means were available. Purchase was to be either by private contract or by public auction. The Law gave the State a right of pre-emption. The two processes together placed some 171,300 cadastral arpents at the disposal of the State.

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(1) 1 cadastral arpent = 0.58 hectare.

4. The chief innovation introduced by the Law consisted in the right it gave the State, when necessary, to expropriate land through the judicial channel. The principle of full compensation was, however, always respected and properties could be expropriated only in a definite order, drawn up with a view to the protection of legitimate interests.

Properties which had changed hands during the fifty years preceding July 27, 1914, under conditions such that the State could have exercised a right of pre-emption, were declared liable, if necessary, to be expropriated as a whole.

In the case of large estates of earlier origin, the power to expropriate was limited to such areas as could be expropriated without interfering with the exploitation of the remainder.

In practice, landowners were left with the greater part of their property.

On the whole, therefore, the Hungarian reform dealt very leniently with the big landowners.

An upper limit was fixed for the area of undertakings established under the agrarian reform. Landless persons were not to receive more than three cadastral arpents, while smallholders were allowed sufficient to consolidate their property up to a maximum of fifteen cadastral arpents.

The results of the agrarian reform in Hungary from June 20, 1921 to December 31, 1936 have been as follows. 600,000 hectares have been distributed amongst small and very small undertakings, while 9,248 cadastral arpents have been allotted to form 39 medium-size properties. More than 180,000 cadastral arpents have been applied to public utility schemes, and 259,733 sites have been made available for building purposes. About 412,000 persons in all have received land, comprising an area of nearly 700,000 cadastral arpents.

Direct working of undertakings predominates in Hungary. In 1935, it was the method of exploitation on 9,254,538 hectares, while 1,610,425 hectares, or about 15 per cent. of the total area, were worked on lease.

While tenant farming plays an important part in the economic life of Hungary, the rules governing leasehold agreements still remain largely uncodified. This has not proved a disadvantage, because the relative frequency of such agreements has given rise to a kind of customary law such as obtains in England, which tends to eliminate disputes regarding the interpretation of leases.

The agrarian reform reduced the area of the big estates by about a million arpents; but it did not do away with the marked disproportion between large and small properties in Hungary.

Accordingly, when the reform was complete, legislation was passed (in 1937) and is now being put in force on the subject of family trusts (*fideicommissa*) and land settlement.

The Family Trusts Law was intended to counteract the unfavourable demographic and social effects of mortmain tenure. Only 30 per cent. of the agricultural territory at present occupied by the beneficiaries of such trusts (fideicommissioners) will henceforth remain subject to the ban on alienation. These restrictions do not, however, apply to *fideicommissa* with a net cadastral output of less than 30,000 crowns; and, of the 61 existing *fideicommissa* in Hungary, 30 belong to this category.

The Land Settlement Law was intended to facilitate the acquisition of the land required for the purposes of the Government's agrarian policy through purchase by private contract and through the exercise of State rights. In exceptional cases specified by the Law, certain big landowners may be compelled to cede land in a manner tantamount to expropriation. Such compulsory cession of part of a property is, in general, limited to one quarter of the agricultural area, as reckoned on a basis of the net cadastral yield of the estate in question.

If the agricultural area of the property exceeds 60,000 cadastral arpents, the obligation to cede land may be extended up to one-third or two-fifths of such area. In the case of properties acquired between January 1, 1914 and January 1, 1936 the Law empowers the authorities to fix the limit at which compulsory cession may be imposed at anything beyond 1,000 cadastral arpents, which is the minimum area that must be left to the owner.

The landowner must be compensated on a scale fixed by the Law. The possession of property passing under the Law does not become absolute ownership until the recipient has paid 50 per cent. of the price. Property passing under the Law may not be alienated or mortgaged for 32 years.

It is calculated that this Law will enable approximately 400,000 cadastral arpents to be used for the establishment of small undertakings.

In regard to succession, equal sharing of land is the general practice. The custom of transmitting property undivided is encountered only amongst the peasants of the parts of Hungary west of the Danube. In such cases, the other children receive a small sum by way of compensation, which bears no relation to the market value of the property; they generally seek some industrial occupation.

Bulgaria.

The characteristic feature of agrarian reform in Bulgaria is not so much the expropriation of large estates, which were of minor importance there, as the fairer distribution of land which has been effected as between medium-sized and small properties.

The principles of the Agrarian Reform are embodied in the Laws of May 5, 1921 and July 24, 1924. The Law of 1921 was based on the principle that land should belong to those who cultivate it. After the fall of the Agrarian Government in 1924, the so-called Zgovor (general understanding) Party came into power and on July 24, 1924 passed a Law on Agricultural Undertakings which resembled, but to some extent amended, the previous measure.

The main object of the Law of July 24, 1924 was to give land to agriculturalists and agricultural labourers as well as to poor settlers and refugees with agricultural experience, who had insufficient land or none at all.

The Law provided for expropriation of properties in excess of the maximum area fixed per family — namely, 30 hectares for properties directly worked and 15 hectares for properties worked on lease, with 5 hectares extra for each member of the family. In order to foster the establishment of model undertakings, certain

rights of property were allowed in the case of estates up to 150 hectares in area. The operation of the Law has been greatly facilitated by its liberality no less than by the fact that the land taken for the establishment of undertakings has mostly been land belonging to the State.

Land expropriated under the 1921 Law and still unsold was restored to its former owners. One feature which was only subsidiary in the 1921 Law was given prominence in the Law of 1924 — namely, the establishment of machinery to deal with land settlement and the consolidation of undertakings.

In 1926, the Bulgarian legislature supplemented the existing legislation on agrarian reform by a special Law for the Settlement of Refugees in Rural Areas, the object of which was to make land and agricultural implements available for refugee families. A special service was set up, with independent organisations in the various districts and communes, to carry out the work of equipment and allocation of land and implements for 30,000 families of agricultural refugees and 25,000 families of non-agricultural refugees.

In 1926 a loan of £ 250,000 sterling for the settlement of refugees was raised under the auspices of the League of Nations; and this sum has been the chief source of revenue of the organisation in charge of agricultural undertakings.

Under the Law of March 31, 1938 land allotted under the Law on Agricultural Undertakings is paid for by the new owner at a price fixed separately for each locality and for each type of land. The price may not exceed 50 per cent. of the market value of the land during the year 1932.

Payment is made in annual instalments, each representing one-twentieth of the total sum. The first payment becomes due in the year in which the equipment of the undertaking is complete. This is also the rule in the case of land allotted before the passing of the Law.

Parties acquiring land in this way pay 2 per cent. to the Settlement Fund over and above the purchase price. The annual instalments of one-twentieth of the purchase price due from the settlers are paid to the Bulgarian Bank for Agriculture and Co-operative Associations.

Up to 1936, the authorities responsible for carrying out the agrarian reform had settled 100,000 Bulgarian peasant families possessing little or no land. Of these families, 30,102 were refugees, who obtained 132,000 hectares of arable land while 69,808 were families from Bulgaria itself, to whom 137,600 hectares have been given. If to these figures are added the other 60,000 families requiring land who have received it in subsequent years, the total figure amounts to 160,000 families, comprising about one million individuals, or 20 per cent. of the total population of the country.

By increasing the agricultural area of the country to the extent of some 4 million hectares, and so providing the population with a regular means of subsistence, the agrarian reform has proved effective in keeping the rapidly growing Bulgarian population on the land.

While the settlement of the refugees will shortly be completed, the movement of agriculturalists within the country itself is only beginning.

The following table shows the changes which took place between 1897 and 1934 in the distribution of undertakings according to area:

Changes in the Distribution of Undertakings according to Area between 1897 and 1934.

Area of Undertakings	1897		1934	
	Number of Undertakings	Area of Undertakings	Number of Undertakings	Area of Undertakings
Under 2 ha.	94,921	94,408	174,588	195,331
2 to 5 ha.	136,235	469,992	292,064	992,696
5 » 10 »	132,849	947,320	185,497	1,284,737
10 » 30 »	85,530	1,302,340	89,605	1,322,963
Over 30 ha.	7,431	420,656	4,921	236,125
	456,972	3,234,716	746,675	4,031,852
	%	%	%	%
Under 2 ha.	20.8	2.9	23.4	4.8
2 to 5 ha.	29.8	14.5	39.9	24.6
5 » 10 »	29.1	29.3	24.0	31.9
10 » 30 »	18.7	40.0	12.0	32.8
Over 30 ha.	1.6	13.3	0.7	5.9
	100	100	100	100

Between 1897 and 1934, an increase of nearly 300,000 units may be noted in the number of small properties, as a result of the division of landed property.

If the figure 100 is taken to represent both the agricultural area and the number of properties as they were in 1897, the index number for 1936 is 125 in the first case and 163 in the second. The number of properties has thus increased considerably more than the corresponding total area.

Of the total number of agricultural properties in Bulgaria, 731,566 or 97 per cent. are worked by the owners and members of their families. Only 1,434 properties, or 0.1 per cent. of the total number, are worked by paid labourers. On 21,507 properties, or 2.9 per cent. of the total, paid labourers work with the members of the owner's family. The total number of agricultural labourers in Bulgaria is 29,659.

As to succession, land is divided equally among heirs, with the result that individual plots tend to become smaller and smaller, and the use of machines is thus rendered difficult. The average area of fields is 0.4 hectare, that of orchards 0.14 hectare, and that of vegetable gardens 0.32 hectare.

FINLAND.

In general, the expression " agrarian reform " is not applicable to the land policy of the Finnish Government in the sense in which the expression is currently used in other European countries. The only legislation in the nature of an agrarian reform is that for the removal of restrictions in the system of land tenure.

The efforts of the State to give land to those who had none, and the assistance offered in the form of loans to small landowners to enable them to buy new land for cultivation or building purposes, have been made possible by the voluntary cession of land. The movement as a whole is known as a State settlement scheme; and the expression is frequently used to include any State purchases of landed property.

The Law of 1922 (Lex Kallio), as amended by the Law of May 26, 1927, was intended to establish two categories of land for settlement, namely land to be worked by peasants and land for building purposes.

Land for settlement under this enactment is to be taken in the first instance from State domains, and secondly by voluntary purchase from land held on a usufructuary basis by the clergy or belonging to communes, limited liability companies, co-operative societies, associations or individuals.

Areas for settlement – the value of which, both economically and socially, is beyond dispute – may also be formed by the expropriation of private property, but only where the land required cannot be obtained in any other way.

Properties of less than 200 hectares are, in general, exempt from expropriation. On larger properties the maximum area which may be expropriated is the area equal to the square of the number of hundreds of hectares contained in the total area, unproductive land being excluded from the calculation. Thus, if the area of a property is 300 hectares, a maximum of 9 hectares will be subject to expropriation; if the area is 400 hectares, a maximum of 16 hectares will be subject to expropriation and so on. If the area of a property exceeds 5,000 hectares, 2,500 hectares or 50 per cent. may be expropriated.

Expropriation is therefore only an *ultima ratio* in Finland. In this and in some other respects the provisions of the Kallio Law recall the English Small Holdings and Allotments Act of 1908 referred to at the beginning of this survey

The purchase-price is fixed on the basis of the current prices prevailing in the part of the country concerned. The principle that vested rights may not be infringed without compensation is clearly recognised in the Law. Where the price of land has undergone a general rise, the purchase price may not be higher than the average price paid locally during the previous five years for land of the same quality purchased by private contract.

A feature of Finnish settlement policy has been the establishment of workers' gardens, which represent an intermediate form of benefit halfway between land settlement and public assistance.

In accordance with a pre-arranged schedule, the municipalities allot parcels of land to the unemployed and to assisted families, in return for a rent fixed sufficiently low to enable the tenants partially to provide for their needs by working them. The State provides agricultural equipment for such families, of which

there are about 9,000: it also assists them, both financially and by offering advice, in the cultivation of their plots. For two years this plan was under the direct supervision of the Ministry of Agriculture; but since 1935 it has been transferred to the Central Federation of Agricultural Societies.

Between 1899 and the end of 1937, 23,157 new undertakings, 12,792 dwellings with small plots of land adjacent, and 15,030 additional parcels of land, representing an aggregate total of 1.021,693 hectares, were constituted.

The undertakings established in connection with land settlement vary in Southern Finland from 10 to 40 hectares in area with an average of 25 hectares, and from 30 to 100 hectares with an average of 60 hectares in Northern Finland. The area of arable land in such undertakings is generally between 5 and 15 hectares.

In 1929 the distribution of undertakings according to the area of arable land was as follows:

Distribution of Undertakings according to Area of Arable Land.

Area of Undertakings	Number of Undertakings		Total Arable Land	
	Number	%	Number	%
0.25 to 2.0 ha.	78,101	27.0	73,417	3.3
2.0 » 10.0 »	141,376	49.5	677,343	30.2
10.0 » 25.0 »	51,757	18.0	767,112	34.2
25.0 » 50.0 »	12,240	4.2	402,125	17.9
50.0 » 100.0 »	2,865	1.0	187,111	8.3
100 ha. and over	832	0.3	138,111	6.1
Total	287,171	100.0	2,245,219	100.0

The number of small undertakings with between 0.25 and 10 hectares of arable land was thus 219,477, representing about 76 per cent. of the total number of undertakings, with an arable area equivalent to 33.5 per cent. of that of the entire country.

Small undertakings of from 10 to 50 hectares represented less than a quarter (22.2 per cent.) of the total number of undertakings, but more than half the total arable land (52.1 per cent.). The number of undertakings exceeding 50 or 100 hectares is very small, although the area comprised in them is relatively large (14.4 per cent. in all).

The majority of the agricultural population in Finland consists of landowners and their families, i. e. genuine agriculturalists, representing 61.6 per cent. of the total agricultural population. Tenants and their families, on the other hand, account only for 5.5 per cent. Their number has fallen considerably as a result of the purchase of the land formerly held by them on lease. The land purchase payments began in 1918 and were virtually complete by 1935. During the period

from 1919 to 1936, about 120,000 undertakings on lease passed into the ownership of the tenants. One-third of the total agricultural population consisted of wage-earning agricultural labourers.

The Law of March 29, 1922 on Land Settlement Properties, was intended in the first place to prevent the settlement properties thus constituted from passing out of the hands of the landless population. Measures are taken to prevent speculation and to keep the price of the properties in a fixed relation to their value and output, so that, even if a property changes hands, the new owner can pay his way out of the earnings of his property and even realise a profit in addition to paying off the purchase price. For this purpose, the State in the first instance and subsequently the commune have a right of pre-emption where settlement properties are sold or change hands, the repurchase price payable by the State being reckoned in a manner laid down in the Law.

The Law of 1936 makes the assent of the Land Settlement Commission an essential condition for the leasing of a settlement property, whether in whole or in part; and the Commission may also forbid a single person to own several settlement properties. Settlement properties may not be divided without the consent of the Commission.

Settlement properties remain subject to the provisions of this law for 20 years as from the date of their entry in the Land Register.

* * *

The immediate result of the agrarian reform has been to transform the traditional agrarian structure of the countries of Central and Eastern Europe. The disproportion between large and small estates has been eliminated, and the present distribution of landed property differs in a marked degree from that obtaining before the War. About 20 million hectares have passed from the hands of landowners into those of small agriculturalists.

Small rural undertakings now provide work for between twice and three times as many persons per unit of area as large undertakings; and their increase in number has thus led to an increase in the total number of peasants.

The formation of a class of peasant proprietors is of fundamental importance in the social and economic regeneration of these countries; and it is in this connection that the profound historical significance of the agrarian reforms arises.

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