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CHANGING CONTOURS OF THE AGRARIAN QUESTION

The Agrarian Question has been one of the cornerstones of the political economy of agriculture. In its broad formulation, the agrarian question attempts to formalise the relationship between agriculture (and those engaged in agriculture) and the rest of the economy, and the contribution of agriculture to industrialisation and nation building. The agrarian question emerged in the late 19th century when agriculture was the predominant sector in most economies, being the biggest contributor to the national income as well as the largest employer. The scenario today is entirely altered with the decline in importance of agriculture as a potential reserve of surplus as well as the growing importance of global finance and large agribusiness conglomerates. While some scholars such as Bernstein opine that the 'classic' agrarian question of capital is dead, others such as Patnaik, McMichael and Jha et al contest this view and call for a reformulation of the agrarian question.

WHAT IS THE 'CLASSIC' AGRARIAN QUESTION?

The Agrarian Question (henceforth AQ) originated as the 'Peasant Question' of Engels and was primarily a political concern. Formalised in the late 19th century, the Peasant Question was concerned with the uneven spread of capitalism in urban and rural economies as the latter were seen to be dominated by non capitalist social relations. The Peasant Question thus sought ways to bring together workers and peasants in the political struggle against capitalism (Byres 1986).

The next stage of development of the AQ was to understand why the penetration of capitalism differed in agriculture and industry, the analysis of which was undertaken by Kautsky. Lenin's Development of Capitalism in Russia is a critical point at this juncture, and this formulation thus engaged with the extent of penetration of capitalism and 'capitalist social relations of production' in agriculture (Byres 1986). The AQ however reached its zenith through the formulation that focussed on the contribution of agriculture to industrialisation. Since the transition to an industrial economy requires surplus, agriculture, being the biggest sector in most economies at the time, must be the source of this surplus. Such a job had to be done through 'primitive socialist accumulation', in the words of Preobrazhensky. The dominant notion at the time was that such surplus could not be accumulated from agriculture that was dominated by feudal or semi feudal relations of production as these were not conducive to surplus accumulation. Therefore, a transition to capitalist agriculture was a prerequisite for the transformation of the economy into an industrialised economy.

Economic backwardness and an unresolved agrarian question were thus seen to occur together according to this 'classic' formulation of the agrarian question (Byres 1986). In the words of William Roseberry, the agrarian question was primarily political in nature, as envisaged by Engels, but in its treatment it was given an economic direction through the use of class based analysis (McMichael 1997). The Preobrazhensky-Bukharin debate in the Soviet Union in the 1920s is an excellent example of the interrelation between these three 'political, social and economic'¹ facets of the AQ.

There is another formulation of the agrarian question which is somewhat distinct from the 'classic' AQ- the AQ of national liberation championed by Mao, Fanon and Cabral (Jha et al 2013). This formulation emerged in the mid 20th century in the context of the quest of various newly independent countries to end their economic backwardness through industrialisation. However, for the proponents of this radical strand of thought, backwardness in the third world was a consequence of the processes of imperialism and industrialisation undertaken in the first world. They emphasised the role of primitive accumulation of capital in the industrialised countries as well as the role of colonisation and imperialism, and hence questioned the importance of an agrarian transition to achieve industrialisation. Challenging the Eurocentric nature of the industrial transition, this strand instead called for 'sovereign industrialisation', which laid significant emphasis on freedom from external forces. It called for a breakdown of land monopolies and active mobilisation of peasants to attain 'national liberation' (Jha et al 2013).

The debate over the AQ in India has been old and multidimensional- it has encompassed the debates over farm size and productivity, mode of production and over the question of land redistribution.

CONTEMPORARY AGRARIAN ECONOMY

Since the heyday of the debate on the 'classic' AQ and its various subsidiaries such as the Mode of Production debate, the characteristics of the agrarian economy have altered vastly. In the Indian agrarian economy, the most important changes are

¹This categorisation of the three formulations has been suggested by Jha et al (2013, 2015). the decrease in concentration of land and the declining incidence of tenancy (Harriss- White & Shah 2011). Land is seen by some scholars to no longer be an expression of caste and political dominance. Labour from agriculture is increasingly being absorbed in the informal sector as manual labour or in tertiary sector activities, and there is greater incidence of circular migration of labour. There has also been some self employment and petty commodity production. These become necessary because agriculture in itself no longer provides an income to most of those engaged in the sector (Harriss-White & Shah 2011).

The agrarian transition in India has not been 'classic' because there has not been a straightforward differentiation of the peasantry into wage labourers and capitalist farmers. Instead there continue to exist small landholders who are engaged in multiple activities- agriculture, manual labour, petty commodity production etc. The social relations of production are also varied as there has been a decline in semi feudalism but a continued prevalence (with significant regional variation) of sharecropping and tenancy, as well as new and changed forms of bondage (such as neo-bondage) (Harriss-White & Shah 2011).

On the international scale, the contemporary agrarian reality is dominated by international corporate agribusinesses such as Archer Daniels Midland, Bunge, Cargill and Louis Dreyfus (called the 'ABCD' companies) which are vertically integrated and engage in multiple activities. The regime of global open markets is supported by international trade agreements such as the Agreement on Agriculture at the WTO as well as various bilateral and multilateral treaties (Lerche 2013). After the 'third agricultural revolution', the rate of growth of productivity in agriculture began to grow faster than that in manufacturing in the first world countries, whereas the opposite phenomenon proceeded in the developing countries. As a result, the developing countries which once held the productivity advantage in agricultural goods, now witnessed higher relative costs of agricultural production. This reduced many developing countries to net importers of food and agricultural products (Bairoch 1997). We have thus seen the emergence of 'industrial agriculture' (McMichael 1997).

In this changed context, the formulations of the AQ have also undergone significant transformation.

QUESTIONING THE AGRARIAN QUESTION

Perhaps the most extreme reconstruction of the AQ has come from Henry Bernstein, who contends that in the contemporary world economic reality, the 'classic' agrarian question is dead. Bernstein (2004) considers the 'classic' AQ to be primarily a question of capital or surplus, with all other facets of the AQ subsumed within this aspect. At the time of independence of the former colonies in Asia and Africa, there were numerous interlinkages between agriculture and other sectors of an economy in terms of capital and labour. This was intensified by the position of developing countries in the international division of labour. Thus there existed various forms and sources of 'agrarian capital'. These interlinkages are no longer strong or necessary with the advent of international capital. With increasing globalisation, capital requirements of a country no longer need to be fulfilled through agriculture and can instead be addressed through international flows of capital. In such a case, even though individually a country may have an unresolved agrarian question, at the 'global' level the agrarian question is resolved. What remains instead is the 'agrarian question of labour'- in a globalised economy, there is increased 'fragmentation of labour' as there is increased informalisation of the economy, increased migration and increased incidence of workers engaged in multiple sectors at once, combined with a deterioration in wages. Thus an economy may be able to industrialise today with the aid of international capital and finance, but the form taken by this industrialisation may be such that it is unable to provide employment to those engaged in agriculture (Bernstein 2004).

This argument has been criticised on various fronts. Firstly, there is no reason to believe that the flow of capital will automatically lead to a capitalist transition in agriculture or any other sector of the economy (Jha et al 2013; 2015). Secondly, the centrality of industrialisation in Bernstein's reformulation has been critiqued as it ignores the role of primitive accumulation of capital and imperialism in the industrialisation processes of developed countries, be it England, France, Japan, Germany etc (Jha et al 2013). Thirdly, the dependence on international capital can have other consequences for agriculture, as highlighted by Patnaik (2014). He argues that the entry of corporate capital curtails the ability of the government to provide support to farmers for the procurement of food grains and leads to land acquisition, shift to cash crops and increasing dependence on the vagaries of world prices of food stuffs. The agrarian question is thus seen to be subsumed into the limitations on independent macroeconomic policy in the era of neo-liberalism. Lastly, even if it is accepted that global finance will solve the 'classic' AQ, it is highly unlikely that this will happen in conjunction with a solution to the 'agrarian question of labour'. The weak or even negative impact of globalisation and FDI on domestic employment generation has been established by many scholars (Lall 2002, Ghosh & Pal 2007). In such a case, if the solution to the 'classic' AQ will necessarily occur by *creating* the AQ of labour, can we consider the 'classic' AQ to be resolved?

It also must be remembered that Bernstein's reformulation lays significant emphasis on the accumulation of surplus facet of the AQ and effectively ignores the other facets, such as the political base (as propounded by Engels) and is in complete contradiction with the AQ for national liberation.

A second important re-interpretation of the AQ is that which focuses on the growing importance of large international agribusinesses. Free market considerations and institutions such as the Bretton Woods Institutions and WTO have led to a new kind of competition- that between the modernised capitalist agriculture in the first world and the 'peasant agriculture' in the third world (Amin 2012). The productivity differences as a consequence of the 'third industrial revolution' have led to a shift in relative costs of production in favour of modernised agriculture in the first world (Bairoch 1997). Both the peasants in the South and the family farms of the North are integrated into global capitalism, though in different ways. Family farms in the North supply to food corporations and MNCs and are also heavily mechanised and therefore have demand and supply side linkages with industry. Peasantry in the South, especially those exposed to the Green Revolution, are dependent upon the supply of HYV seeds, fertilizers etc (Amin 2012). The increased interrelation between agriculture and industry has led to the emergence of 'industrial agriculture' dominated by large agribusiness conglomerates (McMichael 1997). The various consequences of such a trend, as previously mentioned, are land acquisition and enclosure of fertile lands for food multinationals, shift to cash crops, dependence on world prices and an overall 'pauperisation' of all peasantry, irrespective of class (Amin 2012; Patnaik 2012). This is viewed by Utsa Patnaik as the 'new phase of primitive accumulation'. The only way to ensure the subsistence of peasantry and its absorption into non agricultural economic activity requires state support and insulation from international prices, which is not viable under the framework of neo-liberalism (Amin 2012). Patnaik (2012) therefore suggests that developing countries should strive for dependence on internal markets and a focus on 'labour intensive petty production' rather than industrialisation, given that the chances of success with the latter are meagre and destructive for all peasantry.

A related position is that of McMichael (1997), who suggests that the agrarian question was originally framed in its classic formulation against the backdrop of nation state formation. Today, in the context of globalisation, the formation or strengthening of the nation state is no longer viable, and thus the agrarian question needs to be reformulated. The free market project, as well as the post Second World War economic framework came to depend upon agricultural protectionism (first through colonialism, then through state supported family farms and utilisation of international division of labour, and now through WTO and similar institutions) to keep prices and wages low². There is increased movement of food across the globe along with increasing dispossession of the peasantry. Consequently there is a lowering of the cost of labour, which is used to the advantage of the global corporate food chain. This agrarian question is thus formulated against accumulation by the global corporate food chain and seeks food sovereignty (McMichael 1997; 2008).

Another reformulation which deemphasises industrialisation has been propounded by Jha et al (2013; 2015). This reformulation is built on the AQ of 'national liberation' and considers a sovereign

industrialisation to be the desirable end product of an agrarian transition. According to this strand, industrialisation in the first world was not necessarily the outcome of the agrarian transition, and moreover that because the demand for tropical food products from the South has not decreased over time (and has received a boost in neo-liberal times), the AQ in the North cannot said to be resolved (Jha et al 2013)³.

The AQ of national liberation saw the peasantry as the main revolutionary class and is intrinsically linked with freedom from colonial rule and from racial discrimination. In this way, the AQ survives today as colonial rule has been replaced by neo-liberal and imperialist tendencies. Contemporary AQs include the questions of gender equity, ecological considerations and 'regional integration', and cannot be resolved without curtailing the influence of monopoly capital (Jha et al 2013; 2015).

Industrialisation must in this route aid agriculture through technological improvements without hampering labour absorption. The question of land is thus essential to this formulation but land is not viewed entirely in terms of its productive capabilities as it is recognised that land has various other uses and functions for different communities (Jha et al 2013).

The biggest difference between the 'classic' AQ and the second reformulation of the AQ which emphasises conflict between large international agribusinesses and the peasantry is that the latter pits the entire population engaged in agriculture in a country against the agribusiness conglomerates, thus undertaking no class analysis within the country. This approach does not then consider the differing relationships of the different classes in agriculture (such as landlord, capitalist farmer, agricultural

² A similar argument is made by Patnaik (2014)-There is an increase in the demand for primary commodities provided by the periphery to the core, and because of paucity of land, this increase in demand would translate into an increase in prices. However, this inflation in the core is avoided by an 'income deflation' in the periphery, which decreases the demand for these products in the periphery and thus allows the core to consume the product. Income deflation occurs through cuts in government expenditure, de-industrialisation, increase in the presence of large agribusinesses and increase in income inequality (lower income for a large section means proportionately greater fall in demand for primary products).

³ Amin (2012) makes a similar argument- The agrarian question was resolved in the first world by creating an agrarian question in the periphery. As an outcome of colonial trade, several colonies underwent severe deindustrialisation which swelled the ranks of agriculture and the position of the colony in international trade led to changes in the very patterns and forms of agriculture practiced. labourer) with the agribusiness conglomerates (Lerche 2013). The claims made about depeasantisation and pauperisation have also been questioned as Lerche (2013) for example argues that in India, pauperisation of the Indian peasantry as expounded by Patnaik has not taken place. There is continuing class differentiation with the decline of the landlord, continuing strength of the capitalist farmer and the emergence of 'classes of labour' including wage labour as well as small and marginal landowners who may be net sellers of labour, with an increasing dependence on migration as well as the informal sector for employment (Lerche 2013).

CONCLUSION

The AQ has thus been reinterpreted in two major fashions- one emphasising the importance of global finance capital and the relatively diminished role of agriculture in the provision of surplus, and the other focussing on the conflict between the peasantry and agribusiness conglomerates. While the former is built on a very narrow interpretation of the AQ, the latter makes unrealistic assumptions about the status of class relations in peasantry. The different reformulations however make clear that the debate on the AQ has not dissipated and remains relevant today, specially when taken to mean its political, social and national liberation facets along with the economic.

Thus, while in India the contribution of agriculture to national income has decreased considerably, the continuing dependence of a large section of the population on agriculture entails the necessity of continuing work on the political facet of the AQ. Similarly, the interrelations between agriculture and industry (both national and international) are in a flux and need to be examined more closely. The AQ of national liberation is undoubtedly imperative in the contemporary economic reality of the

dominance of global finance capital. The AQ therefore remains a fertile ground for discussion and has important implications for politics and the economy.

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