

False Land Reforms in Eastern Europe and in Italy

By Robert Major

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DURING the present century the land question has been more obvious in Eastern than in Western Europe. After the first World War land-hunger, unequal division of holdings, and agrarian distress led to that mechanical division of land which is called agrarian reform. About half the territory of the Baltic States, nearly a third of Czechoslovakia and about a fifth of Rumania were thus divided, without, however, solving the land problem, mitigating the impact of the world economic crisis or adequately restoring production. The re-distribution was made not merely from economic motives but also with the object of weakening national minorities such as the Germans in the Baltic and the Hungarians in the districts taken from Hungary. The abuses of land monopoly are more obvious when ownership is very unequal and many of the great landowners belong to a minority which formerly ruled the country. The higher standards of such countries as Denmark and the Netherlands were envied, but in the revolutionary atmosphere which prevailed the poor peasants would not have entertained scientific arguments showing how agricultural prosperity depends on respect for rightful property, even if it had been possible to publish such arguments.

Only in Hungary, whose Conservative Government sub-divided only 6 per cent. of the territory, were there no great changes. The agrarian crisis of 1930 reduced the living standards, especially of the smallest proprietors and labourers, and it is easy to understand how, early in 1945, when the Soviet authorities set up an interim national assembly, public opinion should have considered it only natural to confiscate the larger estates. All estates larger than 115 hectares, or 57 hectares where the owner was not a peasant, were reduced without compensation to those limits, 37 per cent. of the national territory being thus redistributed.

In the beginning, the Communists tried to deceive the world by making false promises of compensation. No true reform should require payment of compensation to those who have profited by injustice, but this measure confiscated indiscriminately the economic rent of land to which the individual proprietor is

not entitled, and the income which he derived from his own capital and labour, to which he had every right. Georgeists without any concealment would collect the former as public revenue and leave the latter entirely to the individual.

These Communist reforms were carried out in a state of anarchy, without any elected Parliament, by "distributive Committees" dominated by the Communists and composed mostly of the lowest strata of the population. No account was taken of the productive capacity of the farms thus divided or the ability of those who received them. In order to weaken the Smallholders' Party, the Communists set up a crypto-Communist Peasant Party, whose leader, as President of the Land Office, confirmed any illegality he thought was in favour of the "poor peasants." For example, Jewish smallholders returning from the German death camps were not re-instated, even when the size of their holdings was within the prescribed limits. In many cases orchards and vineyards were virtually destroyed by minute sub-division.

History records many reforms which after they had shown themselves to be practicable, obliterated the memory of the injuries attending their introduction. True reform, of course, should always be carried out without injustice and coercion. But the land-distribution after the second World War caused not only great harm by the method of its execution, but other evils which the promoters deliberately intended. Neither the remnants of the larger estates nor the newly-created diminutive holdings were capable of maintaining their existence. In addition to the effects of war occupation and anarchy, the new proprietors had insufficient knowledge, skill or working capital. It was a classic example of how land division should not be done.

One of the greatest acts of oppression was the indiscriminate confiscation of complete holdings belonging to national minorities. Germans in Czechoslovakia and Hungary were deported in the Hitler manner and most of the Hungarians in Slovakia were evicted to other parts of the country. These deportations constituted one of the causes of the food shortage in Czechoslovakia—where great stretches of land were denuded of workers—and the widespread famine of 1945-47 in the rich agricultural districts of Rumania, which had suffered only slightly from the devastation of war.

In a study before the war Doctor Pikler showed the error and presumption of the slogan, "The land belongs to those who cultivate it." Reform on this principle does not stop the expropriation by individuals of public land values, or restore to society its rightful income. It destroys productive and creates unproductive farms; it hinders the cultivation of land by those best able to use it and prevents the natural formation of the most economic units of production. The reformers are concerned only with the size of land-holdings, not their values. They open the way for arbitrary action, demagoguery, terror and corruption, and increase the dependence of the people on the State.

What Dr. Pikler said remains true even where the division is carried out legally and constitutionally. But in Eastern Europe the division was made without adhering to legal forms and the process did not stop with the original measures. For example, those who were allowed larger holdings on the ground of their Resistance merits were later deprived on allegations of "anti-democratic" activities. The wealthier peasants—now given the Russian label of kulaks—are coerced in different ways to sell or relinquish their holdings. Recently, a Hungarian decree prescribes the method by which they are to offer them without compensation to the State. In Rumania thousands of kulaks have recently been deported to concentration camps.

In 1945, however, it was impossible to say this in Hungary. Cardinal Mindszenty was charged, among other things, because of critical remarks on the land division found in his diary. From the beginning this system had to be glorified and the faults in its execution not mentioned. Only those who knew Bolshevism well knew that its purpose could not be the creation of a healthy smallholdings system. These few recognised that the reform was being made in such a manner that the new system would be incapable either of existing or resisting the later Bolshevistic solution of the land question. In Russia the land had at first been redistributed; only later was it violently collectivised. This, of course, is how the Communists are operating in China—first winning over the peasants by land distribution.

In Eastern Europe this phase began in the summer of 1948, when the Cominform ordered the satellite States to intensify the struggle against "kulaks." A campaign of vilification, in the true Goebbels manner, began immediately, followed by drastic economic and fiscal action and, for quicker results, cruel police persecution. Hitherto, not only had any danger of the kolchos system been denied, but any who spoke of it had been punished as disseminators of panic. But now in every satellite State it was proclaimed that independent smallholding was impracticable and the Soviet kolchos system was the only solution to the land system. To ensure the success of this programme political liberty had first to be suppressed and all the machinery of opinion transformed into organs of Stalinist propaganda. Journalists and other writers who a few years ago praised the Danish or New Zealand smallholdings system now uphold the kolchos system as the only possible and desirable solution. No one may speak of the troubles and difficulties of Soviet agriculture or the happier experiences of other non-Bolshevist countries. The propaganda lays the greatest stress on mechanisation in which Russia is alleged to lead the world. No account is taken of the fact that the intensive cultivation at present in operation in the Danubian states is not suited to such mechanisation.

The size of the holdings whose owners are to be persecuted as kulaks is continually reduced. It is officially stated that the farmers' "co-operatives" or kolchos, are spontaneous creations. In fact, they receive favours from outside while farmers who want to remain independent are loaded with such burdens that

their situation became daily more unbearable. The co-operatives receive tools, machines, special loans at low interest, and reductions of taxation; other farmers must pay excessive taxes and sell their crops at low prices to monopolist State shops. For example, the wealthier and middling peasants in Hungary must sell their wheat to the State for 1.30 forints* the quintal of 100 kilograms. One of the reasons for the campaign against the Catholic Church is to deprive the farmers of their strongest ally.

So far, in Hungary the collectivisation has been carried through somewhat more skilfully than by Tito, hence the food situation is better. During the three post-war years, when the farmers were unaware that collectivisation awaited them, they repaired much war damage and restored production with the means at their disposal. Moreover, in accordance with the self-sufficient aims of Soviet Europe, the Hungarian Government was to increase industrial rather than agricultural exports to the Soviet zone, so more foodstuffs remained in the country. So far this plan has not succeeded and agricultural exports are to be increased again, although recent developments in the world market make this every day more difficult. It does not follow, however, that Hungarian economic policy is in danger of an immediate crisis. Dictatorships, with their ruthless methods, can maintain a coercive equilibrium for a long time. The ever-growing stream of fugitives, however, shows the terrible hardships of this policy. To stop this exodus the western frontiers of Hungary are closed with barbed wire and machine-gun posts; and the same are being built in Czechoslovakia. The horrors of collectivisation in the Baltic States, now Russian provinces, are known to the world only slightly, and that by very indirect information.

It is impossible to foresee the eventual outcome of the present "land reforms" in Eastern Europe. There is no doubt, however, that in other parts of the world propagandists advocate this mechanical land division with the same object of creating the difficulties which provide a pretext for land-Bolshevism although even the Government-controlled Press of Eastern Europe cannot conceal the horror with which the peasants regard this alleged remedy and their resistance against it. Whatever the outcome it is certain that there can be no return to the former semi-feudal system of large estates. If the Eastern peoples can regain their liberty there will arise the possibility of bringing about a peaceful transition by means of land value taxation towards a really free co-operation of holdings best suited to the circumstances of production and the interest of producers and consumers. We must therefore be ready with a well-prepared, detailed proposal for land value taxation against the day when those people can choose freely between right and wrong, justice and injustice.

*The exchange of the forint is given as 46-96 to the £.