

BOOK REVIEW

Cooperation in World Agriculture: Experiences, Problems and Perspectives edited by Theodor Bergmann and Takekazu B. Ogura, Tokyo, Food and Agriculture Policy Research Centre, 1985, vii+367 pp.

I

This book purports to throw light on the realities and problems of cooperation in agriculture in all the regions of the world including capitalist and socialist as well as developed and developing countries.

Takekazu Ogura, one of the two editors, points out in the preface that there are many countries in the world, particularly the developing countries, which have an agricultural structure based on small-scale farming. He considers it no exaggeration to say that hardly any of these countries fail to regard cooperation as a key strategy for agricultural development. This publication, therefore, will be greatly beneficial to these countries. Theodor Bergmann, the other editor, points out that agricultural cooperation in the socialist countries has become an object of interest to many people, largely because today almost half of the world farming population "lives under a new farming system, planned, preconceived, which has radically transformed the social structure of the two large agrarian societies (Soviet Union and China)" (p. 210).

With this objective in mind, the book consists of three parts: Part I, Cooperation in Developed Market Economies; Part II, Cooperation in Developing Third World Countries; and Part III, Cooperation in Centrally Planned (Socialist) Economies; and a total of twenty-four contributors (eleven for Part I, five for Part II, and eight for Part III).

A brief introduction to each part written by Bergmann greatly assists the reader in grasping the scope of the various arguments presented by a number of authors. The reader may also be able to arrive at a basic evaluation of the significance of the book through this introduction as well as Bergmann's two papers on agricultural cooperation in Western Europe and in the Soviet Union respectively. The present review is presented from this perspective. It goes without saying, however, that Bergmann's points of analysis are not followed throughout the book, which comprises twenty-four papers. The publication, in this sense, may be considered as a valuable source book on the subject of agricultural cooperation in the world.

The reader might find it useful to consult the list of research (References 1) and materials (References 2) as well as research conducted by the two editors on the subject matter in Appendixes 1 and 2.

II

The so-called service cooperatives (credit, marketing, and purchasing) are systematized in many countries while production cooperatives are in their infant stage, as in Japan. The editors intend in Part I to clarify the reasons for these different developments and to understand their future perspective. In this regard, they first take up the case of Japan (by Nakayasu, Ishii, and Kajii) where, after World War II, small

family farms formed the basis of agriculture. Fixed investment continued in machinery and facilities in order to increase agricultural productivity. Furthermore, joint farm work also increased in response to the enlarged market. However, these systems of joint farm work did not develop in order to organize production cooperatives which would have fully absorbed and dissolved family farming. In explanation of such a trend they refer to the general characteristics of possible instability involved in joint farm work, and the Japanese land law which recognized only as an exception land ownership by cooperatives.

Bergmann next takes up the problem of cooperation in highly industrialized economies centering around Western Europe (Chapter 8). He maintains that, with development in industrialization, the following distinct changes can be observed in agriculture: decrease in small holdings, increase in large holdings, dissolution of mixed farming, increase in capital-intensive farming, increase in part-time farmers and worker peasants. He submits that these changes have made it difficult to maintain the old cooperative principles such as the democratic principle of one-man-one-vote, equal treatment of members (pp. 136-37). In relation to production cooperatives, he argues that the idea (ideology) of peasants that "they are economically independent subjects close to industrial entrepreneurs by making their own decisions" is the obstacle to production cooperatives. This attitude is felt even more acutely in the case of German farmers for whom the "production cooperatives are still associated with the impression of collectivization of Stalin style (accelerated, compulsory, implemented by force and armed forces without technical inputs)" (p. 141). But, at the same time, he points out that overproduction of agricultural products in these countries is aggravated by the subsidy policy for sustaining the income of the small part-time farmers, causing a loss in utilizing resources. The only solution for this problem is to cut down production costs by better utilization of small capital investment. He finds that production cooperatives are at least partially useful for this purpose. He also suggests that the psychological and physical obstacles must be removed in the following ways: "there is need for full voluntariness of entry, good economic performance, full internal democracy, equality with private firms, fairness and evenhandedness of government. Cooperating peasants should not be disadvantaged with regard to taxation or subsidies" (p. 144).

Part II deals with the problems in promoting cooperatives in developing third world countries. In many of these countries there exist "old forms of informal cooperation on the basis of common landownership" (p. 149). Bergmann argues that the role cooperation can play in development is significant but that there exist at the same time various obstacles that a country or a government must overcome. They are heavy inequality in the village, social polarization, exploitation of the cultivators by landowners, and an obsolete, rigid power structure in the village (p. 149).

In addition to his introduction to Part III, Bergmann is the author of a paper on "Collective Farm Organization: The Soviet Experience and Its Lessons," which argues comprehensively the transition and the problems of collectivization of farming in socialist countries through comparative case studies on China and other countries (Chapter 13). This paper is most rewarding, together with Wenlin's, which deals with Lenin's principles of agricultural cooperation. The distinctive feature of this paper is that he attempts to consider the collective farm as just one form in continuum of forms of cooperation (p. 210). In this respect he differs from many theorists in

West Germany and the United States who do not subsume the collective farm under the term of cooperatives. For this reason he contends that there is no uniform model of socialist forming and presents the following four models which correspond to different social environments: (1) the model of collectivization; the Soviet Union and several countries of Eastern Europe, North Korea, and Vietnam, (2) modified collectivization; the People's Republic of China, (3) decollectivization; Yugoslavia and Poland, and (4) no attempt hitherto at collectivization; Cuba (p. 210).

Accordingly he enumerates the following objectives to integrate small farmers in production cooperatives:

- Integration of millions of small producers into a planned economy by democratic organization and active participation of the members in their cooperative institution,
- optimal use of new, scarce, expensive farm machinery, whose utilization calls for large acreages and skilled workers,
- fast diffusion and adoption of technical production innovations,
- provision of manpower for the other sectors without decline of food production,
- mobilization of capital from the agrarian sector for the rest of the economy and for a modern infrastructure, and
- control of assured food provision, while little or no economic exchange can be offered. (p. 212)

He further states that, during the first stage when modern inputs are missing in collective farms, it is important, as Engels and Lenin argued, "to persuade the small-holders, that cooperation is advantageous, and to motivate them to join the cooperatives voluntarily" (p. 214). In reality, however, hasty collectivization was carried out by bureaucratic planners long before conditions for modern inputs were fulfilled, which invited, both in the Soviet Union and in China, alienation of peasants and brought about reforms in the management of collective farming in various ways. The adoption of a wage system such as that of factory workers and the introduction of social security systems are among those reforms. He considers that the above-mentioned lack of uniformity in the form of collective farm organization is the result of these experiences.

He then draws the attention of the reader to the following points: "In all countries with collectivization, a structural element of private economy remains as a component of the planned economy of socialism: Each working member of the production cooperative or his family is entitled to an 'individual plot' plus a few animals" (p. 216). We need to pay attention to the fact that these elements of private economy constitute complementary and competitive relationships with collective farm enterprise and that the state policy toward them is increasingly positive. Then, the problem is to find out what kind of work units are suitable for collective and for family farms respectively. In his view, "there are marginal capacities in labour and private farm construction, marginal plots of land and roughage in the cooperative, that are utilized more efficiently in an individual way" (p. 223). On the other hand he states that "the advantages of cooperation are increasing with the progress of mechanization" (p. 223).

Bergmann in the end disagrees with the view that attributes the lag in agriculture in the socialist countries to collectivization. He maintains that it should be possible to have reforms within collectivization, and refers to nine conditions to be examined and fulfilled for that purpose (pp. 225-26).

III

I wish to raise two questions about Bergmann's theory. The first point is concerned with the relationship between the organizational principles of cooperatives and the difficulty of establishing production cooperatives. The organizational principles such as voluntary entry, one-man-one-vote, and limitation on distribution of profit as dividend, make it difficult in the capitalist countries to maintain huge fixed investment with stability, discouraging the extensive establishment of cooperative farming. It may be that the efforts toward cooperatives result only in joint farm work, as the Japanese case seems to indicate. The second point is related to the various conditions that Bergmann discusses for the establishment of collective farming in the socialist countries. I am not certain how these premises differ from those in the capitalist societies. For instance, he claims to have analyzed and formulated the interests and needs of producers, collectives, and individual enterprises (p. 225). Is such an analysis at all possible under the socialist system? Is the individual enterprise recognized as a reality left perfectly free to participate or not in collective farming? It is difficult to consider that the existence of individual enterprise is recognized as a matter of principle after the firm establishment of the system where important means of production are nationalized and are placed under the state ownership (p. 210). If it is allowed at all, I wonder if it is, at best, one form of compromise at a mid-stage in the establishment of the socialist system. It is necessary to determine the standard by which the individual enterprise is authorized. In such a case, we need to know whether drawing income from land, as part of its income formation, is recognized or not. In this respect, we may question the validity of the theory of gradual collectivization advanced by Engels and Lenin which advocates voluntary participation of the peasants as their productivity increases. The theory is logically devious since its final objective remains nationalization. Voluntary entry has as its premise comparative advantage between the individual enterprise and collectives. Its base is to be found in private property rights. His understanding that collectivization was done too hastily appears to miss the point since collectivization is carried out with a view to arriving at socialism.

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