



Family Farms Are Still Around: Time to Invert the Old Agrarian Question

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Abstract

Family farming is far from dead, in either the developed or developing countries. Family farms need to be qualitatively defined, with both family management and substantial labour input being central elements. The ‘agrarian question’ has been largely about their disappearance and replacement by capitalist farms, or subsumption by agribusiness, but they have competed successfully with capitalist farms for a long period. In modern times, the economies of scale are largely captured by farms within the normal family-operated range. Pluriactivity is not only a means by which otherwise uneconomic farms survive; it is also a means of enlarging income and opportunity as farms can be managed with less labour. The adaptability and efficiency that family farmers have demonstrated continue. It is time that the old agrarian question was inverted to ask how and why family farming survives, and why it will continue to do so.

It is a common belief that family and peasant farms are on the way out. Introducing a book on the hard experiences of American farmers, Jane Adams (2003, 11) wrote that: ‘North American family farmers now seem to be on the cusp of virtual elimination, both as direct producers and as social actors.’ As for peasants worldwide, Eric Hobsbawm (1994, 289–93) wrote of their demise between the 1940s and 1980s. Yet, by US Department of Agriculture and European Union data, over 90% of American and European farms are family farms and the proportion in other developed countries is similar. In South Asia, the number of operational farm holdings has increased sharply since the 1970s (Agro-Economic Research Centre Visvabharati 1999) and, as in Africa the prevailing concern is not with the disappearance of peasant farms but with their viability in terms of ability to support people (Ellis 2005; Toulmin and Guèyè 2003). Clearly, there are problems of definition, but there is also a question of perception. Family and peasant farms are expected to disappear under capitalism: therefore, they must be disappearing. But family farms remain the most common production form both in the developed and developing countries. Except partially in Cuba, it is perhaps only in the former Soviet

Union, where the former collective farm and its associated private plots are deeply embedded in rural society, that family farms are not the majority form of production (Small 2007).

This article is about the family form of farm organization. It impinges on a large literature that concerns small farms vis-à-vis large farms, but the question here is not one of size but of the form of management and operation. Family farms come in a wide range of sizes in the developed countries and in a narrower and generally smaller range in the developing countries. The debated inverse relationship between farm size and yield per hectare, the underlying basis of a revitalized debate about redistributive land reform that has emerged in the last few years, impinges on but is not central to this discussion, although I refer back to it in conclusion.¹ I am here concerned with the evident persistence of family farming, and with what recognition of this fact should imply for the future direction of agrarian research and theorizing.

The old debate about family farming in a capitalist (or socialist) economy, introduced 140 years ago by Karl Marx (1867), has undergone a substantial resurgence since the 1970s. The underlying trend in the debate continues to be either explanation of the supposed disappearance or marginalization of the medium scale family farm, or else prediction of its soon-to-be-realized extinction. The debate has been punctuated by statements of the resilience of the family mode of organizing rural production, most notably by Chayanov (1925, 1966), Shanin (1971), Friedmann (1978a,b, 1980) and Schmitt (1991).

A further punctuation, by Brookfield and Parsons (2007), was recently published and prompts this review. The debate is not easy to simplify, but it is desirable to make the attempt because most modern neoclassical economists, and many other commentators, differ from Marx and his successors only on the means by which family farms are replaced by more 'advanced' forms, and not on his proposition that advocacy of the family mode of rural production is reactionary (e.g. Bernstein 2004). I begin by seeking to delimit the ground of the debate, and then summarize the literature with principal reference to its more recent elements, drawing attention to aspects that have received inadequate notice. All this is more fully developed in an empirical context by Brookfield and Parsons (2007). This article is not a summary of that book, which covers a much wider field, and indeed the argument deviates from it in some details.

Defining Family Farms

The conventional definition of a family farm, closely aligned with Chayanov's theoretical presentation, is of a farm that uses only family labour. Farms that rely on hired workers are usually described as capitalist farms. Yet, many small farms hire from one to a few labourers without becoming anything like capitalist enterprises. They may employ contractors

to undertake specific tasks such as land preparation and harvesting, and they may employ casual labour to do special or skilled jobs. They may even hire gang labour, although most of this is employed on larger farms. But management remains with the family farmer who also works on the land, as do members of his or her family. Among many modern attempts to define family farms, that of Hill (1993) deserves particular attention for its reliance on labour input. First noting that over 98% of all West European farms are owned by individual persons, he used the European Union database of annual work performed on farms, drawn up for 1989. Farms on which more than half of the annual work input was provided by hired workers who were not members of the farm-operating family were non-family farms; only those on which 95% or more of annual work input was provided by the family members qualified as 'pure' family farms. The balance, with family annual work input between 50% and 94%, were in an intermediate class. Most people would regard a high proportion of this 'intermediate' class as family farms, as would most of the farmers themselves. Together, Hill's family and intermediate farms comprised 93% of all farms in the twelve 1989 European Union countries.

Precision is impossible and perhaps even undesirable. It seems adequate to regard family farms as those which are in all cases managed by a family, whether owned or tenanted, and on which something like half of the annual work input is normally carried out by household members or other unpaid helpers (often neighbouring farm household members working on a reciprocal basis). Other indicators sometimes proposed, such as the handing down of farms through the generations, seem unnecessarily restrictive, although Gray (1998) added a valuable human dimension in writing of the 'consubstantiation' of the farm with the family that runs it. Clearly, this linkage weakens when farmers, or their spouses, undertake off-farm employment (Johnsen 2004), but although this has become much more widespread in recent years, it is an ancient practice, one that still allows for the sort of continuing personal association between the farm and its people on which Gray insisted.

Family farms may produce most of their own produce needs, only a small part, or none of them, without ceasing to be family farms. Organization is the key to any realistic definition. Family management, coupled with substantial work input, seems adequately to define family farms not only in Europe, but elsewhere. This mode of management and production is found in all continents. For all the differences in scale and technology, forms of land tenure and labour organization, the management of family farms in England and in, say, Africa can be discussed in related terms. Both stand in contrast to tropical cash-crop plantations and to the industrially organized rural enterprises most widespread in the western USA, or to the state farms of 20th-century socialist countries. Less sharply, they also stand in contrast to individually owned and managed farms that do all or almost all their work by means of wage workers. Because all farms

in the developed countries now operate within the capitalist system, it is misleading to describe only farms dependent on wage workers as 'capitalist'. Their form of organization is industrial and it is this form that distinguishes them from family farms. I shall describe them as 'industrial farms' in the rest of this article. There is, moreover, a growing 'shadow-zone' in which such enterprises are reducing hired labour because of its cost, and restoring a family mode of operation.

In writing of small-scale family farmers in most parts of the world, it is customary to describe them as peasants. In Britain, an earlier generation of small-scale farmers was largely dispossessed in the enclosures of late medieval and early modern times. Their place was taken by larger-scale family and industrial farmers, mostly as tenants until the 20th century when more than half were able to acquire their own titles. In English-speaking countries, present-day family farmers are never described as peasants, whatever the scale of their operation; peasants are inhabitants either of history or of the developing countries. This terminological quirk in our language is responsible for a good deal of misunderstanding. Peasants were negatively defined by Friedmann (1980) as being outside the full commercial economy, but she did not specify how far outside the commercial economy 'peasants' have to be. Worldwide, both family-labour and mainly wage-labour farms of a wide range of sizes operate within the commercial economy. Small- and medium-scale commercial family farmers in French would be described as *paysans*, or in Spanish as *campesinos*, both normally translatable as 'peasants'. All practise family management, rely heavily on family labour, and experience very similar sets of external forces. Although this article is mainly concerned with developed country farmers, I use peasant and family farmer almost interchangeably.

The Old Agrarian Question

To that imperfect amateur historian Marx (1867) it was the British enclosures of the early modern period, the scale and significance of which he overstated, that most readily facilitated the 'primitive accumulation' that funded early capitalism, while separating the rural workers from the means of production and converting them into proletarians. Marx noted that there were other paths to accumulation of land and control over labour into capitalist hands, but did not elaborate them. Many modern writers have followed him by analysing the variety that exists. Goodman and Redclift (1981) did this effectively for Latin America. More recently in a review article, Banaji (2002, 115) drew on extensive material from India to show how agrarian capitalism is a set of trajectories under which labour is dispossessed or subsumed into the control of capital. Not all the relevant literature is academic. In a famous novel, Steinbeck (1939) described the removal of Oklahoma small farmers from their land in the early 1930s by means almost as brutal as any recounted by Marx.

By the time the relationship between land concentration, proletarianization and capital accumulation was more seriously researched, in the late 19th century, the competitive advantages of larger scale came to be seen as critical. Lenin (1899) found internal differentiation of the Russian peasantry to be rapidly developing, and saw class formation in which the larger farmers were able to exploit the smaller, as strongly instrumental in the penetration by capitalism. Kautsky (1899), finding that the German peasant was not being ousted in the essentially political manner outlined by Marx, moved the debate into a more strictly economic arena. Large labour-employing farms, he argued, would be so much better able to employ modern technical innovations than smaller farms that they would soon outcompete the latter in the commodity markets. Kautsky anticipated a prevailing view among modern economists and the governments that they have advised, and many modern economists are still asking – or, more correctly, answering – the old agrarian question. Few among them acknowledge any debt to Marxist thinking. Importantly, Kautsky also added from observation that small farmers would sustain their incomes through part-time work for larger farmers, thus keeping their own land.

The Communist Digression

Challenges to this scale-based view of the classic agrarian question have been central to most of the modern debate, starting with the re-interpretations of Chayanov (1925, 1966). Before turning to these issues, it is important to take note of the political initiatives undertaken in the name of communism. In Russia in the late 1920s and in China two decades later, communist governments set out quickly both to reorganize fragmented peasant economies into much larger units of production and to ensure that the surplus from such units could be transferred to urban-based industrial economies. Thus, they would achieve rapidly by state intervention what early capitalism was said by Marx to have achieved over a much longer period.

The collective farms drew on many organizational features of the family farms that they brought together. In the Chinese case, the production teams, which were the lowest units of cooperation, were commonly based on village sections or hamlets of on average 30–40 households of people who knew one another intimately. To farmers and their families, the team was the central unit of activity and the basis of livelihood. The principal functionary was the team leader who determined what each family did and how they fared (Oi 1989, 137), rather in the manner of the supposed patriarch of a large family operation. Oi, and also Chan et al. (1994), describe in detail how they operated. To succeed, team leaders had to be competent farm managers and also good negotiators with the co-ordinating brigade and commune leadership above them; to their members, they became influential patrons. In the former Soviet Union, by contrast,

supervisory staff in the collective farms increasingly became trained and professionally qualified people.

When rural China was de-collectivized in the early 1980s with the household responsibility system, teams and brigades retained control over the allocation of land, as well as management of irrigation and other community resources. Family farms, re-created by division of the communal land, acquired an independence of decision-making that has grown more ample in subsequent years. In the new context, China developed its own distinctive roads to rural capitalism and proletarianization. Local loyalties had always been a prominent aspect of rural China, and they were reinforced by the residence permit (*hukou*) system introduced in the 1950s. Rural dwellers were confined not only to rural areas but also to their own villages and thus to their own collective farms.

When in the 1980s these regulations were relaxed, but not abolished, several million people moved from the less-productive upland and inland regions to the coastal lowlands in search of employment. The industrial and construction employment was already largely taken by people from the coastal provinces, so many had to work as sharecroppers, if they were so fortunate, or as labourers. Farmers in regions close to the cities were able to sell vegetables and fruit at far better prices than they could get for grains, but – in a still largely unmechanized agriculture – experienced severe labour constraints: a family farm of 2.5 workers was unable to manage more than about 0.6 ha under vegetables with its own labour (Van den Berg et al. 2007). Rather than employ hard-to-get labour themselves on their own small farms, many farmers preferred to rent their land to a well-capitalized minority, while themselves seeking nearby off-farm employment to which they had privileged access. Their better-capitalized tenants used migrant labourers who had only temporary residence permission, and could command only low wages. Considerable numbers lived in camps not unlike the infamous ‘Hoovervilles’ in which evicted migrant farmers from the American Midwest had to find precarious residence in early 1930s California (Steinbeck 1939).²

Dissenting Punctuations in the Debate

In all the debate around the classic agrarian question, the family farmer or peasant is seen as the largely passive victim of external dominance from the agents of a capitalist or capitalistic economy. But there has always been dissent. Chayanov (1925, 1966) greatly elaborated on the views of a string of late-19th-century Russian populist scholars termed the *narodniks* (Shanin 1986; Sivakumar 2001). By first comprehensively analysing differences between family and wage-worked organization and motivation in agriculture, he pointed to issues that have been revived in a debate that has arisen mainly since the 1960s, when his work was first translated into English.

Chayanov's basic argument is well known, even if much downgraded in subsequent writing: a family-labour farm aims to satisfy its collective needs rather than to make a profit; not having to pay wages, it is able to increase or decrease its inputs according to the prevailing external conditions. Its balance of activities is determined demographically by the changing ratio between workers and consumers among its members. If it operates in the presence of a labour market, it can marginally both draw on wage labour to supplement its own resources at peak periods and sell labour that is surplus to requirements during slack seasons, provided, that is, labour and employment respectively are available. The external conditions were not adequately analysed by Chayanov who paid limited attention to the larger economy. However, because of the internal flexibility provided by the family mode of decision-making, family-labour farms can pay above the going rate for credit and for land, and can survive low prices for their outputs that would bankrupt a wage-labour farm.

These are precisely the conditions under which family wheat farmers on the American great plains not only survived hard economic times between the 1880s and the 1930s, but also were able to compete successfully against industrial wage-labour farms right through this long period (Friedmann 1978a,b). Friedmann, who drew heavily on Chayanov in explaining this success, also noted an important technical aspect. In the great plains of the USA, harvesting and, later, threshing machinery was rapidly being introduced, reducing the labour requirement on farms. As family farms grew in area by purchase and rental, so machinery suitable for the new average area (about 140 ha after 1920) also became available, making mechanized farming feasible for a family labour force averaging 1.5 male persons. While land remained available, and with it credit, labourers were drawn off the wage-labour farms to set up family farms.

The industrial farms, requiring both to pay rising wages and to earn profits, were unable to compete with household farms that experienced neither of these constraints. Both types of farm remained viable, and by the end of the 1920s, and again after 1945, the tractor was displacing horses and with them the indebted smaller-scale family farmers who were unable to afford tractors. There were also other forces at work. Friedmann (1980) enlarged her discussion to propose the concept of 'form of production' specifying both the unit of production and the social formation within which it is embedded. At the end of the 1920s, the social formation was entering the crisis that led to the start of modern social and political intervention in agriculture; after 1945, the social formation was undergoing a rapid post-war evolution embracing major reconstruction of national economies in the developed countries.

Implicit in Friedmann's scheme of explanation was the observable fact that most of the economies of scale in arable agriculture could be captured by an average family farm, provided that farm made full use of the technical innovations available at any given time. Since the 1950s, the size

and power of farm machinery have enlarged enormously, and so has the sophistication of related equipment. Farming has become far more capital-intensive, so that only well-financed large-scale family farms can take full advantage of all the labour-saving economies that are now created. Farmers can, and many do, minimize this limitation by engaging contractors to undertake the more capital-intensive parts of the farm operation. They can also take advantage of economies of scope, meaning that they use their resources for more than one purpose. Nonetheless, the optimum family-farm size has increased very substantially, and this is reflected in the growing average size of farm in most developed countries, a growth principally achieved by purchase or rental of additional land. Yet, at the same time regular wage-labour employment on farms has continued to shrink.

Schmitt (1991) explains why this happened and why it was unexpected. The economies of scale achieved by family-labour farms have tended to be underestimated, and the question of transaction costs has been almost completely ignored. Pollak (1985) first drew attention to the latter omission, pointing out that in most agricultural enterprises employed labour works over a large area and cannot easily be supervised; family labour has a much greater interest in working efficiently. The family labour farm is, therefore, a response to the difficulty of supervising workers, in contradistinction to the family firm, which is a response to problems of gaining the loyalty of hired managers. By extension of this argument, contract workers ('gangs') can indeed be more readily supervised, but their hired supervisor does not have loyalty to the farm, and gang labour is often low-skilled. Schmitt (1991) presented elegant argument to show the interrelation between labour time, leisure time, opportunity costs and transaction costs in family-farm decision-making. Opportunity costs for family-farm labour are commonly much lower than the actual going wage rate in the wider economy because of age, gender, experience and, not least, the ill-match between available time and employment time available. In regard to the transaction costs of hired labour, Schmitt cites German research to show that twice or more worker-time per hectare was needed with hired labour than with family labour in the later 20th century.

Largely because of rising productivity and rising optimal size of farm, farms grew rapidly larger from the late 1940s onwards, and there was a massive decline in the total number of farms in most developed countries. In the USA, where the decline both began and ended sooner than in Europe, the number declined from 6.8 million in 1935 to 2.1 million in 2003, when numbers had stabilized. Of the 2003 total, 1.9 million were 'small' family farms, with sales under US\$250,000, and they held 69.7% of all farm land. There were 235,000 large and very large family farms and, surprisingly in view of the literature, only 35,000 non-family farms, those with hired management (US Department of Agriculture 2005). But

the area of agricultural land had scarcely declined at all, and the concentration of its ownership ceased to increase after the end of the early 1980s depression. Already by the mid-1980s, however, there was no region of the USA in which farm incomes provided as much as 50% of the total income of the farm population. What has come to be called 'pluriactivity' already characterized American farming. On the other side of the Atlantic in the 12 countries that then comprised what became the European Union, a farm structures survey in 1987 showed that 30% of European farmers also had 'other gainful activities', the share reaching 43% in Germany (Commission of the European Communities 1987).

Pluriactivity and 'De-Agrarianization': Reality and Theory

Until the end of the 1980s, farming was regarded as necessarily a full-time occupation. If a farmer became a part-timer, he or she was presumed to be on the way out of agriculture. It was only after decades in which diversification of activities, both on-farm and off-farm, has been a normal response to the changing environment of farmers that it came to be accepted as entirely compatible with a continuation of active farming (Fuller 1990). 'Pluriactivity', a term borrowed from the French, describes this diversification. About the same time in Germany, Schmitt (1991) remarked on the high efficiency with which family farms allocated labour between on-farm and off-farm work, a facility not available to farms using waged labour. In Germany, especially in the southwest of the country, the worker/farmer was already a common phenomenon in the 1950s (Franklin 1969). Combining farming with industrial employment occurred from an even earlier period in Japan (Francks 2005).

It has also been a part of rural life in many developing countries. In Africa, farmers have been recruited for work in mines and on settler farms for a long time, but in the late 20th century a great many farm families were diversifying their livelihoods without migrating away. The new pattern, as households became increasingly dependent on non-agricultural activities, was given the loaded term 'de-agrarianization' by Bryceson (1996, 99), meaning 'a process of (i) economic activity reorientation (livelihood), (ii) occupational adjustment (work activity), and (iii) spatial realignment of human settlement (residence)'. It specifically involves a move away from dependence on farm production. As with some other terms introduced in the late 20th century to generalize about complex changes, such as the problematic 'post-productivism' that I do not discuss in this article, 'de-agrarianization' has been widely employed. The same phenomenon, seen as in Africa to be indexing an impending abandonment of farming, was later described also in Southeast Asia (Rigg 2001, 2003).

In the developed countries, at least, what was really happening was more probably the expansion of an old activity pattern, in which farmers undertook non-agricultural work on their own farms, or travelled away

from home to work on the farms of others, or in nearby towns. It is off-farm diversification that has expanded most rapidly in the later 20th century, in response to the greatly enhanced mobility of farm families made possible by modern transportation, and by the spread of motor transport in particular. Whereas in the past off-farm employment had mostly been within rural and semirural areas, it now spread to employment in urban areas within easy reach – even at a considerable distance. Pluriactivity became a more vital element when received prices declined after the 1970s. In Northern Ireland, wage employment of farm women has become essential not only for family maintenance, but also for the maintenance of the farm itself (Shortall 2002). In this case, and in some others, we seem almost to be viewing the proletarianization of the farm family through its female breadwinner but, viewed more widely, off-farm employment of farm family members has also been a response to opportunity. Where it involved farm women in the developed countries, it has formed part of the much more general entry of married women into the employed workforce in the post-1950 period (Jervell 1999).

Schmitt (1991) further proposed that as technical innovations have enlarged the farm area that can be managed even with small and declining family work-forces, work off the farm has become a feasible strategy for farm households without detrimental effect on farm production. It becomes a means of enlarging household income by using labour time no longer required on the land. Brookfield and Parsons (2007) have preferred to treat pluriactivity as a normal and now fully accepted aspect of family farming and to view its modern expansion as an element in the closer integration of farm households into the general economy of both developed and developing countries. It has some important consequences. Modern pluriactivity has enabled farm households to diversify their livelihoods and take up rewarding opportunities without giving up farming. In addition, although little is made of this fact in the literature because of the scorn usually devoted to ‘hobby farmers’, it has also become possible for a new breed to take up serious farming without giving up their well-paid livelihoods in the urban areas. However, pluriactivity puts agriculture much more directly into competition with non-agricultural enterprises in the labour market, among people who still live on the land.

Pluriactivity helps family farms to survive and prosper where there is readily accessible off-farm employment or other means of livelihood diversification, but fails where there is not. It also exposes farm households to comparison of the rewards in terms of lifestyle and living standards between farm work and urban work. Seeking to explain not only farm disappearance but also rural depopulation in northern Spain, Collantes (2005a,b, 2006) called on such comparison to explain a rapid late-20th-century emigration of the younger farm generation. He drew on the historical interpretations of labour history in the developing countries by

Wolf (1982), in addition to the old arguments of Kautsky and Chayanov. In this view, peasants or family farmers may be able to compete with capitalist farms in the produce market and in the land and credit markets, as Chayanov and Friedmann had argued, but in regard to labour were unable to compete because wage work in at least European cities offers access to far wider range of services and opportunities. To Collantes, the higher urban standards of living have been critical in drawing family labour away from the farm in modern Spain. Parents have frequently encouraged sons and daughters to migrate, even while recognizing that the farm will in consequence cease on their own retirement or death. Many farms have in fact ceased, and while most land has been sold or rented to other farmers, some is abandoned, and the farmhouses are used for holiday homes (F. Collantes, personal communication, April 2006). The Spanish case is far from unique. Large-scale departure of the younger generation for industrial and other urban employment has in the late 20th century become a widespread characteristic of rural areas in, for example, the countries of Southeast Asia (Rigg 2003). Explanation depending on higher urban standards of living may be less relevant in other developing countries, but expectation that urban areas will at least provide a wider range of opportunities may be more universally applicable.

Brookfield and Parsons (2007) have suggested that the rapid spread of television in the world's countrysides will soon have exposed most of the world's farm families to images of a different sort of life, with the possible long-term effect that the pluriactive farm household can become the residence of people following widely different occupations, only one of them remaining a farmer. Such households are at obvious risk of losing all sense of 'consubstantiation' between family and farm. The question posed here is not one of economics, but of the social cohesion of families in the modern era, imperilled by differential access to new opportunities (Akram-Lodhi 2007). Yet, many farming families do survive. By taking up new opportunities, including the new agro-environmental opportunities, they continue to prosper as small organic farmers have done in Austria (Darnhofer 2005). If, as at least the British authorities hope to see, production subsidies and direct payments come to an end, and are replaced only by support for the environmental services farmers provide, this will not be to the advantage of the large-scale industrial farms (UK Treasury and DEFRA 2005). Whether large or small, family-labour farms are much better placed to provide the environmental services now demanded by the public (Brookfield and Parsons 2007, 143–55, 217).

Other Consequences of Globalization

Most modern writers have been less concerned with these internal aspects of the family farm household and have been more exercised by the control over farm production and decision-making that is available

to the increasingly powerful managers of the supply chains between farmers, their input suppliers and, especially, their market. Contract farming, essential to the development and management of supply chains, has attracted a great deal of comment in a large literature. By the end of the 20th century, half or more of all farm produce was being produced and sold on contract in both North America and Europe. Since the late 1980s, there has been very rapid expansion of contracting arrangements along supply chains in Latin America and Southeast Asia, and most recently in Africa (Reardon et al. 2003). Many farmers are happy to be contracted, securing a more stable income than is obtainable through the open market. Yet, several writers have seen great dangers for the independence of farmers. Since the time of Vogeler (1981), contracting – even if beneficial in immediate money terms – has been seen as pro-letarianization of the once-independent family farmer. Lacking control over his or her own production decisions, the contracted farmer is seen to become a self-employed semiproletarian, exploiting his and his family's labour in a Chayanovian manner to meet the demands of the contract (Watts 1994).

The great variation in contract terms defies generalization, and there is also great variation in the way that contract projects are managed. Management specialists and World Bank economists tend to regard contract marketing, and other forms of vertical integration, as a 'higher' form of market organization, and encourage its extension. They view contracting as a partnership between sponsor and grower, and do not place any stress on sponsors' preferential selection of mainly large farmers for receipt or renewal of contracts, which they exercise in order to reduce their own transaction costs. Studies both in Mexico (Echánove 2001) and the Indian Punjab (Singh 2002) show this aspect much more clearly. Contracting can also be a trap of another kind. Small commercial farmers can readily become indebted to the companies that contract them. Murray (2006) has followed the fortunes of land-reform beneficiaries in north-central Chile through the 25 years since they were finally allocated 'parcels' from the 1964–1973 land reform. Most of them followed advice to specialize in fruit – principally table grapes – for the export market in which Chile became a leader in the 1980s. Contracted to increasingly multinational dealers, many became deeply indebted, with the result that a significant number lost their land. It is only the smaller farmers, who retained more diversified production, that have escaped this trap. Farmers who specialize in products that are marketed through tightly controlled channels run the risk that if they become indebted to the companies that contract them, those companies will foreclose on their land, either to enter production themselves or to replace them with other clients. Mostly, the latter path will be followed because most companies involved in forwarding and processing are reluctant to accept the risks involved in agricultural production.

Towards a Conclusion about the Future of Family Farming

This brief review of changing conditions on family farms, mainly in the developed countries, shows the contrary forces that have been at work, not only recently but for more than a century. Rising productivity in most branches of agriculture has been achieved by farms within the family-farm range, and while the optimum size of family farms has grown, trends towards concentration of land tenure have continued to be offset by division of farms among inheritors, and by new establishment, followed again by growth of farm size (Roberts 1996; Burton and Walford 2005). Notwithstanding ongoing departures from farming, there continue to be new entrants, although with different expectations in the developed and the developing countries. In India, the new entrants are drawn largely from among the landless, who acquire mainly by rental small holdings often less than 1 ha, and hope to be able to build them into viable farms – if they are able to avoid the traps of deep indebtedness to the money-lenders (Agro-Economic Research Centre Visvabharati 1999).

Brookfield and Parsons (2007) remind that, despite the decline in numbers of family farmers, there is also growing professionalism in farming, and that the social status and personal satisfaction derived from membership in the business are still significant attractions. The ability of family farmers to innovate and to adapt, often as industry leaders, remains as important as ever. This is not only true of Europe and North America, but also in the developing countries. Schmitt (1991) argued that the efficiencies of family farming were likely to persist, and even strengthen in relation to wage-labour farming. The advances in biotechnology, which were in 1991 expected to increase the competitiveness of larger farm units, have evolved only haltingly and many of them have been scale-neutral. While farm machinery has certainly continued to grow larger, and technological sophistication has advanced greatly, the input industry continues to manufacture a wide range of smaller equipment, as any perusal of the advertising pages of rural newspapers clearly demonstrates. Electronic aids to farming and marketing continue to decline in price, and hence become available to smaller farmers, even those in developing countries, and farmers have learned new managerial and marketing skills as the new technologies become available.

Farm labour has increasingly moved to a contract basis, but the quality and commitment of such labour remains inferior to that of the farm family and its neighbours, and the transaction costs of recruitment and supervision of hired labour remain a serious deterrent to its use even on large family farms. The highly specialized, professional farm worker, who was expected to service professionally managed industrial farms, has been slow to appear in large numbers. To a considerable degree, such people have become contractors, sometimes working for a share of the crop, as in Illinois, USA (Young and Burke 2000), and available to farms of

moderate size, as well as to large farms. They can service many farms, providing the farmers who engage them with the means to work larger areas without stretching their own labour resources.

Those who still expect family farming soon to disappear are likely to be disappointed. What has been described in this short article is a constantly renewed set of contradictory forces in rural organization, within which the family mode of organization, arguably perhaps the oldest in all farming, has shown constant adaptability and therefore resilience. The pluriactive farm family can, if it remains intact, allocate its resources in an efficient manner, and nothing has diminished this competitive advantage. Brookfield and Parsons (2007) do not expect the coming generation of family farmers to experience conditions any more sympathetic than in the recent past, but have confidence in the next generation's ability to survive through this period.

Towards a New Agenda of Research

That is why this short article concludes by suggesting that the old agrarian question is passé, and now needs to be inverted. A new agenda should begin by discarding the long-lived assumption that family farms must inevitably give way to industrial farms, and instead should begin by examining the dynamic possibilities and limits of scale and scope economies within the wide family-farm size range. A pioneer quantitative study of Friesian dairy farmers by Van der Ploeg (2000) needs to be followed up, and put in the more specific context of economies realizable within family farms. From an economic point of view, this is a fundamental question. Just as there can be no doubt that many family farms do operate efficiently on scales appropriate to the production system employed, there can equally be no doubt that the optimally efficient family farm has grown much larger in the past century.

The still unresolved argument about the 'inverse relationship' between farm size and productive yield cannot be resolved on the basis of only static data; it must take into account a technical environment that is constantly changing. Byres (2004) may well be correct in arguing that there are circumstances under which the technical advantages of large farm size make possible higher land productivity as well as less-contested higher labour productivity. Kautsky said the same over a century before him, and the many modern economists and policy makers who press for a free market in land envisage large and efficient corporate farms buying out their quaint but anachronistic family farming neighbours. Yet, many family farms have been transformed within capitalism. It is true that there remains a large small-holding class of family farmers who survive by exploiting their own labour rather than by innovating (Dyer 1997), but others have innovated, by mechanization, by changing or diversifying enterprises, or by adopting pluriactivity. Many have not only survived, but

have succeeded. The 'inverse relationship' needs to be explored comparatively between different countries and regions, and put into a dynamic social context.

Production issues are not all that are involved in the argument for and against family operation of farming. Clearly, family farms are no single undifferentiated group. There is substantial inequality within them, and always has been. It has political significance. But there is demonstrably greater inequality between units under family and industrial farming systems, and this inequality can be comparable in scale to that between the feudal manor and the yeoman farm in the distant past. In an imaginative recent cross-country exercise, the economist Easterly (2007) finds strong support for the proposal that rural inequality of this order does indeed cause underdevelopment through its adverse effect on institutions and entitlements, such as schooling. To say this is to restore a place for the structural arguments about the 'development of underdevelopment' of half a century ago.

The question is one of power. Where large-scale industrial farming dominates in whole countries it can exert powerful depressant effects on the emergence, or survival, of the more democratic family farming system. A deeper examination of the structure and organization of family farming needs to include the analysis of power both within the farming system and around it. *Pace* Byres (2004) and his many marxisant colleagues, while the classical class struggle within rural society remains an important object of analysis in many developing countries, in the developed countries it is now less relevant than the struggle between the family farmer and the organizations and institutions that impinge on his or her activities. A major example, in the USA in particular, is the power wielded by the concentrated animal feeding operation over the many smaller livestock farmers who supply them (Brookfield and Parsons 2007, 139–141). Another, on a very large scale nowadays, is the power wielded by big supermarket chains over their contracted farmer-suppliers. Yet, another is the power sought, but not yet achieved, by the highly concentrated seed and chemical industry over arable farmers everywhere, through control over seed. Farmers' responses to these power-bids, means of resistance or avoidance, are varied in nature. So also are their more problematic responses to the regulation of their management practices sought by conservation bodies and non-governmental organizations in the interests of conserving soils or biodiversity.

Involved in all this is the increasingly uncertain relationship between farmers and the public. The conservation issues touched on above have wide public appeal and have eroded sympathy for all farmers as an undifferentiated class, as also have the successive food-health crises of the past two decades. It is possible that more nuanced inquiry into modern rural history would show that most of the offenders are drawn from among the larger industrial farmers, whether corporately or family managed.

But this is only a hypothesis and has not been tested. The consequence of growing public disinterest in farmers' welfare has meantime affected all. It has its flow-on in a distressingly low level of public sympathy in the developed countries for the programmes of the family-farmer and peasant movements that have sprung up across the world since the 1980s, and were brought together internationally by the formation of *La Via Campesina* in 1992.

The core programme within a very diverse set of demands among this group is 'national food sovereignty', meaning the right of countries to protect their own farmers against the globalizing forces of world trade, and including the right of farmers to hold and manage their own land. They are therefore in opposition to the neoliberal ideology of so-called free trade, and while they support ecological management and public payment for achievement of this non-tradable goal, this is not their central concern. Their plea for fairer treatment of family farmers, and for land reform to enhance their rights, is passionately presented by Rosset (2006) in a comprehensive book on land reform of which he was a joint editor. All these national and international political bodies are in opposition to what are still prevailing trends in wider society, and by themselves are unlikely to change the world. But their aims do reflect farmers' responses to the dynamic social, economic and political environment to which a great many farmers actively adapt.

The claim of family farmers to have not only the form of organization best suited to sustainable land management but also to be the foundation of national and regional food production is well presented by a range of writers. Others have remarked on the changes made in response to both necessity and opportunity through off-farm pluriactivity, while noting the decline of a sense of 'consubstantiation' with the farm and of farming itself as a primary calling. Taking a more economic perspective, still others have remarked on the success with which a pluriactive farm family allocates its labour and other resources, and/or adopts economical farming styles that both improve the input/output balance and ease farm labour (Van der Ploeg 2000). In all this, the family farm is changing, but as an institution it is not dying away. With Johnsen (2004, 430), I conclude that there is renewed need to study the family farm, its economics and its social role, but to do so in a constantly dynamic context, while abandoning preconceived notions that this form of organization is ill-adapted to the modern world and will quickly disappear.

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Short Biography

Emeritus Professor Harold Brookfield is a geographer who has written extensively on the developing countries. From 1991 to 2002 he was principal scientific coordinator of the UN University Project on People, Land Management and Environmental Change.

Notes

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¹ See, in particular, Griffin et al. (2002), Byres (2004), Rosset (2006) and a concise contextual review article based on the latter book by Akram-Lodhi (2007).

² In the special case of a region close to Hong Kong, farmers from Hong Kong itself rented land for vegetable farming in large blocks, worked cheaply with despised far-inland migrants who could not risk wandering far from their camps for fear of violence from gangs of local youth (Chan et al. 1994). That was in the 1990s: the village concerned is now surrounded by industrial and commercial development on land which is still rented out by the villagers, and has a station on the urban rapid transit system (Jon Unger, personal communication, August 2007).

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