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Land reform and peasant revolution. Evidence from 1930s Spain[★]



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ABSTRACT

We analyze the impact of failed land reform on peasant conflict in Spain before the Civil War using a municipal data set with monthly observations of peasant conflict in Andalusia from April 1931 to July 1936. We find temporary occupations of land were rare and not correlated with either organized reaction to land reform or the existence of a large pool of beneficiaries. Potential beneficiaries of reform struck more often in the period of land reform deployment, especially in towns with a legacy of domination by a noble family and no previous experience of reform. There is some evidence that actual land reform implementation reduced strikes, most prominently in towns that had not been affected by land reform until the 1930s. We argue both sets of evidence suggest that faster re-distribution would have reduced conflict and that the effects of incomplete land reform were stronger in towns with no previous history of land reform.

1. Introduction

Does land reform cause greater levels of rural conflict? According to the literature on political regimes and transitions, redistributive policies can appease bottom-up revolutionary pressures and social conflict (Acemoglu and Robinson, 2005). While developed economies re-distribute by taxing wealth and income and handing out social transfers, in developing economies characterized by a large presence of the agricultural sector, re-distributive policies have often taken the form of land reform.

At the same time, it has been argued that drastic land ownership re-distribution can also create more conflict. First, because land reform accompanies other pro-poor policies and a reduction in repression, land reform may facilitate coordination and increase political activism among peasants. Second, land reform raises the expectations of peasants while making inequality more salient, which may lead to further more demands from the landless (Finkel et al., 2015). Third, land reform creates clearly demarcated groups of winners and losers (Luebbert, 1991; Boone, 2014). Because landed elites are often more able to organize collectively, land reform is often blocked or captured by organized interests. In these cases, land reform failure can trigger peasant rebellions, revolution, and civil wars.

Abbreviations: CNT, Confederación Nacional del Trabajo, National Confederation of Labor; FNTT, Federación Nacional de Trabajadores de la Tierra, National Federation of Rural Workers; UGT, Unión General de Trabajadores, Workers' General Union

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The existing empirical studies point at the conflict enhancing effects of incomplete land reforms in 20th century Latin America or in 19th century Russia (Albertus and Kaplan, 2013; Alston et al., 1999, 2000; Finkel et al., 2015). In this article, we look at the case of land reform in 1930s Spain, perhaps one of the canonical cases of failed land reform leading to democratic breakdown and civil war (Malefakis, 1970; Casanova, 2010). Given the unreliability of official data on peasant conflict, we exploit a new municipal data set of local peasant conflict in two *latifundia* provinces of Spain heavily affected by land reform in the period 1931–1936. Both experienced substantial variation in local levels of exposure to land reform and conflict.

We make several contributions to the literature on Spain's land reform and the impact of incomplete land reform in general. First, we provide evidence on the mechanisms through which incomplete land reform increases protest. Second, we separate the conflict-enhancing effects associated with landowner organization from those related to the mobilization of the landless. Third, we assess the impact of actual land reform implementation on the collective action of peasants.

The paper is organized as follows. Section 2 gives an overview of the literature on land reforms and a brief depiction of land reform in 1930s Spain. Section 3 describes the data. Sections 4 and 5 discuss various research designs and discuss the main results of the statistical analysis. Section 6 concludes.

2. The impacts of land reform and land reform in 1930s Spain

Land reforms are gigantic and complex process of economic and social transformation. Late 18th and 19th century liberals in Europe attempted to eliminate the remnants of feudal privilege in favor of more market-oriented and intensive forms of production that would be able to lift productivity in agriculture and remove large swathes of the population from poverty and destitution. The literature on the effects of institutional shocks and the dilution of feudal privilege is vast in European and Asian economic history and points at the positive impacts of reform on the definition of property rights, aggregate agricultural productivity or poverty levels (Rosenthal, 1992; Berry and Cline, 1979; Besley and Burgess, 2000; Studwell, 2014). In various cases, however, land reforms have been associated with famine, as in the Soviet Union and China in the 20th century, or with authoritarian reaction and civil war (Luebbert, 1991). In addition, some studies have pointed at the negative medium- and long-run effects of land reform on agricultural productivity and development (Guinnane and Miller, 1997; Ramseyer, 2012; Dell, 2012).

Part of these negative effects on long-term productivity are caused by the impact of land reform on social conflict and concomitant negative effects on contract and property rights enforcement, credit networks, and market efficiency. Among other reasons, governments can use land reform to reduce peasant conflict, yet by itself land reform can create more conflict.

The literature on the impacts of land reform on conflict has focused on two mechanisms through which land reform can create more conflict. Firstly, reformist periods in which pro-poor policies are deployed can raise peasants' expectations of social and economic change (Finkel et al., 2015). In addition, these periods also see a softening of repression, which favors the collective action of landless peasants. In this context, land reform always brings about further peasants' demands and conflict irrespective of the degree of land reform implementation.

In contrast, a second strand of the literature considers that conflict arises out of the state's inability to deploy reform. In countries with high land ownership inequality, land reform creates a small and organized group of losers who would do whatever it takes to avoid expropriation. In some cases, like Japan in the Meiji period or Spain in the 1930s, reformist states can devise compensation schemes to buy in the landholding elites. However, the success of these schemes is by no means guaranteed.

Because in most cases landed interests feel that they are being not properly compensated, there are significant political constraints to the deployment of reform. Landowners can delay or distort the transfer of necessary statistical information to state reformers. Authorities often hesitate to push for more reform if it threatens the status quo (Albertus and Kaplan, 2013). In these situations, incomplete land reform, rather than appearing peasants, can potentially create more conflict.

A second less explored topic in the literature is the behavior of peasants in situations in which reform does not follow a big political upheaval, for example in the case of peaceful transitions from autocracy to democracy. The comparative literature on land reforms shows that, after peaceful transitions, democracies do not re-distribute much land (Biswanger et al., 1995; Bardhan and Mookherjee, 2010; Albertus, 2015). When there is a minimal degree of institutional quality, there are constraints on executive power and it is often necessary to compensate expropriated landowners. When this is the case, land reform becomes a far more complex and expensive policy, requiring sound fiscal, bureaucratic, and technical capacity. In many developing countries with low state capacity, the result is reform paralysis.

Land reform in 1930 s Spain followed a peaceful transition from dictatorship to democracy in April 1931. Elections in April 1931 resulted in the weakening of landed elites and the emergence of a dominant coalition favorable to pro-poor policies and large-scale land ownership re-distribution towards tenants and laborers. As a result, article 44 of the December 1931 Spanish constitution claimed "national wealth (...) is subordinated to the interests of the national economy (...) Property can be socialized." A Land Reform law was passed in September 1932. However, Republican Spain was not see large transfers of landholdings until the first months of the Civil War (1936–1939).

The Law was circumscribed to 14 provinces in Central and Southern Spain, in Andalusia and Extremadura and in the provinces of Ciudad Real, Toledo, Albacete (in New Castile) and Salamanca (in Old Castile). The law granted compensations to expropriated owners, generally a combination of cash and government bonds. The payment of compensation increased gigantically the cost of reform, and most probably also slowed down the pace of reform. The only case in which Republican land reform was a serious threat to the status quo was in the case of landholdings by noble families. The September law stipulated that the lands of the most important noble families –the so-called *Grandes de España*- could be expropriated without compensation. Many authors agree that this was a disastrous strategic move because, before the 1930 s, many noble families had already sold large chunks of their estates

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