

Bodenstedt, Andreas

Article — Digitized Version

Social changes in developing countries

Intereconomics

Suggested Citation: Bodenstedt, Andreas (1972) : Social changes in developing countries, Intereconomics, ISSN 0020-5346, Verlag Weltarchiv, Hamburg, Vol. 07, Iss. 6, pp. 173-177, <https://doi.org/10.1007/BF02929483>

This Version is available at:

<https://hdl.handle.net/10419/138651>

Standard-Nutzungsbedingungen:

Die Dokumente auf EconStor dürfen zu eigenen wissenschaftlichen Zwecken und zum Privatgebrauch gespeichert und kopiert werden.

Sie dürfen die Dokumente nicht für öffentliche oder kommerzielle Zwecke vervielfältigen, öffentlich ausstellen, öffentlich zugänglich machen, vertreiben oder anderweitig nutzen.

Sofern die Verfasser die Dokumente unter Open-Content-Lizenzen (insbesondere CC-Lizenzen) zur Verfügung gestellt haben sollten, gelten abweichend von diesen Nutzungsbedingungen die in der dort genannten Lizenz gewährten Nutzungsrechte.

Terms of use:

Documents in EconStor may be saved and copied for your personal and scholarly purposes.

You are not to copy documents for public or commercial purposes, to exhibit the documents publicly, to make them publicly available on the internet, or to distribute or otherwise use the documents in public.

If the documents have been made available under an Open Content Licence (especially Creative Commons Licences), you may exercise further usage rights as specified in the indicated licence.

Social Changes in Developing Countries

by Professor Andreas Bodendstedt, Heidelberg *

Despite the unmistakable resignation that clearly marked the numerous résumés published at the end of the first development decade, there are signs that scientists are gradually veering round to a more positive attitude towards possibilities of a social change in the developing countries. This is due partly to the fact that more agrarian reports are becoming available, but partly also to the unmistakable economic success of the so-called "green revolution".

More discriminating ways of judging developments are beginning to replace the long-standing dichotomy between "static" and "dynamic" societies. G. Brandt has recently demonstrated that this state of affairs is, to some extent, due to the interaction of two opposing schools of thought on each other and their mutual criticism. These two schools referred to represent respectively the Marxist-materialist and the Western capitalist approach to development and modernisation theories.¹

Institutional and Personal Changes

Nevertheless there is no denying that the theories concerned with modernisation are still mainly focussing their attention on the personal factors and the phenomena indicating changes in personal attitudes. The theories on innovation, motivation, empathy and social mobilisation show this very clearly. Besides this, institutional changes like the creation of infrastructures, jobs and training opportunities are merely postulated as the necessary framework. This attitude stems from an essentially evolutionist approach which is in direct contrast to the revolutionary theories. Yet both theories agree in one respect in that both assume that the development process tends in one unilateral direction.

In any event, even to-day it still remains a fact that asking for the institutional and personal

theories to be combined is one thing; doing it is quite another. In comparison with the concept of social change, the concept of institutional change appears to cover only one part of the problem. We understand by institutions those recurring patterns of social behaviour which time and space have solidified: groups, forms of social communities, relations between persons possessing different powers of disposition and systems regulating the conduct of certain social practices.

Institutional changes can be analysed in two different ways:

☐ as changes in and of institutions, i. e. changes affecting relatively enduring behaviour patterns;

☐ as changes in other social spheres, as for instance in agricultural output or in consumption — changes induced and continued with the aid of institutions.

Agricultural Sector

It is now proposed to show whether, and, if so, to what extent, institutional changes in the agricultural sector of developing countries have stimulated growth. By measures taken to this effect are to be understood not only those that lead to an expansion and diversification of output, but also those that enable producers and, beyond them, consumers and the entire economy to satisfy their growing needs with relatively smaller effort, in other words to increase productivity.

Institutional transformation processes and their importance for promoting growth may, for instance, be demonstrated in the following spheres:

* Forschungsstelle für Internationale Agrarentwicklung e. V. (Research Association for International Agricultural Development).

¹ G. Brandt: „Internationalisierung, Modernisierung, Gesellschaftliche Entwicklung“ (Internationalisation, Modernisation, Social Development) in: Zeitschrift für Soziologie, Vol. 1, January 1972, pp 4–14.

- ☐ Power structures;
- ☐ Family structures;
- ☐ Organisation of training facilities;
- ☐ Forms of association in the economic sphere;
- ☐ Market and sales structures.

Power Structures

Access to the production factors of *land and capital* is the most common form of securing power in agricultural societies; It is most often the immediate result of belligerent action or settlement. Agrarian reforms are introduced for the purpose of counteracting the tendency towards concentration of land in the hands of the few, — such concentration being regarded as adversely affecting development. It is no exaggeration to describe agrarian reforms as the most important and comprehensive form of institutional change, though, regrettably, not as the most successful one. The difficulties involved in changes of this type become clear if one considers only the following four aspects of the land-owning structure: The exploitation of land is in agricultural societies by far the most important means of livelihood; the methods employed to stimulate growth processes and their chances of being effective depend to a certain degree on the size of the farms and on how they are distributed; the various forms of land-tenure, share-cropping and farm-labour are direct means of maintaining existing states of dependence; it is difficult to challenge the prevailing legal notions and their application to claims concerning the ownership and exploitation of land.

In Tunisia we find until this day notions of a rural overlordship based on private law which are superimposed on the conceptions of collective farming practices regulated by common-collective law. Side by side with this there exist the European individualistic form of absolute private ownership and the attempt by the government to develop out of this situation a formula of the "social function" of private property. Significantly, Tunisians have been regarding the attempts they have been making for many years to create production cooperatives not as an agrarian reform, but as a way of improving the use of their land and of achieving a better income distribution. What people think of collective ownership and utilisation rights varies in fact not only from one developing country to another. It varies just as much from tribe to tribe or from region to region. A case in point is the Luo tribe in Kenya who mistrusted and rejected the plan to carry out a land survey with a view to granting legal titles to ownership. Here, as in Tunisia, right turned out to be always on the side of the stronger who was

invariably able to submit better proofs in support of his claims.

Leaving aside regions where farm-land is parcelled out in extremely small lots, *splitting up* large farms and *distributing* the parts to former tenant-farmers is the most important means of effecting an agrarian reform. In this sphere, there are not only psychological difficulties to overcome. For, again and again, it has become evident that the provision of the newly created farms with adequate capital, the terms on which loan capital is made available to them and the means of imparting the necessary know-how to the owners to enable them to run their farms efficiently require as careful planning as the laws that provide the legal basis for the splitting up of the large estates. All these problems must be solved, or else disaster will soon befall the whole scheme. Regional integration has often been helped by the provision of certain operating factors of common use as for instance a strictly regulated irrigation system (Kenya: Mwea Tebere). In the absence of such integration factors it is extremely difficult to achieve the necessary transition from extensive farming of large estates to the intensive cultivation appropriate to smaller units. Therefore these newly created smaller individual units frequently tend to combine into cooperatives with the result that, according to the interesting theory of the Polish agrarian sociologist, Galeski, these cooperatives, in turn, tend to grow of necessity into modern large-scale enterprises.

Size of Farms and Power Relationships

But it is not only the size of the unit that determines the mobility of the peasant farmers and their chances to develop their land. Equally important is what proportion of the land is owned by them and how much of it is held under a tenancy agreement. Another determining factor is the *composition of the family income* — how much of it is derived from their own labour on the farm and how much extra revenue comes in through outside activities or in the form of rent. In the case of the Tunisian producer cooperatives, it was found (in 1968) that families drawing extra income from outside were less dissatisfied with the economically unsatisfactory result of the cooperative experiment than the families whose activities were exclusively concentrated on their farms. It is only fair to add that these findings related to rural areas in which the way of life was largely not "peasant orientated", whereas for instance in certain areas of India the extra-income from work outside the family holding appears to be the very factor that tends to stimulate the peasantry's readiness for innovations.

It is therefore safe to say: no measures are likely to succeed without simultaneous changes in the ownership, vassalage and power-structure. Yet this prerequisite alone is not enough to solve the problem of stimulating growth in agriculture. Admittedly, agrarian reform by freeing the peasantry from its direct and even indirect dependency on landlords, courts and administration widens its scope of action; but the "liberated" peasant must still be helped by the authorities concerned with development to use his greater freedom to good purpose; in other words, he must be given motivations and a conception of his role in society. The same applies to the third essential method of agrarian reform — re-settlement as is clearly shown by the experiences with the million-acre scheme in Kenya.

Family Structures

The *family* of the agricultural producers in LDCs have a special role to play. Small families must be made more independent and their functions widened. The degree to which this is achieved is a criterion of the success of the desired transformation. Large families, i. e. family groups, have proved to be best suited to perform the necessary functions. These functions are three-fold: biological (reproduction, regulation of sexual impulses); economic (farm-management, accumulation of capital, earning, security); cultural (bringing up the next generation and passing on acquired skills). Now these large family units are threatened with disintegration not only by greater political awareness and the example of urban behaviour patterns, but also by the very measures designed to modernise and intensify agriculture.

Under modern economic conditions family members who are unemployed or incapacitated, become a burden in that they insist on exercising an irksome authority or simply by being useless mouths to feed. The breaking up of large family units into several smaller ones is one of the strongest impelling forces in favour of modernisation, for adjustment to a modern form of organisation entails in the first instance acceptance of new functions and the shedding of old responsibilities. Modernisation means for instance also that, as more schools become available, parents and grandparents have less chance to pass on traditional concepts to the children.

Interfering with the production process of farms means at the same time interfering with the family structure. No proof to the contrary is available, and this would make it possible to draw an in-

teresting parallel to the results of an inquiry in the Federal Republic of Germany.² This inquiry came to the conclusion that open-mindedness on the part of a family, as far as judgment and approach are concerned, has no determining influence on the way the family manages its farm.

Organisation of Training Facilities

Intimately connected with the family and power-aspects are the institutions concerned with *education*, training, technical advice, demonstration and enlightenment. Schools and advisory systems are known to be selective instruments of a certain technique to exercise power. Opposed to this is the claim for equal chances for all from which in turn springs the demand for general literacy. Training must be acknowledged as a means to overcome dependency (for ignorance makes people dependent). On the other hand, to establish a direct link between education and the promotion of growth in agriculture is a more difficult undertaking.

In the Indian state of Punjab it was found that much more relevant information of an innovative character was handed over by the family than was the case in a considerably less developed region of the Federal State of Orissa. There the main source of information was the village adviser, whereas in the Punjab the higher educational standard of the peasantry makes it possible to inform them about methods and sales chances via the mass-media. These observations permitted the following hypothesis: The less structurally "developed" a rural area, the greater the dependence of the individual peasant on the person charged with conveying relevant information. Intensive attempts at spreading literacy would hardly change this state of affairs and would therefore be a waste of money. The more developed the regional structure, the greater the role education has to play, particularly education of the Western type, and this at the same time tends to reduce socio-economic differences. As education spreads more widely, the information processes become more diffuse, with the personal contact with the adviser losing in importance and family contacts again assuming a more decisive role. This was also clear from inquiries into large estates in Kenya. These showed that the new, ignorant African part-owners were obliged to depend on the adviser, who in any case was unable to give them the attention they needed. The farm-managers and individual proprietors, on the other hand, were able to obtain at least as much of the information they required from their own contacts in the administrative urban centre of their district as from the technical adviser.

² Van Deenen: „Wie beurteilen landwirtschaftliche Betriebsleiter ihre berufliche und gesellschaftliche Position?“ (How do farm managers judge their professional and social status?). In: *Berichte über Landwirtschaft*, Vol. 48, Nr. 1, 1970, pp 1–12.

The establishment of training centres and the improvement of existing ones must therefore be regarded as an important institutional factor in stimulating economic growth. Its importance is *specific* and not general in character. It would, for instance, be a false step, if one were to encourage peasants jointly to undertake the cultivation of a cash-crop on a large area and to organise them in a complicated marketing cooperative, only to find in the end that the members lack the ability to read their contracts, let alone understand them.

Communal Forms in the Economic Sphere

The necessary reforms in ownership and training structures go hand in hand with new *group and communal formations*. Producers now working on their own account as individuals are in no position to take over functions that have hitherto been carried out by the family-group or by their landlord while they themselves were still tenant-farmers (as for example under the Indian *jajmani*-system). Among the things they will not be equipped to do are to look after the marketing of their produce and after the aged members of their family. In carrying out an agrarian reform it is important to give sufficient weight to the following points:

☐ Any attacks by anti-reform and anti-modernisation elements which may endanger the success of the scheme for redistribution of land and the raising of output must be defeated. Possible opponents whose resistance must be overcome are: former landed proprietors, middlemen and processing firms;

☐ there must be wide-spread publicity for all further measures designed to boost production and to improve living-standards. Cases in point: Advice to groups such as for instance the Joint Farmers' Associations in Taiwan is more effective than advice given to individuals. Joint cultivation of cash-crops helps peasants to appreciate the need for taking measures on a large scale as has been proved by the plant-protection scheme undertaken by the group-farms of the cotton-growers on Lake Victoria;

☐ all in all, the larger association, be it of small-holders, producers or suppliers, is in itself an innovation which tends to increase the output of its individual members.

Demands on Communal Groupings

Success can be expected, however, on two conditions: Firstly, the new communal groupings must – at least in some of their aspirations – corre-

spond to the actual "*felt needs*" of its members. Such complicated organisations as a cooperative, let alone a cooperative association, make it difficult for its members to see that the association's aims are also theirs. There are two contrasting examples: the rice-irrigation scheme in the already mentioned Mwea Tebere region of Kenya which is operated on a cooperative basis, while the cultivation of the rice is left to the individual grower, and the case of Chemelil, where cane-sugar is not only grown but also marketed as a cooperative venture. There was near-unanimity among the 300 Indian peasants asked, when we took our sample in 1967, in rejecting the proposed "joint use of land" because they were of the opinion that it would for the time being suffice if the productivity of their own land, farmed by themselves, was increased; this was all they desired.

The second condition is that the new communal groupings must be such as to guarantee the *mobility* of its members and *democratisation* of the decision-making process. Otherwise they appear to be mere instruments of a policy which seeks to put a new kind of dependency in the place of the old one, as has been demonstrated by the procedure of the Tunisian Producer Cooperatives. Mobility and democratisation may not always be easy to combine with maximum efficiency in management and production, which merely proves once again that the creation of communal groupings is no general, but a specific means of bringing about institutional change.

The two above-mentioned requirements are not easily brought into line with the principles and procedural methods of the "traditional forms of cooperation". These must frequently be "overcome" rather than used as a starting-point for a modern cooperative organisation.

Market and Marketing Structures

The opening-up of *new markets* and the regulation of producer-prices are more often than not declared aims of new cooperative ventures. In this context we propose to draw attention to an experience of a different kind – a case which shows the influence of a new industrial centre on the structure of the market for farm produce. While the Indian steel-works at Rourkela was in the process of being constructed the town's entire supply of vegetables, dairy products and eggs had to be brought in from far-distant regions, but by 1966/67 the share of local supplies had already exceeded 40 p. c. of total requirements. Two factors had combined to bring about this result which may be regarded as a highly successful combination of institutional and general social

changes — the reflux of cash from wages to the family farms in the vicinity on the one hand and, on the other, exploitation of marketing chances through the cutting out of middlemen (by carrying fresh vegetables on foot over distances of 25 miles). The necessary catalyst was provided by better-quality consumption goods and improved training facilities — both in a way results of institutional changes. That these chances to sell their farm produce were actually seized by the peasants is at least partly due to their greater awareness — an awareness that must have been induced by learning from experiences gathered in the neighbouring town centre. It would seem therefore that in this case a certain “critical proximity” to the centre of demand and the place where wages could be earned played as important a role as *the novelty of the experiences*, for inquiries undertaken in the surroundings of Jinja

(Uganda) and of Kisumu (Kenya) have so far failed to confirm the Indian experience.

We pointed out in the beginning of this article that the conversion of institutional changes into impulses to bring about a general social change is a process that takes place within the personal experience of those affected. Each individual examines the situation confronting him and analyses it as best as his powers of perception, the awareness of his needs and sense of values will permit him to do; his conclusions will be determined in the light of his own requirements, the means he has at his disposal to satisfy them and the risks he runs in taking the course proposed to him. This is the kind of thought-process that motivates individual decisions; in judging institutional transformations we must seek to understand and take account of it.

Agricultural vs. Industrial Development in LDCs

by Professor Emil K  ng, St. Gall.*

Since the beginning of concerted efforts for developing the Third World, the question has been whether the agricultural or the industrial sector of less developed countries (LDCs) should have priority. In trying to find an answer to this question, experts have hitherto paid too little regard to the interdependence between the two sectors.

At first sight, there seems to be no problem at all: since agriculture, in some lower-developed areas, employs as large a proportion of the total population as 80 p.c., the attention of the authorities who direct economic policy ought, naturally, to be focussed mainly on it. Because, if it would be possible to achieve major progress in farming, the benefit for the entire economy would be optimal. However, practical observations of actual developments lead to the somewhat astonishing conclusion that, in most cases, priority is not accorded to the primary sector — on the contrary.

Discrimination Against Agriculture

It is an observation not at all rare that farming is being systematically put at a disadvantage in being supplied with investment capital. Moreover, it is suffering from inflated prices of all fertilisers

and agricultural machinery tools and farming equipment which is made inside its own country, because the manufacturers of such necessities are accorded high protection against their foreign competitors — which they, naturally, make use of to the limit. At the same time, cheaper imported goods are admitted to the country in limited quantities only, and because they are scarce, their prices are levelled up to the prevailing inflationary rates. On the other hand, the government sets artificially low ceilings for some food prices, on the grounds that it must fight inflation. It is a matter of course that food prices — which means the prices of farm produce — play a dominant part in the expenses of all households and of the cost-of-living index of the city population. Farmers are discriminated decisively in favour of this, politi-

* Hochschule St. Gallen (St. Gall University).