

## *Large Estates and Small Farms in the Polish Agrarian Economy between the Wars (1918-1938)*

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“There are probably few other socio-agricultural questions that have raised greater controversy than the problem of optimum relations between farms of differing sizes”, wrote one leading Polish agrarian economist, analyzing different opinions of Polish economists in the period between the two World Wars.<sup>1</sup> The alternative between “large or small farms” had already been formulated in the course of disputes among socialist economists who had attempted to prove the natural superiority of the former or the latter in order to justify different theories of agricultural development.<sup>2</sup> The dispute between adherents of small or large farms was developed especially in the Second Polish Republic when the question of the reconstruction of the agrarian economy became an urgent social and political issue.

The superiority of the small farms was advocated among others by Władysław Grabski, who is better known as the prime minister who carried out a successful budgetary and monetary reform in 1924 but who was also professor and temporarily rector of the Central School of Rural Economy in Warsaw. Grabski possessed an estate in the Łódź province but was very critical of the noble

<sup>1</sup> A. ZABKO-POTOPOWICZ, *Zagadnienie najkorzystniejszego stosunku między gospodarstwami wiejskimi różnych rozmiarów w polskiej literaturze naukowej* (Problem of Optimum Relations between Farms of Various Size in Polish Literature), *Ekonomista* 1937, vol. 3, p. 39.

<sup>2</sup> K. KAUTSKY, *Kwestia rolna* (The Agrarian Question), Warsaw 1958, p.399; E. DAVID, *O stosunku socjalizmu do rolnictwa* (On the Socialist Approach to Agriculture), Lvov, 1904, p.58 ff.

tradition in Poland and held small peasant farms were economically more efficient than large estates.<sup>3</sup> Supporters of the larger estates included Conservatives and National Democrats like Tadeusz Brzeski and Jan Stecki but also, and for entirely different reasons, a Communist Julian Marchlewski who later became a senior Soviet official. Apart from their different ideological presuppositions, they were of the opinion that the subdivision of the larger estates would bring about a decline in production and create difficulties in satisfying the demand for foodstuffs in towns.<sup>4</sup>

The dispute over optimum farm sizes was reborn under new circumstances in People's Poland. This time however the roles were changed: the defenders of small farms actually were also protectors of their private character, and the adherents of the larger estates were most frequently supporters of the collectivization of Polish agriculture. But, again, reasoning remained quite selective and the analyses of the situation in the Second Republic were used to justify programmes formulated in entirely different conditions after the World War Two. The otherwise well-founded opinion that small farms were more productive than state-owned or collective enterprises in People's Poland was sometimes, frequently in good faith, projected backwards to the agriculture of interwar Poland. This is probably why so many works in the history of Polish agriculture argue that lack of a radical land reform was a serious check to economic advance of Poland between the two World Wars.<sup>5</sup>

<sup>3</sup> W. GRABSKI, *Idea Polski* (The Idea of Poland), Warsaw 1935, p. 87-104; W. GRABSKI, *Parcelacja agrarna wobec struktury, koniunktury i chwili dziejowej Polski* (Parcelling in View of the Agrarian Structure, Market and the Historical Moment in Poland), *Ekonomista* 1938, vol. 4.

<sup>4</sup> T. BRZESKI, *Teoria ekonomii i polityka agrarna* (Theory of Economics and Agrarian Policy), Warsaw, 1928; S. ROSTWOROWSKI, S. STABLEWSKI, *Strategia rolnicza* (Agrarian Strategy), Warsaw, 1939; J. STECKI, *W obronie prawdy* (Defending Truth), Warsaw, 1928; J. MARCHLEWSKI, *O nowy ład na wsi* (For a New Order in the Countryside), "Goniec Czerwony", August 14, 1920.

<sup>5</sup> Cf. e.g. Z. LANDAU, J. TOMASZEWSKI, *The Polish Economy in the Twentieth Century*, Croom Helm, London, 1985, p. 128.

However, the situation was not so simple. Even then, fifty years ago, the problem was at times considered "sine ira et studio". The Cracow economist Stefan Schmidt, for example, avoided *a priori* reasoning, when he argued the case for a thorough examination of all the social, economic and political aspects of the problem in order to optimize the agricultural structure.<sup>6</sup> Waclaw Ponikowski, from the Department of Farm Economics at the Warsaw Central School of Rural Economy, took into account two further aspects of the problem: productive effects like productivity of land, labour or capital, incomes and profits on the one hand, and social needs such as the necessity to employ more people in the same area unit on the other hand.<sup>7</sup>

According to a rather inaccurate census of 1921 there were 30,079 farms of over 50 hectares (125 acres) of which 19,454 belonged to individual owners.<sup>8</sup> Approximate estimates based on the 1931 census and the 1939 data of the Main Council of Landowners' Organizations (RNOZ) show that there were respectively 18.2 thousand and 17.7 thousand private estates in these years. On these grounds it may be estimated that the total number of active and passive landowners amounted to 87.5 thousand in 1921 and to 79.4 thousand in 1939, the ratio between owners and family members being assumed at 1:4.5.<sup>9</sup>

The total area of large private estates of more than 50 hectares had decreased from about 11,533 thousand hectares in 1921 to about 9,213 thousand hectares in 1938, that is by 20.1%. In 1921

<sup>6</sup> S. SCHMIDT, *Problemy związane z poprawą ustroju rolnego* (Problems Connected with Improvement of the Agrarian System), *Ekonomista* 1938, vol. 2, pp. 44-62.

<sup>7</sup> W. PONIKOWSKI, *Gospodarstwa włościańskie i folwarczne* (Peasant and Estate Farms), Warsaw 1935, p. 9.

<sup>8</sup> *Statystyka Polski* (Statistics of Poland), vol. 5: *Wielka własność* (Large Landed Property), Warsaw, 1925, pp. 1-2, table 1.

<sup>9</sup> Most frequently this number is estimated at 60 to 100 thousand people given the same number of large private farms (more than 50 hectares). For details of author's calculations cf. W. ROSZKOWSKI, *Gospodarcza rola większej prywatnej własności ziemskiej w Polsce 1918-1939* (Economic Role of Large Landed Property in Poland 1918-1939), Warsaw, 1986, pp. 28-35.

these estates accounted for 30.4% of the total area of Poland, in 1931, for 25.9%, and in 1938, for 24.3%. Apart from private estates there were also public estates belonging to the state, local self-government or church administration. Their total area had diminished from 17.7% of the total area of Poland in 1921 to 16.6% in 1938.<sup>10</sup> This category was sometimes mixed in order to overestimate the range of large estates but was quite different from private estates and will not be discussed here.

The agriculture of the Second Polish Republic had a disproportionate ownership structure. On the one hand, in 1921 there were 1.9 thousand estates of more than 1,000 hectares each, covering almost 7.0 million hectares, 17.6 thousand estates from 50 to 1,000 hectares, covering a further 4.5 million hectares, and 10.7 thousand public farms of more than 50 hectares and the total area of about 6.7 million hectares. On the other hand, about 2.1 million holdings of less than 5 hectares covered an area of 4.5 million hectares.<sup>11</sup> This high concentration of landed property in Poland was not exceptional, and similar rates of concentration were also recorded in some regions of Germany, Austria, Hungary, Romania, Italy, Spain and Portugal. Radical reforms of these structures were not always successful.

The image of the ownership structure in Polish agriculture would not be complete and representative if it was confined to the distribution of the total area only. The situation looks different if distribution of cultivated land is taken into consideration. In 1931 farms of less than 50 hectares had 89.5% of cultivated land in their total area, public farms, 23.1, while private estates above 50 hectares, 47.3%.<sup>12</sup> The area of cultivated land of the large private estates had decreased from about 5,870 thousand hectares in 1921 to about 4,109 thousand hectares in 1938, that is by 30.0%. The

<sup>10</sup> M. MIESZCZANKOWSKI, *Struktura agrarna Polski międzywojennej* (Agrarian Structure of Interwar Poland), Warsaw, 1960, pp. 147-148, 338

<sup>11</sup> *Zarys historii gospodarstwa wiejskiego w Polsce* (Outline History of Rural Economy in Poland), vol. 3, Warsaw, 1970, p. 160.

<sup>12</sup> *Statystyka Rolnicza 1931/32*, p. 16.

share of private estates in the area of cultivated land in Poland was much lower than that measured in relation to the total area and amounted to 18.0% in 1931. The large private estates also had a rather high share of forests (38.3% in 1921 and 45.3% in 1938) as well as that of waste land (10.8% in 1921 and 10.1% in 1938).<sup>13</sup>

The specific features of private estates were especially noticeable in the largest estates. In 1921 arable land accounted for 59.6% of the total area of estates between 50 and 100 hectares, while on the estates of 1,000 hectares and more the share amounted to 24.1% only.<sup>14</sup> Differentiation of private estates was also of a regional nature. Relatively high shares of arable lands were recorded in the central provinces of interwar Poland, (in Poznań, Pomerania and Podolia), while the lowest were in Galicia and in the Eastern provinces (Kresy Wschodnie). The private estates in the southern provinces were characterized by high area of forest, whereas those in the east had large areas of forest and waste land. Forests and waste land exceeded 65.0% of the total area of large private estates in Polesie, Volhynia, Silesia and in the Cracow and Lvov provinces.

Total employment of large private estates, including administrative workers and permanent or seasonal farm hands, can be estimated at about 620,000 in 1921, 680,000 in 1928 and at 523,000 in 1937.<sup>15</sup> The most numerous group of farm hands were called "ordynariusze" and received a part of wages in kind, which tied them closely to the estate. General conditions of work and pay of farm hands were poor but improved in independent Poland as compared with the situation before the World War One. A rough estimate suggests that average wages of the "ordynariusze" ex-

<sup>13</sup> *Statystyka Polski*, vol. 5, p. XIII; *M. Mieszczankowski*, p. 338.

<sup>14</sup> *Statystyka Polski*, vol. 5, p. XIII. A statement of 500 largest landowners can be found in: W. ROSZKOWSKI, *Lista największych właścicieli ziemskich w Polsce w 1922 r.* (Statement of Largest Landowners in Poland in 1922), "Przegląd Historyczny" 1983, n. 2, pp. 283-299.

<sup>15</sup> Z. LUDKIEWICZ, *Zagadnienie programu agrarnego a emigracja* (Problem of an Agrarian Programme and Emigration), Warsaw 1921, pp. 13-14; author's calculations: W. ROSZKOWSKI, *Gospodarcza...*, pp. 148-151

ceeded the 1913 level in 1924 and except for the worst time of the Great Depression remained above this level all through the inter-war period.<sup>16</sup> Compared with incomes of average small holders the "ordynariusze" frequently earned more, especially during the Great Depression.

The average expenditure of labour per hectare of cultivated land has been calculated by Stanislaw Antoniewski for the years of the Great Depression. In the central provinces this expenditure amounted to 42 work-days, while in Poznań it was 46 work-days. At the same time small holdings had to put approximately 90 work-days per hectare of cropland in the central provinces and 75 in Poznań. Thus it seems the average labour absorption of estates was about 50% lower than that of small holdings. At the same time private estates employed relatively less capital. The value of buildings, drainage, machinery, fertilizers and livestock per hectare of cropland was about 50% lower than on the small farms.<sup>17</sup>

The economic situation of private estates in the Second Republic was the product of three factors: the reconstruction of immense war damage of the years 1914-20, decrease of the area of private land due to fragmentation of holdings and liquidation of debts, as well as the level of prices of farm products. Altogether 2,655 hectares of large estates were divided up in Poland in the years 1918-39, including 1,863 hectares which had belonged to private estates. But private landowners have also given up about 595,000 hectares due to liquidation of easements.<sup>18</sup> The economic performance of large private estates was largely connected with fluctua-

<sup>16</sup> S. WARKOCZEWSKI, *Położenie robotników rolnych w Wielkopolsce w latach 1929-1939* (Situation of Farm Workers in Poznań in the Years 1929-1939), Warsaw, 1965, p. 164.

<sup>17</sup> S. ANTONIEWSKI, *Z ekonomiki gospodarstw dużych i małych* (Economics of Large and Small Farms), Warsaw, 1938, p. 113; W. PONIKOWSKI, *Gospodarstwa...*, p. 224; J. ORCZYK, *Studia nad opłacalnością gospodarstw rolnych w Polsce w latach 1929-1938* (Studies in Profitability of Polish Farms in the Years 1929-1939), Warsaw, 1981, p. 85.

<sup>18</sup> *Mały Rocznik Statystyczny/MRS* (Small Statistical Yearbook, 1939), p. 70, table 3; M. MIESZCZANKOWSKI, *Rolnictwo II Rzeczypospolitej* (Agriculture of the Second Republic), Warsaw, 1983, p. 77.

tions of prices. If the 1913 level of wholesale prices paid to producers for their crops is taken as 100, in 1923 this index was 72.9; in 1928, 126.8; in 1935, 41.8, and in 1938, 55.8. Even more important was the relation between the price of goods sold by farmers to those bought by them. Apart from the prosperity of the years 1926-28 this relation was always unfavourable to farmers. For example, in the years 1928-35 the price of products bought by farmers decreased by 33.7%, whereas the price of those sold by them fell by as much as 64.2%.<sup>19</sup>

The decreasing area of cropland and falling prices largely determined the range and profitability of large private estates. The share of private estates in the total crop production of Poland had fallen from about 30% in 1924 to a little more than 18% in 1938, in forestry from 60% to 43%, and in animal production from 12% to 10%. In 1924 the private estates produced approximately 24% of the total agricultural output of Poland and in 1938 only about 16%.<sup>20</sup>

The average yields of the private estates were most frequently higher than those of small holdings. In the years 1928-37 average yields of wheat in farms of more than 50 hectares amounted to 14.6 quintals per hectare, while on small farms they 11.3, with yields of rye respectively 13.5 and 10.9 and of potatoes 136 and 113 quintals per hectare. Similar differences were recorded in all the most popular crops. Moreover, these differences were widening: in the years 1918/23-1928/37 average yields of wheat on the large farms had grown by 8.9%, while on small farms by 4.6%, of rye respectively by 8.0% and 3.8%, and for potatoes by 4.6% and 0.9%.<sup>21</sup>

<sup>19</sup> *Rocznik Statystyczny R.P.* (Statistical Yearbook of Poland) 1927, p. 322; 1930, p. 277; MRS 1935, p. 147; 1939, p. 246; *Koniunktura gospodarcza Polski w liczbach i wykresach w latach 1928-1938* (Market Situation in Poland in Figures and Graphs in the Years 1928-1938), Warsaw 1939, P. 22.

<sup>20</sup> Author's calculations: W. ROSZKOWSKI, *Gospodarcza...* p. 217-218.

<sup>21</sup> *Udział ziemian w rozwoju kultury rolniczej w Polsce* (Participation of Landowners in Development of Agrarian Culture in Poland), Warsaw 1929, p. 20; *Library of the Catholic University of Lublin, Jan Stecki papers*, vol. 593, p. 49; M. CZERNIEWSKA, *Grunty orne, struktura zasiewów i plony w latach 1928-1937* (Arable Land, Crop Structure and Yields in the Years 1928-1937), "Statystyka Rolnicza" 1937, p. 121.

Not all that was produced was sold. The market orientation of the larger private estates was higher than that of small holdings. It was estimated that with about 17% of total arable land and about 21.5% of total crops the private estates supplied about 45% of foodstuffs to the Polish home market and an even higher percentage of exports. This estimate refers to the mid-1930s, when about 440 Kg of grain was sold for each hectare of arable land of large estates, and 90 Kg of grain for each hectare on the small holdings.<sup>22</sup>

On the other hand, the intensity of animal husbandry on the large estates was generally lower than on the small farms. For instance, in the 1930s, estates of the central provinces had 98 cows per 1,000 hectares of cropland, and small farms, 351. In the Southern provinces the respective figures were 137 and 556. Large estates raised animals of the higher quality but this did not counterbalance the predominance of small holdings as regards the number of livestock per hectare of cropland.<sup>23</sup>

Forestry was an important aspect of the economic activity of the private estates. In 1921, private forests of more than 50 hectares accounted for 49.3% of all the timber land in Poland, state-owned forests for 31.7%, and small forest property for 19.0%. In 1938, the larger owners possessed 48.3% of the total timber land area, the Polish state 38.7%, and the small holders 13.0%.<sup>24</sup> Larger private estates had a lower natural productivity in forestry than that recorded under state administration, but a much higher productivity than the forest of small holders. In the first years of independent Poland, the larger owners had cut down large areas of forest in excess of natural replacement levels due to the enormous financial demands on the larger owners as a result of the need to

<sup>22</sup> W. TILGNER, *Analiza liczbowa wyników rachunkowych wielkiej i małej własności województwa poznańskiego* (Numerical Analysis of Economic Performance of Large and Small Farms in the Poznań Province), Poznań, 1937, p. 10; J. CIECHOMSKI, *Produkcja mniejszej i większej własności ziemskiej w Polsce* (Output of Small and Large Farms in Poland), Warsaw, 1937, p. 19.

<sup>23</sup> S. ANTONIEWSKI, *Z. ekonomiki...*, p. 115; J. CIECHOMSKI, *Produkcja...*, p. 26.

<sup>24</sup> *Stosunki rolnicze Rzeczypospolitej Polskiej* (Agrarian Relations in the Polish Republic), Warsaw, 1925, p. 199; MRS 1939, p. 87.

repair war damage, and the heavy property tax introduced in 1924 budgetary and monetary reform. In the years 1925-28 felling continued because of a favourable market timber, but the collapse of prices during the Great Depression checked the devastation of large private forests and later exploitation did not exceed natural replacement levels.

The large estate owners also played an important role in the other sectors of the interwar Polish economy, either running processing factories on their estates or investing in shares in mining, manufacturing, trade, banking, transportation or insurance companies. In view of the weakness of the Polish bourgeoisie, the business oligarchy of the Second Republic included many large estate owners like Józef Zychlinsky, Stanisław Lubomirski, Antoni Wieniawski, Johann Heinrich von Hochberg zu Pless, Alfred Potocki and Janusz Radziwiłł. Some of them belonged to a "return wave" of landowning gentry, and while coming from noble families they made fortunes in industry or banking and bought landed estates which they treated as an additional source of income, but even frequently as country residences.

The financial standing of landowners was closely connected with the process of sub-division, and the general economic situation of the Second Republic. It was also due to a relatively higher marketability of production on the large estates as compared with small holdings. Gross receipts of private estates were growing until 1928, to fall to 30% of the pre-depression level in 1934. At the end of the 1930s they recovered, but only to 40% of this level. This was much less than in Polish agriculture as a whole. On the other hand, the gross receipts per hectare of cultivated land on private estates were about three times higher than those of small farms all through the interwar period.<sup>25</sup>

With gross receipts falling dramatically the private estates could not diminish costs so rapidly, especially the costs of labour, taxes and discharge of debts. Under these circumstances the net

<sup>25</sup> Author's calculations: W. ROSZKOWSKI, *Gospodarcza...*, pp. 249-253.

incomes of the private estates were declining even more rapidly than receipts. Average net income per hectare of cultivated land on private estates had fallen from about 219 złotych (24.6 US dollars of 1935) in 1928 to 17 złotych (1.9 US dollars) in 1933 and about 83 złotych (9.3 US dollars), in 1938, whereas in absolute terms from 1,104 million złotych (124 millions US dollars) in 1928 to about 78 million złotych (9 million US dollars) in 1933 and to 341 million złotych (38 million US dollars) in 1938.

The small surplus of profits received in the years of the Great Depression was almost the same as extraordinary receipts from sale of sub-divided land. Without selling their land large landowners were losing business.<sup>26</sup> The financial situation of large estates owners improved at the end of the 1930s but their net incomes were still much lower than before the Great Depression.

Private estates were largely indebted, and their debt burden had grown in the first decade of independence. In 1924 the total indebtedness of the private estates was estimated at about 1 billion złotych (112 million US dollars), whereas in 1932 it was 2.2 billion złotych (247 million US dollars). During the Great Depression the nominal debt no longer grew, but in view of the disastrous decline of prices the real burden of debt service was considerably increased. What is more, the government debt clearance action was directed mainly at small holdings. In 1931 the average debt per hectare of the total area of private estates was by 55% higher than that of small farms. Later on this ratio became even worse for the larger estates.<sup>27</sup>

The question of tax burdens had a clear political significance which is why estimates differ so much. Interwar landowners were alarmed because of the excessive burden of taxes. On the other hand, the historians and economists of People's Poland have tried

<sup>26</sup> *Ibid.*, p. 285.

<sup>27</sup> W. BOROWSKI, *Obciążenie majątków zobowiązaniami dłużnymi* (Debt Burden of Large Landed Estates), *Rolnik Ekonomista* 1926, n. 10, p. 301-307; M. MIESZCZANKOWSKI, *Zadłużenie rolnictwa Polski międzywojennej* (Agrarian Debts in Interwar Poland), *Najnowsze Dzieje Polski* 1963, vol. 6, p. 129.

to prove that the situation was quite the opposite, and that the peasants were more burdened with taxes. But this view does not seem to be justified. Even if estimates of Mieczysław Mieszczankowski are adopted, it turns out that in 1929 small holdings paid 13.2 zlotys of taxes per hectare of cropland, while the larger estates paid 20.1 zlotys. The tax burden on the private estates was in fact much higher and amounted probably to about 56 zlotys per hectare of cropland in 1929, not counting the constantly growing arrears in tax payments. According to a rough estimate the fixed assets of the large private estates owners accounted for about 14% of the national property, while in the course of the prosperity of 1924-29 they paid about 23% of all the tax revenues of the Polish treasury.<sup>28</sup>

Investments usually formed a small margin of the distributed incomes of private estates. An inquiry carried out in the Poznań province suggests that in 1925 investments accounted for about 3% of incomes, in 1930 12% and in 1935 about 4% of net incomes on private estates.<sup>29</sup> Most of the incomes were consumed, and the consumption of the larger estate owners was relatively higher than the national average, although it was subject to fluctuations in time and varied within the group. Soon after World War One the everyday life of the Polish landowner lost a lot of its previous charm due to war damage and the danger of sub-division or expropriation. In 1920 a lady wrote in her diary: "The beauty and boasts of our life are fading away — the open manorhouses, those holiday gatherings of youngsters, crowds of guests /.../ gay hunting or cheerful name-day parties going on for three days"<sup>30</sup> At the

<sup>28</sup> M. MIESZCZANKOWSKI, *Roelnictwo...*, p. 355; W. ROSZKOWSKI, *Gospodarcza...*, p. 274-283.

<sup>29</sup> W. TILGNER, M. ZEYLAND, O. BILIŃSKI, C. GERTNER, *Statystyka porównawcza dochodów gospodarstw wielkorolnych i matorolnych województwa poznańskiego za sześćdziesiąt lat 1930/31 do 1935/36* (Comparative Statistics of Receipts and Expenditures of Large and Small Farms of the Poznań Province for the Years 1930/31-1935/36), Poznań 1938.

<sup>30</sup> A. FUDAKOWSKA, *Zadanie ziemianek w chwili obecnej* (Present Tasks of Landladies). *Głos Ziemiański* 1920, n. 6, pp. 116-117.

end of the 1920s these times seemed to be returning but the Great Depression put an end to these entertainments. This was more painful since the landowners had once more got used to the return of the good times. Economies were not therefore too easy and many landowners kept on living beyond their means. "My brother" — recalled the writer Witold Gombrowicz, the son of a landowner from Central Poland — "always arrived at the 'Cafe Lourse' in elegant cab, even if he was quite broke; when forced to save his last penny he used to take a cab round the nearest corner only to get out of it at the Lourse's with proper chic".<sup>31</sup> At the end of 1930s the financial standing of the group improved but the good old times never returned.

In the case of the expenditure of the estate owners it is very difficult to establish a distinction between consumption and accumulation. For example in many better-off manor-houses valuable collections of art, arms or documents were gathered as well as libraries. Certain parts of expenditure were spent on charity or various forms of public generosity. Landowners were among the patrons of the Catholic University of Lublin and the Warsaw Central School of Rural Economy, they helped to finance the Polish army, to build and maintain churches, hospitals or schools. The richest aristocrats like Maurycy Zamoyski, Edward Raczyński, Alfred Chlapowski, Eustachy Sapieha or Jerzy Potocki met the costs of the Polish Embassies in Paris, London and Rome where they represented the Polish Republic. Landowners took part in numerous social and national activities, like providing food supplies for the unemployed and collections for the National Defence Fund in the years 1936-39. This generosity had various reasons. In some cases endowments resulted from a lack of descendants and a desire to avoid other public charges. Sometimes it was due to pressure of noble society which thought highly of its cultural and moral mission. Purely altruistic and religious motives must also be mentioned, since most Polish landowners were Catholics who

<sup>31</sup> W. GOMBROWICZ, *Wspomnienia polskie* (Memoirs of Poland), Paris, 1977, p. 86.

remembered the principle "who was given more is expected to give more".

From the economic point of view, the existence of the large private estates seemed quite justified and useful. With lower labour and capital inputs they gave higher yields and receipts than small holdings, supplied the army and urban markets with foodstuffs and were an important pillar of the budget and exports. According to approximate calculations the division of the large private estates would probably have caused a decrease in market supplies of about 10 million quintals of grain.<sup>32</sup> If so, exports of the value of about 100 million zlotys (11 million US dollars) would have been lost and Poland would have become a net grain importer. Since the large estates were also characterized by higher gross receipts, their liquidation would have limited the home market for industrial goods, while the inevitable increase in farm prices would have stimulated an increase in the cost of living, of wages and also production costs in Polish industry. The budget would have lost a major source of tax revenue. All these effects might have been balanced by the effects of the acquisition of the land by the peasants, but the effects of this should not be overestimated. Some of the Central East European countries which carried out radical land reforms in the interwar period (like Czechoslovakia or Romania) faced serious agricultural difficulties and decline in the capacity of their markets. Poland would probably have shared the same fate.

Nevertheless the economic aspect is not the only side of the problem. Polish interwar agriculture inherited an overpopulation estimated at 2.5 to 5 million persons which was a result of a long historical process going back to the spread of the villein and estate economy in the late Middle Ages. No doubt small holdings could employ more people per hectare of cropland than the larger estates, while millions of landless peasants or petty holders were waiting for land. The question was whether even the liquidation of

<sup>32</sup> J. CIECHOMSKI, *Produkcja...*, p. 19.

all the larger estates could solve the land hunger. Here serious doubts arise. A thorough study carried out by the Institute of Social Economy in Warsaw concluded that the total area required to make the "redundant" peasants economically self-sufficient amounted to about 7.7 million hectares at the end of the 1930s. At the same time the whole reserve of cultivated land available from an entire parcelling of all private and even public estates was a mere 4.6 million hectares.<sup>33</sup>

The significance of these conclusions is pessimistic: even the most radical land reform could have only partially solved the rural overpopulation problem, while simultaneously diminishing the market supply, causing serious troubles in industry, treasury and the balance of trade.

With these conclusions in mind we should not stick to simplified stereotypes. The predominance of the efficiency of the small holdings in animal breeding should be remembered. Moreover, all the previous conclusions were drawn from average data, but there were not only efficient large estates and backward small peasant holdings. Sometimes it was the opposite: many private estates were neglected or run extensively while small farms were better cared for. The general verdict on interwar Polish agriculture is not proof of a universal law of the superiority of large farms over small holdings. In different natural, social or property conditions small farms might prove to be economically more viable. A Polish farming journalist was right to say: "Productivity of a farm is subject to how and by whom it is run and not to whether he has 10 or 500 hectares of the total area".<sup>34</sup>

<sup>33</sup> W. KASZUBA, *Zagadnienie rolnictwa na tle akcji parcelacyjnej* (The Agrarian Question and Parcelling), *Drogi Polski* 1939, n. 3, p. 159.

<sup>34</sup> F. BOJARSKI, *Problem człowieka w rolnictwie* (The Human Factor in Agriculture), *Głos Ziemi* 1939, n. 1, p. 1.