

Six Years of Italian Land Reform

Italian Land Reform, based on three main special laws (1), was launched in the autumn of 1950 and its essential provisions were rapidly implemented during the six years stretching from 1951 to 1956. Violent and unceasing polemics have raged round the various phases of this process. Nor could it have been otherwise in view of the exceptional scope of this scheme for the settlement of about 120,000 peasant families comprising over half a million persons. The controversy has flared up again over a new draft bill for the provision of the necessary funds for the completion of the programme. At this crucial stage, a re-assessment of Land Reform seems indicated. That which we offer in this article falls into two parts. The first gives a broad picture of the achievements of Land Reform up to date, along with a glimpse of the background against which the Reform had to operate. The second attempts to show how weak much of the criticism of the Reform is and that a case can still be made out for it as a means of furthering the agricultural, economic and social progress of Italy.

Part I

DESCRIPTION OF THE REFORM AND ITS PROBLEMS

Our description will be limited to the actual work of the Reform and the principles which it followed, to the provision of funds, and to the economic and social results. We shall not deal either with the legislation on which the Reform is based, or with the legal problems to which it gives rise. Nor shall we enter into

(1) For an account of the legislative and technical aspects of the Land Reform Programme, cf. in this Review: MARIO BANDINI, "Land Reform in Italy" (1952, No. 20); J. P. C. and A. G. CARBY, "Land Reform in Italy in 1955" (1955, No. 32).

the organizational details of the Agencies responsible for carrying it out.

The operational area of the Reform covers a total of about (2) 800,000 hectares (3). The Agencies at present responsible for the settlement of this area, along with the sizes of their individual operational areas, are listed in Table I.

REFORM AGENCIES AND OPERATIONAL AREAS TABLE I

Agencies	Area (hectares)
Po Delta	47,496
Maremma (Tuscany-Latium)	179,680
Fucino	18,000
O.N.C. (Campania)	16,708
Apulia, Lucania, Molise	199,000
Sila and Caulonia (Calabria)	90,116
E.T.F.A.S. (Sardinia)	95,000
Flumendosa (Sardinia)	5,000
E.R.A.S. (Sicily)	145,000
	800,000

The operational area is that on which the Agencies operate with a view to transferring the land to peasant proprietorship. This area comes in the main from the expropriated land. To this is added a much smaller area which consists of part of the so-called "residual third". This land is first improved by its original owners, and then part of it is allocated to the Agencies against reimbursement of the improvement costs. The total operational area also includes a limited amount of land acquired by the Agencies in other ways (purchases, annexations, etc.). The operational area is thus that over which the funds of the Reform are used. The boundaries

(2) The word "about" refers to the fact that the operational area in Sicily has not yet been determined with exactitude. The Sicilian Reform depends on a regional law which allowed a long period for appeals and for the procedure of expropriation. In consequence it is not yet possible to ascertain the exact area on which the Reform will operate.

(3) The agricultural and forest lands of Italy cover a total area of 26.3 million hectares.

of the areas on which the individual Agencies work are indicated in the map.

When the Reform began, the Agencies responsible for settling peasants on the land had to reckon with three main elements:

- (1) the expropriated land which had been entrusted to them;
- (2) the funds at their disposal;
- (3) the peasants desiring to acquire land.

We shall briefly examine these three elements in turn, and shall consider also the characteristics of the Agencies themselves in relation to the tasks assigned to them.

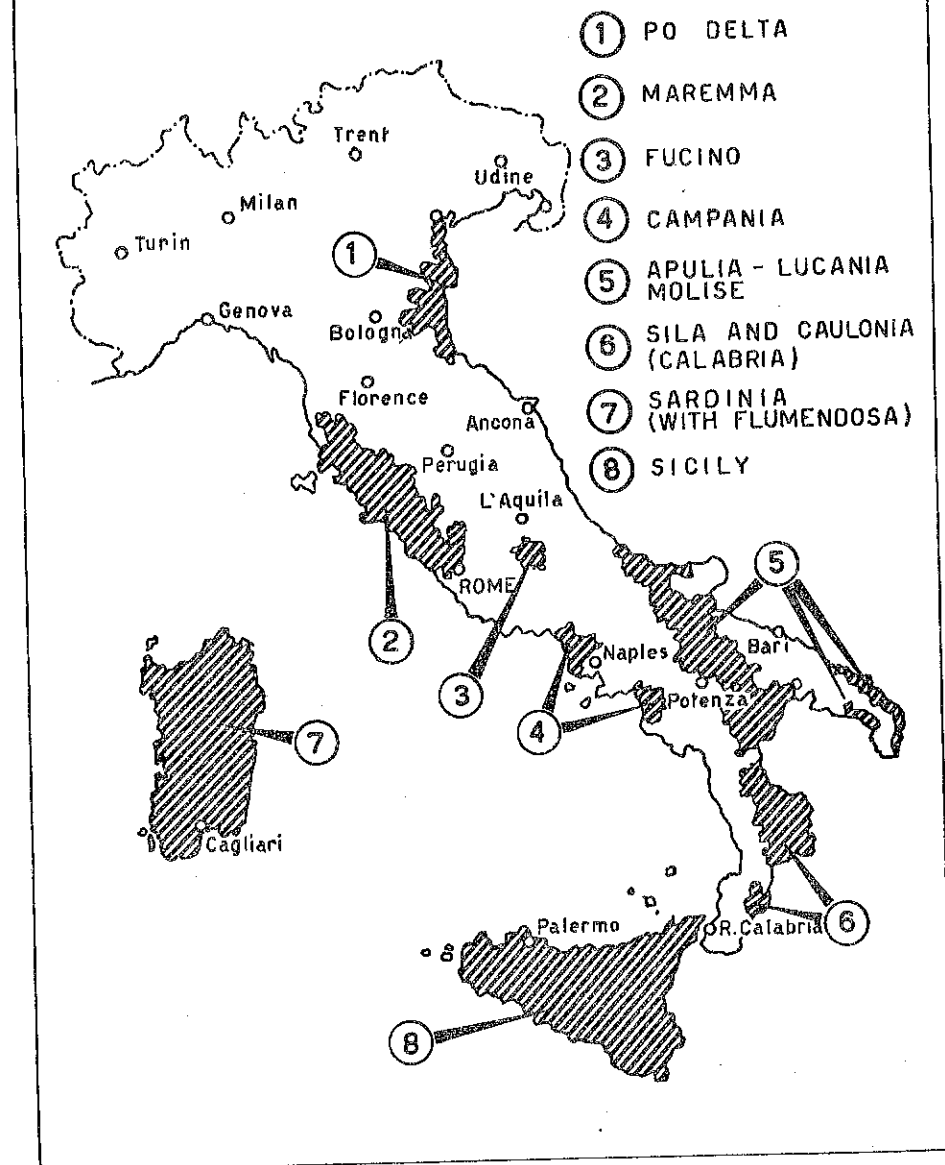
The Land

The area of about 800,000 hectares on which the Agencies operate was at the time of its acquisition divided among the various types of agriculture in the following manner:

	Per cent
Arable land (extensive)	56
Pasture	28
Woods	8
Arable land with trees	5
Specialized tree cultivation	3
	100

Almost all the land expropriated by Land Reform was extensively cultivated; short of capital, with few and poor roads, and with farm workers having no stable links with the land and living in villages often at a considerable distance from their place of work. The manner in which the land was split up into holdings followed a fairly uniform pattern: and almost always (as in the Maremma and the Po Delta) the tendency was towards the large holding, of usually 50-100 hectares, which did little to diminish extensive cultivation. This land was almost always short of water, and in some cases without any at all, and it was worked by the most varied assortment

THE LAND REFORM IN ITALY: OPERATIONAL AREAS



of labour contracts. The peasants were subjected to the typical seasonal ups and downs of employment as a result of monoculture and the irregular spread of work over the year. The annual number of working days could not always be relied on to reach a level of 100 to 120. The main crop was usually wheat. Cattle raising was the exception. Tree cultivation was scanty and even then made up for the greater part of almond and olive groves with a low yield.

On the whole, the areas affected by Land Reform were to be regarded as comprising undeveloped land which was tilled by backward methods. The poverty of the estates which were subsequently taken over by Land Reform was, however, partly due to the poor equipment. Nowadays, with the increasingly wider use of machines and deep ploughing, with techniques which have made it possible for the soil to retain a greater proportion of water, with economic methods of clearing rocky ground of stones, and with general improvements of one kind and another, the productivity of the Land Reform areas can be substantially improved.

The land expropriated or otherwise acquired consists sometimes of large undivided, or almost undivided stretches, and sometimes of fragmentary plots scattered all over the wider area. Large unbroken stretches were acquired, for example, in the Po Delta (4); in the Maremma (5); in the Fucino (which was expropriated in its entirety); in the plain of the Sila; in Apulia (6); in Calabria (7); and in Sardinia (8). In Sicily, by contrast, the expropriated land consists predominantly of small tracts and rarely of areas extending over more than 300 or 400 hectares. In the other regions to which we have referred the biggest continuous tracts may even exceed 5 or 10 thousand hectares.

Another fact which explains certain features of the Reform is that the law provided that the expropriated part of any individual estate should be a higher percentage of the whole, the "bigger" (in the economic sense and not merely in terms of area) was the estate, and the more extensively it was cultivated. The effect is that

(4) Comacchio, Migliarino, Bocche del Po, Porto Tolle, Jolanda, etc.

(5) Volterra, Medio Ombrone and Cungiano, the plain of Grosseto, the plain of the Albegna, land on both sides of the Chiarone; the Valley of the Aronne; the plain of Cerveteri and Ceri, etc.

(6) Metaponto, the Premurgian lowland, upper Tarantino, upper Foggiano, etc.

(7) Crotona and Isola Capo Rizzuto, upper Sila, middle and lower Neto, etc.

(8) Alghero, Oristano, Castiadas, etc.

the expropriated land is heavily concentrated in regions where large estates were most common and where farming was of the most extensive type. And contrariwise, where the land was broken up into small units the expropriations were more limited. But, as a general rule, where land is divided up into smaller units the density of population is higher.

The consequence has been, and was bound to be, that the expropriated areas were smaller and more fractionalized where the rural population was dense, and larger and more concentrated where it was sparse (9). Thus it has frequently happened under the Reform that quite dissimilar results in respect of the land-peasant ratio have emerged as between regions with different features — often between regions only 20 or 50 kilometres apart. This situation is clearly visible in the Po Delta between the regions near the water and those further away. It is still more evident in the Maremma: for example, between some areas of the plains (10) in comparison with those of the surrounding hills (11), where the land expropriated was more limited in extent and more fragmentary, although the density of houses and villages and the number of peasants desiring land was greater. And the situation is very obvious indeed in the great Ionian land crescent (with the large expropriations of Crotona, the Neto, Metaponto) where the rural population was sparse in comparison with that of the surrounding hills of Calabria, Lucania and Apulia. These situations were all such as to present the need for substantial internal movements of population if a better balance between land and peasants was to be created. Alternatively they meant, always with the same object in view, that the process of adapting the land and the farming methods on areas expropriated in regions with a dense population would need to be conceived in terms of more intensive farming with greater reliance on the more valuable crops (especially tree crops), and more ample provision of mechanical implements and of funds. Obviously this second solution was not feasible in every case unless the process of adaptation was to be pushed in a direction which was highly uneconomic.

(9) The situation obviously has roots going far back into history: the abandonment of many parts of the lowlands in order to escape from malaria and the lack of security, and the consequent cultivation of the surrounding hills and lower slopes of the mountains.

(10) e.g. the plains of Grosseto, of the Albegna, the valley of the Chiarone, the plain of Tarquinia or Cerveteri, of Ceri or of Testa di Lepre.

(11) e.g. the hills round Rome, upper Viterbo and even the hills of Grosseto.

The situation which we have just described gave rise to one of the most serious problems of the Reform, and it is a problem which is still largely unsolved.

For the land which was subject to the Reform, and of which some of the basic characteristics have just been summarized, plans were studied for the settlement of the peasants and for agrarian-social improvement. Let us now look at the financial aspects of the programme.

Provision of Funds

The first Reform Law — the so-called Sila Law — appropriated a sum of 15 milliard lire, payable out of the State budget in seven annual instalments. The subsequent law (12) allocated out of the funds of the *Cassa per il Mezzogiorno* 280 milliard lire to the Agencies operating in the Southern Reform area of the *Cassa*; and 89 milliards more to the other Agencies (Maremma, Po Delta), operating in Central and Northern Italy. The total sum appropriated was thus 384 milliards, to be divided approximately evenly between the twelve financial years from 1950-51 to 1961-62. These appropriations are equivalent to an average of 455 thousand lire per hectare. The distribution of the funds between the various Agencies is as follows (Table II):

FUNDS ALLOCATED TO REFORM AGENCIES

TABLE II

Agency	Millions of lire	Lire per hectare (a)
Po Delta	25,500	540
Maremma	63,500	350
Fucino	13,200	730
O.N.C. (Campania)	16,790	1,000
Apulia, Lucania	106,735	530
O.V.S. (Calabria)	55,060	600
ETFAS (Sardinia)	49,887	495
Flumendosa (Sardinia)	3,328	665
ERAS (Sicily)	50,000	345
	384,000	

(a) Figures approximate.

(12) i.e. the "Stralcio Law" of 21st October 1950.

By August 1957 (13), these funds were practically exhausted. Obviously, the relatively small appropriations which were voted in favour of the Agencies outside the area of the *Cassa per il Mezzogiorno* meant that, since these Agencies (Maremma, Po Delta) had been working no less rapidly and intensively, they were obliged (and legally authorized) (14) to anticipate the future annual instalments of State funds, concentrating them in the first five years of their operations. Moreover, even the basic laws, by providing that the land should be handed over to the peasants within three years from the time when it became available, automatically imposed the concentration within a relatively short period of the work done on the land, of the redistribution of the latter, and, therefore, of the use of funds.

The procedure adopted has meant that the financial resources actually available for spending by the two Agencies of the Centre and North of Italy are lower than the figures reproduced in Table II above by the amount of the "borrowing costs". Although the operations were carried out through public bodies and with special privileges (the discount rate was kept down to about 7.5 per cent), given the length of the period of discount applying to the final annual instalments of government funds (6 or 7 years) the interest burden was considerable. It meant that the sums actually available to the two Agencies were reduced to about 53 milliard lire for the Maremma and 22 for the Po Delta, equivalent to about 300 and 380 thousand lire respectively per hectare.

These, then, were the financial resources with which the Reform was provided during the period of the first five years. A new law, submitted to Parliament by the Minister for Agriculture, Signor Colombo, and just approved (July 1957), provides for additional finance to the extent of 200,000 million lire.

The Peasants

The peasants who wished to acquire land had first to make application. This was examined by the agrarian Inspectorate of the relevant district in order to make sure that the requirements

(13) The financial years of the Reform Agencies begin on October 1st.

(14) By a Law of 25th July 1952.

of the law (e.g. that the applicant should be an agricultural worker, should be capable, etc.) were satisfied. Those who were passed as suitable candidates were then admitted to the selection stage. The selection procedure followed criteria which differed according to local circumstances, but it was essentially based on a classification of the applications under 6 or 7 grades of priority. Under the first grade, for example, came the peasants who were already working on the expropriated land; next came other peasants in the neighbourhood; next those from other districts of the same *comune* or the same province; and, finally — in the lowest grades — those who already had a regular and secure living (for example as *metayers* or small independent tenant farmers) on land that was not expropriated.

In some districts, where the pressure of demand was especially great, recourse was had to the drawing of lots, especially when this procedure had a long tradition in the region. The same procedure was also often used, if not as a means of eliminating part of the applications, as a means of selecting the holdings and "quotas".

The proportion of successful applicants to the total varied markedly from district to district according to the different land-peasant ratios, and the degree to which internal shifts of workers were possible. In the Maremma, in Sardinia, and in the Fucino, almost all the applications could be met. In other districts, especially in Calabria, the proportion of successful applications to the total did not exceed 50-60 per cent. The circumstances did not permit of other solutions unless the area granted to each individual peasant family was to be reduced to excessively small dimensions.

So much for the general picture. We must now consider what the various categories of peasants involved were like: what sort of environment they came from; what their capabilities were as farmers; and how their families were composed.

All these characteristics show a great variety. They differ according to the special local conditions and according to the types of agrarian economy that prevailed in the various regions. We shall, however, try to pick out the main types (15).

(15) We do not yet possess exact and complete statistics dividing up the new peasant proprietors according to the agricultural group from which they came. It is hoped, however, that it will be possible to fill this gap at a later date. A statistical analysis of this kind would be an important aid towards evaluating the social changes produced by the Reform.

A certain number of the new peasant proprietors — forming not the major part of the whole but a large proportion in certain areas — came from groups which had already had previously some sort of stable tenure. These were peasant families which were already farming the land on a regular and continuous basis either as *métayers* or as small tenant farmers or under various types of share-farming contract, or as cowherds, etc. The conditions from which this category starts are obviously more favourable than those of other categories. They are already accustomed to working on their own account; they have families of a suitable composition; they already possess various types of stock, including livestock; they are equipped with implements; and they sometimes even have a little capital to draw upon. Accustomed to doing many different kinds of work, they often possess a good deal of technical knowledge, and are capable of following advice or instruction on how to improve methods of cultivation. And the fact that they have worked on holdings forming part of bigger economic units (large farms or estates) facilitates the task which the Agencies are pursuing of developing co-operatives.

These classes have found themselves settled as proprietors on holdings extending over an area substantially smaller than that on which they used, for example, to work as *métayers* or to tend cattle. In the upper Maremma the former *métayers* accustomed to move about over a tract of 50 or 60 hectares, to-day work on one of 20 or 25. Even though they are conscious of the fact that economic independence of the small proprietor can be achieved on an area which is considerably smaller than that required by the *métayer*, they experience an initial difficulty in adapting themselves to the smaller area. But the difficulty is a psychological one rooted in tradition; for they soon take to the system of more intensive cultivation, and find that as good or a better livelihood can be obtained from the smaller holding. These types of new peasant proprietor are encountered especially in the Po Delta, in the Northern part of the Maremma (16), and in part — nor a very large part — of Apulia.

But these are not the only categories among which we find peasants who already possess the experience necessary for running

(16) Pisa, Livorno, the hills of Grosseto and upper Viterbo.

their own farms. In other districts large numbers of the new proprietors come from the category of small, and often not independent farmers, who are nonetheless skilled in particular branches of agriculture. Such are, for example, the tobacco-planters in the Maremma, those growing sugar-beet under share-farming contracts in the Po Delta, or the highly skilled viticulturalists of Campania or of Apulia. This group even if less experienced than the one described above to the running of a regular and independent enterprise, often possess more experience of contacts with the market, have a better flair for appraising economic conditions, and are used to a much more intensive individual activity.

The two groups just examined are undoubtedly those who are most easily able to shift over to independent peasant proprietorship. For other groups the problem is a good deal more complicated; its solution is therefore more difficult and takes more time.

A good part of the new peasant proprietors consists of people who before the Reform were essentially farm-labourers. They were labourers pure and simple in the Po Delta and in some large districts of the Maremma (the plain of Grosseto and the coastal areas between Viterbo and Rome). This group had scant resources other than their daily wage, which could rarely be dependent on for more than 130 or 150 days out of the year, and was therefore insufficient to provide an adequate standard of living even if there were periods when it reached more satisfactory levels. In Southern Italy and the Islands many of the peasants came from this same category, even if, as we shall see, another large group was that of the "mixed type".

The man who has been nothing more than a farm-hand is the type who, in the nature of things, adapts himself least readily to the job of running an independent farm. Even if in many cases he is a good and willing worker, he is used to working under precise orders, to drawing his pay each week, and to not relying too much on savings or loans to keep him going until harvest time. While he may have a keen eye for his immediate interests, he often has a poor one for those that are of a longer run nature; he is not very much aware of the problems of soil conservation and is inclined to go in for methods of agriculture which quickly rob the soil of its goodness. He tends to produce primarily for the satisfaction of his immediate needs, gives preference to wheat growing, and knows little about how to raise vines, fruit trees and olive trees all

of which require time — often a great deal of time — before they yield a return. The labourers often come, for the larger part, from villages, and they are ill-adapted to life in scattered houses, especially when the general amenities, the service centres, and the places where they can meet together are not yet ready. Frequently their attitude of mind is one which leads them to look upon their farm from the standpoint of the money it brings them in per working-hour or working-day and, at least in the beginning, they are unable to grasp the notion of the annual family income. They do not much like assuming the risks of production, they do not have much of a feel for market conditions, and they are not very good at finding ways of selling their produce on better terms.

This is the type of peasant who needs most supervision and most assistance. Sometimes it is necessary for him to have behind him an experience of five or six years before he can be considered ripe for his new life and new responsibilities. Peasants in this category are usually without any means of their own, and are in greater need than others of loans, of continual advice, of instruction and especially of psychological understanding. Left entirely to themselves they would not be capable of conserving or improving the soil even if, as is generally the case, they are not shy of hard work. On the other hand, were they to be kept too closely under supervision and subjected to orders, in the same way as under their old masters, they would never lose the labourer's mentality; and there would then be a serious danger of the Reform's leading to the creation not of free peasants but of state employees. It is in this connection that arises the task which, from the labour standpoint, requires most time, patience and understanding of the human element.

The "mixed type" to whom we have already referred, presents problems which are partly analogous to and partly different from those just indicated. This category mostly consists of the Southern peasants from the areas of extensive farming or *latifondia*, living in or about large villages populated by peasants and land owners, and drawing their sustenance from small plots of land planted intensively with trees or crops. Besides working on the plots of land which they own themselves, they work on tracts of the *latifondia* as share-farmers or small tenants or, during periods when work in the fields reaches seasonal peaks (harvest times), they offer themselves as day-labourers. Incidentally, this picture disposes of

the idea of the *latifondo* as a large-scale agricultural enterprise. In reality, the *latifondo* was, and is, merely a large agricultural estate *subdivided into a myriad precarious peasant-farming units* and lacking stable and continuous links between the workers and the land. The fact is that, from the standpoint of the unit of farming, the *latifondo* is one of the most serious cases of division of the land into fragments; and it does not even have in its favour the circumstance — which characterizes many other cases of minute division of the land — that the same plot of land remains in the hands of the same peasant over an extended period.

The "mixed type" is in many respects superior to the mere farm-hand. He has more initiative and more familiarity with the market; and is more accustomed to consider income on an annual rather than a daily basis. But he is also more attached to the village where he has his dwelling, and to the plot of land which he already owns. He is the type of peasant who is most difficult to transplant to the isolated holding. He is also the type who is least well acquainted with some of the modern technical methods, as for example with how to use agricultural machinery. His problems are such as to require very special help from outside. The individual characteristics of this type vary from region to region, but the underlying problem is always the same. Thus, the vine-growers of Apulia, the peasants of upper Viterbo and of the hills round Rome, and the former tenant (though not independent) farmers in the Fucino, present, while coming from different backgrounds, common problems. It is not easy to change this category into peasants living on independent holdings scattered over the countryside. It is perceptibly less easy (and perhaps the change yields no economic return at least for a long period of years) than in the case of those who were nothing more than labourers.

Such, broadly speaking, are the main types of peasant on which the Reform draws. Other smaller groups may be distinguished, but a complete description would render this article too long. All the groups present, in greater or lesser degree, difficulties which have to be overcome in any programme aimed at creating an active class of peasant proprietors. The process requires time, and a fine feeling for the nature of the task which is perhaps the most important of the whole Reform.

Helping towards a successful outcome is the fact that, whatever group the peasants come from, they are not lacking in the will to

work and to make sacrifices. Certainly there are some who look upon the Reform as something which does the work for them, bringing in at the end of the year the money that has been made. But they represent isolated cases and are few in number. The same applies concerning those who regard the Reform as a kind of charity or welfare organization, instead of as an enterprise run on solid economic lines. These are marginal cases and not at all representative of the great majority of the peasants.

Organization

The task of the bodies set up to implement the Reform was, of course, one of trying to obtain the best results given the means at their disposal. On the whole — though there are some important variations — the organizational set-up of the Reform Agencies followed a common general pattern. The Agencies are provided with: (a) administrative and accounting departments which are devised to suit the character of the Agencies as public bodies; (b) agronomical and zootechnical departments responsible for dealing with technical problems in their respective districts; (c) departments responsible for planning and carrying out the work of improving the land, the general construction work, etc.; (d) departments responsible for social welfare and for promoting co-operatives.

All the Agencies operate along decentralized lines with a view to maintaining the closest possible contact with the new peasant proprietors. They work mainly through "settlement centres": there is one such centre on an average for each seven or eight thousand hectares of land. Each centre is further divided into sub-centres each of which has contact with 80-90 peasant families.

The total staff of all the Agencies is equivalent to 1 per cent on the average for every hundred hectares. The staff ratio is a little higher than this where the peasant-land ratio is higher than average (e.g. in Apulia and Calabria) and a little lower in the reverse case (e.g. in the Maremma). The figure thus comes close to that prevailing on an ordinary private farm. It may be commented that the peasants, in their capacity as small proprietors, largely get along by themselves. But it has also to be remembered that for each of them separate accounts must be kept; that the farmer is not static but is going through a process of rapid change, a process which requires the collaboration of specialized personnel;

and, finally, that the public character of the Agencies demands a book-keeping system which is more detailed, exact and complete than that of a private enterprise.

The above account gives only a very brief indication of the way in which the Agencies are organized and it cannot, for reasons of space, be amplified on the present occasion.

The basic task of the organizing bodies of the Reform was that of combining the land, the financial resources and the labour in such a way as to reach the best possible results. Let us look now at what has in fact been achieved in the first six years.

Allocation of the Land

By the middle of 1956 the land definitely allocated amounted to 546,266 hectares on which were settled 101,792 peasant families. The figures for the individual Agencies are as follows (Table III):

TABLE III
LAND ALLOCATED AND NUMBER OF FAMILIES ACCOMMODATED

	Number of families	Hectares
Po Delta	6,272	36,418
Maremma (Tuscany-Latium)	18,584	148,813
Fucino	9,162	13,406
O.N.C. (Campania)	2,214	8,535
Apulia, Lucania, Molise	28,751	154,771
O.V.S. (Calabria)	19,013	76,279
ETFAS (Sardinia)	3,187	43,257
Flumendosa (Sardinia)	113	737
ERAS (Sicily)	14,533	64,050
	101,792	546,266

The land thus far allocated is equivalent to over two-thirds of the total Reform area. This part is that where the work of preparing the land for settlement has been most rapid. That which has still to be allocated includes a good part of the "residual thirds" (17),

(17) Cf. p. 170 above.

as well as the woods and other areas that are difficult to convert (and which cover, we estimate, about 55,000 hectares). It is expected that the process of making the remaining allocations will go ahead rapidly; but, partly for the reasons just given and partly because of the necessity of first settling certain legal matters and questions of ownership some time will still be required.

The Peasant Farms

If may be inferred from Table III above that the size of the holding granted to the peasants averaged about 5.5 hectares per family for the area taken as a whole, with a maximum of 14 hectares in Sardinia and a minimum of 1.5 in the Fucino.

The simple statistical averages give, however, quite a wrong idea of the facts; it is the typical case of the average which covers up the real situation rather than expressing its essence. It is therefore necessary to look more closely at the underlying details.

The grants of land were made in accordance with two basic criteria, each of which was justified by the conditions prevailing in the various localities.

(a) Whenever it was possible, "self-sufficient" holdings were created, i.e., farming units of a size sufficient to provide a secure living to the families without their having to find other sources of income outside their farms. Out of the total area so far allocated, 384,205 hectares have been divided up according to this criterion. The figures for the individual Agencies are reproduced in Table IV.

DISTRIBUTION OF HOLDINGS

TABLE IV

	Number of families	Area allocated (hectares)	Average holding (hectares)
Po Delta	6,080	36,263	6.00
Maremma	7,405	113,408	15.00
Fucino	—	—	—
O.N.C. (Campania)	1,079	6,923	7.00
Apulia, Lucania	15,596	124,854	8.00
O.V.S. (Calabria)	11,383	61,420	5.50
ETFAS (Sardinia)	2,511	40,600	16.00
Flumendosa (Sardinia)	113	737	7.00
	44,167	384,205	9.00

The size of a holding — which varies widely even within the area of the single Agency — conforms to certain logical principles. It is comparatively low in the Po Delta where the land is very fertile, and where the families — especially when they come from the farm labourer class — are on the small side. It is higher in the Maremma, where opportunities for irrigation are limited and where, in some instances (especially up in the hills), the holding have to be bigger in order to accommodate the usually larger families of the former *métayers*. In Apulia and Lucania the size of the holdings was determined with an eye on the irrigation works that will be constructed over a good part of the area, and on the possibilities for growing tree crops of high value. In the Flumendosa, in part of Calabria, and in Campania, the irrigation factor was also decisive for the determination of the size of the farms.

(b) In other circumstances "quotas" were assigned; i.e. plots of land which were not sufficient by themselves to provide work and living for all the members of the family. Up to the present time the "quotas" relate to a total area of 98,000 hectares. The figures for the individual Agencies are given in Table V.

DISTRIBUTION OF "QUOTAS"

TABLE V

	Number of families	Area allocated (hectares)	Average quota (hectares)
Po Delta	192	155	1.00
Maremma	11,145	35,405	3.20
Fucino	9,162	13,406	1.40
O.N.C. (Campania)	1,132	1,612	1.50
Apulia, Lucania	13,155	29,917	2.30
O.V.S. (Calabria)	7,630	14,859	2.00
ETFAS (Sardinia)	676	2,657	3.00
Flumendosa (Sardinia)	—	—	—
	43,092	98,011	2.30

(Tables IV and V exclude the 64,000 hectares allocated in Sicily; for these it is not easy at present to determine what proportion is in the form of holdings and "quotas" respectively).

The exact significance of the "quota" varies markedly from case to case. It is necessary to look somewhat closely at the different cases before we can judge the criteria that were used in determining

the size of the "quotas", which do not appear, from a mere examination of the figures given above, to have any relation to the size, or economic condition of the family. It should be noticed above all that the "quotas" of land are not usually provided with houses, and thus entail an initial expenditure for their conversion lower than what is required for the "holdings", although they are often capable of yielding considerable increases in output and of supporting additional labour-units.

The following main types of "quota" may be distinguished:

(a) "Quotas" granted to agricultural labourers who previously owned no land. The granting of such "quotas" of land does not immediately bring about a radical change in the social status of this class. They remain labourers although they henceforth possess a nucleus of land which, according to the case, may supply from one to two-thirds of the economic needs of the family, but which always implies some recourse to other activities. It should be observed that since most of the land here involved consists of uncultivated grass land and the compensation paid to the owner from which it was expropriated is low, the assignees of such "quotas" pay only a very small sum for their purchase. The result is that they improve their own condition and realise a certain degree of economic stability — though without arriving at a fundamental solution of their problems. It also has to be remarked, in the interest of objectivity, that in some cases they now find work by the day less easily than formerly (either because the amount of land cultivated by wage-labour has been reduced in area or because they have been removed from the lists of day-labourers seeking work), or are no longer in receipt of public assistance. On the other hand, the construction work carried out by the Reform itself has opened up substantial employment opportunities which will last for some years.

The general conclusion is that this first type of "quota" has led to only a partial improvement of preceding conditions.

"Quotas" of this type (a) were created in districts where population pressure on the land was heavy (they are to be found, for example, in Calabria, in Sicily, in some parts of Lucania, in the Maremma, and in the Fucino).

(b) The second type of "quota" is analogous to type (a) but offers the family the possibility, through more intensive cultivation,

of reaching approximate economic independence in the course of a few years. Obviously, given the smallness of the plot of land, it is necessary to engage in very much more intensive agriculture which requires either irrigation and the consequent development of vegetable and livestock farming, or the planting of vines, orchards, orange and lemon groves, etc.

A good part of the "quotas" in the Maremma (18), in Apulia and Lucania (19), in Ionic Calabria and in other districts will follow this pattern of development. The lack of "self-sufficiency" is thus to be regarded as limited to the first few years (the time necessary to complete and bring into operation the irrigation works, or that required for the trees, once planted, to reach the fruit-bearing stage).

(c) Lastly, there are the "quotas" which, when added to the land which the peasants already owned before the Reform, are sufficient to make them independent. The larger proportion of the "quotas" falls under this heading. In fact, as we have already pointed out, the Reform was frequently confronted with the case of peasants living in villages or small towns who already possessed in the surrounding countryside plots of land which, although they were almost always intensively farmed and often had fairly high yields, failed to give the family-unit sufficient to live on. In this case, the granting of a "quota" of land of dimensions varying inversely with the size of the plot already owned gives the peasant economic independence perhaps not immediately but at least in the course of very few years. The "quota" thus rounds off a pre-existing situation; here the only difference compared with the "holding" is that, at least in the beginning, the peasant continues to live in his house in the village, and cannot therefore undertake those improvements in farming methods which are introduced on the "holdings", involving especially mechanization and improvements in livestock farming.

The economic and social significance of the "quotas" thus appears to be more varied than that of the "holdings" both at the present time and in the light of possible future developments. In many cases the new owners are making very substantial improvements on these "quotas". They are constructing more houses on

(18) Part of Canino, Tarquinia, the plain of Cerveteri, etc.

(19) Metaponto, Foggia, Brindisi, etc.

them (aided in some cases by a contribution out of Agency funds); they are growing produce for which there is a good market; and so on. At the other extreme, there are cases of "quotas" which serve merely to allow the family to produce enough grain for its own needs, leaving only a very small margin for sale.

It is not possible to determine exactly how much of the total area comes under the different types of "quota". One reason is that they cannot be clearly separated; one type shades almost imperceptibly into the others. Estimates which I made on a previous occasion (20) indicate that perhaps about 20 per cent of the area of the Reform is characterized by "non self-sufficiency" and about 80 per cent by "self-sufficiency". The cases of "self-sufficiency" are most numerous in the Po Delta and in Campania (100 per cent), in the Maremma (88 per cent), and in Apulia (89 per cent).

In the majority of cases, then, we have holdings or farm units of a size proportional to the needs of the family. The farms of this type are gradually moving towards higher output levels; how far they can go depends, of course, on local conditions, but the results are in many cases well above what was originally expected. On these farms rational crop rotation systems are being adopted, artificial fertilizers are being used, adequate housing exists, the ground has been prepared and improved, livestock farming is being extended, and so on.

Naturally, not all of these steps towards higher production are being taken at one and the same time. In the first phase, a rapid increase takes place in the production of grain, in poultry raising, and in the cultivation of vegetables, sugar-beet and other crops. In a second phase (that which has now been reached by a majority of holdings allocated from two to four years ago), cattle and pig raising is increased, the new vines start producing, etc. In the third phase, the development process reaches maturity with the coming into full operation of irrigation, with the completion of the planting of trees, and, finally, with the entering into production of the olives groves.

The Reform leaves a great deal of room for the initiative of the peasant. This is displayed in the work of completing what has been done by the authorities, of laying out the farms, and of planting vineyards, etc. Mechanization has been everywhere introduced

(20) MARIO BANDINI, "L'offensiva contro la Riforma", *Politica Agraria*, No. 2, 1956, p. 14.

and has been of enormous benefit. The machine has completely revolutionated the conditions which existed initially, and has rendered productive land which was formerly considered incapable of adaptation to intensive agriculture.

The Work of the Agencies

It is convenient to divide the work of the Agencies and its cost into five categories:

(a) *Transformation work on holdings*. This heading includes all costs of transforming the land within the farms or "quotas", such as construction of houses, preparation of the land, roads on the farm, planting of trees, etc.

(b) *Agricultural capital*. This covers all expenditure for stock (machinery, equipment, livestock, fodder, etc.).

TABLE VI
DISTRIBUTION OF EXPENDITURE BETWEEN VARIOUS ITEMS

	Millions of lire	Per cent (*)
Works on holdings	159,600	51
Farm stocks	53,800	17
Public works	17,500	6
Co-operative and welfare	14,300	4
Industrialisation	2,000	1
Acquisition of land	15,200	5
General expenditure	40,000	12
Cost of financing scheme	12,500	4
	315,000	100

(*) Percentages rounded up or down to the nearest unit.

(c) *Public utilities*. These comprise all works by the Agencies such as to benefit either the assignees or the population of a particular area (public roads, service centres, aqueducts, roads leading off the farms, agricultural industries not run from or on the farms and so on).

(d) *Social services*, such as co-operative, schools, expenditure on vocational training, welfare and so on.

(e) *Administrative expenditure.* This includes the cost of running the central and local offices of the Reform Agencies.

In the first five years of the Reform, the total incurred in respect of each group of expenditure, actually borne or at any rate obligated for work in hand (and practically finished), amounted to 315,000 million lire out of 384,000 million allocated to the Reform. These costs relate to all the Agencies — for Po Delta, Maremma, Fucino, Campania, Apulia, Lucania and Molise, the Sila, Etna and Flumendosa (Sardinia) and Eras (Sicily).

Table VI shows the distribution of the total of 315,000 million lire between the various items.

Part II

ARGUMENTS FOR AND AGAINST THE REFORM

The main arguments of the critics of Land Reform are as follows:

(I) the splitting up of efficient agricultural estates has not (it is argued) led to the creation of efficient types of peasant farms;

(II) the cost of Land Reform is excessive if compared with that of private agricultural transformation schemes and also with that of other experiments in transformation, such as "integral reclamation" (*bonifica integrale*);

(III) the cost is also excessive in relation to the general economic and social return of the scheme.

Other criticisms have been suggested, but they appear to be less weighty and they concern only particular aspects of the scheme. We shall therefore confine ourselves to the points mentioned above.

First criticism: the splitting up of efficient agricultural estates has not led to the creation of efficient types of peasant farms

Neither of the assumptions on which this first criticism is based is valid. On the one hand, it is not true that the land expropriated by the Reform consisted of well-run farms. On the other hand, the Reform has given rise to peasant farms which may in the great majority of cases be regarded as efficient units, even if the results

vary greatly from district to district and if, in some instances, serious difficulties and problems still have to be overcome.

We have already commented in Part I on the backwardness of farming conditions and methods on the land that was expropriated. Almost all of the land was extensively cultivated, short of capital and often also of water; and it provided a precarious and inadequate living for the peasants working on it. The inefficiency of the system of farming reached its height in the latifondia of the South. These had nothing in common with large-scale farming: nor did they give any promise of improving the lot of the myriad peasant farming families which cultivated them by primitive methods and in conditions of unrelieved poverty.

It is not denied that the expropriated land included some which was efficiently farmed — but only to a really trifling extent and mainly owing to the need in a number of cases, to round off the areas to which Land Reform would apply. Careful studies (which do not, however, include Sicily) have shown that considerably less than one per cent of the total area expropriated belongs to this category and, even in such cases, there has been an increase in output and in the number of peasants for whom the land provides work.

The considerable increases in output achieved by Land Reform will be analysed below. For the moment, we shall discuss the question of the "vitality" of the small peasant properties which have been created out of the large pre-Reform estates.

In this connection, it is essential to bear in mind two types of case and to arrive at a quantitative assessment of their importance:

(a) cases where Land Reform has set up "self-sufficient" agricultural family economies, i.e. economies which derive from the land sufficient income for a normal peasant life;

(b) cases where Land Reform has created "non self-sufficient" economies. There, the peasants are not tied to the land in such a way that it absorbs their whole working capacity and provides them with an income sufficient for the normal requirements of an agricultural family in the various Land Reform areas. These peasants are therefore obliged to look elsewhere for additional work and other sources of income.

Type (a) (a self-sufficient economy) has been brought about by land Reform mainly by dividing up large areas offering the best

prospects for initiating the project — estates which lacked transformation works, covered extensive adjacent areas (often amounting to several thousand hectares), and were not affected by rural overpopulation. This was the kind of property on which was carried out the organic division into holdings which is the most striking aspect of Land Reform (21).

The transformation has occasionally affected old settlements (e.g. parts of the Po Delta and Tuscany) including very large share-cropping family farms (from 50 to 150 hectares), cultivated extensively and dotted with large houses which, however, were almost always in a delapidated condition. In such cases Land Reform has transformed the former share-croppers into owners, while reducing the area of the holding to 15-20-25 hectares, according to the labour force of the share-croppers' families, and constructing next to the old houses one or two new houses round which the new farms were developed. The stepping up of production has made it possible to provide livelihood and work for two or three families where before there was only one — and possibly finding it hard to make ends meet at that.

As we pointed out in Part I of this article, self sufficiency has occasionally achieved by the system, not of "settlements", but of "quotas". It was often the case that, especially in Southern Italy, but also in the Central part of the country, the peasants in the Land Reform zones already owned small plots of ground (sometimes of 1-2 hectares) near the villages where they had their houses and families. They eked out their modest incomes from these plots by working as farmhands or share-croppers, or small tenant farmers in the latifondia or on the big estates. In those cases, it would have been a grave mistake to divide up the land which was expropriated and to form holdings and build houses. For there were already houses in the local hamlet. By giving these peasants an allocation of land of 2-3-4 hectares, Land Reform very often enabled them to achieve self-sufficiency.

(21) In these zones, holdings and new houses extend as far as the eye can reach and give one the impression that there has been a far-reaching transformation on an even greater scale than the reclamation of the Pontine Marshes and the improvements in the Po Valley. This type of scheme is to be met with in numerous areas of the Po Delta, the Maremma, the Plain of Grosseto, the coastal plain of Taranto and Policoro, Sardinia (near Alghero) and the Ionic side of Calabria.

Type (a) of Land Reform Schemes therefore also includes those instances in which the allocation of an additional plot of ground has led to the emergence of small self-sufficient properties, even if the peasant still lives in his old house and if the holding is divided into separate and non-contiguous parts. In some cases this may bring about a better farm structure because the crops in the different stretches of ground form a balanced whole and because of the improvement in the distribution of work.

It must obviously be borne in mind that self-sufficiency does not always come about over night and that, in most cases, a number of years is required to realise it (22). On the other hand, the level of income deemed adequate for self-sufficiency may vary and must be determined in the light of specific and often widely diverging local conditions.

An illustration of what it is possible to achieve is furnished by the case of the Maremma. Table VII gives a synthesis of typical family budgets relating to 1955-56, and based on a survey on the spot in the territory covered by the Maremma Agency. To put these data in focus, we must remember that they are drawn from six normal-type holdings formed as long ago as 4 or 5 years back and which may be regarded as being about three quarters along the way to complete economic development and hence to full yield (23).

In assessing the real value of the net income shown in Table VII, it should be remembered that:

1. the purchasing power of money is higher in country areas and that the prices adopted in calculating the income are ex-farm and not market prices;

(22) In the Maremma, for example, there has been a rapid increase in the yield of wheat, vegetables and sugar-beet, while the rise in live stock products is, or will be, slower, although the Land Reform hinges largely on it. In Apulia, a large part of the newly created holdings will reach its peak output, and hence bring self-sufficiency to the peasants, when irrigation is complete, especially in the coastal plains of the Ionic Sea. The holdings set up in that region are on a small scale (4-6 hectares) which could not possibly be regarded as self-sufficient unless irrigated. They are now therefore in a transitional phase which will probably last for another couple of years. During this period, the peasant will supplement his income by between 20 and 40 per cent through lending a hand in the transformation work sponsored by the Agency or by working on other people's farms.

(23) The sample holdings are situated in the following zones: Capalbio (11.15 hectares); Capalbio (13.30 hectares); Orbetello (8.16 hectares); Orbetello (7.60 hectares); Montiano (9.49 hectares); Magliano (12.54 hectares). All six holdings have as their main crops wheat and sugar-beet.

2. the income is bound to increase (by perhaps 25-30 per cent) with the passage of time;
3. it does not include considerable direct utilities such as housing, water and wood;
4. the families in question are relatively small, with only 4 or 5 members.

TABLE VII

FARM INCOME ON SIX SAMPLE HOLDINGS IN THE MAREMMA
(In thousands of lire)

	1	2	3	4	5	6
Saleable output	1,462	1,130	1,230	1,099	1,176	1,122
Farming costs (*) taxes and duties	476	451	365	348	501	451
Family income	986	676	867	752	675	671
Payments to the Agencies of instalments due for land purchase and improvement, and stocks	299	276	234	225	245	257
<i>Net income</i>	687	400	633	526	430	414

(*) Fertilizers, seeds, expenditure on livestock, deep-ploughing, maintenance and amortisation, taxes and dues, etc. etc.

Land Reform has not achieved, nor will it in future achieve, in all cases "self-sufficient" economies, whether by settlements or by "quotas" of land. In some zones, the latter allocations are not enough for farms to be created with a minimum subsistence income for the families cultivating them.

However, the total of non self-sufficient peasant holdings created by Land Reform is considerably lower, except for Sicily, than that of self-sufficient farms. According to careful estimates based on a knowledge of the characteristics of the 544,000 hectares redistributed by 1956 and on detailed plans for resettlement already in course of implementation, "self-sufficient" farms account for 86.5 per cent of the total Land Reform area (excluding Sicily). The balance of 13.5 per cent represents the non self-sufficient farms. The distribution as between these two types of farm is shown for each of the Reform zones in Table VIII.

The fact that non self-sufficient farms correspond in area to almost 16 per cent of the self-sufficient farms has also given rise to heated argument. Was such a state of affairs inevitable? Can means be found of doing away with it?

TABLE VIII

DISTRIBUTION OF LAND BETWEEN SELF-SUFFICIENT
AND NON SELF-SUFFICIENT FARMS

	Hectares redistributed to "self-sufficient" families	Hectares redistributed to "non self-sufficient" families
Po Delta	47,250	250
Maremma	158,000	22,000
Apulia	176,000	23,000
Ex-Servicemen's Scheme	16,708	—
Fucino	9,000	6,000
Sardinia (including Plumendosa)	92,000	12,000
Sila	65,000	25,000
<i>Total (24)</i>	563,958	88,250

A number of critics maintain that:

- (a) given this proportion, Land Reform should have been dropped and the funds used instead to finance public works or subsidies for improvements to privately owned farms; or
- (b) a different approach could have been adopted to the question of Land Reform and self-sufficient holdings created everywhere, with scattered houses, a byre and trees. According to

(24) The data in Table VIII do not include those concerning Sicily since the situation there as regards Land Reform is quite special. There are two points peculiar to the island: (a) the expropriations have taken place all over and form a large number of oases each covering a fairly restricted area; (b) the quotas distributed to the peasants, who were generally speaking landless, are of 5-6 hectares each and cannot give the families cultivating them a genuine economic self-sufficiency. The greater part of the assignees is therefore compelled to go on working for part of the time as farm labourers or even if Land Reform has led to a marked improvement in their standard of life.

It must also be remembered that the big Southern estates (latifondia) were almost all subdivided into tiny plots leased to the peasants in the nearby villages. Even if the Reform had done nothing else, it will have given these peasants a measure of stability. In fact, of course, Land Reform has also done a great deal to increase output.

some critics this was not done because technical considerations were subordinated to politics, which made it advisable to hand out only a small piece of land but to give it to everyone.

The criticisms summarised under (a) may be countered by political and social arguments. It may be pointed out, for instance, that it was not possible to tolerate the continued existence of areas in which the countryside was afflicted by grinding poverty on the biggest estates of Italy which often retained the stamp of feudalism. But from the economic point of view, too, it was futile to imagine that landowners would be to the fore as innovators. In the zones where "quotas" of land were assigned, the hopes of any such change of heart were almost non-existent.

The criticisms under (b) show an unfamiliarity with the real situation. The fact is that no other solution was possible short of compulsory emigration of a large part of the population of a number of districts in Southern Italy. The only course open was to cut down to a minimum, in the light of technical criteria, the applicants for the land; and then to drive on full steam with the improvement in farming techniques and in output on the "quotas", and to carry out those general projects without which improvements are not feasible.

But in that case — the critics insist — Land Reform was in the instances cited not worth while, and would have been better not to undertake it in those instances. These critics forget that the peasants to whom the land has been assigned, although not achieving self-sufficiency, have now greatly bettered their living and working conditions in backward agricultural districts where unemployment and underemployment were — and still are — the rule. It is against this economic and social background that any objective assessment must be effected.

If account is taken of specific results both social (especially in the field of employment) and partly also economic (improvements, change-over to intensive crops), even non self-sufficient peasant farms have justified themselves. Admittedly, however, the "quota" cannot be considered, as things are at present, a self-sufficient economic holding. Indeed one of the main problems of the future will be that of securing "the merging of small plots" among the peasants owning these quotas, in such a way as to bring about the creation of organic farms forming a natural entity; this process

would of course imply a willingness on the part of some of the present assignees to give up their land (25).

Only if these prospects can be realised will Land Reform be a complete success in the zones containing the non self-sufficient "quotas" for which the Reform is in part responsible.

Second criticism: the cost of Land Reform is excessive as compared with that of private agricultural transformation schemes and with that of other experiments in agricultural transformation (especially "integral reclamation")

This is perhaps the most frequently recurring criticism. According to some writers, Land Reform is a failure because it has cost and still costs too much.

We must first and foremost be clear as to what is meant by the cost of Land Reform. In particular we must distinguish between the basic headings under which it is calculated. Secondly, we must scrutinise this cost from an economic and financial angle by relating it to the kind of project carried out and to the cost of similar schemes.

We have already given figures of costs, under five basic headings, for all the Agencies combined (26). Let us now look a little more closely at the experience of the two biggest Agencies — Maremma and Apulia-Lucania. Table IX reproduces figures taken from the published budgets of the Agencies themselves. To interpret these figures correctly, we must not forget that they cover the *total execution of the whole Reform programme* whether past or future:

As may be seen from this table, the total cost of Land Reform projects carried out in the Maremma was 103,900 million lire, or

(25) At present, the assignees cannot sell or lease their land since this is forbidden by the Reform Law until the last payment for the acquisition of the land has been effected. But it is precisely in this connection and in relation to these circles that the Law will have to be modified. It is essential to make possible a process of spontaneous selection among the assignees of non self-sufficient "quotas" and thus make it easier for the most able among them gradually to expand, build a house, become self-sufficient and take roots on the land for good. Naturally, they should be able to add to their own "quotas" by the purchase, or even the lease, of neighbouring quotas or parts thereof. The outcome would be that the least capable peasants, the least hardworking or those with the smallest leanings towards a country life would have to leave the land.

(26) Cf. pp. 189-190 above.

582,000 lire per hectare; in Apulia and Lucania the corresponding figures were 146,000 million lire or 733,000 lire per hectare.

Table IX also shows the cost per hectare of the various types of expenditure.

TABLE IX

COSTS OF REFORM IN THE MAREMMA AND IN APULIA-LUCANIA

Item	Maremma		Apulia and Lucania	
	Total cost in millions of lire	Cost per hectare in thousands of lire	Total cost in millions of lire	Cost per hectare in thousands of lire
I. Basic works (building, trees etc.)	58,500	328	92,000	469
II. Farming capital (machinery and livestock)	18,200	102	21,000	103
III. Public utility schemes	11,240	63	14,000	68
IV. Social projects	6,960	39	8,000	38
V. Administrative and financial costs	9,000	50	11,000	54
<i>Total</i>	103,900	582	146,000	733

The critics have dwelt at length on the extent of this expenditure and compared it with the usual run of costs of *private* agricultural transformation schemes. They have forgotten, however, that Land Reform has been, and is being, carried out on the most unrewarding land in the whole of Italian agriculture, on the very land which private enterprise could not or would not raise to an even elementary level of production (27). This concentration on

(27) On this point of the expenditure incurred by Land Reform, it might be observed that, in the areas covered by Table IX, the State was at fault, and not only or not so much the land owners, since state projects set the sights for private schemes. In that table, in fact, public or social works account for a high proportion of total appropriations. For the Maremma the figure is 18,000 million out of an overall total of 104,000 million. The answer to this criticism, however, is that, quite apart from any opinion one may have as to the experiment of reclamation, it has been clearly shown that the state has always intervened whenever private interests requested it to do so. This was particularly the case in a large part of the coastal areas of Emilia and Veneto. In those areas in which Land Reform has been active in recent years, there has always been a substantial measure of absenteeism in the past. These owners have even, on a number of occasions, undone the effect of the restricted intervention on the part of the state to secure a general improvement.

inferior land is in fact an inherent aspect of the Reform's programme.

In any case, any comparison with the costs of private agrarian transformation schemes is obviously based on types I and II of expenditure alone. The ordinary farmer does not carry out works of general utility nor, unless in exceptional circumstances, does he bother about schools, vocational training, service centres, churches, health services and so on, since they are already provided or, at any rate, they are the responsibility of the community.

Now, taking only the first two types of expenditure (i.e. the basic works, and the capital for machinery and stock) the average cost for the Maremma is about 430,000 lire per hectare and for Apulia about 572,000 lire. The cost of settling in a peasant family (if we take both farm and stock) is therefore about 3.8 million lire in the Maremma and 3.4 million in Apulia. If it is assumed that every family has approximately three pairs of hands, it will be seen that the cost of creating one job is about 1,250,000 lire.

As it happens, there is a wealth of reliable estimates of the cost of settling peasants on "private" land. Table X sets out some figures for transformation in Tuscany.

COSTS OF "PRIVATE" SETTLEMENTS

TABLE X

	Size of farm (hectares)	Cost per hectare at 1955 prices (millions of lire)
Mugello	12.50	1,068
Montalbano	4.00	4,777 (*)
Val di Pesa	14.54	1,108
Chianti	12.00	2,991
Upper Valdarno	7.74	2,931
Val D'Orcia	25.00	525
Plain between Livorno and Grosseto	16.00	658
Plain of Maremma	45.00	532
Plain of Maremma	20.00	460

(*) Half of this is for specialised vineyards.

The figures listed in Table X may be compared with those for Reform confined to category I of expenditure only since they do not include the value of live or dead stocks. The lowest figures

relate to large scale holdings. The cost per family settled on the last four classes of holding, where conditions are much the same as those on Reform settlements in the Maremma, works out at 13 million, 10 million, 24 million and 9 million respectively. These figures are considerably higher than those for settling a family on Land Reform holdings where this operation costs at most 6 million lire and on an average somewhat less.

Far be it from us to imagine that this constitutes a serious confrontation between the two sets of data. Anyone familiar with this subject knows how arbitrary any such attempt must be and how every case must be treated on its own merits. Were we to assert that such parallels proved anything, we would lay ourselves open to a charge of being superficial. But the difference between the cost of Land Reform and that of private transformations schemes is sometimes alleged to be gigantic. Even if, therefore, the figures which we have assembled do not prove a great deal, they at least show how unfounded is the over-simplification according to which Land Reform costs more on an average than private land transformation.

It should be remembered, moreover, that the one large-scale "integral" public transformation scheme carried out in the past — the reclamation of the Pontine Marshes in the thirties in a territory a tenth the size of that covered by Land Reform — costs much more than the Reform per family settled and established (28).

One of the most common criticisms to which the opponents of Land Reform have given voice (29) is the possible desirability of going back to the old conception of "integral reclamation" brought up to date as necessary. Generally speaking, the exponents of this view have two objectives: they wish to show that Land Reform has failed on all counts and that it offers a resounding instance of bad investment of public savings. They also propose improvements in the 1933 Reclamation Law with a view to making of it a more efficient tool for progress.

"Integral reclamation" (*bonifica integrale*) refers to a land reclamation process which is not limited to the mere improvement

(28) The figures have been set out by us in the *Rivista di Politica Agraria* for June 1956.

(29) Cf. the draft bill on "Land Reform, integral reclamation and formation of peasant holdings" submitted to the Chamber of Deputies on 2/12/55 - *rapporteur*: Professor Giacomo Acerbo.

of the land but extends to the wider object of converting it to more intensive agriculture. This concept was introduced by the Integral Reclamation Law of 1928, which aimed at a more systematic reclamation policy which would go much further than the activities — often too narrowly confined to particular areas — which had been characteristic of the reclamation policy of the previous decades. The Law of 1928 thus aimed at integrating the activities of water control and canalisation, the adaptation of mountain areas, the transformation of the land, and the construction of irrigation works, roads and rural aqueducts. The manner in which this programme was to be carried out was set forth in detail in a Decree-Law of November 1933, which constitutes the definitive document on which the integral land reclamation scheme is based. This law stressed the necessity of cooperation between the government and the land-owners, and imposed sanctions, which might go as far as expropriation, against failure of the land-owners to carry out the improvements envisaged by the programme.

In the areas considered as *comprensori di bonifica* the State pays from 75 to 92 per cent of the costs of all the general improvement works, such as main roads, canals for drainage, etc., and from 33 to 38 per cent of the costs of private works, e.g. buildings, the planting of trees, irrigation, etc. When the general works have been carried out, the private works become obligatory for the land-owners; but this part of the law has been enforced only in limited areas.

In the post-war period, the work of reclamation has continued along the lines of the 1933 Law, though on a reduced scale, and has been backed by other provisions, such as the Law of April 1949 for the utilization of E.R.P. funds and the appropriations made by the *Cassa per il Mezzogiorno*.

I have set out my views very fully on "integral reclamation" elsewhere (30). But I may be permitted to give a brief summary of them in this connection.

"Integral" land reclamation is now 30 years old if we are to judge by the basic concepts embodied in the 1933 Law. In fact, these ideas go a few years further back. In theory, they are well-nigh perfect. In practice, their application left much to be desired. The circumscriptions (*comprensori*) on which the 1933 Law was

(30) Cf. MARIO BANDINI, "On Land Reclamation", *Rivista di Politica Agraria*, I, 1954.

applicable were over-extended to cover an area of over 9 million hectares and so were the circumscriptions on which projects of one kind or another were actually carried out — over 5 million hectares. The improvements of a general nature, for which the cost was mainly borne by the State, went ahead at a rapid pace. Private improvements, to which the state contributes at most 33 to 38 per cent of the cost have, on the other hand, been slow to follow. It cannot be denied that while “integral” land reclamation has vast achievements to its credit in the field of public works, these have not as a general rule, especially in the South, been followed by private improvements on the individual farms — improvements which are the basic justification of the public works. The latter have thus led to an enormous waste of money. Considerable caution is therefore advisable in drawing attention to the expensiveness of Land Reform. The more so as, going all out for results, it has rapidly raised the productivity of poor and extensively cultivated stretches of land and has therefore made a fruitful use of national savings.

The exponents of “integral” reclamation, however, maintain that it has not been able to function to its full extent owing to special circumstances. We have always admitted this point since it has not even functioned satisfactorily when circumstances were favourable. The brilliant results achieved in certain reclamation areas in Veneto and Emilia should not lead us to overlook the quite different and discouraging picture in the greater part of the territories affected by this type of scheme.

The fact is that Land Reform set out to achieve, directly, specific results in terms of employment and of stable agricultural work by linking them with the agronomic development of certain zones which were depressed both economically and socially. There have certainly been defects in the political concepts underlying Land Reform, but these can be attributed to the urgent need to diminish the pressure of the rural masses in zones where there was a dense concentration of farm labourers and hence to extend as widely as possible both “self-sufficient” and “non self-sufficient” small peasant ownership. This does not mean that the objectives have not been to a large extent achieved and that the development of the whole economic and social milieu has not been greatly stimulated.

The critics of Land Reform often put forward as an alternative *the spontaneous formation of peasant-owned farms*, which has taken place over a far wider area than Land Reform itself.

This tendency has undoubtedly been operative on a very large scale from the end of the first world war up to the present time and proves that Italy, like all other Western European countries (with the exception of Spain) has found the road to agricultural evolution and progress in peasant ownership. It is often forgotten, however, that Land Reform is not confined to a mere change of owner but is a vast scheme of land transformation which changes the face of the territory in question by making fresh land inhabitable. The spontaneous formation of small peasant farms, which usually means the transformation of tenants or share-croppers into owners, undoubtedly leads to those improvements in farming in which small ownership is always fertile but it does not settle new people on the land and does not create fresh land.

The opponents of Land Reform rightly stress the need to give priority to raising productivity in agriculture. But one of the very things which Land Reform has done is to increase the yield over vast areas where agriculture was at a rudimentary stage. Why should there now be a change of opinion and efforts be concentrated on helping on the spontaneous formation of peasant-owned farms which is a useful and important phenomenon but which has little to contribute to productivity?

Third criticism: cost of Land Reform is excessive if compared with the economic and social returns on it.

We may now turn to a specific examination of the benefits obtained from Land Reform. It can for one thing be shown that, far from being an isolated detail in the economic policy of Italy, it is an integral part of a plan for developing the Italian economy as a whole. More particularly, we shall look at its achievements as regards the increase in production, the greater use of labour per unit of area, the raising of the social level of the people in the areas affected and lastly, the meaning of Land Reform as part of a development plan.

In considering the results obtained in the direction of increased production, we must bear in mind that the data, as is obvious, are

very much subject to caution. Any estimate, even the most careful one, is always bound to be very much of an approximation. We shall, in any case, try to provide an overall picture of the effect on output for Land Reform as a whole.

The scheme may be broken down into the following stages:

1. Settlement of the peasant on the farm, deep ploughing and preparation of the soil, arrangements for sound rotation of crops, elimination of pasture land, application of fertilisers and so on;
2. increase in live stock production, development of fertility-restoring crops, such as sugar beet;
3. in those areas where this is possible, a start on the irrigation of the holdings and "quotas" and the consequent transformations;
4. a start on the production of olives and completion of the structure of the settlements.

This pattern of farm development which takes at least 4-6 years is linked with the course of economic progress as a whole. As the need makes itself felt, co-operative schemes for the joint processing of the products are evolved, rural life becomes more rigorous and all sorts of sidelines spring up.

In the light of this cumulative process of development, what view should be taken of the achievements of Land Reform in the field of production?

We can approach this question in one of two ways. We can either pick out the increases in production already obtained in the area as a whole. These will, of course, relate to the first stage and to a part of the second one. The figures for the third and fourth phases will have to be estimates based on investments already effected or envisaged. Alternatively, we can make a study of those settlements where work is far advanced (i.e. where peasants have been established in their houses and farms for several years) and regard them as samples of what may happen in the other territories when they have reached the same stage of evolution.

The economic significance of the induced investments, whether of an agricultural or non-agricultural nature, cannot for the time being be assessed except on the basis of plausible hypotheses. At

some future date, the question may stimulate research on particular circumscriptions of the kind now being planned in Italy.

Here are a number of estimates arrived at by the first of the two methods proposed:

The gross return from extensively cultivated areas in Apulia and Lucania where wheat alternates with fodder, could be calculated before the Reform as being on an average about 50,000 lire per hectare. The assessments made after the Reform was completed suggest that the gross return has risen to thrice that figure. This estimate is arrived at by taking the weighted average of the increase in the yield of the poorest and driest land (which was 80,000 lire per hectare) and the increase in the yield of irrigated land or of land devoted to specialised tree crops (which was 350,000 lire per hectare). The increases are calculated on the basis of a constant price level.

These forecasts may be confirmed by adopting the second method referred to above, if we take a number of the zones where transformation is most advanced, selected in such a way that they will afford a representative sample of the results obtainable at a future date in those stretches of land where progress is at present smallest. Nevertheless, it cannot be argued that, even in those territories where settlement has been carried to its furthest point, Land Reform has been completed. As a general rule, such areas are only at the second or third stage.

Exhaustive studies have recently been effected on the position in Apulia. If we take four advanced zones amounting in all to 505 farms, we shall see that it is possible to reach the following detailed conclusions. The average increase in gross output at Manfredonia was valued (again assuming constant prices) at from 50 to 110,000 lire per hectare; at Cerignola from 60 to 110,000 lire per hectare and at Montalbano Ionico from 65 to 113,000 lire per hectare. In these areas, the livestock programme is almost half finished, while the tree crops plan is at its initial stages.

The findings as regards employment are also important. In the three groups of farms under examination, one worker is employed per 2½ hectares. Before Land Reform, the figure was one per 16 hectares.

The increases in output obtained in the Maremma are significant particularly as regards wheat, which has now reached a level which is unlikely to be improved upon (cf. Table XII). Nor would

there be any point in extending this crop since, if it were carried beyond a certain limit, other crops would suffer and the realisation of the basic agricultural advance would be jeopardised particularly since the development of livestock and industrial crops (cf. forecast of output in Table XII) is a cardinal aspect in that programme.

Be that as it may, wheat production on expropriated land has gone up from 422,000 quintals before the Reform to as much as 1,180,149 quintals in 1955 and to 1,100,000 quintals in 1956 (a specially bad year). In other words there has been an increase in the average output of over 700,000 quintals.

Livestock production in the Maremma is now on the point of emerging from the old pastoral economy, which has almost completely disappeared in the expropriated land and is about to evolve into the new type of economy based mainly on horned cattle and pigs and on a considerable amount of minor types of livestock. This branch of agriculture, however, has not yet reached its peak. It is nearing that level only in those territories where settlement is furthest advanced. The main weight of the productive effort in the Maremma is concentrated, under present directives, on livestock, since the main switch in agriculture will be from an economy devoted mainly to cereals to one combining cereals with livestock. Hence, the projects already executed and which to a large extent yielded their fruits, are extremely clear-cut and enable firm forecasts to be made, which incidentally have been borne out by the first concrete results.

In any case, the value of the livestock production (beef, mutton and pork; milk, wool and cheese; poultry) before Land Reform was about 1,980 million lire. In 1956 livestock production was worth (at the same price level) about 3,100 million lire, or over 1,100 million more than the previous figure.

The second approach, based on a study of the more advanced areas, which have been settled for 3 or 4 years, bears out the results obtained. Recent studies show the profound alterations brought about by Land Reform in the latifondia of the Maremma. Table XI sums up the data for 14 zones with a total of 11,587 hectares.

As things are at present, any attempt to carry the calculations a stage further would seem somewhat arbitrary. Only when Land Reform is completed and data based on long production series are available will it be possible to arrive at firm conclusions. Besides,

F.A.O. in collaboration with the *Istituto Nazionale di Economia Agraria* has initiated systematic surveys which should provide final figures in the near future.

The most tangible positive results of the first six years of Land Reform as regards the provision of greater employment may be summarised as follows:

TABLE XI
CONDITIONS IN THE MAREMMA

	Before Land Reform	(Average for 1953-54) (1)
Holdings: No.	126	789 (2)
Labour: Units per hectare	0.09	0.35
Houses for peasants: No.	126	774
Roads: Km.	109	245
Olive trees: No.	35,928	90,452
Vines: No.	338,221	1,178,173
Livestock: Quintals per hectare	1.09	1.94
Wheat production: Quintals per hectare	13.30	19.50

(1) Data registered at 30.4.1955.

(2) Over 418 "quotas".

TABLE XII
YIELDS IN THE MAREMMA
(millions of lire)

	Before Land Reform	1955	On comple- tion (fore- casts) of Land Reform
Wheat and cereals	3,600	8,620 (1)	7,050
Livestock products	2,000	3,100	6,475
Fertility-restoring and industrial crops, and vegetables	600	1,300	2,200
Various, forests	100	100	125
	6,750	13,382	18,650
per hectare (Lire)	38,300	74,800	105,500

NOTE: Values are calculated at constant prices.

(1) The wheat crop in 1955 was exceptionally good.

(a) In June 1956 when over two thirds of the land had been redistributed, 102,000 families, comprising 500,000 persons, had been settled. When all the land has been redistributed, the number of the families will rise to 125-130,000, with about 650,000 persons.

(b) The increase in activity, i.e. in the human labour employed per unit of area, due to Land Reform is remarkable, considering the degree of under-employment in the Italian countryside. If we calculate the work done in terms of labour units (i.e. we reduce the work done by women, old people and children to normal male units by means of the familiar coefficients of agrarian economies and always in respect of those areas where the settlement dates back to several years ago), this increase works out as follows (Table XIII):

LABOUR UNITS EMPLOYED PER HECTARE TABLE XIII

	Before Land Reform	After Land Reform
Po Delta	0.31	0.50
Maremma	0.13	0.38
Fucino	0.37	0.41
Ex-Servicemen's Scheme (Campania)	0.25	0.81
Apulia, Lucania, Molise	0.17	0.40
O.V.S. (Calabria)	0.10	0.28
ETPAS (Sardinia)	0.03	0.25
Flumendosa (Sardinia)	0.10	0.45
ERAS (Sicily)	0.15	0.30

A further benefit flowing directly from Land Reform is the social rehabilitation of a number of zones where poverty was particularly acute and almost desperate as regards food, housing, the essential prerequisites for hygiene, health and sanitation. Without, at this point, indulging in detailed descriptions, we would observe that, as all experts on Italian social problems are aware, the Parliamentary Enquiry into Poverty (31) and other related local surveys

(31) Cf. "Inquiry into poverty in Italy and means of combating it" (June 1953), the final report of a parliamentary survey decided on by the Chamber of Deputies on October 12, 1951.

have brought out the particularly grave conditions in which certain strata of the working people of the Po Delta and a number of areas of Southern Italy and the Islands (both in town and country) are compelled to live. Land Reform, however restricted its action, has succeeded in effecting a considerable improvement in this dreadful state of affairs for extensive groups of workers. We need only think of the advantages which have been derived from the construction of new houses for tens of thousands of families and, in particular, the construction of large numbers of agricultural "centres" which has made it possible to reduce the pressure of overpopulation on various towns in Southern Italy.

These are the benefits directly due to Land Reform. But we must not forget the indirect and long-term advantages. As has been observed, Land Reform has operated in those zones which are altogether most backward from an economic and social point of view. For this reason, the heavy investments in land transformation and in public works have undoubtedly led to a marked revival in areas which were previously stagnant.

Above all, Land Reform's investments have made it possible, especially in the initial stage, owing to the increase in employment, both permanent and temporary, to effect certain rises in the level of consumption and, more generally speaking, to achieve a greater degree of animation in economic life. In addition, if the matter is set in its proper perspective, the opening up of the agricultural areas covered by the Land Reform scheme cannot but contribute to the creation of fuller exchanges between agriculture and industry and hence to a substantial extension of the market for industrial products among the rural population. In this way, a sounder foundation has been laid for industrialisation of the Italian economy.

Another of the positive achievements of Land Reform was, we feel, the consolidation of certain social phenomena which are not measurable in terms of economics. There is, for example, the development of the entrepreneur spirit among the new assignees which provides an incentive to increase occupational education and specialisation. There is, too, the attenuation, in a number of agricultural areas, of the contrast between town and country life, a contrast which is the source of the most unhealthy aspects (in terms of social costs) of urbanisation.

Any appreciation of Land Reform which is confined to the advantages accruing, directly or indirectly, to agriculture alone,

would be guilty of neglecting one of the basic aims of that process. For, in addition to effecting large-scale agricultural rehabilitation and improvement, the scheme is intended to further industrialisation.

There is general agreement that the economic structure of Italy is moving steadily in this direction. At the present time, agriculture accounts for 26 per cent of the net national product, while the proportion at the beginning of the century was a good deal more than half. The population engaged in agriculture is now definitely under 40 per cent, while in 1936 it was almost as much as 50 per cent. There has also been a reduction in the *absolute* number of people employed in that sector.

There is no doubt, of course, that a substantial measure of industrialisation has been achieved. Indeed, the few figures quoted above refer to the most important change in the Italian economy for centuries. But this does not mean that agriculture is declining. On the contrary, it is on the upgrade as a result of technical advances and of the thinning out of the over-abundant labour supply which prevented the rural economy from going in for modernisation. Agricultural production is bound to increase and to employ less labour (especially unskilled manpower) per unit of output.

Moreover, the development of industry in Italy has to cope with the problem of finding an outlet for its products. However promising foreign markets may be, home demand is bound, for a long time to come, to absorb the major part of industrial production.

For this reason, and it is a fundamental one, Italian industry will be more soundly based when the vast agricultural areas, especially in the South, are able to acquire larger quantities of Italian industrial products. The agricultural areas of the South will also be able to develop local industries, once their agriculture, as a result of mechanisation and the use of modern production methods (such as fertilisers, pesticides, etc.) has become more flourishing. In particular, future years should witness the growth of those branches of industry which are linked with agriculture and which have their natural setting in the South.

Nor, we feel, is it wrong to argue that there has been a reciprocal stimulus between Land Reform and industrialisation even in non-agricultural industries, although the processing of agricul-

tural products naturally holds out the brightest prospects for new factories.

The impressive work carried out by Land Reform must not therefore be considered in isolation but within the framework of the vast "development scheme" which is customarily called the "Vanoni Plan".

That plan postulated, for the decade of 1955-64, a volume of investment in agriculture of about 3,500,000 million lire, of which 500,000 million were earmarked for Land Reform (over and above the previous appropriations).

The main objective of investment in agriculture within the framework of the "Vanoni Plan" was to prepare the solution of the grave problem of structural unemployment in Italy and this was to be achieved not so much by obtaining direct results in agricultural employment (32) as by providing the preconditions for a balanced industrialisation from the point of view both of national consumption and of the balance of payments.

A problem of such vital importance calls for a much more detailed examination than is possible in this article. It must, however, be pointed out that one of the fundamental prerequisites for the avoidance or the attenuation of stresses on the food market resulting from an increase in employment in the non-agricultural sectors and, from a wider point of view, for the maintenance of economic development, is a marked advance in the level of production and productivity in agriculture along the lines set out in the "Vanoni Plan" (of whose total investments Land Reform accounts for a by no means insignificant proportion). A shortage of foodstuffs during an increase in demand would force up prices and, through the play of the sliding scale, the cost of living (33). The consequences are obvious. Our industrial costs and ability to compete would be impaired, and this at a time when the prospects of creating a common European market are placing primary emphasis on the problems of adjusting our own costs to the international level.

(32) Agricultural employment is scheduled by the Plan to *fall*, although there would be increases in employment in the areas covered by Land Reform and a reduction in under-employment in the country as a whole.

(33) For, in fact, it is not always possible to offset stresses of this kind by liberalisation of imports, owing, among other things, to shortages of foreign exchange or to the special type of product favoured by the Italian consumer.

In addition, the importance of ensuring progress in agriculture within the overall economic development of Italy is enhanced by the task assigned, directly or indirectly, to agriculture of helping to cut down the deficit in our balance of payments. The Plan presupposes that, by the end of the decade, progress will have been such that the balance of trade in agricultural products will have been changed from an unfavourable to a favourable one owing, in the main, to the increase in livestock products and to exports of fruit and vegetables to other European countries.

Revision of, and Improvements in, Land Reform

Land Reform will therefore be carried out in full in spite of numerous criticisms. If we assume a rate of work slightly inferior to that of the period of the first six years, the scheme is likely to take a further 4-5 years. Thereafter, Land Reform will have only, in the main, responsibilities for welfare and the upkeep of the work already carried out.

This does not, of course, mean that in its final stages Land Reform should not be improved nor that every effort should not be made to make good past mistakes, which incidentally are often unavoidable.

What have in fact been the main mistakes?

(a) In several, but very extensive, territories, especially at the beginning of the project, settlement was planned for holdings which were too small (in some cases by as much as 20-25 per cent) with houses which were too skimpy. These holdings must now be rounded off by "quotas" of land, which will sometimes be separate from the holding and often devoted to specialised crops (such as olives); alternatively, the planting of trees on the holding itself could be stepped up. The houses will also have to be extended and improved. The total cost will therefore be slightly higher than would have been the case had better and bigger houses been built at the outset.

(b) As was inevitable, expropriation led to the acquisition of some of the poorest quality land, rocky, marshy, at a distance from roads and rural centres. By and large, it is believed that land of this type expropriated in the Maremma was of the order of 6,000 hectares, in Apulia 9,500 hectares and in Sicily 24-25,000 hectares. In

other words, it was not always appreciated that expenditure on transformation should bear some relation to the potential development of the land. In extremely propitious areas, the authorities can go up to a fairly high figure, as much as 800,000 to 1,000,000 lire per hectare, since the investment will always yield a good return. In less suitable areas, however, the hard facts must be faced and the expenditure of even 20,000 lire per hectare be regarded as wasteful.

(c) The selection of families to whom the land is assigned could be more severe and those who are less suited to running their own farms, be excluded. This problem, however, is now sorting itself out. In the Maremma, for example, families who do not possess the correct aptitudes, especially those who have received "quotas", may be assessed at 400-500 out of a total of 20,000.

(d) Land Reform has not been kept in step with the general operations for reclamation in a number of areas. This is particularly the case in the South. It is a mistake which is, however, being rectified. Otherwise, there is a danger, especially as regards irrigation schemes, of having to wait overlong until the holdings become fully self-sufficient.

* * *

I have been impelled to set down these few considerations because it appeared essential to reestablish the truth in the face of all the criticisms and misunderstandings concerning Land Reform.

Against these criticisms must be set the much more frequent favourable judgments of experts, politicians and agriculturalists, both Italian and foreign. It may therefore be concluded that the Italian Land Reform, planned as a large-scale project for the settlement and improvement of extensively cultivated land, constitutes not only one of the most creditable pages of the history of our agriculture, but is also a very important facet of an economic policy designed to ensure the overall development of our country.

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