

AGRICULTURAL POLICY
AND POLITICS:
Theory and Practice

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PURSUING FOOD SECURITY: STRATEGIES AND OBSTACLES IN AFRICA, ASIA, LATIN AMERICA, AND THE MIDDLE EAST. Edited by W. LADD HOLLIST and F. LAMOND TULLIS. (Boulder: Lynne Rienner, 1987. Pp. 357. \$38.50 cloth, \$16.95 paper.)

AGRARIAN REFORM IN REVERSE: THE FOOD CRISIS IN THE THIRD WORLD. Edited by BIROL A. YESILADA, CHARLES D. BROCKETT, and BRUCE DRURY. (Boulder: Westview, 1987. Pp. 339. \$29.95.)

CROP INSURANCE FOR AGRICULTURAL DEVELOPMENT: ISSUES AND EXPERIENCE. Edited by PETER HAZELL, CARLOS POMAREDA, and ALBERTO O. VALDES. (Baltimore: Johns Hopkins University Press, 1986. Pp. 322. \$32.50.)

GOOD FARMERS: TRADITIONAL AGRICULTURAL RESOURCE MANAGEMENT IN MEXICO AND CENTRAL AMERICA. By GENE C. WILKEN. (Berkeley and Los Angeles: University of California Press, 1987. Pp. 302. \$45.00.)

FOOD POLICY IN MEXICO: THE SEARCH FOR SELF-SUFFICIENCY. Edited by JAMES E. AUSTIN and GUSTAVO ESTEVA. (Ithaca: Cornell University Press, 1987. Pp. 383. \$49.50 cloth, \$16.95 paper.)

U.S.-MEXICO RELATIONS: AGRICULTURE AND RURAL DEVELOPMENT. Edited by BRUCE F. JOHNSTON, CASSIO LUISELLI, CELSO CARTAS CONTRERAS, and ROGER D. NORTON. (Stanford: Stanford University Press, 1987. Pp. 401. \$42.50.)

PROBLEMA ALIMENTARIO Y CUESTION RURAL. By ALVARO ECHEVERRIA ZUNO. (Mexico City: Editorial Nueva Imagen, 1984. Pp. 323, plus statistical appendix.)

AGRARIAN REFORM AND PUBLIC ENTERPRISE IN MEXICO: THE POLITICAL ECONOMY OF YUCATAN'S HENEQUEN INDUSTRY. By JEFFREY BRANNON and ERIC N. BAKLANOFF. (Tuscaloosa: University of Alabama Press, 1987. Pp. 237. \$31.95.)

FOOD, POLITICS, AND SOCIETY IN LATIN AMERICA. Edited by JOHN C. SUPER and THOMAS C. WRIGHT. (Lincoln: University of Nebraska Press, 1985. Pp. 261. \$22.95.)

STATE AND COUNTRYSIDE: DEVELOPMENT POLICY AND AGRARIAN POLITICS IN LATIN AMERICA. By MERILEE S. GRINDLE. (Baltimore: Johns Hopkins University Press, 1986. Pp. 255. \$25.00.)

If food production were any indicator of agricultural development, the world could point with modest pride to the accomplishments of the last two decades. While production per capita in the industrial market economies continued to grow at the rate of 1.1 percent a year between 1970 and 1980, the developing world as a whole registered an average annual increase of 0.4 percent, and India's 0.8 percent and China's 1.4 percent showed remarkable gains compared with the not-so-distant past (Hollist and Tullis, p. 19). These increases are not spectacular gains, to be sure, and one region (sub-Saharan Africa), has faced declining levels of production. But they gainsay the Malthusian predictions that emerged in the wake of the food crisis of the early 1970s.¹

Yet increasing levels of food production scarcely insure adequate nutrition for everyone, as nearly all the authors represented here acknowledge in one way or another. Indeed, as Keith Griffin argues in the keynote essay of Hollist and Tullis's *Pursuing Food Security*, abundant evidence shows that hunger arises precisely from the ways in which agricultural development is carried out. The most glaring examples appear where policymakers have accepted the trade-off, favored by theorists arguing "comparative advantage," between high-value export crops and the necessity of importing foodstuffs. Indeed, erosion in countries' capacity to feed themselves, as documented in Yesilada, Brockett, and Drury's *Agrarian Reform in Reverse*, may lead to a still more rapid erosion in the majority's access to food, given the rural landlessness and urban and rural unemployment that have accompanied even some of the most spectacular success stories.

The volumes reviewed here approach the problem of agricultural development from a variety of perspectives. By and large, however, they represent a remarkable, if not yet unanimous, convergence in several respects. Virtually all give prominence to the problems of peasant producers and, to a lesser extent, to those of agricultural laborers. Here one finds some representatives of the school of "top-down," "production first" development, but all recognize that the problem of agricultural development is also an agrarian problem—a problem of the fate of the rural poor. Moreover, current literature has superseded older debates on the character and direction of the peasant economy. Arguments within the fields of development economics and economic anthropology over whether peasant producers are better regarded as farmers with limited resources pursuing the logic of the firm or as directors of subsistence-oriented, family-centered production systems with a logic of their own,² as well as arguments between the so-called *campesi-*

nistas and *descampesinistas* in Mexico over the fate of the peasantry,³ seem to have disappeared as neoclassical economists have found ways to assimilate the logic of the peasant household into their own framework and as consensus has emerged that the central problem of agricultural development today is to provide a secure livelihood on the land for current rural populations.⁴

This convergence is evident in even the most technical of the volumes reviewed here, Hazell, Pomareda, and Valdés's *Crop Insurance for Agricultural Development*. Although its authors attack with the heavy guns of neoclassical analysis yet another ambitious government program designed to guard rural welfare, they also incorporate the idea of risk aversion that plays so prominent a role in standard accounts of the peasant economy. None of the authors suggest that rural welfare would best be served by letting the market work its wonders in eliminating the peasantry. Among the group are several who participated in formulating the short-lived Sistema Alimentario Mexicano, which relied heavily on crop insurance to encourage innovation and to secure rural income. All agree that the costs of most crop insurance schemes are generally not worth the benefits. Although production increases may result, they tend to appear in inherently riskier areas. Moreover, income is secured at a premium that risk-averse peasants may be unwilling to pay or at the cost of governmental subsidies that outweigh the benefits in domestic production gains. And where compulsory insurance schemes prevail, they worsen the distribution of agricultural income because large-scale farmers benefit most.

This kind of analysis joins the tools of microeconomics and econometrics with key assumptions of the "household economy" literature. Its usefulness has been proven in recent work on agricultural development, even as the more global, normative claims of the neoclassical revival have been thrown into doubt. The lack of such tools of analysis, in contrast, severely weakens Gene Wilken's otherwise interesting catalogue of the variety of good farming methods used by traditional agriculturalists in Mexico and Central America. *Good Farming's* value lies instead in calling attention to how very good and innovative traditional farming practices can be. But without economic analysis, the book provides the reader with no idea about how long such labor-intensive, time-consuming methods will persist in the face of rising household costs and increasing commercial competition or how they might be adopted appropriately under these circumstances.

The convergence exhibited by the other volumes, however, does not imply that mainstream North American economic analysis now dominates the discussion, still less that its normative claims are widely accepted. On the contrary, much recent analysis of questions of agricultural development revolves around distinctively political questions.

Moreover, despite the neoclassical model's enthusiastic following in the United States, the World Bank, and some corners of Latin America, this model has come under increasing fire. The works reviewed here contribute substantially to both debates—political analysis of the development experience of the last two to four decades as well as the continuing controversy over the normative claims of the neoclassical model.

Thus in another area of convergence, most of these studies recognize—implicitly or explicitly—the central role of politics and the importance of political issues in rural development. One issue stressed by economists concerns the dangers of “client politics,” of establishing via governmental policies permanent interest groups with a stake in maintaining programs long past their usefulness in terms of economic efficiency or larger social rewards. Another issue is the flip side of the first—the problem of creating an agrarian bureaucracy with its own interests in programs that may benefit neither the intended clients nor society as a whole. Finally comes the problem of popular participation in political decision making, an explicit goal of most programs of “integrated rural development” but one rarely realized and fraught with peril for the bureaucracies that would promote it. Behind all these concerns lies the larger question addressed in one way or another by all these volumes: What political coalition might best serve the interests of national development *and* rural welfare in formulating food and agricultural policies?

Whatever their answer to this question, these studies tend to converge (although by no means unanimously or for the same reasons) in their pessimistic assessments of existing governmental efforts to manage agricultural development and to come to the aid of poor farmers. These assessments are based on two observations: first, benefits from standard policy instruments—be they pricing policies, crop insurance, credit, or research and extension services—tend to fall disproportionately into the hands of the already well-off, thus contributing to increasing social differentiation, landlessness, and poverty in the countryside; and second, governmental programs for the poor, limited as they are by the political power of commercial agriculturalists, processors, and marketing concerns, tend to serve state interests more than those of the poor.

The Sistema Alimentario Mexicano and Mexican Agriculture

The most ambitious attempt in recent experience to reorient a national agricultural system was launched in Mexico by the López Portillo administration in 1980. The Sistema Alimentario Mexicano (SAM) lasted little more than two years. The debt crisis that befell Mexico in late 1982 brought significant cuts in SAM's budgets, and the advent of

the de la Madrid administration brought its end. The results of SAM are still being debated, and *Food Policy in Mexico*, edited by James Austin and Gustavo Esteva, aims to provide detailed studies that draw the appropriate lessons. This work is also the editors' celebration of the work of the cadre of young planners whose vision was embodied in SAM, many of whom contributed to this volume.

Esteva argues that prior to SAM, Mexican agricultural policy evidenced the fundamental weakness of standard development theory: the artificial separation of the problem of production from the problem of rural welfare. Moreover, Mexican policymaking after World War II adopted the notion that food security would follow automatically from pursuing a policy of comparative advantage. SAM represented a reversal of these positions. It was an attempt to attack the problem of poverty from the perspective that the problems of developing agriculture, establishing rural welfare, and meeting the nation's need for food were one and the same. The program arose as a result of a combination of factors: the disastrous harvest of 1979, the growing and increasingly expensive dependence on the United States for foodstuffs and feed grains, and Mexican discomfort at talk among U.S. policymakers of the "food weapon." SAM's strategy was global, aimed at an integrated approach to increasing production and meeting the food needs of the poorest. It was targeted at peasant producers because they were (and are) a sizable percentage of Mexico's neediest and because, in the words of SAM planner Mario Montanari, "the productive capacity of peasant agriculture was—and still is—underutilized" (Austin and Esteva, p. 51).

SAM's chief instruments were subsidized transfer of technology to peasant agriculture, "shared-risk" crop insurance, increased support prices, and strengthened peasant organizations designed to promote cooperative marketing and rural industrialization projects. At the same time, urban and rural consumers were protected from the effects of farm-gate price increases through temporary subsidies on basic commodities and an expanded network of low-cost consumer outlets in poor neighborhoods. Such a program required considerable coordination among a variety of bureaucratic agencies, and James Austin's and Jonathan Fox's careful study of bureaucratic response shows that it largely worked, with agencies responding positively to the influx of new money. Cooperation, however, generally depended on an agency's ability to adopt the program by expansion rather than by actual re-orientation of older lines of activity.

Money in large sums was thus crucial to SAM's success, and the collapse of the oil- and debt-financed boom of the 1970s doomed the program. Yet equally crucial to its success was widespread political support. As Montanari points out, SAM's main victory was political; it succeeded in making the food problem a permanent political concern. Aus-

tin and Esteva argue in their concluding essay that the program is actually being carried out in substance in the de la Madrid administration's Programa Nacional de Alimentación (PRONAL) and Programa Nacional de Desarrollo Rural Integral (PRONADRI).⁵ But the key to the political palatability of all these programs was the decision to attract a multiclass base of support by designing a program that did not attack commercial agriculture, threaten the existing distribution of resources, or undermine the position of any well-organized constituency. The results were that price increases apparently benefited large-scale commercial producers more than peasant farmers, that subsidies for agricultural inputs were available to producers of all economic classes, and that attempts to give peasants greater control over marketing and transportation were weak at best. While SAM appears to have produced a remarkable expansion in production, it did so at considerable cost, and some evidence suggests that commercial agriculture and commercial middlemen might have been the net winners and agricultural workers and the urban poor, the net losers. Whether this outcome resulted from a "design flaw" (as Austin and Esteva put it) or from something more profound will be discussed later.

Competing Paradigms, Parallel Cases

U.S.–Mexico Relations: Agriculture and Rural Development also attempts to evaluate the SAM experiment but includes articles on the U.S. experience in agricultural development and the nature and implications of trade relations between the two countries. Unfortunately, this volume displays all the tepidity of a conference production, exacerbated in this case by the polite mutual accommodation of Mexican and U.S. scholars attempting to deal with the delicate and difficult problems of U.S.–Mexican relations. This tone is doubly unfortunate because comparing the U.S. model of development with those currently being debated in Mexico could be particularly revealing and because the vulnerabilities and the opportunities exposed in U.S.–Mexican agricultural trade seem paradigmatic of problems elsewhere in the developing world.

Luther Tweeten's essay, for instance, is a carefully worked out analysis of the development of U.S. agriculture from the point of view of neoclassical economic theory. One telling sign of the lukewarm character of this collection is that no one directly confronts Tweeten's claim that U.S. agriculture has effectively become just what it should have become. Alain DeJanvry and Ann Vandemann demonstrate that the persistent thrust of U.S. agricultural policy, despite promises to promote the interests of family farmers, has been to undermine the family farm and promote the concentration of resources in ever fewer hands.

DeJanvry and Vandemann, however, focus their devastating critique on government policy and the rhetoric that accompanies it, whereas Tweeten claims that the market was largely responsible for the transformation of U.S. agriculture over the last hundred years and has succeeded in making everyone better off in the long run.

Government, moreover, obviously has a large role to play in agricultural development—as indeed it did in promoting the market-driven concentration of U.S. agriculture. One of the crucial questions raised by recent analysts in the neoclassical tradition has been how government might play this role without detriment to the weakest interests, particularly small farmers. Tweeten notes that wherever farmers organized successfully to press government for some sort of relief, they represented mainly “middle-class commercial farmers” (p. 74).⁶ Similarly, James Bonner’s largely celebratory essay on the “institutional bases” for agricultural development (especially the U.S. complex of land-grant colleges and agricultural extension services) shows that the political requisite for the strong U.S. farm lobby was the state-sponsored organization of “progressive farmers” into local farm bureaus, whose national expression became the powerful American Farm Bureau Federation. Both the logic of collective action in the U.S. situation and deliberate government policy seemed to favor the more prosperous family farmers in developing a political base of support for farm policy, a phenomenon with obvious implications both for the kind of policy chosen and for the beneficiaries targeted by policymakers.

Once again, opportunities for learning from the clash of conflicting views were foregone in *U.S.–Mexico Relations*. Several of the Mexican contributors call for greater peasant participation in formulating agricultural policy, but none of them take note of the U.S. experience. Moreover, none note the dangers already evident in such elements of participation now operating in Mexico: the dominance of corrupt local caciques, the division of communities along factional lines, and the enrichment of corruptible local leadership at the expense of carefully designed programs.⁷ For example, Cassio Luiselli argues that the agricultural banking system in Mexico “should leave to organized farmers the intermediary functions of marketing inputs and agricultural products. This is the best way to eliminate an inefficient and often corrupt ‘vertically integrated’ bureaucracy” (p. 341). Maybe so, but this is the system putatively in effect in Mexico today, and as constituted, it is notorious for channeling both government subsidies and farmers’ surpluses into the hands of local political bosses. The point is that the problem of agrarian development in the Third World is as much a problem of political organization and public accountability as of devising the right programs.

A contrasting work on the same topic is Alvaro Echeverría Zu-

no's *Problema alimentario y cuestión rural*. Son of former Mexican president Luis Echeverría and sometime Mexican representative to the Food and Agriculture Organization, Echeverría voices unceasingly the anti-imperialist themes that have made the arena of international food politics so uncomfortable for U.S. negotiators over the last ten years: "Hunger in the Third World, like its very development, is nothing more than the logical consequence of the domination, exploitation, and despoliation to which it has been submitted by the imperialist powers, principally the United States." Although Echeverría calls for rigorous analysis, his work does not go much beyond this formula. This collection of essays and occasional pieces shows Echeverría to be an indefatigable spokesperson for the cause of self-sufficiency in the name of national autonomy. His volume is most effective in reminding readers of the intransigent refusal of U.S. negotiators under both Carter and Reagan to meet, not to speak of extend, U.S. obligations toward world food programs and the agencies created to administer them.

Yesilada, Brockett, and Drury's *Agrarian Reform in Reverse* likewise stresses the international dimension heavily. Birol Yesilada's essay is a good reworking of familiar dependency arguments, factoring in the recent downturn in commodity prices and the effects of the debt crisis. His most important argument, however, is that the agricultural policies of the countries in the Organisation for Economic Cooperation and Development, particularly those designed to safeguard domestic producers in the industrialized nations, in fact "caused world prices to be lower than they would be with less protectionism" (p. 219). This observation, too widely neglected in discussions of this sort, underscores the problem of focusing exclusively on domestic pricing policies, as did Robert Bates in his influential study of marketing boards in African agriculture.⁸ First World protectionism and Third World "urban bias" in fact conspire to drive down the prices farmers can expect to receive for many commodities.

Yesilada, however, seems to place excessive emphasis on external factors, especially on IMF conditionality. He argues that the debt crisis has given increasing power to the IMF to dictate the economic policies of Third World countries, despite the considerable creativity with which Latin American nations have met IMF demands. Similarly, Jean Doyle seems to want to ascribe all the failures of development since World War II to U.S. policy. Moreover, the editors generally frame *Agrarian Reform in Reverse* around the proposition that the debt crisis and global recession in the 1980s have produced the reverse of agrarian reform by reinforcing pressures toward export production at the expense of food crops, rural welfare, and social justice. In contrast, however, the case studies presented here show that export promotion has long dominated much of Third World agriculture, even in the heyday of import-substi-

tution industrialization. For instance, in the case of the Philippines, Gary Hawes and Gretchen Casper demonstrate that a domestic and international coalition formed behind a strengthened state at the onset of the Marcos regime to promote the modernization of export agriculture, with the aim of channeling revenues into industrial development and Taiwan-style export-led growth. Instead, and largely for domestic reasons, a narrow circle headed by Marcos succeeded in capturing both the rents generated by centralization and the political support available through extended patronage opportunities in a disastrous experiment in "crony capitalism." Charles Brockett shows that export promotion in Honduras goes back three decades, in this case, too, with considerable U.S. and international donor support. The equivocal effects for small farmers and landless workers have been due partly to shifts in U.S. development assistance policy, and partly to the ability of Honduran peasants to mobilize and successfully pressure for land reform.

One of the most interesting essays in this set of books is Cynthia McClintock's comparative study of Peruvian and Ecuadorian agriculture. She too stresses domestic determinants, and her conclusions, like those of Hawes and Casper, cast serious doubt on the received wisdom of the neoclassical revival. She shows in particular that, contrary to the claims of the recent U.S. Presidential Agricultural Task Force to Peru, the agrarian reform there scarcely "decimated the basic structure of Peruvian agriculture." Peru's sugar and rice yields rank among the highest in the world, and in terms of both crop production and employment generation, Peruvian agriculture surpasses Ecuador's system, which has aggressively favored private enterprise.

Production, however, has stagnated in both countries in recent years, and a civilian government in Peru (the Belaúnde administration) recently set about dissolving the cooperatives established under the Velasco regime. The long-run failure of Peruvian agriculture to adequately feed the population is particularly striking given the extensive land reform and reorganization of Peruvian agriculture under the first military government. But this Peruvian failure does not represent another item in the brief against land reform and cooperative efforts. In fact, as in Mexico in the 1940s, 50 to 90 percent of the Peruvian government's agricultural investment since 1970 has been channeled into huge irrigation works designed to benefit the already privileged coastal sectors (mainly sugar, rice, and cotton producers). Moreover, the recent parceling out of the cooperatives was by no means due to some failure of collective agriculture per se but was actively promoted by the Belaúnde administration on ideological grounds. The willingness of many *cooperativistas* to accept dissolution of their cooperatives was partly a response to extremely adverse terms of trade, the result of a pattern of government policy (begun in the Velasco administration) of draining

agriculture to provision the cities and finance industrial investment. Moreover, tightened credit restrictions under Belaúnde meant that the hardest hit were the most successful, therefore the most highly capitalized, of the cooperatives. Governmental policy thus decidedly affected the viability of Peruvian agriculture after the reform. The irony is that neither land reform nor private enterprise prevented the stagnation of agricultural production, particularly food production, in Peru or Ecuador.

Jeffrey Brannon's and Eric Baklanoff's *Agrarian Reform and Public Enterprise in Mexico* attempts to unravel the reasons why ambitious programs of land reform and governmental intervention might lead to such outcomes by looking closely at the Yucatán's troubled henequen industry. This thorough study is clearly written and often insightful, but it demonstrates more the weaknesses of the neoclassical model on which the authors rely than those of agrarian reform or public intervention in agriculture in general.

Brannon and Baklanoff argue with considerable support that state supervision of the collective *ejidos* of the Yucatán and the state monopoly over the cordage industry created in the mid-1960s effectively distorted the incentive structure in henequen production and manufacturing, countering the ambitious expansion of the manufacturing sector with a steady fall in supply, squeezing profits in both sectors, and reducing ejidatarios to a poverty-stricken, dependent population. The authors argue that the reasons behind these spectacular failures of state intervention are primarily political: land reform was intended more to create political clients than to stimulate production or rationalize the industry; the nationalization of manufacturing similarly created political clients in an expanded and protected labor aristocracy and a bureaucracy whose political posturing often took precedence over efficient management decisions. In a manner that should be familiar from U.S. policy debates during the Reagan era, Brannon and Baklanoff conclude with an attractively Manichean choice: either market-based efficiency or costly, corrupt, and ineffective government intervention.

Fortunately, the story the authors tell belies such simplistic dichotomizing. While their neoclassical model prompts them to argue that left to itself, the discipline of the market would have been more efficient and yielded greater social welfare than the policies adopted, their evidence shows that the market had already brought the henequen *hacendados* to the brink of ruin on the eve of land reform and carried the cordage manufacturers, deeds in hand, to the government's door in the 1960s. Moreover, the failures of the reform are due partly to its incompleteness: the *hacendados* were allowed to retain three hundred hectares and all the processing equipment; ejidal lands were di-

vided inappropriately; and ejidatarios, despite their “collectivization,” were put under the tutelage of the agrarian bank. Incentives were certainly distorted—but not by land reform per se.

Brannon and Baklanoff’s effort shows that although the neoclassical model provides important tools for analyzing a structure of incentives and estimating the costs and benefits of alternative policies, it is inadequate for explaining why certain structures and policies prevail and for formulating prescriptions for large-scale planning. For instance, in laying out their case, the authors document an evolution that is more amply and ably explained in dependency terms: the formation of large plantation-hacienda operations in the nineteenth century, their struggle with an uncontrollable international market (which was sometimes manipulated significantly by foreign monopolies and the nations that backed them), and their recourse to state intervention when market forces proved overwhelming. What Brannon and Baklanoff add to the usual picture is considerable insight into the ways that state agencies, when they did intervene, fell prey to numerous other ills, such as bureaucratic empire-building, paternalism, and the politicization of economic decision making. But the neoclassical model scarcely explains the genesis or dynamics of such developments.

In terms of prescriptions, Brannon and Baklanoff have little to offer an industry confronted with disastrously fluctuating demand and serious possibilities of foreign intervention. The case presented here shows that the state cordage industry ingeniously sought to protect its margin of profit by intervening on the supply side and diversifying its product lines. The “petrolization” of the Mexican economy and the willingness of government officials (like “market-oriented” international bankers during the same period) to invest massively on shaky expectations probably explain the company’s failures more than its “politicized” largesse to its unionized work force. In the end, *Agrarian Reform and Public Enterprise in Mexico* holds out two hopes for the Yucatán. One is parcelization of the ejido to restore incentives to individual ejidatarios (readers are never told why organized groups of ejidatarios could not respond to the proper incentives, were they freed of the bank’s tutelage). While real changes in incentive structures would undoubtedly ensue in the Yucatecan case, it is not at all clear that rural welfare would be enhanced, given the marginal quality of the henequen lands and the large population. Brannon and Baklanoff consequently focus on a second solution: the recent diversification of the peninsula’s economy—a development, they make clear, that has been brought about at considerable governmental expense, invested for largely “political” reasons. Once again, neoclassical augurs should scarcely find comfort in this case.

The Politics of Agricultural Change

The editors of *Food, Politics, and Society in Latin America*, John Super and Thomas Wright, argue that the distribution of food is determined by the political process and can only be understood in that context. As a result, a purely economic analysis, which treats political intervention as an inexplicable but theoretically eliminable "original sin," can never comprehend the real sources of agricultural change. *Food, Politics, and Society*, Hollist and Tullis's *Pursuing Food Security*, and Grindle's *State and Countryside* all attempt a comprehensive analysis of recent experience with an emphasis on politics and policymaking. Of the three, only Grindle's effort really succeeds.

Thomas Wright's essay in *Food, Politics, and Society* is particularly interesting in stressing the relationship between increased urban demand and agricultural expansion in nineteenth- and twentieth-century Latin America. While urban demand and growing international markets contributed to rising prices in the late nineteenth and early twentieth centuries, populist regimes from the 1930s onward sought to curb the growth of the urban food bill by simultaneously investing in expanded commercialized production and tightly controlling prices. The result (which is clearer in Grindle's account than in Wright's) was the creation of a dualistic or "bimodal" agricultural structure and long-term decline in regional food production.⁹ But as the case studies in the Super and Wright collection show, the precise contours and effects of governmental intervention in agriculture will vary considerably depending on the institutional structures, ideology, and international markets that countries face.

Ladd Hollist and LaMond Tullis's *Pursuing Food Security* confronts the question of policy more directly with contrasting lead chapters by Keith Griffin and John Mellor. Griffin maintains boldly that production is not enough, that a focus on production may contribute to hunger by removing resources for self-sufficiency from the hands of the poor and reducing opportunities for gainful employment. In the end, he argues, "the fate of the peasantry depends on the nature of the state. . . . If the state is peasant-biased, the poor will gain; if it is landlord-biased or urban-biased, they will not. It is as simple as that" (p. 46). While some of the other contributors contest Griffin's apparent disregard for the need to enhance production, none of them dispute the claim that development may actually work to the detriment of the poor. Unfortunately, this generalization includes John Mellor, who steadfastly adheres to a "trickle-down" theory without directly addressing Griffin's counterclaims.

Aside from Griffin's provocative argument, the strength of *Pursuing Food Security* lies in the case studies, which address the issue of

export-led growth and examine competing claims about policy prescriptions for economic growth. Cheryl Christensen shows that despite some positive achievements among African states, even the World Bank has admitted that policy changes alone will not lift African agriculture out of stagnation without fundamental changes in world price structures and probably large infusions of aid. She also notes that most of the changes made so far have been imposed from the top down. Consequently, agricultural interests that stand to benefit from them have not organized to support these measures. Michael Lofchie reminds readers of the large degree to which colonial policy in Africa was responsible for the decline of food production and the persistent export bias in these economies. He also shows why current recommendations for a renewed export emphasis ignore pressing arguments, new and old, to the contrary. The wildly fluctuating (and after 1979, declining) terms of trade for primary commodity producers, the zero-sum quality of the international market for tropical goods, and neoprotectionism in the developed world all stand in the way of any nation bootstrapping its way to prosperity on the basis of agricultural exports.

Alain DeJanvry's analysis of agriculture in import-substituting, neoliberal, and "Dutch disease" (or "petrolized") policy environments ultimately underscores the failure of neoliberal policies to protect even their favored clients. DeJanvry also elucidates the reasons why food production declined under all three regimes. Although he urges "a program of import substitution in wage foods," particularly those produced by peasants, as a response to the debt crisis and the downturn in international commodity markets, DeJanvry does not address the specifically political question of how such a policy might emerge.

The politics of agrarian change is the special focus of Merilee Grindle's *State and Countryside*, and her study of the unfolding of agricultural development policy in Latin America since World War II is invaluable. While highlighting the cases of Mexico, Colombia, and Brazil, Grindle provides evidence from the region as a whole to show that broadly similar patterns appeared everywhere. Throughout Latin America, states promoted the development of large-scale commercial agriculture after World War II under the impress of a development ideology that viewed the agricultural sector in the dualistic terms of traditional versus modern. That same ideology later contributed to widespread experiments in land reform that were prompted in part by the specter of rural revolt and promoted by the United States, but they were always cast in terms of rationalizing and increasing agricultural production. Policy implementation followed the ideology of rationalization, rather than social justice, and in all cases, land reform was curtailed before it became a fundamental threat to commercial agriculture. This pattern was particularly pronounced in Brazil after 1964, in Colom-

bia in the early 1970s, and in Mexico after 1976. Thereafter responses to rural unrest, the claims of social justice, and the crisis of peasant agriculture (and consequently of food production) were met with "integrated rural development" schemes whose political attractiveness lay in their nonredistributive content and their ability to create rural clienteles without arousing either potent opposition among entrepreneurs or an independent political force among peasants. The partial exception to this trend, the emergence of ANUC among Colombian peasants, eventually met with severe repression, a factor that probably contributed to the strength of the guerrilla insurgency in Colombia in the late 1970s and early 1980s.

Grindle argues persuasively that at each stage in this evolution, Latin American policymakers exercised a good deal of autonomy from social forces but that they also created beneficiaries who eventually became obstacles to further exercise of that autonomy. Particularly, in promoting commercialized agriculture by such means as massive infrastructural investments, research and development efforts, and price subsidies, the bureaucrats and politicians who managed Latin American states enlarged their own empires and created or reinforced a favored agricultural bourgeoisie who could effectively block redistributive efforts and somewhat less effectively control the future course of agricultural policy.¹⁰ As indicated above, close parallels exist with the U.S. experience in this respect. Similarly, in formulating integrated rural development programs, state planners found a way both to address the inequities and distortions that the dualistic model had created and to enlarge their own sphere of activity. Thus bureaucratic agencies were created that proved difficult to dislodge; and equally important, the state took on clients and made accommodations that often undermined the more universalist aims of policymakers. A case in point is the decision by the creators of SAM to extend price incentives and subsidies to all producers rather than undertaking the more difficult and politically dangerous task of giving peasant producers effective control over marketing.

Grindle's approach succeeds in explaining what neoclassical analysts like Brannon and Baklanoff or Tweeten view as merely an unpleasant exogenous variable. The politics of agricultural policymaking, involving a certain degree of autonomous state action under a regime of overall subservience to a capitalist model of development, explain the peculiar ambivalence of Mexican reform from Carranza through Cárdenas to López Portillo. A different politics, rooted in the overwhelming control of the state apparatus by Colombian landlords, explains the even more diffident approach of Colombian reformers to the problems of agrarian change. What Grindle neglects to consider are very real differences among these nations in government policies affecting the

overall performance of commercialized (particularly export) agriculture. Policies on exchange rates and export promotion in fact differed sharply among these three regimes, with Colombia pursuing a highly successful program of export diversification and expansion. It is important to pay as much attention to such differences as to the similar evolution of policy among Latin American countries.¹¹

Finally, Grindle's study yields an overall picture that strikingly resembles that informing Alain DeJanvry's *The Agrarian Question and Reformism in Latin America*,¹² as she points out in her introductory remarks. The differences that remain illustrate the peculiar strengths of each approach. While DeJanvry argues in largely functionalist terms that the dualistic character of agricultural development in Latin America arose out of a global logic of capital accumulation, Grindle points to the relative autonomy of state decision makers pursuing an ideologically determined model of development in the absence of strong political pressure from an established agrarian elite. Although Grindle does not consider state intervention in agriculture merely a matter of crisis management, it is clear from her account that state elites expanded their reach in agriculture in response to real or perceived crises: the limitations of traditional latifundista agriculture, the threat of peasant revolt in the 1960s, and the food shortages and growing agrarian unrest in the 1970s. While DeJanvry correctly describes the utility of a marginalized peasantry for capitalist development dependent on cheap labor, as well as the long-run consequences of the economic "disarticulation" that ensues, Grindle demonstrates the mechanisms whereby that situation is produced and reproduced while illuminating the many ways in which state elites come into conflict with capitalist interests.

The view that emerges is pessimistic, whether one emphasizes structural constraints on feeding the poor with Griffin, bureaucratic and political constraints on the rationalization of agricultural production with Brannon and Baklanoff, the global logic of capital accumulation in the late twentieth century with DeJanvry, or the combined and contradictory vectors of economic power and bureaucratic initiative with Grindle. The needs of the poor, the marginal, and the mass of the world's rural population are not being met, and nothing short of revolutionary transformation seems to have brought them closer to being met—and then only in a few countries and at tremendous cost.

These studies contain another message, however. They show over and over again in a variety of contexts that political power counts for a good deal in the agricultural marketplace. This power has usually been exercised by state elites or by the successful commercial farmers they supported and nurtured, to be sure. Political organization in the countryside has too often been captured by those same elites or by local political bosses willing to bow to established economic and social

power. Nevertheless, in the atmosphere of desperation that characterizes policymaking today, the spreading notion that raising the standards of living of rural and urban producers and workers might raise all boats, combined with the increased attention being paid to agriculture and peasant producers, offers some hope of an opening, at least in some countries, for independent political action by those who labor at producing what all consume. The conditions in which such action can emerge and might succeed deserve special scrutiny among those concerned with the problems of the countryside today.

NOTES

1. According to U.S. State Department analyst Dennis Avery, technological breakthroughs, particularly in genetic engineering, will mean an accelerating trend in this direction. See Avery, "Tomorrow's Environment for Agricultural Development," paper presented at the Latin American Studies International Congress, New Orleans, 17–19 Mar. 1988. Even now, Avery points out, "Yield trends are not rising as rapidly in LDCs as in the developed countries—but they are generally rising as rapidly as effective consumer demand" (p. 3). The key term, however, is *effective consumer demand*. If commodity prices continue their decline in response to the trend pointed out by Avery, we can expect a continued decline in the buying power of those who depend on agricultural production for their livelihoods. In other words, we can expect continuing, perhaps increasing, world hunger.
2. The first position is best represented by Theodore Schultz and the "formalists" in the substantivist-formalist debates within economic anthropology. See Schultz, *Transforming Traditional Agriculture* (New Haven: Yale University Press, 1964). The second position derives from the seminal work of A. V. Chayanov, *The Theory of the Peasant Economy* (Homewood, Ill.: Richard D. Irwin for the American Economics Association, 1966). This theory reappears as "substantivism" in economic anthropology in the wake of Karl Polanyi's massive synthesis, *The Great Transformation* (New York: Rinehart, 1944), and lies behind the so-called *campesinista* position in the Mexican debate. On this debate, see note 3.
3. See Ann Lucas, "El debate sobre los campesinos y el capitalismo en México," *Comercio Exterior* 32, no. 4 (Apr. 1982):371–83; and Ernest Feder, "Campesinistas y descampesinistas: tres enfoques divergentes (no incompatibles) sobre la destrucción del campesinado," *Comercio Exterior* 27, no. 12 (Dec. 1977):1439–46, and 28, no. 1 (Jan. 1978):42–51. Probably the most representative work on the descampesinista position is Roger Bartra's *Estructura agraria y clases sociales en México* (Mexico City: Era, 1975); for the campesinista position, see Arturo Warman, *Ensayos sobre el campesinado en México* (Mexico City: Nueva Imagen, 1980).
4. The assimilation of the "household economy" into the framework of neoclassical economics was already well begun with Michael Lipton's oft-quoted "Theory of the Optimizing Peasant," *Journal of Development Studies* 4 (Apr. 1968). See also the important effort of the CEPAL team that used a modified notion of the household economy to construct a useful anatomy of Mexican agriculture on the basis of the 1970 census, *Economía campesina y agricultura empresarial* (Mexico City: Siglo Veintiuno, 1982).
5. Although both national production figures and levels of imports suggest that governmental programs continued to stimulate Mexican agriculture through 1985, thereafter the effects of the national economic crisis and the de la Madrid government's program of adjustment contributed to a wide-ranging agricultural crisis, heightened in 1988 by severe drought conditions. The story is brought up to date in a book that appeared too late to be included in this review essay, José Luis Calva's *Crisis agrícola y alimentaria en México, 1982–1988* (Mexico City: Fontamara, 1988).

Calva shows that under the politics of "adjustment," government investment in agriculture fell by more than two-thirds. Guarantee prices for major crops also fell, as did available credit, while the prices of fertilizers, pesticides, and other inputs steadily rose. Interest rates, particularly high under the anti-inflationary Pacto de Solidaridad Económica of December 1987, put a squeeze on agriculture, with the hardest hit being the perennially credit-poor peasant farmer. In effect, argues Calva, "the government has transformed a financial crisis into a crisis of production" that threatens the capacity of Mexican agriculture and the Mexican economy to renew themselves (p. 173). All of this was done to avoid cutting the largest drain on public resources, that 52 percent of public expenditures consumed in payments on the debt. Although Calva is sanguine about the nation's potential for self-sufficiency, analysts within the government argue that the stagnation of Mexican agriculture in the 1980s is not attributable to the policies of one government but reflects long-term trends, especially the exhaustion of the "easy" phase of agricultural expansion and investment. For these analysts, the next steps, which include the organization of peasants for more efficient production, will be slow and difficult, whatever the macroeconomic environment.

6. But this may say more about the U.S. political experience than about the exigencies of political organizing in agriculture in general. See Lawrence Goodwyn's passionate account of the rise and fall of the populist movement among U.S. farmers, *Democratic Promise: The Populist Moment in America* (New York: Oxford University Press, 1976).
7. But for a more optimistic view, along with an excellent survey of recent peasant mobilization in Mexico, see Jonathan Fox and Gustavo Gordillo, "Between State and Market: The Prospects for Autonomous Grassroots Development in Rural Mexico," manuscript, 1988.
8. Robert H. Bates, *Markets and States in Tropical Africa: The Political Basis of Agricultural Policies* (Berkeley and Los Angeles: University of California Press, 1981).
9. The term *bimodal* comes from Bruce Johnston and refers to agricultural systems consisting of large-scale, highly capitalized commercial enterprises, on the one side, and a welter of undercapitalized, largely subsistence peasant farms, on the other. In Johnston's view, such a structure lacks the stimulating effects on the larger economy of a more unimodal structure, effectively dampening income in the countryside and with it demand for the products of agriculture and also for agricultural inputs, machinery, and consumer goods. See Johnston's article in *U.S.-Mexico Relations*; also Bruce F. Johnston and Peter Kilby, *Agriculture and Structural Transformation: Economic Strategies in Late-Developing Countries* (New York: Oxford University Press, 1975).
10. This argument has been well worked out for the Mexican case by Nora Hamilton in *The Limits of State Autonomy: Post-Revolutionary Mexico* (Princeton: Princeton University Press, 1982); and by Steven E. Sanderson, *Agrarian Populism and the Mexican State: The Struggle for Land in Sonora* (Berkeley and Los Angeles: University of California Press, 1981).
11. See Jeffrey Sachs's stimulating comparison of Latin American and East Asian countries in the light of the debt crisis for a discussion of the possible sources of policy success and failure among these cases. See Jeffrey D. Sachs, "External Debt and Macroeconomic Performance in Latin America and East Asia," *Brookings Papers on Economic Activity* 2 (1985):523-73.
12. Alain DeJanvry, *The Agrarian Question and Reformation in Latin America* (Baltimore, Md.: Johns Hopkins University Press, 1981).