Chapter 7

The Long-Term Implications

The brass ring for the Stolypin reforms would be convincing proof that, if war had not intervened, the reforms would have radically reduced the Bolsheviks’ chances of ever taking over. History is too full of contingencies for any such proof. Indeed, even the vaguer question—whether the reforms actually pushed Russia toward or away from liberal democracy—can’t be answered with certainty.

Time spans may be critical here. Change, wise or unwise, is always unsettling. A reform might set a country on a path toward liberal development—that is, development of liberal institutions and a growing and shared prosperity—even as its short-run discombobulation increased the immediate risk of revolution. Short-run hazards might counsel gradualism in reform, but hardly its abandonment. A leader would find himself stultified if he turned against reform just because of the chance that, in combination with random forces, it might momentarily heighten the risk of revolution.

In this chapter, I look at several effects of the reforms: their impact on productivity; their possible tendency to aggravate economic inequalities and other sources of social stress in the countryside and the city; the implications of peasant action in 1917 and government action in 1922 for evaluating the premises of the reforms; the reforms’ possible favorable effects on soft variables such as peasant independence; and collateral government decisions reflecting the regime’s illiberal character and tending to frustrate the reforms’ liberalizing
effects. Then I consider broader issues of whether voluntary liberal reforms in an illiberal regime can advance the growth of liberal democracy.

Finally, I look briefly at the question of comparable reforms in post-Soviet Russia, a polity also neither very democratic nor very liberal.

**Productivity**

Russian agricultural production surged in the years following the start of the reforms. Comparing areas of Russia for which there were continuous data, one scholar finds a 24-percent increase (by weight) in Russia’s production of cereals, potatoes, and flax and hemp seeds between 1901–5 and 1911–13 (19.5 percent for cereals, 36.6 percent for potatoes, and 8.1 percent for flax and hemp seeds).\(^1\) About half of this may be due to the expanded area under cultivation, which rose nearly 12 percent in that period, but the remaining 12 percent seems likely to have been due in part to improved farming.\(^2\) All such comparisons are sensitive to the years picked, but those two periods have in common that each features only one year of bad harvests (1905, 1911),\(^3\) presumably weather-related.

A good share of this improvement was likely due to increased use of fertilizer and farm machinery. Imports of fertilizer nearly sextupled from 1900 to 1912 and domestic production of phosphates

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1. Alexis N. Antsiferov, et al., *Russian Agriculture During the War* (1930), 53. See also S. N. Prokopovich, ed., *Opys ischisleniia narodnago dokhoda 50 gub. Evropeiskoi Rossii v 1900–1913 gg. [Calculations of Personal Income in the 50 Provinces of European Russia]* (1918), 68–69 (finding 40 percent growth in the real value of production in the period 1900–1913, against a 19-percent increase in population).
more than doubled from 1908 to 1912. As Tables 7.1 and 7.2 show, machinery imports and production also soared:

Table 7.1. Machinery Imports, in Rubles (millions)

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<th>1901–05</th>
<th>1906–10</th>
<th>1911–13</th>
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<td></td>
<td>20.8</td>
<td>30.7</td>
<td>54.6</td>
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Table 7.2. Machinery Production, in Rubles (millions)

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<th>1900</th>
<th>1908</th>
<th>1913</th>
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<td>13.3</td>
<td>38.3</td>
<td>60.5</td>
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These gross production increases, of course, don’t measure increases in the net productivity of the land. But consolidation seems likely to have increased net productivity by reducing costs associated with scattered fields (e.g., time lost traipsing between tracts, conflicts with neighbors along interminable borders, hair’s-breadth plots too small for machinery or use of commercial fertilizers). And, with the reforms having made new techniques more feasible, farmers would have employed them if (and only if) they expected a net payoff.

Assuming the validity of a roughly 12-percent improvement in gross production per desiatina between 1901–5 and 1911–13, we

4. Peter I. Lyashchenko, History of the National Economy of Russia to the 1917 Revolution, trans. L. M. Herman (1949), 734–35. In volume, imports went from six to thirty-five million puds (a pud is about 44 pounds), and phosphate production from about 1.4 to over 3.2 million puds.

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plainly can’t give all the credit to the property rights reforms. The worldwide increase in the price of grain may have inspired some farmers to greater efforts, and the gradual shift from gentry to peasant ownership may have helped—especially as the less efficient gentry and the more efficient peasants were likely overrepresented in these transactions. Broader developments affecting all aspects of Russian productivity—such as a better labor force due to improved life expectancy, skills and literacy—probably played a role. Of course, the reforms likely had some unfavorable short-run effects, as peasants diverted energies to such activities as calculating and negotiating, and constructing barns, outbuildings, fences and other items needed for the new configurations of property. But the evidence of increased productivity, which was necessarily short-term because war and revolution soon overwhelmed the reforms, is at least consistent with Stolypin’s idea that part of Russia’s problem was its misshapen property rights.

Data comparing productivity on consolidated and unconsolidated tracts indicate progress. The primary source is the government’s 1913 survey of twelve uezds, one in each of twelve provinces scattered through European Russia. Soviet critics discount the study.

6. Compare Ministerstvo Ekonomicheskogo Razvitia i Torgovli, “Agrarnaia reforma Petra Stolypina” (“The Agrarian Reform of Peter Stolypin”), http://www.economy.gov.ru/stolypin.html (downloaded June 18, 2002), 19. This analysis also invokes the cancellation of redemption fees and the end of the worldwide agricultural crisis, but it is unclear how these would have improved net or gross productivity. It also observes that “only” 1911 was a year of bad harvest, but as noted in the text that puts 1911–13 on a rough par with 1901–05. See also V. G. Tiukavkin, Velikorusskoe krestianstvo i Stolypinskaia agrarnaia reforma [The Great Russian Peasantry and the Stolypin Agrarian Reform] (2001), 210.


8. GUZiZ, Zemleustroennye khoziaistva, 8. The provinces are Vilno and Smolensk in or on the periphery of White Russia, Tver and Yaroslavl in the Central Industrial area, Pskov in the Lakes area (sometimes classified as part of the non-black-earth central region), Orel and Tula in the Central Black-earth region, Kharkov and Poltava in the Left-Bank Ukraine, Tauride in New Russia, Samara in the Lower Volga, and Perm in the Urals.
arguing principally that the selection of uezds biased the results. But
the survey’s primary stated basis of selection was to avoid uezds
where there was relatively little individual zemleustroistvo (recall
that this, counter-intuitively, includes whole-village zemleustroistvo
[land reorganization]), where, by definition, there was little zemleus-
troistvo to be studied.\(^9\) While that selection principle would likely
have distorted results about, say, peasant enthusiasm for the reforms,
it’s hard to see how it would have distorted data on productivity,
except in the peripheral sense that peasants may have welcomed the
reforms most in areas where they could most easily see the potential
benefits. Nor does the argument that the Samara uezd was chosen
because of its “strong kulak element” seem to much undercut the
productivity data, as it would affect production per desiatina only to
the extent that “kulaks” were better able to exploit consolidated
tracts.\(^{10}\) As to the criticism that the survey was conducted by “tsarist
bureaucrats” (tsarskie chinovniki), it’s been argued in response that
in fact the work was done by students at surveying schools, who were
passionately anti-regime but attracted by the idea of concrete work
with peasants.\(^{11}\)

The twelve-uezd survey depicts a large productivity advantage for
consolidation. In 1913, consolidated tracts, on average, outdid the
communes in output per desiatina, with improvements running
from about 5 percent (rye) to about 30 percent (winter wheat). In
particular uezds, of course, the range is greater, with diminutions
in some crops, but with increases in others reaching more than 60

\(^9\) S. M. Dubrovskii, *Stolypinskaia zemelnaia reforma* [The Stolypin Land Re-
form] (1963), 271.
\(^{10}\) Ibid. (I’m assuming the label kulak is cognitively meaningful.) Dubrovskii
also regards the relatively high proportion of khutors to otrubs as suspicious (Du-
brovskii, 272); but the effect would be to overstate the average increase in produc-
tivity only to the extent that khutors were in fact more productive than otrubs. This
was almost certainly true, but as peasants were offered the choice of consolidating
into khutors, it hardly counts against the reforms.
\(^{11}\) Tiukavkin, 207.
percent.\textsuperscript{12} Independently collected figures from the Bogoroditskii
uezd in Tula show a similar range of improvement.\textsuperscript{13} While these
figures may seem high, they are in line with estimates of the gains
from enclosure in England, which some put at 50 to 100 percent.\textsuperscript{14}

In purely agricultural terms, some adverse effects may have par-
tially offset these apparent advantages. According to some data, cat-
tle declined very slightly per capita, though not in absolute num-
bers.\textsuperscript{15} The decline was relatively marked among those who took
otrubs rather than khetors, presumably because their parcels were
more likely to be too small to justify the cost of fences.\textsuperscript{16} Said one
peasant, “Communal land-tenure is good for cattle, but individual
tenure for law and order.”\textsuperscript{17} It is hard to know the effect on human
welfare of fewer cattle per capita. Reduced meat consumption seems
inconsistent with rising income, but isn’t necessarily: the relative
cost of meat might have risen enough to offset the usual tendency of
people to substitute meat for grain as their incomes rise. And that
might have been the case in Russia under the Stolypin reforms, as
the benefits of consolidation seem likely to have cheapened the pro-
duction of grain relative to meat—because, for example, of the
higher costs of cattle fencing. In any event, fewer cattle don’t neces-

\textsuperscript{12} GUZiZ, Zemleustroennye khoziaistva, Ch. XXI.
\textsuperscript{13} I. V. Mozzhukhin, Zemleustoistvo v Bogoroditskom uezde Tulskoi gubernii
\textsuperscript{14} J. R. Wordie, “The Chronology of English Enclosure, 1500–1914,” Economic
\textsuperscript{15} Dorothy Atkinson, The End of the Russian Land Commune, 1905–1930
(1983), 104–05. Curiously, the rate of decline per capita appears to have slowed as
the reforms took hold. Anfimov, using apparently a composite figure for all cattle
translated into large-cattle equivalents, shows the sharpest dip occurring between
1902–04 and 1905–07, the last being a time when the reforms had as yet had little
impact. Specifically, his numbers for cattle per 100 persons are 66.5 for 1896–98,
65.4 for 1899–1901, 63.9 for 1902–04, 58.5 for 1905–07, 56.3 for 1908–10, and 55.3
\textsuperscript{16} Dubrovskii, 283–87; see also GUZiZ, Zemleustoennye khoziaistva, ch. XV.
\textsuperscript{17} Launcelot A. Owen, The Russian Peasant Movement, 1906–1917 (1963), 77.
sarily mean less meat. In England, in the seventeenth century and first half of the eighteenth, the number of cattle fell, but meat production and consumption rose. The explanation lay in improvements in cattle breeds, changes in the composition of herds and flocks, and increases in farmers’ supply of feed. I’ve found no similar analysis of the Russian experience during the rather short era of the Stolypin reforms.

There is evidence of increased monoculture—the cultivation of a single crop to the exclusion of other uses of the land—especially in the center, south and east. It is hard to know how great a problem this may have been, or how long-lived it would have proved, so long as peasants adjusted to the incentives—characteristic of full-blown property ownership—to maximize the present value of the land’s long-term net product.

Data on the differences in market value between consolidated and unconsolidated land should be the most telling. These values should incorporate farmers’ expectations of future productivity—i.e., the best information available at the time on the potential economic gains from consolidation, net of all changes in additional labor, fertilizer, equipment, etc. They would also reflect buyers’ attitudes toward the relative social isolation of the khutor as opposed to the otrub. One set of land price observations toward the end of the reform period shows unconsolidated land in Tula selling for 161 rubles per desiatina, otrub land for 225 rubles, and khutor land for 239


rubles.\textsuperscript{20} The twelve-uezd study produced figures with roughly the same proportions, or about a 50-percent advantage for consolidated land.\textsuperscript{21} Part of the value differences, of course, may have been due to differences in improvements. But because data on land value differences embody virtually all then-known information about the reforms’ productivity effects and personal acceptability,\textsuperscript{22} they deserve very close—as yet unreceived—attention.

\textbf{Short-Term social stress}

Whatever the purely agricultural effects, there were various short-term social costs. First, the reforms may have aggravated pre-existing inequality. Because of scale economies, one would expect a peasant with a large holding to benefit more from consolidation than a peasant with a small holding (putting aside the complexities of pasture access). Fences are the clear example: the costs per desiatina for fencing a one-desiatina plot are far higher than for fencing a 15-desiatina one.\textsuperscript{23} While the smallholder might have been able to sell to a large owner, presumably at a price falling between the value to him and to the latter, this would only partly have mitigated the differential change in wealth.\textsuperscript{24}

Of course an increase in a peasant’s wealth might well have tended to equalize income in Russia as a whole, by standard mea-

\textsuperscript{20} Mozhukhin, Zemleuстроство v Bogoroditskom uezde, 213–14.
\textsuperscript{21} GUZiZ, Zemleuстроенье khoziaistva, ch. VII. See also David Kerans, \textit{Mind and Labor on the Farm in Black-Earth Russia, 1861–1914} (2001), 358 (noting higher prices for consolidated plots, but missing the implication as to productivity).
\textsuperscript{22} A point recognized by A. D. Bilimovich, “The Land Settlement in Russia and the War,” in Antsiferov, et al., 342.
\textsuperscript{23} For similarly shaped rectangular plots, total fencing costs rise as the square root of the area; thus costs per desiatina fall. See D. N. McCloskey, “The Economics of Enclosure: A Market Analysis,” in \textit{European Peasants and their Markets}, eds. W. N. Parker and E. L. Jones (1975), 144–45.
\textsuperscript{24} See ibid., 140–49.
sures, as peasants generally would have been among the poorest Russian. But that may not be a good measure of the social stress: the peasant who gained only a little from enclosure, and saw some of his peers gaining a good deal more, might have been more resentful than if he saw some new riches in a noble’s hands.

But any notion of rich peasants exploiting the reforms, and poor ones resisting them, is wide of the mark. The relative advantages of consolidation and open fields were not distributed along a simple rich-poor axis. Departing peasants disproportionately included widows or elderly or infirm couples seeking to avoid an adverse repartition, and those who preferred to stick with repartition and open fields were often relatively well-off. Any short-run tendency to produce income inequality would have been mainly a result of having enabled the energetic and the provident to advance.

Independent of simple issues of income inequality, the reforms likely accelerated the flow of workers from country to city. While some who sold strips were already out of agriculture, others—formerly held back by an inability to realize the value of their commune interests—could now leave on more advantageous terms than before. This in turn doubtless increased “proletarianization,” the bugaboo that had for years helped persuade the regime to obstruct peasant departure from the commune. Of course all industrializing countries have experienced both the migration to the cities and the growth of a proletariat; yet this has been followed by improvements in the incomes of the poor and in a flattening of the national income distribution. But a peasant would not have acquired the skills that secure relatively good urban employment immediately after he abandoned farming; in the meantime, he was likely to have experienced pov-

26. See Chapter 6—“Red herrings . . . 4. Implications from sale of converted titles,” and “Biases in favor of title conversion and consolidation.”
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Property and uncertainty. As urban workers were critical to both the February and the October revolutions, the Stolypin reforms may have contributed to the ultimate Bolshevik triumph. But given existing urban ferment, and its radical increase in the war, any contribution of the Stolypin reforms was probably slight.

Finally, jostling for advantage under a new set of rules could have aggravated social stress. Pallot argues that the commune had devised ways for confining members’ strategic behavior, and that the reform opened up whole new vistas for manipulation— and, implicitly, for social tension in the countryside. Her claims are true and false in interesting ways. If the commune had totally solved the strategic behavior issue, repartition and open fields would have posed neither an incentive problem nor any practical difficulties, such as those arising from the very high proportion of borders to area, or even the long marches to distant fields. Thus, Pallot rightly invokes Coase’s principle that if “transactions costs” are zero, the assignment of rights makes no difference, as the parties will bargain their way to adjustments that maximize the value of their interests.

But transactions costs, which include not only the mechanics of bargaining and implementing agreements, but also each party’s maneuvering to get the best deal, are never zero. Under the commune, two features combined to prevent peasants from agreeing on optimal methods of cultivation and on sharing the resulting production: the complexity of adjusting rights so as to reduce waste and to match reward to effort, and each household’s quest for advantage in sharing the potential gains from better coordinated use. Thus it was not just the practice of repartition and the layout of fields that made commune agriculture relatively inefficient; a key additional component was the ordinary self-regarding human impulses that made it costly to reach and enforce agreements necessary to provide efficient incentives.

(1975), 269–92 (discussing the widespread decline in welfare in the face of increasing productivity, but not specifically addressing urban labor).

28. Pallot, Land Reform in Russia, 104–05.
Curiously, after depicting peasants’ use of both the pre-reform system and reforms to gain advantage (as well as to tweak the system to prevent advantage-seeking from getting completely out of hand), Pallot characterizes those who exploited the rules in favor of retaining the commune as ones who “put community interest before personal interest.” Yet her book offers no evidence that the commune boosters did not regard retention of repartition and open fields as advantageous to themselves as individuals.

That said, Pallot is clearly right that the reforms opened new paths for strategic behavior, even as they foreclosed old ones. Any rule change will create unforeseen opportunities for manipulation; in a complex situation, even the most brilliant draftsman, acting with the most careful attention to what every interested party may have to say, will leave loopholes and generate unintended consequences. As the tsarist bureaucracy hardly constituted such an ideal legislator, the unintended consequences doubtless were many. But some tension from peasants’ exploitation of new opportunities for self-aggrandizement was the price of admission for any serious amelioration of peasant property rights. Paying the price made sense if, in the long run, Stolypin’s reforms were likely to increase peasant production and to edge the peasants toward integration into a Russia with all citizens formally equal under the law.

*Peasant acceptance in perspective: reversal and re-reversal in the Revolution; Siberian zemleustroistvo*

Earlier, we looked at some of the direct evidence of peasant attitude toward the reforms, but we should also take into account two developments adjacent in time and space: first, the peasants’ seizure of gentry land and some consolidated peasant land after the February revolution, followed by the Bolsheviks’ partial restoration of the Sto-

29. Ibid., 249.
lypin reforms in 1922; and second, land consolidation in Siberia, where the Stolypin legislation did not apply.

Starting in the summer of 1917, peasants still in communes helped themselves not only to the gentry’s land but also to a lot of former commune land that had been consolidated in the hands of individual peasants. Thus, they anticipated and exceeded the Bolsheviks’ land decree of October 26, 1917. Although the decree abolished all private property in land and confiscated all gentry land, it said nothing explicitly hostile about peasant land consolidated under the Stolypin reforms.30 Yet communes recouped much of the separated land, and in some cases even took it but spared that of the gentry (at least for a time).31 Was this a peasant repudiation of the reforms?

In some cases, of course, it may have been. But it seems more likely to have simply flowed from the fact that the communes made themselves the engines of land acquisition. To be in on the takeover project, peasants had to participate in the commune; the latter, while it was about the task, took over non-commune property without much regard for the nature of the owner. To paraphrase Willie Sutton on banks, communes were where land acquisition was.32 It may also be that, in the chaos of the time, the camaraderie of the commune seemed especially comforting.33 In some areas, curiously, communes actually paid for land taken from individual peasants who had bought before 1917.34

Whatever attitudes the seizures of 1917–18 may have reflected, it appears that by 1922 peasants had come to see the drawbacks in the repartitional commune and the advantages in separate house-

33. Figes, Peasant Russia, Civil War, 59–60.
34. Ibid., 106–07.
hold possession (if not ownership). The 1922 Land Code of the R.S.F.S.R responded to this by restoring much of the mechanism of consolidation created under Stolypin: individual households could withdraw their land at any time with the consent of the commune, or could withdraw without consent either in the course of a general peredel or if 20 percent of the households applied at the same time. In other words, the code restored the Stolypin system for consolidations with one exception: there was no right of an individual household to consolidate over commune opposition. Peasants pursued consolidation, with results varying widely by province, reaching well over 30 percent of households in Smolensk.

At the same time, the 1922 Land Code rejected private property, the key goal of the Stolypin reforms. All land was the property of the state (art. 2). Every citizen who wanted to work the land himself had a right to it for that purpose so long as there was a supply available in the village to which he “belonged” (art. 9). This use right was

36. See Land Code of the R.S.F.S.R. (1922), arts. 134–39. Although soviets and party organizations evidently sought to obstruct the exercise of choice, even in the New Economic Policy era, peasants used the powers to consolidate. In Moscow Province they increased the proportion of land in khutors or otrubs from a pitiful 0.13 percent in 1917 to 1.9 percent by 1927. D. V. Kovalev, “Krestianskoe khutorskoe khoziaistvo i ego sudba v pervoi chetverti XX v.” (“The Peasant Khutor Economy and its Fate in the First Quarter of the 20th Century”), in Zazhitochnoe krestianstvo Rossii v istoricheskoi retrospektive: Materialy XXVII sessii Simposiuma po agrarnoi istorii Vostochnoi Evropy [The Prosperous Peasantry of Russia in Historical Retrospective: Materials of the 27th Session of the Symposium on Agrarian History of Western Europe], (2000), 216–23; Shmelev, 38 (number of khutors and otrubs in Smolensk by 1924 exceeded pre-revolutionary levels). See also James W. Heinzen, Inventing a Soviet Countryside: State Power and the Transformation of Rural Russia, 1917–1929 (2004), 145 (as of 1927, 222 million out of 235 million hectares farmed in the R.S.F.S.R. were in repartitional tenure, six million in otrubs or khutors, and two million in collective farms; notice that these data seem to mingle issues of plot configuration and title). Otrubs and khutors were concentrated in the western provinces, reaching 33.5 percent in Smolensk (Heinzen, 163); conversions to otrubs and khutors dropped in 1923 when Smirnov became Commissar of Agriculture (Heinzen, 164).
supposedly unlimited in time and to be ended only in accordance with law (art. 11). But any sale, gift, bequest or mortgage of land was forbidden, and any attempts to make such transfers were subject to criminal penalties and forfeiture of the land (art. 27). When individuals moved away, changed profession, or died, the necessary changes of possession would presumably be up to the local political authorities, applying whatever criteria the central government prescribed and otherwise making it up as they went along. Provision for relatively short-term leases under limited conditions provided a little slack (arts. 28–38). Unless the possessory rights of this system evolved into true title (as they might well have), it seems hard to imagine a better way to bring about an ugly combination of stasis and patrimonialism.

Nonetheless, that the Bolsheviks restored the process of consolidation and created a supposedly continuous possessory right, evidently in response to peasant pressure, suggests that in important ways the Stolypin reforms were in sync with peasant attitudes.

While the reforms were proceeding in European Russia, a similar process was under way in Siberia without the Stolypin ukaz or statutes. Between 1908 and 1913, about 6,000,000 desiatinas of land were consolidated, with another 14,000,000 or so in the works.37 The government intervened only by possibly contributing some loans for surveying costs (but only for a million desiatinas, and even at that the loans may have been only for village rather than individual boundaries) and by setting an indirect example: after Stolypin’s 1910 trip to Siberia with his minister of agriculture (Krivoshein), half the


The Polish areas of Russia are yet another case. The 1910 Act applied there, but implementing organizations were not established until June 1912. George Yaney, *The Urge to Mobilize: Agrarian Reform in Russia, 1861–1930* (1982), 156, n. 5. Nonetheless, the reform seems to have been very successful. See Robert E. Blobaum, “To Market! To Market! The Polish Peasantry in the Era of the Stolypin Reforms,” *Slavic Review* 59 (2000): 406–26. But as those areas had not had the repartitional commune, the success gives few grounds for inferences about Russia.
allotments to new migrants were to individual owners on unified tracts.38 The six million desiatinas in Siberia are about half the thirteen million consolidated in European Russia, but as the size of the eligible land in Siberia is obscure, it is hard to compare the two as proportions.39

At first blush it seems extraordinary that so many communes could have unanimously consolidated. But two facts make one reluctant to draw much of an inference about how such an approach might have worked in European Russia. A relatively large share of the most recent immigrants (since 1899) had come from western Russia and the southern steppe, areas where the repartitional commune was generally weak; in western Russia, in fact, unanimous razverstanies had been widespread.40 More important, the problems of repartition and scattered plots appear to have been far milder in Siberia, where a peredel generally left households retaining most of their prior land.41 So disentanglement may have been much simpler there. Finally, the absence of any gentry land precluded the confiscation solution that so beguiled peasants in European Russia, increasing the Siberians’ focus on simply organizing their own property better.

Gains: the soft variables

Stolypin’s aims included social transformation. His speeches in the Duma consistently conjured up the image of a new Russian farmer,

38. Treadgold, The Great Siberian Migration, 195–96, 233–34. (March 4, 1911 decision of Council of Ministers that not less than one third of allotments in Siberia should be in consolidated plots).

39. Treadgold compares the six million desiatinas to 33,000,000 in “old-settler villages” (The Great Siberian Migration, 233), which suggests that a much higher proportion was consolidated in Siberia. But he does not seem to address whether there were areas outside such villages that would also have benefited from razverstanie and thus should be included in the denominator.

40. Treadgold, The Great Siberian Migration, 255.

41. Ibid., 231; See also ibid., 125–26.
free from artificial constraints, self-confident, risk-taking, and independent. The government, he said,

wants to raise peasant landownership, it wants to see the peasant rich and sufficient, because where there is sufficiency there will certainly be enlightenment and genuine freedom. For this it’s necessary to give opportunity to the competent, hardworking peasant, that is, the salt of the Russian earth, to free him from those vices in which he now finds himself because of the present conditions of life. We need to give him the chance to secure the fruits of his own labor and to grant them to him as inalienable property. . . .

His hope was that by enabling “the many-millioned village population” to attain productive self-sufficiency, the reform would create the legal foundation “for a reformed Russian state structure.” With the reforms, he said:

Every resource of [the peasant’s] intellect and his will is under his control: he is in the full sense of the word the forger of his own happiness. But neither law nor the state can guaranty him from unknown risk nor secure him from the possibility of loss of his property, and the state cannot promise him the sort of insurance that would extinguish his independence.

This is a vision worlds apart from that of the peasant as victim, as a more or less helpless ward of the state.

It is hard to find objective data measuring Stolypin’s success in this dimension. But observers on the scene claimed to spot changes.

43. Ibid., 99 (Speech of November 16, 1907).
44. Ibid., 177 (Speech of December 5, 1908).
We’ve already heard from the peasant who said, “Communal land-tenure is good for cattle, but individual tenure for law and order.” Kofod (a champion of zemleustroistvo, to be sure) claimed to see a decline in drunkenness and fights. Although he didn’t put it quite this way, he seemed to suggest that one factor, apart from the sobriety necessary for individual responsibility, was the reduction in issues for which collective decision was essential to any action at all, and which thus provided occasion for neighborly conflict—and drinking. With zemleustroistvo, the village assembly continued to exist, but had fewer problems to resolve. Kofod explicitly attributed the change in drunkenness in part to the decline in assembly meetings—great occasions for downing alcohol. And he seems to have adopted another’s observation that, although one could predict which villages would have razverstanies by asking which ones had the most complaints about fights, the fights stopped once razverstanie occurred.

One author, no friend of the reforms, declares that it “has been shown that there was during the years between the two revolutions a widespread change among the peasants in the direction of a more individualistic way of life.” And, although the reforms likely had special appeal to the most self-reliant peasants, another author concludes that the experience of running their own farms itself “stimulated their inquisitiveness, initiative and self-confidence.” Another claims that, as a result of the reforms, “the peasant element that was

45. Tiukavkin, 177–78.
47. Geroid T. Robinson, Rural Russia Under the Old Regime (1969), 238.
evolving into an embryonic class of rich farmers had stronger roots than the corresponding type of business man in the cities, who was dependent in many cases upon foreign firms or direct government support.” The comparison may be damning with faint praise, as much of Russian industry was highly dependent on foreign investment (especially firms in the St. Petersburg and Ukraine regions) or on government orders (especially the arms-related firms in the St. Petersburg area). Peasants enjoying the sort of broad property ownership contemplated by the reforms would likely have been free of that dependency—at least so long as other forces, including other government measures, didn’t create pressure towards dependence.

In assessing likely changes from the reforms, it would be an easy mistake to think of the pre-reform peasants as completely divorced from experience with markets in land. Certainly the advocacy of the peasant-dominated parties conveyed an impression of almost unremitting hostility, especially in their idea that rights to the land must be confined to those who worked their land directly. But in at least one context, peasants used land markets to circumvent the inconveniences of open fields and thus enhance their welfare. As mentioned earlier, they rented out strips of land so distant from the village and so small that cultivation by their peasant holders was very costly relative to any potential return. A class of small-scale entrepreneurs grew up—known as land collectors (sobirateli zemli) or land traders (zemlepromyshlenniki)—who rented these strips from their owners and then rented them out in consolidated form. Those who worked these fields didn’t own the land, yet peasants plainly saw the utility

49. L. Owen, 72.
of the practice.\textsuperscript{52} The reforms’ seeds of peasant land ownership did not fall on completely barren soil.

Macey points out that after adoption of the 1911 Act discussion in the “thick [serious, scholarly] journals” and in the non-revolutionary press shifted from dispute over the basics of the reforms (and competing alternatives) to more “pragmatic articles on how best to implement the reforms and how to provide other kinds of assistance to rural society.” He argues that the absence of any marked peasant distress contributed to this development.\textsuperscript{53} And at least some peasants, especially ones who had traveled to see the work of Czech and German farmers, began to believe that better use of their own property, rather than acquisition of more, might be the key to prosperity.\textsuperscript{54} One might also see these developments as reflecting a maturing of Russian political culture, moving from the confrontational relations of the First and Second Dumas, where the various sides’ claims shared no common ground at all, toward down-to-earth issues that lent themselves to negotiation and bargaining. Russian political behavior after the February Revolution, with a radical split institutionalized in the diarchy of the Provisional Government and the Soviet, obviously tells us not to read too much into these changes. But they may have been a start.

The geographic distribution of peasant land seizures in 1917–18 might shed light on the reforms’ effectiveness in luring peasants away from revolution. But it is hard to discern a pattern. The seizures seem to have been most common in the Central Black-earth and Middle Volga regions, where consolidation was generally below average. Possibly a point for the reforms. But to the extent that it was

\begin{itemize}
\item \textsuperscript{52} Macey points out that the “kulaks” who provided this useful arbitrage service were (like many kulaks of other types) opposed to dissolution of the commune, which obviously was the source of a profitable economic opportunity. Ibid.
\item \textsuperscript{54} Karpachev, 198–99.
\end{itemize}
unrest in those areas that posed the threat making reform urgent, the point must be removed or at least trimmed.\textsuperscript{55}

\textit{Stifling the new property rights}

The logic of the Stolypin reforms called for fully marketable interests and a free market in land, subject to special provisions protecting peasants from rash decisions to sell or mortgage (e.g., requirement of a second signature, some days after the first). But in fact the rules limited the amount of allotment land a peasant could acquire, and they prevented sale (or mortgage) to non-peasants. Policies such as these, tending to undermine the liberal reform, seem entirely unsurprising for a generally illiberal state.

First, the limits on individual peasants’ accumulation of allotment land (mentioned above) tended to prevent them from assembling more efficient parcels. As we saw, there was never any risk of monopoly from such assembly—any business’s usual problems making sure that employees give reasonably loyal service would have kept farm size modest. Given the agricultural conditions then prevailing in Russia, however, these accumulation limits may have inflicted no great harm.

More important was the bar on sales outside the peasant estate. Quite apart from preserving the estate distinction, the rule prevented peasants from using their allotment land to get private credit from the most promising private sources (i.e., non-peasant lenders taking mortgages as security). Then, having cut off that avenue, the state itself provided almost nothing by way of secured credit from its own Peasant Bank, and created an alternative credit system that embodied the regime’s traditional condescension toward peasants.

Although a decree of November 15, 1906 and a later statute of July 1912 allowed the Peasant Bank to make secured loans for im-

\textsuperscript{55} L. Owen, 138–45.
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Improvement of allotment land, mortgages of allotment land were in fact only 1 percent of all loans made by the bank from 1906 to 1915, and most of these were made to peasants in Siberia or Central Asia. This denial of secured lending seems to have arisen partly from Finance Ministry thrift, but more importantly from an attitude that mortgages of allotment land, even to the Peasant Bank, carried such a great risk of foreclosure as to invade the “inviolability” of peasant lands.56 In practice, this concern for inviolability translated (as we’ll see) into a “cooperative” credit system that tended to depress local peasant initiative.

Modern enthusiasts of Stolypin’s reforms sometimes point to the spread of cooperatives as a sign that voluntary peasant organizations were healthily supplanting the prisonlike commune.57 But the cooperatives developed largely as creatures of the state. State lending agencies used the carrot of cheap, unsecured credit to support cooperatives and thereby drive indigenous peasant lenders and suppliers of other services (mainly dairy processing) out of business. Despite Krivoshein’s and Stolypin’s advocacy of commercially responsible loans secured by allotment land,58 the State Bank’s Administration of Small Credit preferred to make unsecured loans to cooperatives, seeing them as instruments enabling the officials, and others of the non-peasant elect, to “protect” the peasantry from the hazards posed by kulaks—i.e., those peasants who might have been in a position to make economically sound loans or to start enterprises.59

This approach fitted neatly with the ideology of the cooperative “movement.” Its proponents located it between socialism and capi-


59. Ibid., 71–73.
talism, rejecting, for example, “the capitalist iron law of necessity and the socialist law of historical necessity.” But their vitriol seems to have been reserved for capitalism and their criticism of socialism muted. They looked forward to the “destruction of capitalist profit and exploitation” and promoted the cooperative as a means of struggle against “exploitation of workers by representatives of money, trade and productive capital.” They saw anti-capitalist spirit as “the great cement uniting all parts of the cooperative family.” The movement’s promoters seem never to have favored cooperatives as simply one of several ways in which individuals might voluntarily join forces to promote their own welfare, a principle that would have embraced all manner of capitalist acts between consenting adults.

These anti-capitalist views were in fact embedded in the government-supervised cooperative lending process. A speaker at a conference of officials, for example, argued that a practice of relying on collateral would contradict the message the government lenders sought to convey—namely, to “reduce the role of capital from that of master to that of serving the interests of the toiling population.”

That portions of the Russian intelligentsia were virulently anti-capitalist is hardly a surprise, but the bargain between the cooperative movement and the tsarist regime may be. The movement received money from the government in exchange for official supervision and loss of independence; in exchange for cash and some risk of promoting subversive institutions, the government obtained a mechanism for advancing peasant welfare (as it saw the matter) and an oppor-

61. Ibid., 20.
62. Ibid., 22.
63. Ibid., 36.
65. Kotsonis, 73.
tunity to monitor some potential troublemakers. One might have supposed that the movement’s anti-capitalist rhetoric would have put off tsarist officialdom, but it didn’t.

Hostility to capitalism was in fact rife at the highest levels of Russian society, dominated by agrarian conservatives. Like Marxists, they commonly saw capitalism as a precursor to socialism,\(^{67}\) and in a variety of ways viewed it as foreign to Russia and even to the “Russian soul.”\(^{68}\) There was some basis for the idea that the Russian mindset was ill-attuned to capitalism. Quite apart from the large role of explicitly foreign capital, citizens from ethnic minorities founded and managed Russian corporations out of all proportion to their numbers in the population. Ethnically German Russian citizens, for example, comprised only 1.4 percent of the population but provided 20.3 percent of corporate founders in the period 1896–1900 and 19.3 percent of managers in 1914.\(^{69}\) And the share of ethnic Russians was itself somewhat inflated by their advantages in \textit{distorting} the market, namely, their superior opportunities to manipulate connections at court.\(^{70}\)

In this light, the regime’s support for the cooperative movement is hardly surprising, despite the movement’s apparent inconsistency with the ideas underlying the agrarian reforms. It is testimony to the weakness of Russian liberalism at its pre-revolutionary peak.

In practice, the government’s cooperative policy supplanted potential private capitalists constrained by market forces with public officials doling out public funds untroubled by much concern for repayment. Those administering the loans to cooperatives disqualified ones whose boards included “traders,” or people who might be traders. The inspectors distinguished traders from “productive peas-

\(^{67}\) Thomas C. Owen, \textit{Russian Corporate Capitalism from Peter the Great to Perestroika} (1995), 123.

\(^{68}\) Ibid., 115–38.

\(^{69}\) Ibid., 187.

\(^{70}\) Ibid., 50–84. See also page 40, discussing the practice of irregular loans to favorites of the tsar. Crony capitalism was not born yesterday.
ants” and spoke indignantly of “blatant trade,” i.e., “reselling of bought goods with a difference in price.” Inspectors even went so far as to deny loans to cooperatives if their boards included “influential people,” such as village scribes. One inspector tried to get a rather independent cooperative to cut itself off from the help of some educated locals—a priest and an accountant—who were not even board members. Failing at the direct approach, he finally triumphed by inducing the provincial governor to have the priest sent to a monastery and the accountant drafted into the army. Peasants learned to play to this prejudice by presenting a facade of pathetic ineptitude. One urged more loans to his cooperative on the grounds of the members’ “benightedness” and “defenselessness”; the lending agency blithely published this cap-doffing, forelock-pulling letter in a journal under the title, “Our Benightedness.”

The program appears to have had considerable success as a device for killing off market-based commerce. The number of private dairies in Vologda and Kandikov declined from 363 in 1905 to 136 in 1914 (with a roughly offsetting increase in dairy cooperatives), and the officials flooding the countryside with credit looked forward to a complete “withering” of private plants and their replacement with officially subsidized and controlled cooperatives.

Besides helping destroy indigenous economic growth, the government’s lending practices required fiddling with the government’s books. Although the State Bank had a low nominal default rate, it achieved this in part by a practice of perepiska—i.e., a “write-over” of old loans, with entries making it appear that there had been repayment and a new loan. By 1914, the rate of “write-overs” was between

71. Kotsonis, 156.
72. Ibid., 157.
73. Ibid., 158–59.
74. Ibid., 164.
75. Ibid.
76. Ibid., 151–52.
70 and 80 percent.77 But more important than this sleight of hand was the policy’s tendency to prevent competent, enterprising peasants from stepping into the leadership role they would naturally have assumed in genuine, voluntary peasant associations, which could have acted as a mediating force between government and individuals.

Thus, in adopting the cooperative movement’s view of rural credit and enterprise, the government managed to: (1) exclude from cooperative boards just the sort of local people who might have provided indigenous leadership; (2) thwart the growth of secured credit; (3) extend cheap credit to cooperative enterprises competing with private ones; and (4) make the credit “soft” via easy rollovers of debt. If the government’s goal was to stifle civil society in the countryside, its limitation of allotment land property rights and its program for cooperatives appear to have made a fine start.

When war came in 1914, the weakness of liberal forces in Russia soon spilled over into the government’s means of extracting grain from the countryside. A 1915 decree set a price to be paid by procurement officials and at which peasants were required to sell. Initially, the price was at market levels, and compulsion was unneeded. When inflation left the fixed price obsolete, the government responded by compelling deliveries. War, of course, makes for illiberalism, leading governments to substitute sticks for carrots. But the Russian government was, as one author puts it, “the only European regime to destroy itself for the sake of military mobilization in World War I.”78

**Prospects for liberal democracy from an illiberal regime’s voluntary steps toward liberalism**

While the Stolypin agrarian reforms represent no more than a single case, they offer tentative lessons about the chances that an illiberal

77. Ibid., 177–78.
78. Yaney, The Urge to Mobilize, 419.
regime’s voluntary measures might bring about enduring liberal democracy. Although the illiberal context affected both the reforms themselves and related policy choices, the reforms might—without the war—have nurtured a liberal environment.

In the reforms themselves, the undemocratic and illiberal context inevitably played a negative role. In the short run, of course, the absence of democracy made the reforms possible; no purely democratic government of the era would have adopted liberal measures. But the democratic deficit also exacted a price. A representative legislature (if one can imagine such a body miraculously considering privatization at all) might have caught some of the reform’s errors (such as Article 1 of the 1910 Act). And adoption by a legislature in which peasants had a voice would have given them a sense of ownership of the reforms.

In addition, the illiberal character of the pre-reform era somewhat tainted the reforms’ transition rules, above all by creating questions about peasant entitlements—for which, as we saw in Chapter 6, the reforms could offer no clearly valid answer. With future holdings dependent on the commune’s inevitably politicized decisions on when—and whether—to repartition, there were no clear grounds for choosing the last or the next repartition as a baseline for the entitlements of those opting out of repartition. And because the commune and the embryonic character of land markets preserved plot scattering, despite its radically adverse impact on value, substituting cash for land was rarely a complete remedy for a would-be separator whose demand for consolidation would tend to disrupt a commune. The fledgling quality of land markets also created ambiguity, as well as the potential for favoritism, in the process of selecting land for individual consolidators. Peasants’ isolation from civil society made them less trusting of the officials authorized to resolve disputes. And the absence of rule-of-law constraints on government opened the door to “administrative pressure.”

These imperfections of the reforms could have lasted, of course, only as long as the reforms’ transition process itself. Once the bulk
of repartitional households had become hereditary, and the bulk of highly scattered plots had been consolidated, the transition drawbacks would have been history. Indeed, as the reform evolved in response to peasant demands (as manifested, for example, in the increased emphasis on so-called “group” zemleustroistvo and the assignment of low priority to single-household consolidations), tensions abated between peasant resisters and peasant users of the reform, and between peasant resisters and the government. While some resentments would have lingered, they would surely have faded as a real political force.

But the government’s collateral decisions hampered development of markets and peasant integration into civil society and seem likely to have cast a shadow on the reforms’ long-run impact. These antiliberal decisions—the limitations on the scale of ownership, the preclusion of sale or mortgage to non-peasant persons or firms, and the subsidization of the anti-market cooperative movement—seem sure to have cut against the growth of peasant enterprise, initiative, and, ultimately, incorporation into civil society. And these choices don’t seem accidental. Rather, they appear to have been the natural products of the old regime’s condescension toward peasants, its assumption of their need for tutelage, and its skepticism toward—or fear and loathing of—markets.

Given these defects, must we conclude that voluntary liberal reform in an illiberal regime has little prospect of moving a country toward liberal democracy? In one sense, certainly, the story fits North’s assumptions: As he would lead us to expect, the key elite actors did not deliberately choose a move toward liberal democracy. For both the tsar, and those of the gentry who were in support, the reforms promised economic improvement for the peasants and at least the appearance of political action to solve the peasants’ woes. But any argument that the reforms would have boosted liberal democracy would surely have worked against their approval of the proposals. As to Stolypin himself, there are conflicting signs. But Stolypin’s true thoughts make little difference; without the support of the tsar
and/or the gentry, he couldn’t have prevailed. The Stolypin reforms are not a case of an elite voluntarily pursuing power-sharing and clipping its own wings.

 Nonetheless, the reforms might have edged Russia toward liberal democracy. Three conditions probably needed to be met. The first, of course, is time—for the transition process to unfold and for its consequences to be felt. Second, the government would ultimately have had to correct many of the defects in its policies associated with the reform: the limitations on peasant title; the barriers to growth of private secured credit; and the fostering of subsidized competition through a cooperative movement dominated by the non-peasant intelligentsia. Third, the peasants would have had to develop a strong role in civil society. The second and third are obviously symbiotic: correction of the inadequacies would have enhanced the peasants’ role in civil society, and an enhanced role for peasants in civil society could have marshaled political force to cure the inadequacies.

 How would a peasant role in civil society have developed? First, peasants who became farmers, and especially those who became relatively prosperous, would have sought to play a political role. Second, farmers would have joined non-farmer interests in volunteer organizations, building their contacts and enhancing their skills in the game of persuading and organizing others. Rather than having their associative skills confined to the commune, farmers would have extended their reach to the broader community. Many of these associations would have been apolitical, aimed at private improvement of civic life through activities such as provision of libraries, hospitals, fire protection, etc., but they would have laid a basis for political action. They would thus have increasingly overcome the disabilities that Marx identified as condemning peasants to political impotence. Just as the more prosperous farmers in Kenya have proven able to protect farm producer interests more broadly (see Chapter 1), Russian peasants, evolved into real farmers, might well have done so—and attained the kind of strength needed to counterbalance the state’s and others’ predation.
While illiberal regimes will rarely if ever voluntarily give up power, they will voluntarily take steps that have liberalizing potential. Naturally, the likelihood is greatest where the potential for eroding the elite’s existing power is obscure. The Stolypin reforms were possible precisely because they had no immediate impact on the authority of those in command of the state.

Coda: privatization of Russian agricultural land today

More than a decade after the fall of the Soviet Union, agricultural property rights seem no more fit—and perhaps less fit—for modern agriculture than when Stolypin became prime minister. Reform in agriculture has received far less intellectual attention than it did in the run-up to the Stolypin reforms, and far fewer resources—recall the training of land surveyors and the financial aid for creating khotors and otrubs. Doubtless agriculture’s smaller share in the total economy, and the absence of violence in the countryside, account in part for the relative neglect. Reform prospects are also dimmed by the fact that Russia’s rural population is graying rather than growing, with a risk that obligations to support the old will drag rural enterprises down.

The challenge is again privatization, though from a radically different starting point. Most farm lands are now nominally in private ownership, but the owners are corporate successors of the old Soviet collective and state farms. Individual members of these entities hold “land shares” in the property. But these land shares are undivided


80. See Shmelev, 218–53, for comparisons between the two eras.
common ownership rights; actual control of the land is in the hands of the institutional successors, which often lease from the individual share owners. The size of these entities is mainly the product of Soviet gigantism, not of individuals and firms responding to market conditions. There is no market for corporate control of these behemoths and no general practice of dividing the corporate property into more productive sizes. The successor entities appear to lack the sort of governance structure that would give managers incentives to adopt value-increasing subdivisions, or give members an easy way to force such subdivisions. Meanwhile, the tiny fraction of land held as household plots is far more productive, on a value basis, than the land owned by restructured collectives, and accounts for even a higher share of the value of output than in Soviet times (as of 1998, 57 percent of the total value of output, compared with 26 percent in 1990).

Privatization is authorized, but evidently not easy. A “Turnover Law” adopted in 2002 gives each land share owner a theoretical right to demand that it be set aside as a specific tract. But the government has yet to promulgate conciliation procedures, which the law contemplates as a means of resolving disputes between a farm and a member who tries to exercise the right. Experience with the Stolypin legislation suggests that the disputes may be bitter. Individuals who decide that they want to depart will not all reach that decision at the same time; those who prefer to remain in the collective, especially those in charge, will not want to see its assets nibbled away piece-meal.

81. O’Brien and Wegren, 10.
82. See, e.g., Zemfira Kaluga, “Adaptation Strategies of Agricultural Enterprises During Transformation,” in Rural Reform in Post-Soviet Russia, eds. O’Brien and Wegren, 371. For the usual incentive reasons, of course, household plots are the beneficiaries of more and better labor.
Where the market value of the land to be set aside exceeds that of an equivalent share of the remaining land (i.e., the value of as many land shares as the departing member is withdrawing), the Turnover Law provides for a cash payment to the collective entity (art. 13). Obviously the market value calculations will often be contentious. The law doesn’t specify whether the collective and the departer can adjust the size of the tract to account for variations in quality and location; if not, disputes over the cash compensation will be numerous, and the need to come up with cash may prevent many share owners from being able to exercise their rights. And there is no express provision for several families to jointly seek tracts forming a single block.

The Turnover Law imposes a gratuitous additional obstacle to members’ realizing their share of the land: the portions to be set aside are covered by a provision that each of Russia’s eighty-nine regions can impose minimum size limits on agricultural tracts, evidently from fear of undue splintering of interests (arts. 4, 13(1)). It isn’t apparent why individuals can’t decide such matters for themselves, especially if we bear in mind that market actors who believe that larger tracts are more productive can bid land away from holders of inefficiently small ones.

The law also appears to provide a mechanism for collective change, as in the Stolypin reforms. Article 14 provides for decisions on the “possession or ownership (vladenie) and use” of land in shared ownership to be made by a two-thirds majority of those present at a properly noticed meeting attended by at least 20 percent of the owners. The main intent here may be to cover such matters as leases to people or firms of a more entrepreneurial bent, but it appears also to embrace a final doling out of all the collective land. The 20-percent quorum seems low; can this be intended to help insiders to get their way?

Apart from legislative differences (and the apparently low level of current government interest), there are two structural differences between now and 1906. On one hand, there is no longer the curse of
a splintered resource; farm members who have not privatized don’t have individual tracts other than their house and garden plots. But the opposite problem has arisen or at least grown: the presence of indivisible non-land farming equipment and structures, much of which may be unsuitably sized for a single family’s farm or even for a partnership of several families. For most entities, a simple cash payoff for these is likely infeasible. If the large farms had a value that was fairly easily ascertained, if corporate governance were transparent, and if one could imagine reasonably thick markets in the shares of the former collective and state farms, it would be sensible to arrange payoffs in stock of the entity. But to describe the needed conditions is to demonstrate this solution’s unavailability. On the bright side, it may be that these non-land resources are so obsolete and decrepit\textsuperscript{84} that inability to secure a share will dissuade few farmers from exiting.

Not only is the Turnover Law awkward and incomplete in its provision for privatization, but it also creates new obstacles to the growth of an agricultural land market. Most egregiously, it gives “federation subjects”—i.e., regional governmental entities—a priority right to purchase land offered for sale. It requires the owner to offer his land first to the government entity at a specific price; if the entity refuses, the owner can offer it for sale to others, but only at a price below what the government rejected (art. 8). It thus impedes transactions and short-circuits the normal process by which a seller can test the market, offering his property at a relatively high price and adjusting down as needed. A similar section applies to land share owners’ efforts to sell their shares (art. 12). The drafters appear either ignorant of—or just plain hostile to—the operations of the market.\textsuperscript{85} One might almost think the provisions custom-made to create occasions for bribery.

\textsuperscript{84} See O’Brien and Wegren, 11 (indicating a dramatic fall in the acquisition of combines, trucks and tractors in the 1990s).

\textsuperscript{85} For further discussion of this provision and other legislative obstructions of the agricultural land market, see Rolfs.
Further, just as the state in the early 1900s offered soft credit via cooperatives, the modern Russian state offers highly subsidized credit, mainly to the large farms, giving them an artificial advantage over individual farmers. Moreover, it may be—again as in the early 1900s—that the state is an indulgent creditor. Despite a high volume of bankruptcies (which should weed out the less competent managers), a large fraction of the large farms continue to operate unprofitably, possibly preserved from the cleansing effects of bankruptcy by state lenders’ reluctance to pursue drastic remedies.86 Such loans also undermine possible commercial lenders and seem likely to preserve a culture of patrimonialism, where economic success turns more on connections to state officials than on competitive superiority.87

As in the Stolypin era, some individuals favoring liberal reform are at least nominally close to the core of power in Russia—until recently, for example, the president’s economics adviser, Andrei Illarionov. Presumably, the presence of such people helps explain the steps that have been taken toward liberalization of the agricultural sector. But the pillars of a liberal democracy—individual freedom to express positions openly in a democratically meaningful way (including free and competitive mass media); security of private property; an independent and impartial judiciary; reasonable predictability of law; subjection of the government itself to law; resolution of major legislative issues in representative bodies; and a vibrant civil society—are


all somewhat shaky. Unlike the situation in 1906, rural unrest is not a central problem, perhaps because of the decline in the rural share of the population and the deadening impact of seventy-three years of communism. Rural property rights reform thus enjoys a far lower priority than it did a century ago. But all the hazards of liberal reform in an illiberal polity remain.