

Draft paper: not for circulation and citation without permission from the author.

Title

**Vladimir Lenin and Karl Kautsky and the agrarian question in the South
African historiography**

By David Masondo

Email: masondo.david@gmail.com

New York University, Sociology

Introduction

Alavi and Shanin correctly point out that Vladimir Lenin and Karl Kautsky have had an enduring impact on the theorization of the relationship between capitalism and peasant production (Alavi and Shanin: 1988, p. 1). This paper serves as a literature survey on why and how the South African peasant production was destroyed and/or conserve by colonial capitalism, and how Lenin and Kautsky's theories influenced answers to these questions.

I will show that the radical political economy literature, which significantly drew its theoretical insights from Lenin and Kautsky texts, has placed a huge emphasis on the role of white colonial business acting through the state in destroying and conserving the peasant production to generate economic growth. That is to say, they contend that the peasant production had been structured and conditioned by the needs of capitalist economic growth.

On one hand, Bundy adapted Lenin's thesis to the South African conditions. He argued that the emergence of colonial capitalism led to the destruction of peasant production (Bundy, 1979, p.92). This position is also known as linear proleterianisation or the 'depeasantisation' argument. On the other hand, Wolpe adopted Kautsky's argument to show that the South African colonial state slowed the process of proleterianisation of the peasantry through the maintenance and reproduction of peasant mode of production in order to aid economic growth (Wolpe, H. 1972). This line of argument points out that capitalism leaves a section of small peasant producers without being separated from the land, but are subordinated to the systemic needs of the capitalist economy.

In providing the exposition of the literature, I will start by sketching out Lenin's theorization of the emergence capitalism in Russia and its impact on the peasantry as entailed in his book - *The Development of Capitalism in Russia*. This will be followed by Kautsky's take on the same question. Then I will show how Bundy (1979) and Harold Wolpe (1972) have respectively applied both Lenin and Kautsky theoretical insights in the South African context. I will then conclude by showing the functional fallacy in both Bundy and Wolpe's theorization of the relationship between capitalist economic growth and the restructuring of peasant production. I

will then conclude by discussing a few potential research questions on contemporary South Africa arising out the strengths and pitfalls in these theories.

Conceptual apparatuses

In the course of explication of the arguments in the aforementioned literature, I will constantly refer to the concepts of peasant production, exploitation, necessary labour time and surplus labour time, so it is necessary to set out what these concepts mean.

According to Marx, in order for society to produce and reproduce itself, it must allocate its labour time. Necessary labour-time is the amount of time used by human beings to produce for their social needs. Whereas surplus-time is the time utilised to produce surplus-product, that is, products beyond their needs. The allocation and appropriation of labour-time takes different forms in different modes of production, and it is the control and forms of appropriation of labour time distinguishes each mode of production (Marx, 1988 : 325).

Peasant production is a mode of production that produces mainly for direct producers and family labour serves as the main, but not only, the source of labour and production organisation. The fact that production is mainly for consumption does not mean peasants do not exchange their surpluses for other goods. Ruling classes, including under capitalism, use through measures such as unequal exchange, taxes and labour rent also appropriate peasants surplus products. The appropriation of surplus products by non-producers is referred to as exploitation.

Marx further points out that producers under a capitalist mode of production produce for exchange. The direct producers are mainly wage-labourers who sell their ability to private owners of the productive assets - capitalists. Through wage-labour, capitalists appropriate direct producers' surplus labour time. To illustrate, workers in a capitalist labour process spend time producing for themselves and surplus-labour-time producing a surplus-product, which takes the form of surplus value appropriated by capitalists. So necessary labour time takes wage-form and surplus value takes a monetary form. The lower the real wage the higher the surplus value (Marx, 1988, 320-329).

Lenin's linear proleterianisation

Lenin's analysis of capitalism and its effects on the peasantry is a critique of Narodniks' appraisal of Russian capitalism. In this section, I lay out how Lenin drawing from Marx's theoretical insights, rebutted the Narodniks's evaluation of Russian capitalism in the nineteenth century, and how he arrived at the conclusion that the emergence of capitalism eventually leads the destruction of the peasant production through the process proleterianisation of the peasants.

Shanin shows that towards the beginning of the twentieth century, the Tsarist Russia had 2.4 million industrial workers and more than 100 million rural inhabitants who earned their living through peasant production. There were two types of peasants, namely state-owned peasants and private-landlord owned peasants. The quantitative dominance of the peasants over the industrial workers was a reflection of Russia's economic stagnation and low levels of industrialisation, notwithstanding the 1890s state-led industrialization programme, which saw steady economic growth. In the pre-1861 period, the Russian peasants were subjected to serfdom. Land was divided amongst peasants who tilled using their own implements and labour, and obtained livelihood from it, but they (i.e. peasants) could not buy or sell land. Like in all feudal societies, under the Russian 'corvee economy' (to use Lenin's term) landlords appropriated part of the peasant surplus products (Shanin, 1972, p. 3).

According to Lenin, the Narodniks identified three constraints that made capitalism impossible in Russia. The first being the absence of the domestic and foreign market. They argued that capitalism could not take off in Russia as it did in Europe because the peasant economy was stagnant and blocked the development of home market. The logic behind this argument is that market dependency forces humane beings to rely on the market for their own reproduction. Since each person can acquire through exchange in the market what they need, they then specialize in what they can do best compared to other producers. Because feudal lords and direct producers, the Narodniks correctly argued, did not depend on the markets for their reproduction, there was no rational basis to behave in a capitalistic way. Peasants had economic resources such as land to produce for themselves. It was not, therefore, rational for direct producers to produce more than

their needs, except when they had to exchange to get commodities they could not produce (Lenin, 1965).

The existence of markets is one of the essential conditions for capitalism to be installed and reproduce itself. The main source for capitalist market is workers who depend on the markets to sell their ability to work in order to earn a living. Since the size of the Russian workers was small and they were paid meager wages, the home market for commodities produced within Russia was non-existent, the Narodniks reasoned. The Narodniks also thought the technological innovation would further displace the few workers from production, thus further undermining their purchasing power. Therefore, the absence of the home market necessitates foreign market according to the Narodniks logic. Unfortunately, fierce international competition, Narodniks pointed out, had saturated the foreign market. Hence exporting Russian commodities was not an option¹.

The second constrain was peasants' interest in private ownership of the land. This set conditions for lack of supply of labour power to potential and actual capitalists. The separation of the peasants from land would create a labour surplus that would be driven to the industrial centers as well capitalist-owned farms.

Instead of installing capitalism as a necessary socio-historical mode of production, the Narodniks argued that that the peasant commune should be used as nuclei for building socialism. It should be noted that the Narodniks were not opposed to modernization or economic growth as such. They were critical of the peasant production and its concomitant low levels of labour productivity. They were, however, convinced that peasant production could lead economic growth, provided it was modernized.

As long as the Russian feudal ruling class appropriated direct producers' surplus labour time for their own consumption, there was no incentive for increasing the rate of surplus labour time. The ruling class' consumption capacity constitutes a ceiling or limit for accumulation. They could not consume the entire surplus product. But the universal monetization of use-value laid the material basis for interests in more surplus-labour time to produce surplus products. In fact,

¹ Ibid

this sets the initial material basis for collapse of the Russian feudalism. Lenin suggests the growth in international demand for wheat in the pre-reform period generated incentive for the property owners to increase the rate of serf exploitation in order to increase productivity. This also set necessary conditions for peasant revolts resulting in the Emancipation of Peasant Reform of 1861, which emancipated peasants from serfdom (Lenin, 1965, 102).

The 1861 Peasant Reforms served as a key moment in the differentiation of the peasants. Unlike in the pre-1861 period, after the reforms peasants gained civil liberties, and more importantly, they owned and controlled pieces of land. And peasants in state land were given large plots of land. Lenin seems to suggest that this created conditions for peasants to accumulate more surpluses, which they deployed to other economic activities despite the fact that they still had to pay state taxes and other dues.

Drawing from Zemsto statistics, Lenin showed that the post-1861 reforms accentuated class differentiation amongst the peasants, thus creating conditions for the emergence of capitalism. Some of the peasants were becoming moneylenders. Money lending, lack of land and farming instruments were the main mechanisms that generated conditions for class differentiation amongst the peasantry (Lenin, 1965,p. 189).

Contrary to the Narodniks' claim that capitalism was impossible because of the absence of the immediate separation of the peasants from the means of production (i.e. land), Lenin deploys Marx's categories of the *real* and *formal* subsumption to show that separation of the direct producers is preceded by merchant and usury capital's exploitation of the direct producers. Under *formal subsumption* according to Marx, appropriation of surplus labour time takes place without direct producers being separated from the means of production. That is without capital entering the 'hidden abode of production' (Marx, 1988, p. 279). Here the sphere of production is still controlled by direct producers. In Russia, some of the successful peasants assumed the role usurer capital, which lent money to poor peasants to either expand their production or pay taxes. In turn, usury capital extracted peasant surplus through charging high interest rates on the peasant debt. On the hand, merchant capital extracted surplus through unequal exchange. The merchants bought cheaper from peasants and sold them at the higher price to consumers.

Lenin contends that the process of class differentiation changed the rural class structure. There were poor peasants who tilled little land, but could not produce enough to meet their needs; hence, they had to sell their labour power. In addition to selling their labour power, the rural proletarians obtained their income by leasing its allotment land, usually rented to the rural business class. Lenin also attributes the decline of poor peasants' land ownership to leasing and selling their land. As earlier mentioned poor peasants were also squeezed by usury and merchant capital leaving them without any surplus to investment in new implements and buying more and or maintaining their land. Poor peasants could not afford to keep their plots eventually became landless wage-labourers. On the other hand, rich peasants became rich by renting and buying more land. Using surplus they generated, the rich peasants further transformed themselves into commercial and industrial capitalists. Their farming became more commercialized based wage-labour and better production technique producing large quantities of produce for sale. The rural capitalists also acted as usurer and merchant capital. They performed the function of advancing loans in the countryside and buying products from the direct producers (Lenin, 1965, p. 147 and 179).

In short, the process of peasant class differentiation had been accompanied by selling of labour power by poor peasants and buying by the rich peasants. So here, we get a vision of linear proleterianisation of the peasants in which:

'...the old peasantry is not only differentiating but it is being completely dissolved, it is ceasing to exist, it is being ousted by absolutely new types of rural inhabitants – types that are the basis of a society in which the commodity economy and capitalist production prevail.. .' (Lenin, 1965, p 177).

Alongside the existence of peasants with Russian feudalism, there were also free artisans in the rural domestic industry. By domestic industry, Lenin refers to the processing of raw materials in the household (peasant family). These artisans worked with their own tools in their house-hold based workshops and exchanging their own products in the market. Put differently, they were their own employers producing and selling their own products, and controlling their surplus product produced by their surplus-labour –time. As artisans encountered the market, they become commodity producers, and class differentiation was taking place amongst them. Lenin

Draft paper: not for circulation and citation without permission from the author.

classifies small industrialists in terms of their output, size of wage-labour as well as their production machinery (Lenin, 1965, p. 338).

Like in the early industrializing England, once money capital took over production, the Russian direct producers lost their independence, including production for their own immediate needs.

Marx points out that:

'For the transformation of money into capital, therefore, the owner of money must find the free worker available on the commodity-market, and this worker must be free in the double sense that as a free individual he can dispose of his labour power as his own commodity, and that, on the other hand, he has no other commodity for sale' (Marx, 1988. P. 272-273).

Once dispossessed, the erstwhile peasants - transformed into a proletarian class – have to depend on the labour market to gain access to the means of production in exchange for a wage for their own social needs. Their labour power is determined by bundle of commodities required to reproduce themselves.

The transformation of the peasants – ‘depeasantisation’ to use Lenin’s formulation – into a proletarian class does not as the Narodniks create the problem of underconsumption arising out of lack of the home market as the Narodniks argue. Instead, workers become consumers of the very same commodities they produce. The dispossession of the peasants also means that they are also transformed into consumers of commodities. So the problem of the home market as hinted by the Narodniks does not arise.

Of course, workers in a capitalist labour process spend time producing, firstly for themselves, and surplus-labour-time producing a surplus-product, which takes the form of surplus value appropriated by a capitalist. Necessary labour time takes wage-form and surplus value takes a monetary form. The lower the real wage the higher the surplus value. If all surplus products were given to workers, there will be no surplus value for capitalist. The puzzle is since capitalists cannot consume all their surplus products. Where does the surplus go? Luxemburg suggested

that the capitalists resolve this problem by selling their commodities in pre-capitalist modes of production. According to her theory the exhaustion of the pre-capitalist modes of production serves as a limit for economic growth (Luxembourg, 1951). Taking a cue from Marx, Lenin (1965) shows that capitalists too are also dominated by the structure of capitalism, which requires them to compete in the market. Capitalists also depend on the market to get access to both the means of production and labour-power, and to sell their commodities. Part of the surplus generated through the exploitation of wage-labour, is re-invested in efficient means of production in order to outcompete other capitalists. The problem of the home market is resolved by (a) demand for the means of production and (b) demand for workers' consumer goods. The most efficient capitalist outcompete the less efficient who plunge into bankruptcy and taken over by the competent ones, thus leading to centralization and concentration of capital in few business owners. Of course, this does not mean capitalist competition between monopolies ceases to take place. The competition also takes the form of search for market, raw materials and cheap labour outside the national boundaries.

Unlike the Narodniks, Lenin celebrated the destruction of the peasant communes by capitalism because it generates conditions for economic growth. Tying people to their allotment retards the economic growth, Lenin argued. He suggested two possible paths for installation of capitalism. One being the installation of capitalism from above in which landlords transformed themselves into capitalists. This includes intensification of exploitation of the tenants. Because the roots of the Russian autocracy and landlordship lied in the ownership of land, he preferred distribution of land to the poor peasants to unleash accumulation from below (Lenin, 1965, pp. 302 and 309).

It is worth noting that Lenin wrote the text – *Development of Capitalism in Russia* – to develop a political programme to overthrow the Tsarist autocracy and install capitalism as a necessary phase for building socialism. However, like Kautsky he was not fond of peasant production. He saw small peasant production as clearing way for capitalism. In other words, small peasant production was progressive under feudalism, but retrogressive under capitalism. It is for this reason that he opposed the post-1905 Stolypin reforms because these were intended to create a class of conservative farmers to serve as an impediment to the rural revolution. Lenin argued that the dominance of landlords, usury and merchant capitals retarded the development of capitalism

in Russia. To hasten the process of capitalist development Lenin argued for a political revolution based on the demands for distribution of land to poor peasants. He envisaged that this will generate conditions for capital accumulation from below which will create competition amongst the peasants leading to polarization of the class structure into the proletariat and bourgeoisie.

To get beneath his logic it is necessary to demonstrate how the transformation of peasant agriculture creates conditions for industrialisation. Firstly, the dispossession of peasantry releases labour to industries since peasants will not have any source of livelihood except selling their ability to work for capitalists. Secondly, marketable agricultural surplus reduces the price for wage-goods, and this makes cheaper labour inputs for economic growth. On the contrary, untransformed agriculture does not generate surplus because of its low levels of productivity. Consequently, this raises the price of wage goods. Thirdly, peasant households are units for production and consumption. Because proletarian households are units of consumption, therefore their expansion also leads to the growth of the market. Hence industrialisation requires breaking down of self-sufficient peasant household. The collapse of the peasant household creates necessary conditions for the home market of consumer goods. Lastly, agriculture can generate investment surplus in industry.

Kautsky on the effects of capitalism on peasant production

Kautsky's initial hypothetical analytical predictions on the effects of capitalism on peasants were similar to Lenin's findings in his book – *The Development of Capitalism in Russia*. That is to say, Kautsky initially thought that capitalism will eliminate petty commodity producers (i.e. manufacturers, peasants etc), thus creating two classes – rural proletariat and capitalists (Alavi and Shanin, 1988, p.4).

Kautsky's empirical evidence questioned the idea that peasant production will disappear under the compulsion of capitalist development. He cites three functional reasons for the non-disappearance of peasant production. The first reason has to do with the economic function the peasant production fulfills in capitalist capital accumulation. As Kautsky puts it:

'the small farm continues to exist because it ceases to be a competitor and ceases to figure as a seller of those agricultural products produced by large farm. Instead, it is

transformed from a seller into a buyer of the products of large-scale farming produced in abundance. The commodity, which the small farmer produces in abundance, is precisely the means of production urgently required by the large farm – labour power. Once these things reach this stage, large and small-scale farming are not mutually exclusive. In fact like capitalist and proletarian, they require each other, with the small farm increasingly assuming the former role' (Kautsky, 1988, p. 166).

Put succinctly, peasant production, according to Kautsky does not just disappear with the advent of capitalism because it provides and reproduces cheap labour power and serves as a market for capitalist produced commodities. Not only that. Capital also pumps surplus out of the peasants through unequal exchange. This also explains the underdevelopment of the countryside in that the surplus that could be used for further investment in agriculture is taken away from the peasants for the benefit of the industries located in urban centres.

The second functional reason has to do with the political role of the peasants in reproducing the power of the ruling class. Under conditions of universal suffrage, peasants fulfill the function of politically reproducing the political power of the dominant capitalist classes against the proletariat. By winning over the peasants, business is able to gain electoral mass support, which enables it to legitimately hold state power (Kautsky, 1988, pp. 142-143).

The third reason for the persistence of the peasant lies in the resilient of the peasant production itself, according to Kautsky. Unlike artisans and other petty commodity producers, peasants can withstand capitalist competition because they are willing to do excessive labour and under-consume leading to malnutrition. This undernourishment blocks economic growth because workers cannot undertake heavy work. The over-self-exploitation of the peasantry makes the peasant sector of the capitalist political economy the source of continuous primitive accumulation (Kautsky, 1988, p. 117).

Like Lenin, Kautsky celebrated the proleterianisation of the peasants not only because it generates conditions for supply of labour for industrialisation, but also that it allows workers to be free outside the workplace, and this makes it possible for the proletariat to politically organize. This is in contrast to a peasant who is also dominated within the family. Nevertheless,

they also overlooked the mechanization of labour process resulting in retrenchment of workers, which set conditions for workers to be thrown back into the countryside and earn their livelihood by tilling the land. In other words, they overlook the process of re-peasantisation.

Bundy and Lenin's linear proleterianisation thesis

Bundy's writing on the emergence of South African capitalism and its effects on the African peasantry was a critique of the liberal-modernization. Borrowing from Rostow's modernization theory, the South African liberal-modernization tradition has argued that the economy was divided into two. The first economy (capitalist) was a desirable model for economic development, while the pre-capitalist dominated by African peasant production was traditional and backward, and had to be obliterated. It was argued - then and in contemporary South Africa - that the two modes were structurally disconnected, and that capitalism would obliterate the African peasantry, and transform it into two desirable modern social agents - the capitalists and wage-earners (Houghton. 1964).

The supposedly backwardness of African peasant agriculture was attributed to African peasants' individual attributes associated with their social psychology were considered to be incompatible with the capitalist economic growth. For instance, it was argued that the Africans' communalistic psychology blocked the capitalist rationality, which would enable them to adopt rational economic methods based on private ownership of land. Because their agriculture was stagnant, Africans voluntarily opted for wage-labour in the mines. So, African peasants were not forced into wage-labour, the liberal historians argued. They further argued that African wages were low not because of the rate of exploitation, but because black workers' needs were less. Their desertion of land enabled White farmers to acquire more land (Hutt, 1964, pp. 49 and 67).

The backward African peasantry agriculture was a manifestation of irrational customs, which will dissolve under the pressure of economic rationality. Restriction on the investment to the reserves by the colonial and Apartheid state has hindered economic growth, which would have led to the eradication of the tribal customs and traditions, liberal political economists argued.

It could be argued that Bundy represented Lenin's linear proleterianisation in the South African historiography. He agreed with the modernization theory that the development of capitalism will

obliterate the pre-capitalist mode of production, including its peasant production. However, he differed with the modernization theory on the assessment of the economic performance and conduct of the South African peasantry.

In rebutting the liberal-modernization theory, Colin Bundy (1979), showed that in fact, African peasantry responded competitively to new market conditions during the late 19th century and early 20th century. Because of this, some of the African peasants adopted relatively advanced productive techniques, which enabled them to compete with white farmers. As a result, there was a social differentiation of the peasants. Whilst some peasants were turned into wage-laborers, there was huge expansion of the African *kulaks* between 1870 and 1890. To be sure, many of the peasants transcended their peasant class origin and became capitalist farmers. They employed labour and leased part of their land to tenants.

The African peasantry's self-sufficiency withheld labour power which was in dire demand in the early periods of South African industrialisation. As a prominent Anglican cleric once remarked, Africans :

'these peasant farmers, why should they send their sons and daughters to work for wages? They prefer supplying their ones from the soil, as they can easily do so they stay at home' (Bundy, 1979, p. 92).

To solve the problem of labour supply, industrial business acting through the state forcefully transformed the African peasantry into proletarians. The familiar methods included land dispossession and the imposition of hut and dog taxes, in order to force wage-labour to come to market.

Guy has documented mechanisms that were employed by the colonial state to proletarianised and pump out surplus out the colonialised subjects. The hut tax was introduced on Zulu land as a specific mechanism to proletarianise the peasantry. The peasantry had to work for a wage in order to earn money to pay the tax. Some sold cattle to raise cash and some paid in cattle, pushing prices ever lower (Guy, 1982:175). In sum, the problem for capital was the African

peasant's self-sufficient African because they withheld labour dearly needed in the mines and white capitalist farms. Hence, the dispossession the destruction of the African peasantry through proletarianisation was linked to the needs of capitalist development in South Africa. This, Bundy argues, blocked the accumulation from below which had been emerging amongst Africans, and encouraged the accumulation from above in which white landlords transformed themselves into capitalist farmers. However, it should be noted that different fractions of colonial capital did not agree on their approach to the African peasant question. The merchant- absentee landlords preferred the growth of the African peasantry. This enabled the merchants to 'buy cheaper and sell dear'. It has been suggested that merchant capital was interested in imports to Southern Africa and exports. Therefore, they were interested in the building of local market, and whereas mining capital were not. It was mainly interested in labour, and merchant capital was more interested in commodities being produced by the peasants (Bundy, 1979, p. 240). It is not clear in Bundy why industrial business became victorious in the intra-business rivalries.

Bundy has been criticized not only for failure to examine relations of exploitation through production, but also for his lack of study of the internal dynamics of the societies that he had been studying. By emphasizing, the relations of the circulation commodities in the market he ignored how capitalist relations of exploitation in production were articulated with peasant production. A couple of studies showed that not all blacks were fully proletarianised. In fact, wage-labour remittances also served as a basis for further peasant class differentiations (Ruth, 1983,, pp. 240-257).

Harold Wolpe and Kautsky theory of articulation of modes of production

Contrary to the liberal political economy and the linear proletarianisation rooted in the dependency theory (as represented by Bundy in the South African context) that capitalism in the periphery has a tendency to obliterate the peasant modes of production, Wolpe argued that capitalism can co-exist with – and prosper from – peasant modes of production, which served as

a source for cheap labour and market for capitalist produced commodities. Wolpe (1972) was not only concerned about the pitfalls of setting dependency theory against liberal political economy, but also felt the need to explain the rise of Apartheid.

Wolpe extended the articulation of modes of production theory based on cheap-labour thesis to explain the non-disappearance of the African peasant production. Taking production as a key unit for analysis, the articulation of modes of production theory treats capitalism as a dominant mode of production in South Africa, but does not assign the production relations in the countryside as capitalist. Rural black areas are seen as residual of pre-capitalist modes of production existing in articulation with the dominant capitalist mode of production.

Wolpe argued that the South African colonial states slowed the process of proleterianisation of the peasantry through the reproduction of pre-capitalist modes to set conditions for super-exploitation of labour. To illustrate this argument, Wolpe expanded upon Marx's concept of exploitation and eventually arrived at the cheap labour thesis. As earlier mentioned under capitalism, workers are required to perform surplus labour time in order to generate surplus product, which is appropriated by the owners of the means of production. Capitalists buy workers' labour power like any commodity. The value of the labour power is determined by cost of reproducing a worker. A worker needs clothing, food and shelter in order to reproduce, and a wage plays this function. The value of labour power is thus determined by means of subsistence. It is in this context where Wolpe brings into focus the importance of the articulation of modes of production, for the non-capitalist reproduction of labour power creates a basis for the relative reduction in the value of the labour (Wolpe, 1972).

Like Kautsky, Wolpe saw the maintenance of peasant production was functional to capitalism, because it subsidized wage-laborers' necessary labour. Peasant agriculture in the reserves contributed to the social reproduction and maintenance of migrant workers. Capitalism thus benefited from the continued existence of the pre-capitalist mode of production. To put more concretely, the Reserves took care of those who were not immediately useful (children) and those who were no longer useful (retired or ill workers).

The institutions of traditional authorities mended by local chiefs served as political institutions to politically dominate the rural inhabitants, including serving as labour recruitment agencies for the mines. Because the pre-capitalist modes were functional for capital accumulation, the SA capitalist took up measures, including recognizing the South African customs, granting powers to the chiefs (Mamdani, 1996) Unlike in the case of Kautsky where the ruling class made concessions to the peasants in order to win their electoral, in colonial societies where the peasants are disfranchised, the traditional leaders acted as local political agents through which the colonial political domination was enforced.

In the 1920 and 1930s, there had been a decline in African peasants' productivity due to, amongst other factors: shortage of land; loss of economically active adults to temporary employment in the capitalist sector and relatively inefficient farming methods (Tomlinson, 1955). Flowing from his functionalist logic, the decline in peasant productivity Wolpe argues, posed a dilemma for capitalist economic growth. As Wolpe (1972) pointed out, between 1870 to the 1930s, the rate of surplus value in South Africa depended on maintenance of the pre-capitalist modes of production in the reserves, which provided a portion of the means of consumption (reproduction) of the migrant labour force as earlier mentioned.

The decline in peasant productivity made it difficult or impossible for the reproduction of cheap labour power through the pre-capitalist modes of production. Segregation enforced through the state provided a political form functional and relevant to declining conditions of the peasant economies. In short, for Wolpe (1972) the rise of the Apartheid state represented an attempt to retain the rate of surplus value using the pre-capitalist modes of production in the context of its dissolution.

The supply of more land would have undermined the basis for supply of labour power in that peasants would not have found it rational to sell their labour power since they will have the means of subsistence. In fact, the government appointed the Beaumont Commission, which recommended that more land should be allocated to African peasants. However, government rejected these recommendations. The complete erosion of the peasant economies would have eroded the basis of reproduction of cheap labour. Hence, since in the 1930s the state had been

providing some support to the African peasant agriculture just enough to maintain the labour reserves.

Wolpe's focus on agriculture ignores other petty-commodity production such as beer brewing, knitting, making beads, selling firewood. These economic activities have been central in rural livelihood strategies. Furthermore, Wolpe seems to suggest that the limit for economic growth is the availability of cheap labour. Clearly, business could have increased productivity in capitalist agriculture, thus reducing the price of labour power. It is not clear why business had to solely rely on cheap labour for economic growth as Wolpe suggests.

Conclusion and possible research agenda

Studies of the South African countryside have been dominated by the linear proleterianisation and dissolution-conservation theoretical approaches drawing from Lenin and Kautsky's theoretical traditions. No doubt, Lenin and Kautsky's theoretical insights have enabled the South African radical political economy to illuminate the effects of capitalism on the peasant economy. Both Bundy and Wolpe suggested that the destruction and conservation of the African economy can only be understood by theorizing the functional requirements of the capitalist system. This mode of theorizing is fallacious because it conflates the functional consequences associated with the destruction and/or conservation of the peasant economy with the cause of the destruction and conservation.

Both Bundy and Wolpe should have just shown the functional relationship without ascribing causality to functional benefits or consequences to the capitalist system. They should have searched for causality somewhere in the balance of power analysis. To be more concrete, they could have focused on the political conditions that made it possible for colonial capital to impose its power over the African peasants. For this reason, it is worthwhile undertaking a research project to probe into the political conditions, particularly the balance of power, that made it possible for the dominant fraction(s) colonial capital to impose its will on the African peasantry. Furthermore, it is also not clear why colonial proleterianisation took a gender-based form. That is why it was men who were drawn into wage-labour.

In addition to these historical questions, there are a number of potential contemporary questions, which require empirically researched answers. Some of these questions are:

- a. Why and how did the African peasantry in former homelands² disappear in late Apartheid (i.e. between 1980-1990)?
- b. How has the disappearance of the peasantry affected the class structure in the countryside?
- c. What are the livelihood strategies of the decimated peasantry in the light of South African economy's low labour absorptive capacity?
- d. What explains the variations in the livelihood trajectories of the decimated peasantry?
- e. Are there prospects for accumulation from below in the post-Apartheid South Africa?
- f. Has the decline of peasant production in South Africa altered the conditions of social reproduction of the wage-labor force in late and post-Apartheid South Africa?

REFERENCES

1. Alavi, H. and Shanin, T. 1988. 'Introduction to the English Edition: Peasantry and Capitalism', in the Agrarian Question Volume 1. London : Zwan Publishers
2. Bundy, C. 1979. The Rise and Fall of the African Peasantry: London: Heinemann.
3. First, R. 1983. Black Gold : The Mozambican Miner and Peasant. Brighton : Harvester.
- Phimister, I. 1986. 'Commodity Relations and Class Formation in the Zimbabwean Countryside 1898-1920' in The Journal of Peasant Studies 13 (2) : 240-257
4. Houghton. 1964. South African Economy. Cape Town : Phillips
5. Hutt, W.H. 1964. The economics of the colour bar: A study of the economic origins and consequences of racial segregation in South Africa. London: André Deustsch
6. Luxembourg, R. 1951. The Accumulation of Capital – An Anti-Critique.

² Homelands were ethnically based residential areas allocated for Africans in South Africa after the National Party won the 1948 white-only national elections. These homelands were nominally independent in the sense that the inhabitants could elect their representatives within these areas. However, these representatives were accountable to the Apartheid central state.

7. Mamdani, M. 1996 .Citizen and Subject: Contemporary Africa and the Legacy of Late Colonialism. Princeton : Princeton University.
8. Marx, K. 1988. Capital Volume 1. London: Penguin Publishers.
9. Shanin, T. 1972. The Awkward Class: Political Sociology of Peasantry in a Developing Society: Russia 1910-1925. Oxford : Claredon Press
10. Tomlinson, F.R 1955 : Commission for the Socio-Economic Development of the Bantu Areas within the Union of South Africa. Pretoria, Government Printer (unpublished)
11. Wolpe, H. 1972. 'Capitalism and Cheap Labour Power in South Africa : From Segregation to Apartheid', Economy and Society 1 (4).