THE RATIONAL PEASANT

The Political Economy of Peasant Society

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This essay concerns the impact of colonialism, the expansion of markets, and the formation of central states on peasant society. I shall discuss both the widely-accepted interpretation of this impact, the moral economy approach, and, from different assumptions, an alternative I call the political economy approach.

Historically, whether in colonial or non-colonial settings, the development of strong central states and the expansion of national and international markets have been accompanied by major changes in the forms of peasant villages and in the nature of peasant relations with agrarian elites. Most (but not all) of the world’s peasantry today live in open villages; that is, in villages with individual responsibility for the payment of taxes, indistinct boundaries between the village and the outside world, few or no restrictions on landownership, and imprecise notions of village citizenship and privately owned lands. In contrast to the few restrictions on landownership or exchanges with persons outside the (open) village, most of the world’s peasantry once lived in corporate villages, that is, in closed villages with some form of collective responsibility for the payment of taxes, clear boundaries between the village and the outside world, restrictions on landownership, a well-defined concept of village citizenship, and communally-owned lands. In the past, moreover, a peasant was likely to have multi-stranded relations with the landlord (or patron) from whom he rented land. In other words, the peasant obtained land and many of the key components for farming such as credit, draft animals, housing, and seeds from the landlord. The landlord also often marketed surplus production (when there was any) for the peasant. In

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contrast to these multi-stranded ties of past landlord-peasant relations, today's peasantry is far more likely to have precise and well-defined contractual relations for obtaining these same goods and services from several different persons.

The moral economists see the shift from precapitalist corporate villages to open villages and the change from feudal, diffuse, multi-stranded ties between agrarian elites and peasants to single-stranded, precise, and contractual ties as changes which, by exposing peasants directly to market forces, invariably harm peasant welfare. The moral economy approach focuses on the relations between economic and social institutions. It is an economic approach not because it uses the methods of modern economists, but because it addresses important issues about markets and other economic institutions. It is moral not because it assumes peasants and elites were more moral and less calculating in precapitalist settings, but because it assumes that, under earlier institutions, the calculus governing behavior led to more moral outcomes with respect to peasant welfare than that under the social arrangements and institutions of modern capitalism.

There are also more romanticized local variants of this approach. In the Spanish and Russian variant, scholars view the precapitalist village as a unique form attributable to special virtues of race or culture. In the Vietnamese variant, scholars perceive the village as a unique local form generated by a combination of Confucian and Vietnamese virtues; they believe that revolution occurred because colonial decrees stripped the village of the qualities and virtues it once possessed. This is romanticism, the "myth of the village". Ways of life that may have existed only for lack of alternatives are extolled as virtues. Peasants who had little or nothing to eat are assumed to have had a rich spiritual life. Sons who may have stayed with their fathers in order to survive are credited with filial piety. What may have been the absence of incentives to change becomes a resistance to innovation and a defense of traditional ways. The rich who hid their wealth are thought to demonstrate great modesty, and hostility among villages is converted to village solidarity. Necessities or oppressions of one era come to be interpreted as traditional values during the next.

The general moral economy theorists with whom I deal here are far more sophisticated than the local interpreters of their approach. They base their analyses not on the features of any particular race or culture, but on common challenges and crises which face peasants throughout the world.
Nevertheless, these moral economists share with the more romantic local scholars similar views about the ways in which peasant institutions relate to or develop from the interests and concerns of individual peasants. Further, they all argue that social relations in precapitalist or non-capitalist settings are more moral than are relations in capitalist settings, and that the externally induced "breakdown" of precapitalist institutions hurts peasant welfare. I argue that moral economists base many of their claims on unexamined, unsupported premises, and that crucial parts of their interpretations of peasant institutions are false.

I present a political economy alternative to moral economy not merely to clarify the historical record. My argument is that peasants are continuously striving not merely to protect but also to raise their subsistence level through long and short term public and private investments. Their investment logic applies to both market and non-market exchanges. By arguing that the exchanges between peasants are shaped and limited by conflicts between individual and group benefits, I will demonstrate that villages are best viewed as corporations instead of communes, and that patrons with multi-stranded ties to peasants are best seen as monopolists instead of paternalists.

Core Assumptions of The Moral Economy Approach

My account of the moral economy approach is drawn chiefly from the works of the contemporary social scientists Eric Wolf, James Scott, and Joel Migdal. Although there are differences among these authors in some areas and not all of their work can be categorized as moral economy, much of their work shares a common focus and methodological emphasis. I cite these three scholars as illustrative of the moral economy approach because they provide insightful and systematic elaboration of its assumptions and assertions. The approach often recalls continental (anti-marxist) economists such as Karl Polanyi, and some \textit{but not all} marxist scholars such as Eric Hobsbawm. (These scholars incorporate portions of the moral economy perspective in their work: my concern is to identify the core of the approach and not to label or criticize these scholars as moral economists.)

But first one important \textit{caveat}: in order to compare the two approaches, I shall recast the historical and inductive richness of moral economy thought into a deductive framework of my own construction. I cannot be sure, therefore, that any of the moral economists discussed would either recognize or agree with my statement of their assumptions or see them as
the "correct" set of core assumptions from which they work. Moreover, while I disagree with many of their conclusions, their work has stimulated this attempt to place current knowledge about peasant society in a deductive framework, and has provoked many of the questions to be answered here. Although the approach presented by moral economists cannot incorporate many findings from my research, not all of my approach conflicts with moral economy. In some areas I have serious disagreements; in others, however, I merely expand and clarify observations made by moral economists.

*Moral Economy*

Peasant protests frequently accompany state making, commercialization of agriculture, and colonialism. Moral economists link these protests to a (presumed) loss of subsistence, security, and welfare by the peasantry during these changes. They interpret violence as a defensive reaction against capitalism and as an attempt to restore the precapitalist structures that provided peasant welfare. They argue that the change in welfare is due to the changes in the key supra-family institutions – the village and the patron-client relationship. They assume that peasants are anti-market, prefer common property to private, and dislike buying and selling. They assume also that peasant welfare depends upon the closed corporate villages common in precapitalist society and/or on multi-stranded feudal ties to those who control the land. The transition to open villages with private property and open land sales, and to contractual, single-stranded ties with landlords, they argue, force peasants into the market where their welfare invariably suffers. For example, Eric Hobsbawm discusses rural protest in nineteenth-century Spain:

> The best explanation is, that the rise of social revolutionism was the consequence of the introduction of capitalist legal and social relationships. . . . It is hardly necessary to analyze the inevitably cataclysmic consequences of so unprecedented an economic revolution on the peasantry. *The rise of social revolutionism followed naturally.*

Chief among the fundamental characteristics of the moral economy approach is the view that social relations in precapitalist settings are invariably "moral" and that whenever capitalist institutions are introduced the fabric of the moral community is rent – in extreme cases destroyed – by the intrusion of the "cash nexus". When villages are "closed" or "corporate" (that is, when there are limits on the ability of non-villagers to own land or to involve themselves in the internal affairs
of the village), and particularly when there is communal land, it is assumed that the workings of such communities are more humane and protective than open villages with private property and fewer restrictions on the ability of non-villagers to involve themselves in the local economy. Where landlord-tenant relations encompass a variety of exchanges, they are assumed to be less harsh than those confined to limited, contractual, rental arrangements. Non-market systems are assumed to be more benevolent, humane and reliable than market systems. Such common features of precapitalist society as communal property, labor exchange, burial associations, the gifts given by a patron at the birth of a child, and rent reduction after a bad harvest make survival possible for peasants. These relationships and organizations work well enough, moral economists assume, so that before capitalism (or colonialism) individuals starved if and only if the community as a whole was endangered.

Within capitalist institutions, in contrast, people enrich themselves only at the expense of the survival of others – they can avoid giving the aid and support which they would have given in an earlier time. State formation, capitalism, and colonialism, the moral economists hold, harm peasant welfare, for they increase inequality and stratification and force more and more peasants into isolated and atomized positions without the insurance and protection of their traditional institutions. Capitalism turns land, labor, and wealth into commodities, which is (for Eric Wolf) "only a short-hand formula for the liquidation of encumbering social and cultural institutions." As for the peasant’s "little tradition" of subsistence rights so crucial to his survival, James Scott states that "the process of commercialization and the creation of the nation state have been the assailants of the little tradition everywhere." Peasant welfare is most precarious in precisely those areas where commercial progress is most impressive. Scott believes, because capitalism, commercialization of agrarian relations, and the centralizing state cut through "the integument of subsistence customs and traditional social rights to replace them with contracts, the market, and uniform laws."

The destruction of the peasant’s accustomed institutional context for reducing risks, therefore, creates the tensions that mount toward peasant involvement in rebellion and revolution. The ensuing violence reflects “defensive reactions” or “desperate efforts to maintain subsistence arrangements that are under assault,” or to restore them once they have been lost. Peasants have a “traditional distaste of buying and selling” and a millennial dream of community property; peasants are opposed to capitalism, for the “pre-capitalist closed economy is their utopian goal.”
In order to analyze this interpretation I shall look closely at the assumptions the moral economists make about individual peasant households, villages, and patron-client relations. All the authors cited make strong central claims, but they also offer numerous qualifications. Here, as I distill their major arguments, their qualifications cannot receive as much attention as in the original works. Their strong central claims—and not the qualifications—when linked together, however, establish a moral economy interpretation of peasant protest movements.

Safety First

Moral economists believe that the decisive fact about the peasant is that he is poor and always close to the danger line, and that, therefore, a small drop in production can have disastrous effects on the survival of the household. This concern with subsistence and security is called the “safety-first” principle: peasants are averse to risk and focus on avoiding drops instead of on maximizing expected profits. Using scattered fields and a variety of seeds, for example, reflect efforts to avoid drops in income. Opportunities for gain will be eschewed if such opportunities even slightly increase the chance of falling below the subsistence line.10 The importance of secure floors, moral economists argue, is reflected in the systems of taxation and rent that peasants will prefer. Whereas to a secure, comfortable farmer, fixed rents and taxes provide maximum incentive to innovate and maximize production, peasants with a concern for survival will prefer variable taxes and rents, which might over a period of years take more returns than fixed claims, but which are less onerous in bad years.11 As Nguyen Van Vinh has noted, when Vietnamese peasants demanded agrarian reform, they were protesting not so much inequality itself, but the enslavement and dispossession brought about by fixed rents.12

Market crops may offer a larger expected income than subsistence crops, but market and cash crops are assumed to increase the probability of a drop below the danger line. Since such a drop threatens long-run survival, the peasant “keeps the market at arm’s length” and produces for sale “only within the context of an assured production for subsistence.”13 Scott argues that a peasant will be seen as “demented” by his neighbors if he puts all his land into market production without holding back a part for subsistence production for his family.14 Rich peasants with savings and the ability to hire labor regularly can afford to engage in market production and to innovate, but poor and middle peasants (i.e., laborers, tenants, and smallholders), will generally innovate or enter into
market production only when to do nothing is to go under. “Peasants whose subsistence formulas are disintegrating due to climate, land shortage, or rising rents do what they can to stay afloat – this may mean switching to cash crops, taking on new debts and planting risky, miracle rice, or it may mean banditry. Much of peasant innovation has this last-gasp quality to it.”

Because the peasant assumes that local institutions are a more certain way of meeting subsistence needs, he views the market as a last resort. Eric Wolf argues that if the peasant, who is oriented to local norms and roles, sells a cash crop, the money is only “to buy goods and services which he requires to subsist and to maintain his social status rather than to enlarge his scale of operations.” Scott also argues that, among peasants, “the ethos that promoted mutual assistance was partly inspired by a rejection of the market economy. Considering the circumstances and the rigors of commercial agriculture, it is little wonder that many peasants, if given the option, move substantially away from production for the market.” Karl Polanyi, whose ideas prompted and shaped so many of the works discussed here, makes the case against markets even stronger. As George Dalton has summarized Polanyi, subsistence livelihood “was guaranteed as a right of membership in a human community.” Peasants do not need markets, Polanyi says, because their needs are satisfied within their institutions: “the alleged propensity of man to barter, truck and exchange is almost entirely apocryphal.” If there is to be a labor market, “traditional institutions must be destroyed, and prevented from reforming.” Thus, “To include [labor and land] in the market mechanism means to subordinate the substance of society itself to the laws of the market.” Although Polanyi’s formulation is the most extreme, all of the moral economists cited stress that peasants will go under if, and only if, their communities, whose mechanisms alleviate pain and safeguard against individual crop failures, go under.

Villages

The village provides peasants with security in precapitalist society. It is a collectivity, which typically operates to assure a “minimum income” to its inhabitants. Its internal function, in Wolf’s conception, is to “equalize the life chances and life risks of its members.” Joel Migdal thinks that because peasants are so close to the line, “there developed community mechanisms to maximize security for the household.” And Scott believes that “the precapitalist community . . . was organized to minimize the risk to which its members were exposed.”
Village procedures reflect this overriding concern of peasants with survival, and the subsistence ethic finds social expression in the "patterns of social control and reciprocity that structure daily conduct." The "right to subsistence" is the primary normative concern; the institutions peasants control are organized to insure "the weakest against ruin by making certain demands on better-off villagers." Within the precapitalist village, in particular, generosity and assistance were imposed by peasants on their better-off neighbors, and procedures within the village guaranteed "all village families...a minimal subsistence niche insofar as the resources controlled by the village make this possible." Thus, in his relations with fellow villagers, the peasant adheres to certain norms and roles. In corporate villages, for example, there is a "need to keep social relationships in equilibrium in order to maintain the steady state," which is "internalized in the individual as strong conscious efforts to adhere to the traditional roles, roles which were successful in maintaining the steady state in the past." In this view, a peasant starts with "needs which are defined by his culture," and the economic goal of a household is a sufficient "level of resources to discharge its necessary ceremonial and social obligations."

A common feature of many precapitalist villages is the communal management or ownership of land. Internal allocation of collective charges imposed on the village by the state or lord is another characteristic. These local distributions of lands and taxes imply "systematic participation in communal political and religious affairs." This systematic participation promotes a shared collectivity and a strong village identity, which promotes consensual decision making, controls internal conflict, and prevents the individualistic focus on gain that dominates atomized capitalist society. Community identity limits and controls differences in wealth among peasants by pressuring the wealthy to put any surplus into feasts or other village benefits - a redistributive mechanism that "levels differences of wealth," works "against the development of large differences in wealth," or "redistribute(s) or consume(s) the surplus wealth of the richest." In other words, social pressures and the desire for prestige within the village lead to an expenditure of surplus income within the village that levels income differences. Similarly, resistance to innovation reflects a concern for the poor, an adherence to the subsistence ethic: "a shared risk insurance policy...demanded that the village deny certain members the right to import 'progressive methods' because of the detrimental effect they could have on the poorest."

Particularly important here are the moral economists' assumptions about
the response of villages, as villages, to increased demands upon the village resources, particularly from population growth. As population density increases, there is an intensification of weeding, hoeing, ploughing, more labor intensive methods of harvesting and planting, and more sophisticated irrigation. This intensification of agricultural technique increases the role of the village in the production process, which is called “agricultural involution”.

“Involution” has also come to mean the sharing and spreading of work to make room for otherwise superfluous persons, so that the village is able to achieve “the minimization of socioeconomic contrasts... through that more ancient weapon of the poor: work spreading.” Thus, when demands upon village resources increase, there is an “internal capacity to share resources,” and to stretch or bend resources by such techniques as “labor exchange which spreads the available work as far as possible.” A village thus strives “to guarantee its members some basic livelihood within the confines of the community.” In addition to the sharing or spreading of work, village efforts also involve limits on standards of living for members of the community. Wolf, for example, argues that an increased pressure on resources “leads to the establishment of a culturally recognized standard of consumption which consciously excludes cultural alternatives. By reducing alternative items of consumption, the community reduced the threat to its integrity.” In the same vein, Scott says that “social pressures such as jealousy and envy - or accusations of witchcraft - operated informally to discourage any desire to outdistance fellow villagers while those who did, in fact, fare somewhat better than average were pressed to redistribute their wealth.”

Patron-Client Relations

The other main institution in peasant society is the relation of the client or peasant to his patron or lord. Patron-client relations are dyadic relations which encompass a “broad but imprecise spectrum of mutual obligations consistent with the belief that the patron should display an almost parental concern for and responsiveness to the needs of his client and that the latter should display almost filial loyalty to the patron.” The continued existence of patron-client relations rests on the legitimacy of the tie for the peasant. Legitimacy rests upon the provision by the lord of fundamental subsistence rights for the peasant. The terms of exchange in such relationships depend upon the relative bargaining power of the two parties.
Moral economy analyses of peasant society link the existence of patrons to social norms and considerations of prestige:

A wealthy man is pressed by villagers to assume expensive ceremonial offices, to make large religious contributions, to give personal loans and donations, and so forth. He trades some of his wealth for prestige and, by so providing for at least the minimum well-being of others, he becomes a legitimate patron...44

...minimum terms traditionally demanded by the peasant/client are physical security and a subsistence livelihood. This expectation is at the root of the peasantry's "paternalist moral economy," the basis of its conception of justice and equity. A breach of these minimum requirements...serves to undermine the legitimacy of the patron class and to provide the peasantry with a moral basis for action against agrarian elites.45

Although the goals or motives of the patron are never fully articulated, the emphasis here is clearly on the concepts of subsistence and legitimacy. Implicit in moral economy analyses is the proposition that the security of a lord in his role rests on the quality of the subsistence guarantee he provides his clients. Social norms of fairness and justice must be upheld, or "subordinates will feel exploited and seize any opportunity to escape the ruling group's power or oppose it."46 Social norms impose standards; when standards are not upheld, moral outrage and rebellion ensue. For elites, the peasantry's subsistence ethic means that they must not invade the subsistence reserves of the poor and that, furthermore, they have a positive moral obligation to provide maintenance needs in time of dearth.47 Thus, subsistence claims apply to both villages and patrons. For the moral economists, the subsistence ethic provides the perspective from which peasants view claims upon their resources: "The peasant's criterion will be what is left after outside claims have been met - whether it is enough to maintain his basic requirements - rather than the level of the claims per se."48 With respect to taxes or rents, what moved peasants to rebel was "the smallness of what was left rather than the amount taken."49

The growth of the central state, the commercialization of agriculture, and the growth of population all serve, they argue, to shift the terms of exchange against clients. Before these changes occurred, alternative social mechanisms such as the village, along with unclaimed land on the frontier and the absence of outside backing for local power holders, prevented the balance from moving radically in favor of the patron.50
When the multi-stranded ties to patrons "erode" and the "bonds" dissolve, peasants will attempt to form new patron-client relationships with money lenders or shop keepers. But whether there are multi-stranded ties to one patron or single-stranded ties to numerous patrons, a peasantry that can meet short-run subsistence requirements through such ties will be "effectively demobilized by virtue of its dependence links."51 Without a short-run subsistence crisis, then, peasants will not engage in protest activities.

Unanswered Questions

The influence of the theorists discussed above on peasant studies cannot be overstated. The attention paid to danger lines, subsistence threats, and risk demonstrate that economic change or development is not merely a problem of changing "traditional" attitudes. They show that many of the norms and procedures of peasant society are embedded in considerations of subsistence and survival; the village is not only a ritual and cultural unit, but it is also an important part of peasant economic life as a source of rights and resources. Investigation of the variety of services and economic goods exchanged between patrons and clients, furthermore, has focused research on the relationship between forms of patron-client exchange and peasant security.

Recent peasant studies, however, have left some important questions unanswered and have provided incomplete answers to still others which are central to political economy. How are norms derived? What determines the "subsistence level"? How are competing claims of need assessed and resources distributed? (For example, how is it determined whether a man who had a bad crop this year and an excellent crop last year is better or worse off than a man with an average crop for both years? Should "income averaging" be allowed?) When there is pressure on resources and "work-sharing" occurs, how (and by whom) is it decided who will give up work for others? Are "need" and "inability to pay" synonymous? How are needs ranked? Further, when is it the responsibility of the village, as opposed to the responsibility of family, friends, children, or patrons, to help a needy peasant? Why should a peasant, worried about the security of his family, subsidize others instead of preparing for his future by saving money, buying an animal, or having another child? What assurance is there, if he does contribute to village programs to aid others, that the village will not default when he himself needs aid?

If peasants scatter their fields to reduce chances of a total crop failure,
why not scatter their ties among many different patrons? Why should multi-stranded ties be preferable? What if a peasant depends upon one person for all his needed services and that person dies, or what if the lord leaves everything to a profligate heir? If there is a communal ethic and effective village levelling mechanisms, how do lords get the bargaining power over peasants necessary to raise rents? Since a landlord’s bargaining power with any individual tenant rests upon his ability to redistribute the tenant’s parcels among other tenants, why don’t peasants establish on a norm of equal shares and agree never to assume the parcels of a fellow tenant? If peasants are close to the line, and village office-holding requires a sacrifice of income due to the feasts involved in the levelling mechanisms, why do peasants aspire to village office? What guarantees the village leadership in a crisis? If surpluses are redistributed, what incentives are there to work harder and have a better year?

A new approach is required in order to answer these questions, for they cannot be considered within moral economist models. I shall argue that village institutions work less well than they maintain, in large part because of conflicts between individual and group interests, and that far more attention must be paid to motivations for personal gain among the peasantry. (Moral economists are fully aware of the distrusts, jealousies, frictions, rivalries, and conflicts within villages, but they argue that villages function to control these conflicts and provide the minimal guarantees and welfare on which they focus.) Village procedures do not level, but reinforce differences and both village procedures and the relations between peasants and lords generate stratification within the peasantry.

**Political Economy: Basic Assumptions**

My analysis of peasant society focuses on individual decision making and an expanded conception of the role of the village in peasant economic life. Modifying the (implicit) assumptions of moral economists, I shall consider gambles as well as risks, apply investment logic to villages and patron-client relations as well as to markets, and look at the conflicts and tradeoffs between private and collective benefits involved in both village management and the life of the peasant.

By applying theories of individual decision making to villages, one can begin to develop a deductive understanding of peasant institutions and move the analysis back one step to the level of the individual. From this perspective norms become problematic, and questions arise which may
be otherwise overlooked. What is an enforceable norm? Where do particular norms, allocation procedures, and rules come from? When we theorize about how particular procedures are developed and bargains are struck, the implications for peasants of specific rules and procedures are made clear. We can ask why some procedures and norms arise in some contexts, but not in others, which leads to a heightened appreciation of the problems involved in developing and maintaining village-wide insurance and welfare schemes.

*Investments and Gambles*

Moral economists have posited that peasants are concerned with uncertainty when evaluating economic strategies – they prefer strategies with low but certain returns to strategies with high but uncertain returns. Certainly, political economists would agree that whenever a small loss would be disastrous, peasants will be extremely averse to risk. There are, however, many occasions when peasants do have some surplus and do make risky investments: the fact that they are poor and averse to risk does not imply, either logically or factually, that they do not make investments.

Peasants plan and invest throughout both the crop and life cycle, and place a high priority on investment for old age. Furthermore, besides deciding between long- and short-term investments, peasants must choose between long- and short-run public and private investments. Peasants, on the one hand, do decide whether to invest in children, animals, land, and other individual or family goods, or, on the other hand, to spend their surplus through the village, on insurance or welfare programs, or village improvements.

That children are an investment is clear. In Java, for example, people feel secure only when they have their own children – whether natural or adopted – to rely on in their old age. In Zambia, the family is a mutual support system within which those who possess resources can reasonably be expected to distribute them to those who do not, and children are viewed as a source of future income. It is even credible to rural Zambians that “a man would murder . . . were he denied access to the earnings of a youth he had supported.” Moreover, the value of children as old-age insurance is intimately linked to property. In Thailand, “parents hope children will repay their kindness and the trouble they took to raise them by caring for them in their old-age, but they cannot rely on their children and thus the parents retain title to their property as long as they can to
Long-run security via children is closely connected with short-run accumulation of property. Any tenancy system may threaten long-term security because of the problems of maintaining a family without property. As a family firm, then, peasant couples will make tradeoffs between children and property which have a long-run focus. Today, a peasant couple may refuse to incorporate labor-saving, profitable machinery if it puts their children out of work and thus deprives their "firm" of continuity and old-age security. In an earlier age, European peasant couples frequently practiced infanticide rather than sell property, because children were easier to replace. Indeed, there has often been a preference for infanticide over contraception or abortion because infanticide makes possible a conscious control of the sex ratio.

Given the need for investments, then, we can distinguish at least two kinds of subsistence crises. Besides the short-run subsistence crisis involving imminent starvation for the peasant couple, there is also a long-run subsistence crisis where a couple may be secure and comfortable for the short-run but without resources to build and maintain a family for long-run security. Moral economists have indeed shown that during protests and rebellions peasants invariably use a language of claims focused on demands for, or the right to, subsistence. But, as I shall show, there are some groups or classes that do not revolt even when faced with a severe short-run subsistence crisis, whereas others may rebel over a much smaller short-run crisis or even revolt when there is no short-run crisis in order to secure a better long-run subsistence. To treat all subsistence crises as the same form of short-run crisis is to brush over the differences in demand-making ability and the ways in which subsistence levels change.

Just as peasants, despite their concern with subsistence, make long- and short-run investments, so there are occasions when they will make risky investments or gambles. There will be times, that is, when a person on one step of the economic ladder will have a small surplus with which to gamble in the hope of reaching the next highest step. Whenever a small amount can be lost without threatening one's position, then it is possible to gamble that amount for a chance at advancement. Peasant families in colonial Southeast Asia often sent one or more children to the frontier in the hope that they would strike it rich for the family. In other words, collaboration among family members may mean that many actions that would be very risky for a couple to undertake on their own can be undertaken by the larger family unit with moderate risk. As moral economists note, there are many peasant proverbs counseling caution,
but there are also those that encourage the pioneer spirit, such as the Burmese proverb, "Without transfer to another village a person cannot become great." Peasants are often willing to gamble on innovations when their position is secure against possible loss and when success could measurably improve their position. This is precisely the logic William Foot Whyte found towards lotteries (during the Depression) in *Street Corner Society*: "Saving, therefore, is not a real alternative to gambling on the numbers. The small change would be dissipated in one way or another, whereas the large amounts occasionally won have real meaning for the corner boy . . . to pay off debts, to buy an outfit of clothes, to treat his friends, to give some money to his parents." Thus, the pure "safety-first" assumption about floors must be amended to include the many opportunities when gambling or risky investments may also be expected in peasant society. This is the classic formulation of insurance and gambling developed in 1948 by Savage and Friedman. As long as there are multiple economic levels, an interest in advancing from one level to the next, and an interest in avoiding falls, peasants will be concerned with both insurance and gambling.

Villages

Moral economy analyses of the villages, as I have noted, emphasize the importance of norms and assume that the norms, standards, and procedures of villages and of patron-client exchanges are fixed and culturally determined. I expect, on the contrary, the norms are malleable, renegotiated, and shifting in accord with considerations of power and strategic interaction among individuals. There are always tradeoffs between conflicting and inconsistent norms. Moral economy analyses of the village say little about how "need" is assessed. If "needy" villagers are to be helped by the village, or if influential persons are supposed to aid those in need, then it is necessary to rank-order needs in order to allocate insurance or aid. The inconsistencies and conflicts between norms suggest that norms cannot directly and simply determine actions, that decision making is involved in assessing need, and that the principles for making such comparative decisions are not easily arrived at or maintained. It is extremely difficult to rank-order norms, i.e., to develop a single, stable, universally accepted social welfare function. These problems of applying norms lead to the uncertainty inherent in relying upon village institutions for future welfare (and insurance). Consequently, peasants will favor personal investments in future welfare – through children and savings – rather than automatically invest in, and rely on, future reciprocity and insurance from the village.
The two dimensions of subsistence crisis complicate the problem of intra-village transfers and aid. It is far easier for a scholar to hypothesize short-term transfers for people suffering short-term crises if long-term crises are ignored. Given long- and short-term crises, however, the peasant who has avoided the short-term crisis through skill or luck is not always being asked merely to forego a modicum of luxury to ease the pain of his suffering co-villager; he is sometimes being asked to risk an insecure old age by giving short-term relief to a fellow villager.

I assume the same investment logic can be applied to villages as well as to markets. Contributions to the village, participation in insurance and welfare schemes, and exchanges between patron and client are all guided by investment logic, and the closer persons come to the danger point, the more cautious they will be in their investments. Villagers, after all, can default or go bankrupt. As we shall see, in a declining situation, with everyone close to the danger point, villages will function less well as individuals become more cautious about contributing to insurance and welfare schemes with increasingly uncertain future payoffs. In other words, demand for insurance will rise as life becomes more risky, but supply will fall as the probability that premiums will be paid declines. This contrasts with the hypothesis of moral economists, who, emphasizing needs, would predict that the poorer the peasants, and the closer to danger they come, the greater the need; hence, the more inclusive and pervasive will be the insurance and welfare schemes within the village.

Given these uncertainties, I predict that peasants will rely on private, family investments for their long-run security and that they will be interested in short-term gain vis-à-vis the village. They will attempt to improve their long-run security by moving to a position with higher income and less variance (which usually means trying to go from laborer to tenant to smallholder to landlord). Economic conflict for advancement to more secure positions is therefore inevitable within the village.

**Free Riders**

Because moral economists focus on land and labor as the two primary factors in peasant production, they view the village as a source of insurance or welfare. An enlarged view of the agricultural production process, however, leads to vastly different predictions about the economic role of the village. In addition to insurance or welfare, many other types of local collective action are characteristic of peasant society, particularly when the central state is weak. Law and order, adjudication, property
rights, religious rites, irrigation, and flood control, as well as taxes and labor services to state and lord are all essential to local economic life. Coordinated action is required for the provision of these goods and the distribution of the collective and divisible benefits. Political economy focuses on factors which make it difficult to achieve even mutually beneficial coordinated action. Unless the expected benefits outweigh the costs, the villager can be presumed not to contribute to collective action.

Many collective projects (e.g., law and order, fire-fighting, slaying marauding tigers) benefit an individual whether he contributes or not. I assume that individual decisions are made about participation in the supply of these public goods. When weighing his contribution, a peasant can be expected to take account of several factors relating to costs and benefits: (1) Expenditure of resources – if a peasant contributes to a collective action he must expend some valuable resources. Additionally, he may be punished for participating if the action (such as rebellion) fails. (2) Positive rewards – the value of the direct and indirect benefits. (3) Probability of his action leading to reward (efficacy) – the effectiveness of a contribution depends on its marginal contribution to the success of the endeavor. This in turn depends on how other actions aggregate, whether they bring the effort sufficiently close to success to make a contribution worthwhile. (4) Leadership viability and trust – the ultimate success of an endeavor often depends not only on the volume of resources mobilized but on the leadership skill with which they are mobilized.

Given these considerations, whenever there is coordinated action to produce collective goods, there is the potential for free riders, individuals who do not contribute to the provision of goods because they believe they will receive the gain or security even if they do not participate. This divergence between the interest of the group to complete a project and the interest of an individual to benefit without contributing suggests that an individual who attaches no special personal benefits to the act of participation and who does not view his contribution as necessary will not contribute without an incentive to do so.65

Collective action and the free rider problem are crucial to comparisons between the moral and political economy approaches. If the moral economy views are correct, then there is a community orientation whereby the free rider and leadership problems are easily overcome by proper socialization to norms placing a high value on voluntarism. If, on the other hand, there are substantial problems of organization, individuals
may withhold contributions, and a variety of projects may not be undertaken or may be carried out in ways that are less than optimal. Under these conditions the political economy approach can be of value in explicating the dynamics of collective action. In fact, as we shall see, the problems of collective action are crucial to the analysis of villages and patron-client relations; it is difficult under the best of circumstances to organize peasants to provide collective goods, and the coalitions formed may be precarious.

If free rider problems exist, as I predict, then the structure of peasant society will reflect the problems of coordinating mechanisms for the provision of collective goods. In many situations, there will be arrangements for providing goods that could, if enacted, leave everyone better off, but which will not be successful because of the free rider problem. There are times when many collective goods (including insurance or welfare schemes) will be provided by small groups (although large groups could do better), because neither the necessary skills nor incentive systems exist to maintain larger groups. Similar issues are raised by the distribution of charges assessed by lords or states upon the village and by the distribution of resources to the needy. Unless there is widespread consensus on exactly how to assess and distribute, favoritism and personal profit may influence leadership decisions. Peasant institutions, therefore, have a built-in tension: the benefits of valuable village-wide services and leadership versus the chance of personal loss from power concentrated in the hands of another peasant. In the political economy approach, there is no determinate answer to how this dilemma will be resolved. Both conflict and cooperation, power struggles and widespread benefits, are inherent in village patterns of distribution and collective action.

In a world of local institutions, uncertain leadership, cautious investors, and a weak central state, village citizenship can have great motive force, because membership in a village is a benefit – a license to participate in the economy of the village – in and of itself. The village need not provide welfare or insurance to be important to peasant survival; citizenship alone can bind a peasant to a village. Further, if there is distrust and suspicion among peasants, if expanding the land under cultivation requires additional collective projects, or if it is difficult to learn the rules of collective action and cooperation within a village, there may emerge a large group of peasants who are considered “outsiders,” who are never granted full rights within the village. The presence of outsiders who lead lives as second-class citizens reminds us that there can be stratification
even with a frontier of available land. Land may even be worthless if there is no village to provide such collective goods as self-defense, irrigation, or religious rites.

Finally, the possibility that mutual suspicion and mistrust, or the absence of skilled leadership, can impede or prevent collective action helps us to understand why there were political and religious movements that reorganized villages even in precapitalist society. These movements could improve peasant life and bring profit to the leaders by offering better local leadership and therefore less risky and more profitable collective goods. The success of both the Jesuits in precapitalist Vietnam and the Communist cadres in twentieth century Vietnam are testimony to the opportunities for leadership which can overcome free rider problems and provide collective goods in peasant villages.

Patron-Client Relations

In addition to an expanded view of the village, I take a broader view of patron-client relations than those who assume that they are self-reinforcing dyadic relations beneficial to both parties and that the exchanges, while governed by norms and constrained by the subsistence needs of the weaker party, are based on the relative bargaining power of the parties. I assume that the very concept of a subsistence minimum is variable and endogenous to the economic system, that it is not culturally determined and fixed, and that peasants strive to improve traditional standards of living. Further, the dyadic nature of the relationship is not inherent, but is a matter of the ability of the lord or patron to individualize relations and prevent collective bargaining. This, in turn, means that resources of the patron will be invested, not only to improve the security and subsistence of the client, but also to keep relations dyadic and prevent the client's acquisition of any skills that might lead to different balances of power.

Contrasting Models

The emphasis of moral economists on stable systems upset by the penetration of markets and national governments leads to the assumption that decline, decay, erosion of bonds, or loss of legitimacy are necessary before new forms of organization will take root among peasants. I argue, however, that there is no need for dramatic subsistence crises before peasants in "feudal" or subsistence areas will support revolutionaries. Peasants in subsistence areas may be less likely to
generate new organizations themselves, but when outside allies are available to provide the initial impetus they can be as revolutionary, indeed more so, than peasants in commercial centers. Further, moral economists emphasize the restorative nature of peasant protest, the fight to reclaim lost rights or privileges. This overlooks demands for the extension of rights held only by some peasants within the village, as well as support peasants will give to movements that are able to make old practices intolerable.

The moral economists' emphasis on floors, and their assumption that only rich peasants will pursue innovation and gain, generally lead to the expectation that private ownership of new technologies and innovations will be of no benefit to smallholders and tenants and that only bureaucratic approaches to development can protect peasants from the hazards of markets. But (as my study of Vietnam suggests) as much or more stratification may result from differential access to and control of the bureaucracy and other ancillary institutions of the market than from the markets themselves. Further, revolutionaries who expect peasants to have no interest in market production as long as their subsistence floor is secure are likely to have problems maintaining control when peasants in liberated areas seek to enter the markets with their newly recovered surplus.

If it is accepted that peasants will innovate only as a last gasp attempt to keep from going under, then one will overlook the many occasions when peasants will innovate, in the absence of crises, in order to raise their production floors. In the same vein, if it is assumed that peasants have a fixed view of a proper income, that they will not strive to raise their income beyond that level, and that they are not interested in new forms of consumption, then it is easy to justify forcible, coercive development policies as the only means to extract a surplus from the peasantry for industrialization. Similarly, an overly sanguine view of the ability of villages to cooperate leads to false hopes for community development schemes requiring voluntarism or a broad concern with welfare. Communal land systems are historically unstable because improved agricultural techniques require more coordination of investment than is generally possible. And peasants often will forego community welfare programs in order to avoid the conflicts that arise when they try to reach consensus on how to distribute aid: flexible systems require giving leeway to leaders, and are thus systems with potential for abuse. I assume that peasants are self-interested; therefore I can develop an analysis of cooperation in peasant society based on task-specific incentives and calculations.
Moral economists have argued that, from the perspective of peasant welfare, peasant society is moral, economically efficient, and stable. I argue that none of these can be assumed. Moral economists take too benign a view of villages and patron-client ties and too harsh a view of market potential. They do not always look closely enough at the ways in which markets can benefit peasants, nor at the structural factors that determine the impact of a market (or a technology) on peasants. It is harder than moral economists sometimes assume for peasants averse to risk to make villages work well. Fuller attention must be paid to the ways in which aversion to risk affects intra-village (as well as market) relations, and more consideration must be given to conflicts between group and individual interests. In the sense that peasants make moral judgments about each other, the village is indeed a moral community. I maintain that peasants see in one another sufficient uncertainty or threat to make social interactions difficult. Moreover, the range of persons for whom peasants make sacrifices (or for whom they do not keep strict accounts) is narrow and generally limited to family units that cook and eat together and that pool many of their day-to-day resources. Indeed, the problems of leadership and organization within peasant communities severely limit the quality of insurance and seriously restrict production. The development of new and better forms of community organization is therefore part of the appeal of new religious and political movements before, as well as during, colonialism.

Moral economists have aptly noted the ways whereby technology and market developments may be of no value to or may even decrease the welfare of many peasants. They tend to ignore, however, the links between the impact of markets and precapitalist village structures and patron-client relations. They also slight the positive benefits of markets properly tamed by political and religious movements, and once the auxiliary institutions of the market are reorganized. In my political economy approach, I am above all emphasizing a different strategy of inquiry, one which emphasizes individual decision making and strategic interaction. As Brian Barry has stated, economic theory (roughly equivalent to my political economy approach) is a method of analysis: the postulation of a number of actors with certain ends and a deductive attempt to work out how the persons will act in situations which present certain alternatives, “on the assumption that they pursue their goals rationally.” It should be clear, however, that I am not committing myself to the view that individuals are solely concerned with material commodities or money incomes. By “rationality” I mean that individuals evaluate the possible outcomes associated with their choices in accor-
dance with their preferences and values. In doing this, they discount the evaluations of each outcome in accordance with their subjective estimates of the likelihood of the outcome. Finally, they make the choice which they believe will maximize their expected utility. Moreover, many persons equate rationality and self-interest – with self-interest defined as “interest only in one’s own welfare.” I most emphatically deny that persons are self-interested in this narrow sense. It is clearly the case that, at different times, peasants care about themselves, their families, their friends, and their villages. I do assume, however, that a peasant has primary responsibility for the welfare and security of self and family. Whatever his broad values and objectives, when the peasant takes into account the likelihood of receiving the preferred outcomes on the basis of individual actions, he will usually act in a self-interested manner.

Further, I specifically focus on rationality from the point of view of the individual, for what is rational from the point of view of an individual may be very different from what is rational from the point of view of an entire village or collective. Indeed, it is frequently the case that the interactions of individually rational peasants in both market and non-market situations do not aggregate to a “rational” village.

The Political Economy of Peasant Society

Because villages do not provide extensive insurance or welfare, there does not have to be a crisis before peasants will involve themselves in commercial agriculture; their involvement is generally not a last-gasp response to declining situations, but a response to new opportunities. Indeed, the extension of markets is frequently of particular benefit to poorer peasants, while large lords and patrons prevent market involvement by peasants in order to protect their own control of the economy. These alternate views of the village and of patron-client relations generate a different analysis of peasant protests and rebellions – one that emphasizes the benefits, as well as the hazards, of markets and national development; one that stresses individual, instead of group, benefits and losses.

Moral economists have argued that the procedures within precapitalist, closed villages, where land is held in common and taxes are paid by the village, lead to internal levelling and redistribution, and to village-wide insurance and welfare systems that provide subsistence guarantees for poorer villagers. In contrast, I show that the calculations of peasants driven by motives of survival in a risky environment lead not to
subsistence floors and extensive village-wide insurance schemes, but to procedures that generate and enforce inequality within the village. Procedures for distributing both land and tax assessments within the villages favor the wealthier peasants, and both insurance and welfare at the village level are limited. In part, because of village procedures, these villages contain large numbers of persons with minimal rights and with standards of living far below what the more substantial villagers would tolerate for themselves. Because of the limited extent of insurance and this large underclass, with few political or economic rights, the transition from closed to open villages did not lower the levels of peasant welfare or insurance for everyone. Further, the limited abilities of peasants to generate village-wide insurance and welfare and the large underclass within the villages help explain the attraction of those religious and political movements that could provide the leadership necessary for increased production and for insurance and welfare.

Because moral economists have viewed closed villages as stable and autonomous, the process by which linkages develop between village and supra-village authorities has been described as a "penetration". Penetration implies outside initiation and the need for force to overcome villagers' collective resistance to the new linkages. This reflects a misunderstanding of the internal dynamics of villages and the role which external authorities played in regulating village life and protecting the poor within villages. It also neglects the divergence between collective and individual interests and the fact that the initiators are frequently villagers seeking outside allies in local power struggles.

When problems of organization and coordination within villages are carefully examined, it becomes clear that many innovations fail (or are not adopted) not because of a positive regard for tradition or aversion to risk, but because low quality leadership and mutual distrust preclude the requisite cost sharing or coordination among peasants. As agricultural techniques improve, problems of coordination limit investment in, and productivity of, communal land and help explain the transfer of communal lands to private ownership. Moral economists have interpreted the stability of patron-client ties in terms of the patron's guarantee of short-term subsistence floors for clients. From the political economy view, not only the stability of the ties, but the level of the floor itself is a function of the patron's ability to prevent collective bargaining by a united clientele or to foreclose alternate options which increase the bargaining power of peasants. The patron, wishing to maintain dyadic ties and foreclose other options, often prevents the spread of literacy, forcibly keeps
peasants from direct involvement in markets, and rejects innovations for raising total production if the new methods have the potential to decrease peasant dependence. Given these patron strategies, central states can sometimes increase their own revenue by overthrowing patrons and raising total production enough to benefit both themselves and the peasantry. Political and religious movements can gain peasant support by providing peasants incentives to overthrow patrons and enter the market on their own.

The extension of the authority of central states is not invariably a threat to peasant subsistence. The extension of state authority and the expansion of markets may benefit landless peasants because the expanded mobility of labor breaks down some of the coercion used against them by peasants who control land. Whether or not tenants and smallholders benefit from the expansion of states and markets depends upon the latter's ancillary institutions, such as courts, taxation, and titling procedures. These institutions determine entry costs into markets and the distribution of risks, opportunities, and benefits from new commercial opportunities.

Moral economists, in viewing peasant political and religious protests as last gasp, defensive reactions of a dying class, continually use the terms decline, crisis, imbalances, decay, loss of legitimacy, or the erosion of traditional bonds to describe the conditions under which protests will occur. I argue that short-term declines or drops are neither necessary nor sufficient for protests, that even without any drops in welfare peasants seek individual or collective means to improve their situation. Protests are collective actions and depend upon the ability of a group or class to organize and make demands. This leads to a view of many movements as an expression of "green power," a reflection of the peasant's growing ability to organize and struggle for rights and privileges previously denied him. Peasant struggles, therefore, are frequently fights to check markets and bureaucracies, rather than movements to restore "traditional" systems.

Villages

Corporate villages existed throughout most of Europe until the nineteenth or early twentieth century and are still common in parts of Asia and Central and Latin America. In contrast to the "open" villages more common throughout the world today, corporate villages had a well-defined notion of village "citizenship," they regulated the local economy, and they imposed certain forms of discipline upon inhabitants, partic-
ularly in relation to agricultural decisions and coordinations.

The degree of involvement of the corporate village in the economic activities of its members varied according to the nature of the supra-village institutions and according to the nature of local agriculture. Where there were communal pastures, the village decided how many animals each family could pasture; where the fields belonging to each family were intermingled and unfenced, the village determined the times for planting, harvesting, and grazing. Where there was irrigated agriculture, the village decided when the fields would be flooded and apportioned the work of maintaining the common irrigation works. The village invariably collected, and frequently assessed upon its inhabitants, the land and head taxes and decided which men would meet the village quotas for labor and military drafts. The village headman mediated between a village council and the local lord, and the headman, together with the council, adjudicated conflicts between members of the village. The village also distributed those portions of farmland owned or managed by the village and supervised local religious life. Often the village would even hire and fire priests.

The extent of interaction among villagers, in marked contrast to modern, open villages, has made it appear as if there were a special mentality and logic to them. As a result, they have frequently served (as Jerome Blum notes) as a launching pad for romantic theories about society. The corporate Russian mir, Baron Haxthausen wrote in 1847, was the bulwark which would save Russia from the abhorrent changes being wrought in the West by individualism and industrialization; because of the mir, Russia, in contrast to Western Europe, had “naught to fear from pauperism, the proletariat, and the doctrines of communism and socialism.” From a markedly different but no less rhapsodic viewpoint, Spanish anarchism was supposed to reflect a tradition of spontaneous mass action that had characterized the corporate world of the Spanish pueblo in the past. Anarchism was viewed as the product of the irreconcilable conflict between capitalism and primitive communalism. In the words of Gerald Brenan, “The pueblo was recognized as being the great repository of the virtues of the race, the source from which everything that was sane and healthy sprang. No act in which it did not take part had its roots in national life.”

Nineteenth century German and Danish scholars saw the corporate village as a vestige of ancient agrarian communism which they claimed could be traced back to Tacitus and Caesar. Emile de Laveleye argued
that such villages had secured for French people "from the most remote
times the enjoyment of liberty, equality and order, and as great a degree
of happiness as is compatible with human destinies." Le Thanh Khoi
stated that the Vietnamese village "anchored to the soil at the dawn
of history... was not touched by the (Chinese) conquerors, and has
constituted, behind its bamboo hedge, the anonymous and unseizable
retreat where the national spirit is concentrated."

While less fulsome in praise of corporate villages than the writers cited
above, it is directly upon assumptions about the performance of corporate
villages that much contemporary moral economy theory rests. At key
points in their analyses, moral economists make direct predictions about
village performance and outcomes from their assumptions about common
individual goals. To cite one example, since every peasant is assumed by
moral economists to be interested in minimizing risk or maximizing
security, it is further assumed from this common individual goal that
villages will also operate to minimize risk or maximize security. These
direct leaps from common interests to collective outcomes assume, in
effect, a collective rationality among the peasantry. Yet, the moral
economists' inferences do not follow logically either from the investment
logic that they themselves suggest applied to markets, or even from the
investment logic as amended to take account of long- and short-term
investments and gambles. Indeed, moral economy predictions about
collective security, based on assumptions of collective rationality, are at
best borne out partially: village processes are shaped and restricted by
individual self-interest, the difficulty of ranking needs, the desire of
individual peasants to raise their own subsistence level at the expense of
others, aversion to risk, leadership interest in profits, and the free rider
problem.

Taxation

Romantic scholarship to the contrary, corporate villages had their origins
not in a primitive communal mentality, but in the problems of taxation
confronting both peasants and supra-village authorities during and after
the Middle Ages. Feudal lords had difficulty collecting reliable informa-
tion as a basis for taxing the means of production, such as manpower and
land, for each family. Conversely, peasants often found it difficult to have
their tax records adjusted to reflect accurately the number of workers and
the amount of land they controlled. When households lost workers to
disease, war, or migration, they would often be left with land on which
the family owed taxes, but which they did not farm with the available
labor. In times of unsteady labor supply, such land could not always be rented to meet the tax bill, nor could it be easily transferred to someone else. States, lords, and peasants were then faced with the problem of stabilizing tax flows. Instead of keeping tax records on the number of adults and the amount of land in each family, records were kept by the corporate village. A number of peasants were responsible for meeting head and land tax bills, and for filling labor and military drafts from within the village. In some countries and in some centuries, the lands were also controlled by the village and reallocated periodically; in other cases the lands were all or partially private.76

Although feudal lords generally established corporate villages in order to supervise their peasants, coordinate agriculture, and exact obligations, there were apparently enough benefits from belonging to a village and paying taxes as a corporate group that peasants were willing to enter corporate villages voluntarily,77 and often included a constitution.78

Moral economists claim that these intra-village tax procedures benefit the poor. For example, Scott argues that “since villages and not individuals were taxed, one might expect the better off to pay something more than an equal share.”79 Similarly, Migdal claims that paying taxes as a village aided “not the wealthy who could have paid their taxes on an individual basis just as easily, but the man who did poorly this harvest. The village political leadership could compensate for his inability to pay by making slightly higher demands on others.”80 If there was widespread agreement that those less able to pay should be helped when tax and labor responsibilities are distributed, and if there was widespread agreement on how to assess the ability to pay, one would expect, at the least, that the rich would pay more in absolute terms. Indeed, one might even predict a progressive tax system in which the rich paid a higher percentage of their income in tax. Certainly, the subsistence ethic should at least express itself in a tax “floor,” an income below which no taxes would be collected from the villagers as long as the village’s total tax bill could be met by other villagers above that “floor”.

This, however, raises questions posed earlier: How are needs and ability to pay assessed? From the assumptions of political economy, we would expect that peasants, instead of readily agreeing about need, ability to pay, or standards, would hide their wealth from common scrutiny and thus make it even more difficult to decide who is better off and able to pay a larger share of the load. Indeed, there is commonly a “cult of poverty”: “Peasants, that is, hide wealth to avoid ‘claims of friends,’ taxes and contributions.”81
In such a situation, the only stable systems for allocating taxes would be those based on criteria that are highly visible and easily defensible. Although systems that share the tax equally are regressive, they are, in fact, based on precisely such visible and defensible criteria. The only groups commonly granted tax relief, for example, are the aged, widowed, and orphaned, whose conditions can be easily verified. Both rich and poor can expect to benefit from such rules of exemption during the life cycle. The only other clear case would be when "all is gone," where there is nothing left to conceal. In Vietnam, peasants were typically expected by fellow villagers to pay their own taxes even if it meant selling or mortgaging land, entering into debt-slavery relationships, or breaking up the family. Families might have helped each other avoid onerous declines due to tax demands in bad years, but village rules in Vietnam and the other cases known to us show no evidence that the village actually compensated for or eased the burden of individual households in a bad year. 82

Aside from tax relief for easily identified categories, there is no evidence available to us of the actual use of progressive taxes or of tax floors within precapitalist villages. Head taxes were divided equally among male inhabitants. Land taxes, assessed upon the total area of land in each of several quality grades, were paid equally if there was village ownership, or by the individual owners in the case of private land. Neither capitation nor land taxes were paid in a way that provided either floors or levelling. 83 Instead, there is a clear opposition to progressive taxes by village leaders anxious to minimize their own share of the taxes and to ensure their own short-run welfare at the expense of the poor. When colonial governments occasionally sought to implement progressive tax methods, as in Indonesia, opposition came from within the village. There, village leaders resisted and "the poor and weak continued to pay the highest taxes." 84

There are two interpretations possible for this resistance: (1) village officials administer the village for their own private benefit, or (2) it is extremely difficult for villagers with even the best intentions to agree on ability to pay – they therefore tend to rely on easily coordinated strategies to avoid interminable conflict, which results in regressive taxes. Both possibilities are counter to the moral economy position, would find support among political economists, and are consistent with the data.

The struggle to minimize individual shares of external demands upon the village is even more pronounced with respect to the military draft. Whereas tax systems usually emphasize equal payments by all, it is
common for labor demands and military drafts to be pushed onto the poorer villagers. In seventeenth century France, for example, rich peasants so consistently managed to manipulate local selection procedures that lotteries were attempted as a means of ending unfair selections. Even then the rich managed to escape the burden.\textsuperscript{85} Although this example suggests that states may sometimes intervene to equalize village procedures, there are also times, as in precolonial Vietnam, when a state may support the creation of a privileged class within the village to insure a steady tax return of its own; that is, a progressive tax system may not be in the short-run interests of either the state or the better-off villagers.

\textit{Village Citizenship}

In their discussions of welfare and insurance in precapitalist villages, moral economists imply that "all villagers" is equivalent to "all persons". The two, however, are not synonymous. Precapitalist societies have a stratum of residents known as "insiders" who have full citizenship within the village, and a stratum of "outsiders," who are allowed to reside in the geographic confines of the village, but who have fewer rights and benefits than insiders. Some "outsiders" are persons who marry into the village and seek to earn a place within it; others are "foreigners" who came to live in a better village. Historically, many "outsiders" have even included persons, native to the village, who were denied full access to its resources by the better-off members of the village. Summarizing the available data for precapitalist villages of Europe, Blum notes:

Nearly everywhere only certain peasants qualified for active membership. Only these people had the right to vote at communal meetings and to make the decisions which affected the lives of all the villagers. They held the communal offices themselves or arranged to have people they wanted in these poses. Often they had either exclusive or superior rights to the use of the common lands and forests of the village. Presumably, all or nearly all the residents of a village once had equal rights, at least ideally, in the use of communal resources and in the conduct of village affairs. When, however, the population of the village grew, pressure on the common lands increased to a point where the more prosperous villagers decided that they had to prohibit or limit the use of communal resources by the poorer peasants of the village. The better-off peasants realized that to ensure their continued control of the village resources they had to restrict the right of active participation in communal decision making, and so they established criteria to determine who should have this privilege.\textsuperscript{86}
This emphasizes that conflicts of interests are inherent in precapitalist villages. It thus does not follow from individual risk minimization or security maximization that villages will function to minimize risk or maximize security for all. Coalitions may be organized for sharing resources or contributing to village projects (clearing additional land for the additional peasants, for example), but self-interest can also lead to coalitions aimed at driving persons from the village or depriving them of benefits, in which case the “outsiders” serve as a source of cheap labor for the “insiders,” while “insiders” become employing proprietors. In other words, whereas moral economists predict that better-off villagers will help their less fortunate neighbors when times are bad, evidence indicates that affluent villagers commonly react by excluding such persons from the village long before everyone is reduced to the cultural subsistence line, or transforming them into dependent laborers. Indeed, it is not unusual for governments to intervene in corporate villages (for the sake of political stability and/or increased tax revenues), to protect the lower strata against expulsion (or landlessness), or to force villagers to clear additional land for laborers or others who are landless.

These conflicts over village membership emphasize the importance to peasants of control of and access to courts both within the village and at higher levels of authority. In sixteenth century Germany, for example, when a class of landless laborers first developed within the villages, it became particularly important for tenants to control the hiring and firing of the priest, for the priest had an important role in adjudicating disputes over village membership. Similarly, in Vietnam access and the right to use government tribunals and courts was a prized possession, and peasants who lacked the legal status necessary to use these institutions were at a marked disadvantage in local economic and political struggles. In Java, there was a “complex and rigid system of social stratification based primarily on differential ownership of privately-held land and/or rights to communal land”; twenty percent of such communal land as there was generally went to the village head, and many persons did not get any rights to own private land or receive a share of public land. In the German peasant wars of the early sixteenth century, the general pattern during village uprisings was for the lord’s tenants in a village to demand that no common land be given to the landless and laborers, even though the latter were usually related to the tenants.

Even among “insiders,” furthermore, it was common for full shares of resources, or eligibility for decision-making roles, to be restricted to persons with a certain amount of wealth or land. This again emphasizes
the risk of contributing to a village welfare system in years when one has a surplus. When a peasant is in need, instead of receiving welfare, he may be excluded from the village. At the very least, then, all moral economy generalizations about villages as a source of welfare and insurance (and therefore as a source of social stability) must be re-examined in the light of a large population of "outsiders". As Blum concludes:

These restrictions meant that in many places smallholders, cotters, landless laborers, lodgers, servants and hired hands found themselves excluded from active participation in the management of the community, and from the privileges which accompanied active participation.92

Corporate villages are thus better viewed as "corporations" than "collectivities". Membership in a corporate village need not bring any special tax breaks, welfare, or insurance to be of value; membership itself – like membership in a guild or even in a stock exchange – is a license to do business providing right of access to crucial institutions, both inside the village and in the larger society. The development of institutions for a functioning local economy, courts, festivals, market days, and agreements on when to plant, constitute a valuable patrimony – even when there is no communal land owned by the village – and peasants do not share these corporate assets with persons who did not contribute to building the patrimony, especially when denial of access is profitable to the insiders. At times of depopulation, of course, there are reasons to admit persons into the village to help meet the collective tax bills, but at other times there are numerous incentives to keep institutional access restricted, and to maintain a strata of second-class citizens.

Insurance and Welfare

It is important to distinguish clearly between specific risk sharing mechanisms (insurance) and subsidies (welfare). From political economy assumptions it follows that village-wide insurance schemes will be highly specific and limited due to problems of trust and consensus, and that welfare schemes will be greatly restricted and restrictive. Further, reciprocity will be strict and limited to relative equals, and village leaders will help less fortunate villagers only if it does not affect the long-run welfare of the better-off villagers. Given the problems of conflicting standards and claims of need, little welfare is available for indigents or persons with bad harvests, and village welfare or subsidies are allocated mainly to the specific categories of the aged, widowed, or orphaned. Further, the
emphasis is on insurance schemes the extent of which depends on: (1) whether, and to what extent, past endeavors have been successful; (2) whether future cooperation is expected to continue, so that a peasant can be certain that his specific need will be recognized when he makes his claim; and (3) whether someone can be trusted to hold the insurance premiums of all villagers until they are needed. As expected, we generally find few insurance schemes that require peasants to contribute money to a common fund (since someone can always abscond with the money); rather, most schemes are highly specific, based on strict reciprocity, and require labor (which is not so easily stolen), such as a plan whereby everyone helps victims to rebuild after a fire. 93

Even among basically solvent insiders, peasants interested in their long-run security usually make exchanges of a fixed nature where it is certain that all parties will be able to maintain a long-run balance. Instead of general welfare or subsidies of the poor by the affluent, long-term risks will be excluded, and there will be strict reciprocity if peasants are cautious about welfare and personal savings in dealings with each other:

... exchanges and contracts are likely to be either highly specific, with an understanding of just what it is each party is expected to do, or they involve people who are in constant contact so that giving and return can be balanced at short intervals and the advantages to each partner easily assessed. 94

In other words, as Potter found in Thailand, if reciprocal obligations are not to be evaded, "records must be kept and sanctions exerted; there is nothing loose or informal about this at all." Therefore, complex interchanges generally take place among small groups of four or five households. 95

We can begin to identify the critical dimensions of insurance and welfare systems and specify which types work best in peasant society. Schemes can have either fixed or variable returns. The insurance systems common in peasant society, such as labor exchanges or burial societies, have fixed returns; each peasant receives exactly what he has put into the scheme. Peasant exchange groups are generally for exact exchange - labor for labor, part of someone's pig this month for part of someone else's pig next month, or money for money - rather than exchanges where contributions and payouts involve agreeing upon a rate of exchange on more than one item. Schemes can require centralized holdings of liquid assets or decentralized holdings by the members. Peasant schemes
generally do not concentrate abscondable funds; contributions are held by the members and given when required. Further, peasant schemes generally tend to involve only small groups in which only self management with little leadership (or actuarial skills) is required. We can also distinguish among schemes where everyone has a chance of benefitting and other schemes in which many persons have little or no probability of any return. Old age, widow, and orphan support are likely to have some value for all villagers, whereas subsidies for poor households are less likely to be of benefit to all villagers and thus may require coercion to establish and maintain.

Ironically, scattered fields, frequently cited as an example of a conservative, “safety-first” strategy followed by peasants, constitutes an individual-level strategy for avoiding risk which suggests that village-wide insurance schemes are not very comprehensive. It is a clear example of a conflict between individual and group rationality whereby each individual following a “safety-first” strategy ends up with less production than he would if the village as a whole could follow an aggregate strategy. While scattered plots reduce the variance of yield from year to year and thus reduce the probability of losing the entire crop, scattering also cuts the maximum yield per farmer and for the village as a whole. In a series of ingenious and path-breaking articles, Donald McCloskey has estimated that the scattered (pre-enclosure) fields in England cut total production by 10 to 13 percent. Why, it must be asked, are peasants close to the danger line willing to throw away 10 percent of their output?

Consolidated fields with higher average output and higher variance from year to year would be a better strategy for peasants to follow if the village could provide insurance for farmers to compensate for this increased variance. A village granary or risk pool, if moral economy assumptions were correct, could have prevented the loss in output by providing “interest-free credit rationed in accord with the publicly known incidence of relatively favorable or unfavorable agricultural conditions.” But who will hold the grain and who will decide whether a particular loss is due to nature or sloth? Village-level, “safety-first” strategies would be both more productive and more secure (and would be adopted!) if, and only if, the moral economy assumptions about villagers were correct. In fact, individual-level, “safety-first” strategies were followed, and is one of the most important challenges to moral economy conceptions of the village. Scattered plots are often more desirable than a single plot per family, when there is no reliable widespread insurance system. Centuries of division, however, sometimes lead to far more scattering than is desirable.
In Greece, for example, Kenneth Thompson found that the number and dispersion of plots belonging to the typical family was far greater than needed for insurance value, and that a majority of villagers in eighteen villages favored a program of plot consolidation in order to increase production, decrease family friction over inheritances, reduce violence over access to inside plots, and put land consumed by paths and boundaries back into production. But a majority of villagers believed that a voluntary program of consolidation would not work because the differences in fertility and soil type, and the problems of accurately evaluating the yield and variance of plots made weighting systems for establishing equivalences difficult to establish. For that reason, the general feeling of those who supported consolidation was that compulsory consolidation was the only way to proceed. 99

The complex problem of trading and consolidating parcels arises whenever an inheritance is shared among more than one offspring. Michael Lipton describes an Indian village where the farm land runs down the side of a long slope. Soil quality varies from top to bottom of the slope, but varies little along a contour of the slope. If plots were divided horizontally along the contours of the hill, plowing would be easier and cheaper, and average output would be higher. Each father, however, avoids the problem of equating contours with different averages and variances by dividing the patrimony into vertical strips: “This saddles each generation of sons with longer, thinner sloping strips, increasingly costly and inconvenient to plough properly, i.e., repeatedly and across the slope.” 100 The very lack of insurance and the difficulties of comparing plots with different means and variances mean that for every generation the share of land occupied by partitions increases, as does the gap between actual and potential production. 101

The procedures used in European medieval villages to govern harvests and gleaning provide valuable insights into the difficulties of developing workable procedures for stabilizing incomes. They also illustrate the conflicts between the tenants of the manor and the laborers who lived in the villages and worked for the tenants, and the mistrust and suspicion of the poor within the village. There were three basic stages to the harvest. First, the grain was reaped with sickles and bound into sheaves. Then stalks that had not been bundled or had somehow been missed were raked or gathered along with fallen grains. Finally, the remaining grains that had fallen or been missed in corners of the field were gleaned. Within the village the timing of harvest, and the need for an adequate supply of labor at the moment of harvest, were crucial for the tenants. If the
reaping were begun too soon, grain would spoil or sour. If the harvest were begun a few days too late, many kernels would fall from the stalks.\textsuperscript{102}

Since not all fields ripened on the same day, there were usually at any one time during the harvest fields already reaped and ready for raking or gleaning, and fields just about to ripen. The bylaws of twelfth and thirteenth century English villages provided for enforced cooperation among tenants and laborers to insure that no man’s reap would be delayed for the sake of another man’s raking or gleaning.\textsuperscript{103} Village rules insured that everyone had a chance to complete his first stage of harvesting before anyone finished his second stage, and they provided some income stabilization for the tenant class as well. An alternate way of sharing labor between reaping and raking would have been via internal bidding for labor through price competitions; i.e., a labor market. If laborers and tenants were simply allowed to work for whomever paid best, this would also have had the effect of spacing the harvest, for persons with no grain reaped would have been willing to pay more for workers than would persons concerned with the secondary raking. However, the labor-market approach would have benefitted the laborers at the expense of tenants, who would have had to pay more for laborers. The rules, however, were designed “in the interests of those hiring labor.”\textsuperscript{104}

Not even in the case of gleaning is there evidence of village procedures to protect the poor and provide them with floors. Blackstone wrote that “by the common law and custom of England the poor are allowed to enter and glean upon another’s ground after the harvest without being guilty of trespass.” Ault found, however, that there is no mention of such right in any medieval English village by-laws or procedures.\textsuperscript{105} Roman, Salic, and French law all vested the right to glean solely with the owner of the grain.\textsuperscript{106} People were sometimes given the chance to glean any last bits of grain from the fields before animals were set loose to pasture on the stubble and droppings. Even here, however, a strong distrust and suspicion of the poor and the weakness of village commitmen to their welfare is evident. In France and England it was only when an outside authority, such as a lord or priest, intervened that the poor were given any time in the field before the animals. Even with outside intervention, gleaning was limited only to those (again, the old, widowed, and orphaned) who had passed inspection by bailiffs or who had a letter from the curé certifying their status.\textsuperscript{107}
Credit and Interest Facilities

The extensive use of credit and interest rates in precapitalist village society also contradicts moral economy predictions. How credit is rationed and distributed within the village is a clear test of whether or not need-criteria are being used in the allocation of resources. Bidding for credit (that is, the use of market-determined interest rates) is evidence of a system in which persons are concerned with maximizing the productivity of their resources, and is in conflict with maximizing the welfare of the poor. Yet throughout Vietnamese history, attempts to limit the (legal) interest rates charged within villages always failed. Not only does a system of credit and competitive interest rates allocate resources in an economic and not a welfare fashion, but it also channels most credit to persons with fixed collateral, such as land. It simply was not common, in precapitalist society, for persons to be extended resources solely on their personal pledge. The general rule was that people without fixed assets could borrow money only if a person was given as collateral. In Thailand, “there was no organized police force, and it was easy for the debtor to abscond... the best security for a loan... was to have the debtor or his child or his wife living and serving in the creditor’s household.”

The problem of credit and the related problem of debt bondage in cases where there is no fixed collateral are worth emphasizing. It is often argued that the existence of a wide-open frontier benefits peasants, for they could always flee to new areas if the demands of the lord become too onerous. The obverse, however, is seldom noted: if it is possible for peasants to flee, then lords (and other peasants), unless they are unaware of this possibility, will adapt their credit charges to this risk, and credit for persons with no fixed assets will depend on such practices as debt bondage. Further, a lack of land may mean not only denial of credit, but second class citizenship as well. Many precapitalist villages were organized around land and only landowners had rights as insiders. Today in open villages, when a village patrimony provides irrigation and methods of allocating work and responsibilities for canals and dams, the landless may have no role in the central core of village society and therefore be looked down upon by other peasants. In an open village in Thailand, Potter found that village organization focused on canal work, and that the landless did not participate in these activities; therefore, they were “really not full citizens of the community” and were “not considered of much account at village meetings.”

Limited and specified reciprocities, low levels of welfare and insurance,
outsiders, and the prevalence of market-determined credit rates all challenge the basis of moral economy claims about village welfare and insurance systems. This also means that the decay of traditional welfare functions under the stress of capitalism and colonialism does not alone account for the rise of new political and religious movements as, for example, in Vietnam. The successful movements in that country were all able to win much of their following merely by providing leadership to extend and improve the forms and varieties of insurance and welfare available in the precapitalist village.

**Village Finance**

Given the importance of insurance and welfare to peasants, and given the need for such village level projects as irrigation and flood control, there is potential value in a village reserve that could be used for public works or for persons in need. The maintenance of such a reserve is consistent with the moral economy approach to the village and necessary for insurance and welfare: since all peasants would have an interest in such a reserve, the village could be expected to provide reserves for the specified needs. The conflict between individual and group interests points, however, to the possibility that cash reserves can be maintained only when village officials can be trusted not to abscond, that any system of community finance may be manipulated to benefit the leaders at the expense of the village, and that village-wide sources of credit may be opposed by persons seeking to maintain some villagers in a dependent position.

In fact, village reserves are seldom maintained, and projects are instead financed on a project-by-project basis. During the colonial period (the only period for which the evidence is clear), the systems for raising money to finance village projects in Vietnam were consistently manipulated for personal profit by village leaders at the expense of the village treasury. Furthermore, attempts to develop village granaries as a source of low-cost credit for the poor floundered on village squabbling over claims of theft, and attempts to extend agricultural credit to the poor were either blocked or captured by village leaders for their own profit.

**Distribution of Resources**

The fact that villages typically manage considerable agricultural resources - including pasture land, crop land, forests, and irrigation water - that are allocated among villagers on a periodic basis is often taken as *prima facie* evidence of progressive redistribution. Periodically allocating re-
sources, however, is not necessarily equivalent to a leveling or welfare function. If, as moral economists state, there is leveling within villages, then there should be evidence of such a consideration at work in the distribution of communal lands, particularly when large amounts of crop land are actually allocated periodically to individuals by the village leaders. In addition to reserving corners for the widowed, aged, and/or orphaned, there should be evidence of consideration given to households in trouble.

Political economy assumptions lead to the prediction that progressive principles will be reflected in the distribution of resources only when there is long-run faith in the institution of the village, when “need” is easily measured, and when village leaders believe it to be in their long-run interests to support progressive rules. Even with long-run faith in the village’s survival and agreed-upon standards of need, it is still possible that village leaders may think it better to maximize current shares of community resources and prepare for the future through private investment of those shares.

As noted, many village inhabitants were “outsiders” excluded from shares of community resources. Moreover, indirect evidence suggests that it was rare, even among “insiders,” for resources to be distributed in a progressive fashion. Sabean notes, for example, that peasant revolts in early modern Europe had their basis in communal life and “the desire of one faction in the village to control access to resources within the village.” Indeed, it is frequently the state that intervenes to enforce redistribution of village-owned lands when one group in the village has excluded others from access to the resources. This evidence strongly suggests short-run maximization behavior, where peasants were struggling for as large an immediate share of village resources as they could get. Such short-run maximization behavior, in turn, leads to the expectation that factions and coalitions will be highly unstable and subject to change, and that fixed ascriptive rules will be used for the actual allocation process.

Fixed ascriptive rules may be the only way to avoid interminable conflict when dividing the pie. Benjamin Ward has shown that any question of dividing a pie is a voter’s (Arrow) Paradox. That is, no matter what plan is proposed to a group for dividing up a resource, if the decision is to be made by majority rule, there is always another plan that can defeat the current plan. Purely on a majority-vote basis, then, it is impossible to reach a final outcome, to find a plan that will defeat all others. Indeed, in
Vietnamese villages, resources were allocated among insiders by their rank in the village, and rank was largely determined by age, wealth, and education. In still other cases, resources are allocated by lottery, by turn, or even by rotation based on the position of the sun. Shares may well have been of equal size in many medieval villages, but this is clearly not a progressive principle. On the contrary, if shares are of equal size, and if every male is given an equal size share, then inequality between families and households is reinforced. Thus the ranking systems within villages, so often pictured as rankings of prestige, are also rank orders of access to village resources.

Leadership

Moral economy interpretations of village decision-making stress consensus and systematic participation in the decision process by all villagers. They also stress the levelling function of the demands for feasts and expenditures placed on villagers who seek leadership “prestige”. I would stress the small size of the decision-making group and interpret the emphasis on consensus as an attempt by the elite to close ranks and keep their disputes from the wider village. Moreover, the main motivation for assuming leadership is not prestige, but gain. Viewed in this light, the feasts and expenditures required of officials are investments, the costs of which prevent many villagers from assuming any role in village leadership or decision-making.

The emphasis on unanimity in decision-making is widely noted in the literature on villages; this emphasis is often interpreted as evidence of a strong underlying consensus. It may only mean, however, that the elite decision-making body is trying to iron out all conflict internally in order to avoid splits in its ranks and appeals to less powerful villagers. Furthermore, the emphasis on consensus within the elite can also mean that there is a high degree of distrust and suspicion among its members, and that unit veto rules are the only rules which can maintain a stable peace among them. This is supported by the fact that actual village decision-making is generally limited to councils comprised of no more than 12 to 15 members (whose deliberations may or may not be presented to all other villagers for approval). This distrust is also evident in the frequent concern that the headman, who is the link between village councils and the outside authorities, might be a lesser person who can be controlled by the council, who will not bring powerful outsiders to support him in local disputes, or who will not use outside connections to control village resources.
Members of village councils everywhere can and do collude with each other to their common advantage and at the expense of the entire village. It is equally clear that village officeholding is also often looked upon as a way to make money or at least to protect fortunes. Indeed, it is often stressed in accounts of prestige economies that peasants will even go into debt to provide feasts and otherwise purchase higher offices in the village. How and why, it should be asked, would conservative "safety-first" peasants spend so much money, if they were not going to get it back? How are the loans repaid? As Barth has noted, "over a longer period of time, a chief certainly expects to derive material advantage from his state." Furthermore, the requirement that persons must give feasts or sponsor festivals before attaining high office sets a high entry cost which precludes from office persons who cannot afford the expense or to whom the rich will not lend money. Thus, in many instances, "to the poor man, the higher offices are not open."

But ceding village offices to the most well-off villagers may not be objectionable to other villagers. A well-off villager, for example, may be content to maintain a fortune, rather than seek additional gain by manipulating village affairs; others might be satisfied with enhancing their reputation for the personal credit that it will bring with others. Indeed, if a stable rotation of high office can be arranged among a small number of villagers, a general balance of power may severely limit the short-run (individual - as opposed to class) economic payoffs of office holding. Moreover, a person with fixed collateral is less likely to abscond with the tax money. As Potter found, "villagers prefer to have wealthy men as village leaders on the theory that, since they already have money, they are less likely to run off with funds entrusted to them." In short, the same considerations of investment and profit govern peasant attitudes about village offices as govern their other decisions about security and investment.

**Stratification**

If, as moral economists state, villages provided viable insurance and welfare, if there were levelling functions, and if it were easy for peasants to flee to precolonial frontiers and clear new land whenever demands of villages or lords became too high, then there would be little or no stratification in precapitalist villages. Stratification among peasants would originate with capitalism and markets. But stratification does exist in precapitalist society:
[in the medieval village there] was clear social stratification by the time we have written records... the division between rich and middle peasants with land and equipment (especially plough teams) adequate for subsistence and poor or landless peasants without enough land for subsistence is found very early.120

"Polarization of fortunes," then, "could not simply have resulted from competition in production for the market."121 Stratification occurred before production for markets because peasants were interested in individual security and approached villages as sources of gain, just as they did markets. Stratification is inherent in the procedures actually used in many, if not all, village societies. Village welfare and insurance systems were limited, and the alternative use of credit added to stratification. Village procedures were not progressively redistributive, but favored the rich. Village power was used to control the poorer peasants, as in Russia, where peasants who complained about village officials were sent to the army or to Siberia.122 Village leaders, furthermore, could use the resources and power that went with the control of village resources to prevent other peasants from opening new lands, so that a source of cheap labor would be available for the better-off peasants.123 As Weisser has noted in his reassessment of the Spanish pueblo, "even in the primitive, pre-industrial world, economic differentiation was so pronounced as to make absurd the notion that communalism was a dominant mode of economic relations either during or long before the advent of the modern era."124

During colonial periods, stratification increased in many parts of the world, including Vietnam, because the richer villagers had increased opportunities for profit. But at the core were the same mechanisms of control and stratification as in precolonial and precapitalist Vietnam: allocation of village resources and charges, control of bottlenecks in the local production process, and the manipulation of outside connections. Colonialism and capitalism exacerbate, but do not create, economic competition and stratification. Stratification, as Jay noted in Indonesia, is part of village politics and economics:

The power and prestige that can be derived from village officeholding... are considerable. The attached land rights afford control over a relatively substantial amount of land, which in turn permits the establishment of a number of power relationships with sharecroppers... control over largess of central government gives him opportunities to select friends as agents...125
Alliances, Markets, and Innovations

The analyses and evaluation of such phenomena as the development of alliances between villagers and outsiders, the expansion of land, capital and commodity markets, the adoption of innovations, and the use of supra-village institutions, are largely determined by one’s view of the corporate village. The moral economy view implies that these changes are the products of powerful outside forces that penetrate the village. “Penetration” overlooks the internal limitations of the corporate framework and underestimates the desire of peasants to raise their incomes beyond the levels possible within corporate villages. Indeed, if village cooperation worked as well as moral economists claim, why should there be any opposition to outside alliances or to innovations that might raise total village output by increasing the supply of credit, gain the support of powerful outsiders, or in other ways help the village as a whole to cope with common crises? Even if villages provided ample protection for the poor and insurance against disasters, why would those preclude an interest in opportunities for advancement beyond the income levels possible in a corporate village or an internal initiative for market development and innovation? Moral economists, however, see peasants as aiming for an income to meet culturally defined needs or to discharge ceremonial and social obligations. In this view, peasants are striving for a “target income”. When they reach this level, they have no further concerns with raising production or acquiring new goods unavailable within the village. The peasant therefore does not acquire new wants; he is “pulled from the ideal of self-sufficiency by market forces only to the extent that they permit him to purchase certain ‘traditional’ goods.”

The idealization of the corporate village, and the accompanying view of the peasant’s wants as fixed and able to be met within the village, thus leads to a view of commercialization and market development as the peasantry’s fall from grace. As Jan DeVries has so aptly noted, “being content with a caricature... can only result in a misspecification of the historic and potential role of peasants in economic development.”

There most certainly exists internal opposition to innovation, alliances, and markets, but there exists also internal initiative for such changes. There are, in fact, serious conflicts among members of the elite about the distribution of benefits from outside opportunities, conflicts between classes about opportunities for laborers, and free rider problems that must be overcome for innovations to be adopted. The expansion of labor markets, for example, brings clear benefits to poor peasants, and the rich
often collude to keep the poor from markets. In medieval villages, labor mobility was controlled, when possible, in order to depress wages. In Morelos, the arrival of haciendas was a benefit to peasants in many villages, and was not always a threat to well-running corporate villages with strong subsistence guarantees for all. Before the advent of the hacienda, in fact, villagers suffered debt, slavery, and exploitation at the hands of local leaders, which the introduction of the hacienda alleviated by leading to a wage spiral between competing demands of the hacienda and the caciques.\textsuperscript{128}

With its passive connotations, "penetration" implies that the initiative for alliance comes from powerful outsiders. Although the village resists, it is finally broken down and entered. In both precolonial and colonial periods, however, the initiators of alliances are often local notables looking for external allies to strengthen their hands in village power struggles. Frequently, there is strong opposition to allowing persons living in other villages to own land in villages, when such ownership would threaten the village balance of power and the distribution of resources and charges within the village. To prevent or impede bankers, money lenders, and bureaucrats from owning land in a village, of course, limits the availability of credit (by making mortgages less valuable), and therefore sometimes limits total productivity. However, small landowners oppose the entrance into their economies of larger, more powerful persons because they could manipulate taxes, titles, and village resources to the detriment of the small landowners. In fifteenth and sixteenth century Wallachia (Romania), nobles could get rights to use communal lands in villages only when a villager would form an alliance with the nobles and take money to adopt them as "brothers". With their wealth and political weight, the nobles were then able to dominate the entire community.\textsuperscript{129} Opposition to outside landowners, I hypothesize, is tied to the quality of land titles. Where there exists private land with secure titles, opposition to outside land-ownership becomes far less pronounced; the attractions of credit begin to outweigh the potential threats to smallholders from the entrance into their village economies of money lenders, bureaucrats, and other foreign landowners.

Like alliances with outsiders, the advent of new supra-village institutions can also change the power balance within villages, and while some villagers will want to take advantage of these institutions, others will want to prevent villagers from using them. During the colonial period, the new court systems using the laws and languages of the colonizers often had considerable influence on village affairs. Persons who could
afford the costs of entry to these institutions had an increased advantage over adversaries who could not afford the new, higher costs. But the impact of new institutions is not automatic – alliances require at least two parties, and institutions have to be used if they are to have influence. In Mysore, for example, the modern court established near the village of Namhalli around 1820 had a negligible impact on the political and economic life of the village for over a century. No one used the new courts, and “as long as they were avoided by the villagers,” they could have only the smallest effect on life.\textsuperscript{130}

Just as peasants are receptive to new outside alliances or institutions, they are also receptive to other innovations from which they expect personal gain. Even the simplest of innovations, however, such as the planting of peas or beans, can require extensive cooperation within the village if peasants are to be sure that they will realize the fruits of their labor. Caution based on concern for reaping the fruits is frequently misinterpreted by social scientists as caution based on a peasant belief in a fixed social product. In this view, peasants resist innovations because, given fixed total production, the gain of any one family will come at the expense of other families.\textsuperscript{131}

But distrust of innovation is not due to a belief that one person's gain is another's loss. Even when there is an obvious increase in the total product, peasants will be suspicious and distrustful because they will be concerned with getting gains commensurate with their efforts. The kinds of innovations likely to be adopted, therefore, are those which make it possible for peasants to believe that they, rather than someone else, will enjoy the fruits of their labor. For English peasants of the thirteenth century, for example, supplementary crops of peas and beans were of obvious dietary value. However, field peas grew so tall that persons were able to hide among them; since they were generally planted in a separate area from the great fields, this meant that thievery was a real threat. For the growing of legumes to be possible, it was therefore necessary to find a way to insure that everyone would reap the benefits of their own investment in legumes, and to control suspicion and conflict. By agreeing that persons could be in the pea and bean fields only at a specified hour of the day – clearly marked for all by a bell, which the priest would ring – suspicion could be reduced from 24 hours a day of worry to one hour. That is, during legume time, someone from every family could watch over the family crop; at all other hours, any person carrying legumes could be presumed by all to be a thief.\textsuperscript{132}
Much evidence cited as opposition to innovation is no more than individual economic evaluation; i.e., rejection based on costs or risks not obvious to the outside observer. In a village which had no rules for regulating pea fields, for example, it would be easy for a social scientist to ignore potential thefts and to conclude that peasants were not growing beans because they were averse to risk or resistant to innovation. Peas and beans, in fact, require innovations which are relatively easy to make within villages. Once the basic procedures to safeguard legumes from theft have been developed, each family could decide on its own whether or not to grow these crops, with no need to consider the decisions of the other families. In the village mode of production, however, there are clearly times when individual innovations have serious consequences for others and require universal adoption. If there is village irrigation and all fields must be flooded at once, for example, then shifting to a new crop that requires irrigation at a time different from the crop currently raised by other villagers is impractical. If all draft animals are allowed to roam freely in all fields after the harvest, a villager who adopts a new harvest technique may leave behind less stubble in his fields; thus either he receives a "free ride" unless all shift at once, or he is forced to use the same harvest techniques as other villagers. Such shifts in agricultural technique are made difficult by the distrust and conflict within the village, and would be less time-consuming if there were actually a moral economy.

The problems of coordination and decision-making within the village also help explain why there is a shift from communal to private property enabling peasants to respond favorably to land, commodity, and capital markets. Peasants are not always "victims" of markets. When they have secure land titles, and outsiders are therefore less able to manipulate the lands and taxes of villagers, peasants respond – without crisis or subsistence threat – to the opportunities for advancement and security afforded them by enlarged land, credit, and commodity markets. Problems of coordination and investment invariably tend to break down communal rotation systems where they have existed. In Vietnam, communal land was generally less productive because peasants did not want to "set a banquet for someone else to eat." More generally, the development of agricultural techniques and investments (whether due to the "push" of population growth or the "pull" of market opportunity) such as planting long-range crops like coffee, leads to a situation of de facto private, unrotated land. Because of the problems of communal decision-making and coordination, private land is more productive and generally can support a larger population at a higher level than can communal land.
As land rotations break down and private property develops, the extension of land markets can occur in at least two ways. Localized internal village land markets develop among insiders whenever there is private property or unrotated communal land. Whenever outside credit becomes available and peasants have individual land titles, a more general land market develops in which outsiders can also buy and sell parcels within the village. Whenever it is assumed that corporate villages successfully provided a culturally defined “target income” and that peasants were content, the development of land markets is assumed to be a disaster to the peasantry. As noted, there were serious limitations on the productivity of communal land, whether or not it was rotated, and the development of land markets and the related extension of commodity markets generally had support among large segments of the peasantry and, in most cases, increased subsistence floors.

The belief that private property and commercialization are generally deleterious to the peasants goes back, it would appear, to a view of the English enclosure movement that sees in the conversion of common village fields to private, fenced lands the creation of a reserve army of floating laborers upon whose backs the industrial revolution was built. This view of the English enclosures as “sheep eating men” is a false model to apply to other countries, and it does not even fit with the evidence from England. The English enclosure movement was neither as deleterious to peasants as is often assumed nor as directly applicable to commercialization in other countries today.

The English Enclosure Movement

When English lands were enclosed in order to change from growing grain to raising sheep, some people were driven off the land, for sheep require less labor than most grains. But the majority, probably ninety percent, of enclosed lands were not for permanent pasturage but for grain, which allowed farmers to take advantage of rising grain prices, to improve their cattle and plough animals by selective breeding, and to make investments that led to more intensive use of the land:

Mental habits die hard, and it is still sometimes thought -- and taught -- that as a result of enclosure and the introduction of the turnip (one of the most labor-consuming of all the crops in the farmer's calendar) agricultural output rose while the labour force fell -- or, as some would say “fled.” Agricultural output certainly rose but there is no reason to think that the labour force engaged in agricultural operations fell; the
contribution of the Agricultural Revolution was not to release labour for industry, but to make possible a greater output without making a correspondingly greater demand upon the available labour supply.\textsuperscript{136}

There was, to be sure, great rural poverty in England during the time of parliamentary enclosure. But there was also substantial population growth, and the incidence of rural poverty was correlated not with enclosure, but with the lack of non-agricultural employment. Poverty and the industrial revolution may have risen in the same decades, but they rose in different areas.\textsuperscript{137}

Even if the English enclosure movement had not benefitted smallholders it would be a poor model to apply in other cases. Whereas in most of Asia there are no fences, perhaps half the cost of enclosure in England went into fencing to keep livestock apart. Since smallholdings require proportionally more fence per unit of land than do large holdings, the initial cost per acre was higher for smallholders than for farmers with more land, and was a major reason why smallholders (as opposed to the landless 40 to 50 percent who benefitted on the whole) always gain as much, proportionally, as large landowners.\textsuperscript{138} Even more to the point, the enclosure movement is a bad paradigm because it was administered fairly by comparison with many colonial or contemporary situations. The key determinant of the fates of peasants in development of open land markets is not the vagaries of commercial agriculture, but the chances which accrue to better educated villagers, who are able to manipulate colonial institutions by registering the land of other villagers in their own name or by using the courts to claim land belonging to others. What is so remarkable about the English enclosure is how much attention (relatively) was given to protecting the rights of smallholders in England.\textsuperscript{139}

Just as persistent a myth as that of the enclosure movement as a giant swindle is the notion that small commodity markets provide more certain subsistence for peasants than do national or international markets. Certainly, as transportation improves and markets reach into once remote areas, there is generally an increase in stratification. But given the lack of village aid for persons with bad harvests, the tenancy that results from selling land in bad years may not be such a bad alternative to wage slavery, infanticide, or selling children. When village production can enter a regional or national market, then the pool of potential creditors is expanded because the land now has value to outsiders. More important, while exposure to international and national markets does subject peasants to new and different kinds of uncertainty, larger markets tend to
maintain steadier prices and far more certain supplies of food over time. In England, "improved transportation reduced risk by increasing the varieties of weather and soil represented in a single market area and therefore decreasing the variability of prices for the market as a whole." When markets expand, supplies of grain begin to even out, and with expansion, the actual "insurance value of money," the probability that money saved in a good year will find food to buy in a bad year, itself increases and peasants have a form of protection which they did not have within smaller market areas.

Patron-Client Relations

A direct comparison of moral and political economy assumptions reveals important differences in expectations for three aspects of the patron-client relation: the terms of exchange, maintenance of dependency, and distribution of resources. While moral economists assume a fixed, culturally given subsistence level, I assume that the subsistence level is endogenous and variable. Peasants will try to raise their share of production, through either individual or group bargaining, according to the risk involved. If the legitimacy of the patron depended upon a fixed notion of subsistence, and if precapitalist society generally provided subsistence for all, then a drastic reduction in the man/land ratio would have no effect on tenants or clients. In fact, however, throughout the precapitalist and colonial world, whenever plagues have drastically reduced the number of tenants on the great estates or holdings, demands for higher wages and better terms of exchange have followed. In fourteenth century England, "the immediate impact of the Black Death had been that both agricultural and other workers demanded, according to the strength of their bargaining power, up to twice or even three times their previous wages." Similarly, in Japan during the 1920s conflict between landlords and tenants was most common in the villages near urban and industrial centers. This was not because the movement of landlords in these areas into the cities had left peasants more unprotected and with less favorable terms of exchange than in the past. All generalizations to the contrary, absentee landlords at this time were more forgiving in bad years, rented larger plots, charged lower rents, and evicted tenants less often than resident landlords. Tenancy disputes centered in these areas because opportunities in factories had drawn laborers out of agriculture, reducing competition for tenancies. Thus, although conditions of tenancy were comparatively good around urban and industrial centers, protest and
militancy were widespread, because there was little fear of reprisal. Subsistence, therefore, is not fixed at a culturally given level. Economic shares are based on the terms of exchange and protest frequently occurs when the balance of exchange is improving in favor of the tenant.

Among the many ways by which tenant bargaining powers were limited were the feudal laws that required lords to return runaways and anti-“poaching” agreements to prevent bidding among lords for the services of tenants. Such attempts at collusion have even extended to limiting the emergence of cities and market areas because cities and markets would benefit clients at the lord’s expense. Within their own domains or estates, it was common for lords to monopolize control of crucial bottlenecks in the production process in order to maintain control over tenants. At one time or another, mills, ovens, and bulls have all been monopolized by European lords. By forcibly maintaining such monopolies, lords are not only able to provide a service for their tenants, but they are also able to shift the transaction costs to those who must come to the lords for a vital service. Thus, “it is no wonder that in a society where bread was so scarce and uncertain the term ‘keeper of the loaves’ hlaford came to mean, in Anglo-Saxon, ‘master,’ or lord.”

If lords were an important “functional,” “legitimate” part of peasant livelihood, then whenever there was a chance to increase production by upgrading the “human capital” of the tenants, lords should do so. In fact, there are many occasions when lords will not risk their position by allowing tenants access to new skills which would raise total output if these skills can also enhance leadership ability and give peasants new options independent of the lord. It is clearly the case that tenants are forcibly limited from acquiring skills that increase production but threaten dependency. In Peru, “Mestizo overlords regarded the peasants as little better than animals and actively discouraged education or the use of Spanish on the sound assumption that it might create aspirations beyond servile labor.” Literacy is particularly threatening because it increases the probability that peasants on estates will be able to take advantage of favorable national political climates to move against lords, and because it undercuts the dependence of peasants. John Gitlitz, discussing the threat of mass literacy to Peruvian hacendados notes that a literate person “can read the papers, follow national political events, and more readily recognize the availability and relative power of differing potential allies. Finally, on the estate, he can...[help] those among his comrades who are illiterate to deal with the outside world. He can read them the directions for the use of pesticides or interpret orders from the
sub-prefect. In short, he can to some extent replace the hacendado."¹⁴⁷

The very process of production, then, can reflect a divergence between providing the best guarantees for clients and maximizing dependence upon lords. To maintain control of serfs, a twelfth century Chinese book advised, "one should not allow them to have fields and gardens of their own, for if one does, they immediately become filled with greedy schemes."¹⁴⁸ Peasants are often forcibly blocked from the market for the same reasons: development of market skills can help the peasant to demand more, or even to do without his patron. When they were able to do so, large estate owners in colonial Southeast Asia forcibly prevented peasants in their domains from selling paddy, buffalo, or even garden produce on their own.¹⁴⁹ When amassing their estates and maintaining forced dependencies, they relied on the peasants' lack of linguistic and legal-political skills needed to work with the colonial power structure.¹⁵⁰

Although the self-image of the patron was that of a patriarch, he often lacked the managerial competence to perform such a role for large numbers of tenants concentrated on estates scattered over many villages. The use of intermediaries and agents and the requirements that harvesting be done only in the presence of the owner or agent severely strained relations. Even in the best of circumstances, the patriarch analogy is often depicted in an overly positive light. As described in its ideal form by a Vietnamese estate owner,

In the past the relationship between the landlord and his tenants was paternalistic. The landlord considered the tenant as an inferior member of his extended family. When the tenant's father died, it was the duty of the landlord to give money to the tenant for the funeral; if his wife was pregnant, the landlord gave money for the birth; if he was in financial ruin the landlord gave assistance; therefore, the tenant had to behave as an inferior member of the extended family...¹⁵¹

Landlords preferred these multi-stranded relationships because they allowed them to maintain their monopoly position and the tenant's dependence. Tenants, on the other hand, generally preferred many single-stranded relationships instead of an all-encompassing "feudal" relationship with one lord. Peasants in commercial areas of Burma, for example, preferred not to borrow money from their estate owners if they had jewelry or cattle for security.¹⁵² Total dependence also meant subjugation. As Alexander Woodside has noted, this "inferior member of the extended family" model was "symbolically infantile. . . . The economic value of
these positions fluctuated with the prosperity of rural harvests but their social value had always been monotonously degraded. Chinese tenants and smallholders had an expression which emphasized the importance of maintaining some autonomy and maneuvering room in their relations with landlords: "Embrace Buddha's leg only in time of need."

Peasants can overthrow lords and increase their security by changing modes of production and by reorganizing agricultural institutions to remove monopolies and overcome linguistic and legal barriers which put them at a disadvantage in the marketplace. The central state is not automatically a threat to the peasantry; it can be an ally in the process. As Robert Brenner noted for seventeenth century France, "strong peasant property and absolutist state developed in mutual dependence upon one another. The state increased its power by virtue of its ability to get between the landlord and the peasants, to ensure peasant freedom, hereditability and fixed rents, and thus to use peasant production... as the direct source of revenue for royal strength and autonomy." In twentieth century Japan, landlords became less important to tenant prosperity as agricultural services provided farming advice, local officials settled disputes, and the government issued disaster relief. According to moral economists lords will strengthen their position and create the highest general level of security by distributing resources equally among all peasants on their lands. I predict unequal distribution: given my assumptions about gain and individual approaches to security, there will be substantial conflicts of interest between peasants, and lords will take advantage of these conflicts to increase their own profits. Lords pursue divide-and-conquer strategies that capitalize on competition and conflicts between peasants, as can be seen in the unequal treatment of clients and tenants.

The patron-client literature does not deal extensively with the distinction between tenant and client, but the distinction between types of relations helps clarify the strategies that landlords use. Successful maintenance of a large estate involves limiting the ability of tenants to engage in collective action. A critical component of a strategy to prevent collective action can be, and very often is, the uneven and unequal distribution of patronage and incentives. Clients are usually a small subset of tenants who have curried favor from the landlord through special services (e.g., acting as a "strikebreaker," or as an informer). In China, the subset of tenants who helped the landlords to control other tenants were referred to by the latter as "dog's leg"; in colonial Vietnam, clients were known to other tenants as "basket carriers" and "servile flatterers of the rich." Within villages
or on large estates, lords are usually the arbiters of disputes between peasants. This control of arbitration helps to divide and conquer the peasants, pitting them against each other for future considerations. Lords also control the allocation of scarce resources that put peasants into competition. Indeed, a scarcity of crucial resources can aid the lord by increasing tension among tenants and, therefore, the competition for special treatment.

The very existence of a class of laborers in a peasant society suggests that there are critical weaknesses in the moral economy views of the village and of patron-client relations. The concept of common moral expectation and universe appears to conflict with the hostility so often encountered between laborer and tenant. Much of landlord "exploitation" is facilitated by the uneven distribution of resources (which leads to laborers and tenants, instead of a single class of tenants). The lack of common moral solidarity among the peasantry means competition among peasants for land and credit and a waiting source of men willing to help the landlord evict a tenant who makes trouble. 159

Conclusion

I have made assumptions about individual behavior diverging from those of the moral economists. These assumptions have drawn attention to different features of villages and patron-client ties and have led to questions about the quality of welfare and insurance embedded in both villages and vertical patron-client ties. This, in turn, has demonstrated that there is more potential value to markets, relative to the actual performance level of these other institutions. Commercialization of agriculture and the development of strong central authorities are not wholly deleterious to peasant society. This is not because capitalism and/or colonialism are necessarily more benevolent than moral economists assume, but because traditional institutions are harsher and work less well than is often believed.

Depending on the specific conditions, commercialization can be good or bad for peasants. In many cases the shift to narrow contractual ties with landlords increases both peasant security and his opportunity to benefit from markets. In Latin America, "the patron held life-or-death judicial authority over his dependent serfs, and the murder of peasants or the violation of their wives and daughters was not uncommon." 160 As long ago as the fifth century, a monk described the transformation that overcame freemen who became part of estates: "all these people who settled on the
big estates underwent a strange transformation as if they had drunk of Circe's cup, for the rich began to treat as their own property these strangers."\[161\]

Single-stranded relationships may be far more secure for the peasant because there may be less coercion, an absence of monopolies, competition among landlords, and less need for submission of self. The development of an independent trading class can give small peasants easy low-risk access to international markets and a way of escaping the domination of large lords who use coercion to control the economy despite inefficient practices. Independent small traders like the Chinese in Vietnam, for example, are opposed not by peasants, but by large landowners. In particular, erosion of the "traditional" terms of exchange between landlord and tenant is not the only way for peasants to turn against large lords. It is not the case that if the patron guarantees the traditional subsistence level, peasants will cede him continuous legitimacy; peasants can and do fight for autonomy when better alternatives exist in the market. There are often better opportunities for peasants in markets than under lords, and markets can reduce the bargaining power of the lords.\[162\] Indeed, it was not uncommon in Europe for men to buy their way out of clientage for the security and freedom of markets.\[163\]

One need only note the land rush in the new areas of Cochinchina after the French made it habitable to see that markets can be an enormous opportunity for the poor. Throughout the world, peasants have fought for access to markets when they were secure enough to want to raise their economic level and "redefine" cultural standards! In medieval England, when peasant conditions were comparatively secure,

The essential quarrel between the peasantry and the aristocracy was about access to the market. It was not that the peasants were worried about the impact of the market in a disintegrating sense upon their community; what they wanted was to be able to put their produce on the market and to have a freer market in land which would enable them to take advantage of the benefits of the market.\[164\]

The rise of strong central states and the growth of a market economy, then, even in the guise of colonialism and capitalism cannot always be directly equated with a decline in peasant welfare due to the destruction of traditional villages and/or elite bonds. In the short-run, local village elites with the skills to ally with outside powers may reap the most benefits from new institutional arrangements, but, in the long-run, new
elites emerge which ally with the peasantry against both feudalism and colonialism.\textsuperscript{165}

Indirectly, peasants clearly benefit from the growth of law and order and the resulting stability, as well as the vast improvements in communications. The numerous and onerous taxes of the colonial period – as applied by village elites – increased stratification in the majority of countries, but the colonial infrastructure also led to wider systems of trade, credit, and communications that helped keep peasants alive during local famines. As Day has noted of Java, local crop failures were so serious in precocious times before there was a developed communications and trade network “because it was impossible to supply a deficit in one part of the country by drawing on the surplus which might exist in another.”\textsuperscript{166} Colonialism is ugly, but the quality of the minimum subsistence floor improved in most countries.\textsuperscript{167}

By stressing the common investment logic of intra-village patron-client and market relations I have attempted to show that given the actual performance levels of patrons and villages, neither decline nor decay of peasant institutions is necessary for peasants to enter markets. Further, peasant support for revolutions and protests may represent not decline and decay, but political competence.

Acknowledgment

This essay forms part of The Rational Peasant: The Political Economy of Rural Society in Vietnam (University of California Press, 1979). I am indebted to Rod Aya for his editorial help in adapting the introductory chapters of the book for this essay.

NOTES

15. Ibid., p. 26. See also pp. 23–25, 205.
22. Scott, Moral Economy, p. 5, emphasis added.
26. Ibid., p. 40.
27. Ibid., pp. 33, 41.
28. Ibid., pp. 184, 40, 43.
30. Ibid., p. 454.
33. Ibid., p. 458.
36. Ibid., p. 73.
40. Ibid., pp. 458–459.
42. Like the moral economists, I deal mainly with supra-family institutions. However, the rapid growth of research on inheritance laws, extended and nuclear families, and demography in general will soon make possible far more attention to issues of family and population.
45. Ibid., p. 7.
47. Scott, Moral Economy, p. 33.
48. Ibid., p. 29.
49. Ibid., p. 11.
55. Gerald C. Hickey, Village in Vietnam (Yale University Press, 1964), p. 96, notes that patrilineages with property are more likely to have the corporate group characteristics so highly prized by villagers.
57. Norman Himes, Medical History of Contraception (Williams and Wilkins, 1936),
p. 52. White, "Production and Reproduction," p. 10, notes a sex ratio of three women to every four men before and after (but not during) the Black Death, which means that at least 25 percent of all female infants were eliminated through some form of active or benign infanticide. Himes (pp. 51-52), also notes that where infanticide is practiced children may not be considered members of society, hence human, until they are past the age where parents might be forced into abandoning (or benignly neglecting) them.

58. William Letwin, "The Contradictions of Serfdom," Times Literary Supplement (March 25, 1977), p. 373. "A larger daily ration is needed to keep a person alive until fifty than until forty or twenty. Staying alive is one thing, working hard is another."

59. See as an excellent example, Scott, Moral Economy. Chapter 5, "The Depression Revolutions."


63. Scott, Moral Economy. Chapter 2, emphasizes decreasing variance more and increased income less than I do here, but the difference is one of degree, i.e., in the implications of long-run vs. short-run and public vs. private investment choices involved for the way villages and patron-client relations operate.

64. Of course, if there were a truly efficient prestige economy in which all surplus was converted into village resources, there would be less selfish concern with advancement and possibly also less incentive to work. But if there is truly a moral economy, it is not clear how classes and strata emerge at all.

65. Amplification of the collective action paradigm appears in Chapter 6 of The Rational Peasant.


67. Brian Barry, Sociologists, Economists and Democracy (Macmillan, 1970), p. 5. Barry's book has greatly influenced the style and method of this work. His introduction, pp. 1-12, is a superb and important discussion of the difference between sociological and economic approaches to theory. Ronald Rogowski's "Rationalist Theories of Politics: A Midterm Report," World Politics 30 (1978), is a lucid analysis of other ventures in this approach.

68. The standard way in which discounting is assumed to take place is expected value. However, many alternatives are being developed and no single narrow assumption is needed for the purposes of this study.


72. Ibid., p. 7.


76. Blum, Lord and Peasant, pp. 506-521, is the best source.

77. Ibid., p. 514.


79. Scott, Moral Economy, p. 54.

80. Migdal, Peasants, Politics and Revolution, p. 82.


82. Sometimes on the precolonial frontier landless persons with no money and no property had their taxes paid for them by the village (or rich men) in exchange for labor services, but this was more like servitude or debt bondage than the adjustments suggested by the arguments of moral economists.

83. If all taxes were land taxes, i.e., no head taxes at all, then there would have been some floor. Additionally, the ratio of head taxes to land taxes has important distributional consequences.

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85. Blum, “Internal Structure and Polity,” p. 547. See also Joan Rockwell, “The Danish Peasant Village,” Journal of Peasant Studies 1 (1974), passim. But it is possible to devise visible and defensible rules for conscription. Under these rules, one son, either the youngest or the eldest (depending upon the country), would be exempt from drafts to ensure family continuity. There would still be potential for conflict any time a family had two sons drafted before all other families had one son drafted. (If a couple with two sons sends one of them to live with a childless relative, do both sons get exemptions?)


87. Similarly, in today’s peasant world, castes, families, and villages can redefine their boundaries and make new demarcations between insiders and outsiders. Further, persons of substance can avoid responsibility while maintaining a moral front by adopting the posture that they fulfill obligations to their employees and retainers and should, therefore, not be held responsible for the problems of others. During Jan Breman’s fieldwork in India, “a grandfather, a father, and two daughters returned to the village in mid-season. They suffered from typhoid fever and had been sent away from the brickyard so as not to infect the other laborers. Gravely ill and penniless, they had found their way back. . . . Once they were in Chikhilgam, not one of the farmers for whom members of this household sometimes worked gave them any aid. I found these people in their hut, uncared for and without food, lying on jute bags. Two of them died of the fever the next day.” Jan Breman, Patronage and Exploitation (University of California Press, 1974), p. 252.

88. Blum, Lord and Peasant, pp. 516, 519.


90. White, “Production and Reproduction in a Javanese Village,” pp. 71–72. White also notes that the notion of work-spreading implied by involution should not be taken to imply scarce opportunities were relatively evenly distributed, p. 74.


93. Although Blum (“Internal Structure and Polity,” p. 546) says that the community provided “welfare services,” his examples are chiefly of the kinds of insurance discussed here.


95. Potter, Thai Peasant Social Structure, pp. 171, 163.

96. There can be large groups with little management required for tasks with large economies of scale, like a bucket brigade, or where only low quality labor is required. Agricultural development and refinement of techniques often leads to smaller exchange groups because higher quality labor inputs, and thus more vigilance against slackers, is required.


98. Stefano Fenoaltea, “Fenoaltea on Open Fields: A Reply,” Explorations in Economic History 14 (1977), p. 405. Fenoaltea argues that since such insurance was possible, scattering was not due to the absence of insurance. I obviously disagree.


102. Warren O. Ault, Open Field Farming in Medieval England (George Allen and Unwin, 1972), p. 28. The word gleaning generally refers to both the secondary gathering of grain and the later picking-over of fields for the last remnants. Here, however, raking refers to the secondary gathering, while gleaning refers to that collection of grain not shared with the farmer in control of the fields.


104. Ault, “By-Laws,” p. 217. Note that a system of maximum wages (which was tried) would not be as effective because it would be harder to enforce. A tenant who secretly overpaid a laborer would not easily be detected; neither the farmer nor the laborer would have an incentive to disclose an otherwise undetectable transgression. Third parties, however, can easily see whether a person is reaping or raking, and laws giving precedence to reaping over raking are, therefore, more effective in the absence of class solidarity among tenants. After the Black Death, limitations on outside work became unenforceable.
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105. Ault, Open Field Farming, p. 31.
107. Ault, “By-Laws,” p. 214; Open Field Farming, pp. 30–31; De Gruiilly, Le Droit du Glanage, pp. 35–51, 70–71; George Homans, English Villagers of the Thirteenth Century (Norton, 1975), p. 103. In the thirteenth century, French priests apparently demanded and received a share of the glean; this tithing of the glean elicited a strong rebuke from Pope Clement IV (De Gruiilly, p. 45). Biblical law enjoins owners to leave something for orphans, widows, and outsiders. While it is not clear how these laws were enforced (or if they were), it would appear that rabbis, like priests and lords, tried to protect the floors for the poorest (De Gruiilly, pp. 24, 28) for there are numerous legal opinions and arguments in the Talmud about, for example, forgotten or neglected grain, about grain hidden by harvesters, or even about grain that falls on anthills (De Gruiilly, pp. 26–28).

109. Practices sometimes assumed by some to be unjust, immoral, and exploitative were thus a common feature of precapitalist society: “A man who surrenders his child for a loan or one who sells his birthright for a mess of pottage are extreme examples. The needs of the weaker party have allowed the stronger to impose an exchange that violates the true value of things; the bargain is unjust and extortionary.” James C. Scott, “Exploitation in Rural Class Relations: A Victim’s Perspective,” Comparative Politics 7 (1975), p. 499. As Lucien Hanks has noted of Thailand today, “the departing ones recognize their peripheral position under a given roof, since the most dispensable person had to be chosen from among many, yet leaving for a better opportunity in another area also signifies a parent’s concern for a child’s well-being. A Bang-Chan rice grower, telling of his childhood, upbraided his parents for refusing to give him into the care of a powerful government official who wished to ‘adopt’ him. The storyteller commented, ‘My parents could not have loved me very much.'” Lucien Hanks, Rice and Man: Agricultural Ecology in Southeast Asia (Aldine, 1972), p. 88.
110. Potter, Thai Peasant Social Structure, p. 55.
112. Blum, Lord and Peasant, p. 519.
116. There will also be times when the potential for profit in the linkage role is clearly less than the level of demands upon the role made by powerful outsiders and/or powerful insiders. See Blum, “Internal Structure and Polity,” pp. 557–560, and Lord and Peasant, p. 523.
118. Charles Wagley, “Economics of a Guatemalan Village,” in Memoirs of the American Anthropological Association, 58(1941), p. 76. That peasants value feasts is clear: that they consider the best system for providing feasts one in which the rich pay for them is less clear. During the Viet Minh period in Central Vietnam, 1945–1954, feasts were forbidden in most villages; they represented “feudalism” and the old, superstitious ways. After 1954, when the Viet Minh cadres had left the area, the old notables made an effort to reinstitute the old system of feasts paid for and officiated over by rich notables. However, there was widespread opposition from among less well-off peasants at the attempted reinstatement of these privileges. In many villages, the protests prevented the old elite from taking control of the feasts, and rent from a piece of communal land was allocated or a tax was instituted to pay for them. With public finance of the feasts, it was no longer necessary to let the rich officiate at them. Now a man of virtue and prestige could be selected by acclaim to officiate at the feast, regardless of his personal wealth. “In the old days,” one peasant recounted, “only the rich would officiate at the feast and have the honor of eating the head of the pig. Now any man of virtue and prestige can eat the head of the pig.”
119. Potter, Thai Peasant Social Structure, p. 52. Note that both moral economists and political economists agree that there is value in prestige. What needs more development is when leadership will content itself with prestige and when leaders
expect a more direct and immediate payoff.


124. Weisser, *Peasants of the Montes*, p. 48. Surveying the evidence on stratification, Weisser notes that "the division between rich and poor, between those who work and those who are idle, was probably greater in the (16th century) past than in the present," p. 37.

125. Robert Jay, "Local Government in Rural Central Java," *Far Eastern Quarterly* 15 (1956), p. 226. Assuming the presence of worksharing and corporate mechanisms, Scott and Kerkvliet argue "the typical Javanese village... by having avoiding [sic] glaring income differentials, has greatly tempered the local face of class antagonisms."


127. Ibid., p. 234.


132. Ault, *Open Field Farming*, pp. 39–40; Homans, *English Villagers*, p. 103. The same sorts of rules were used to regulate the removal of grain from the field and to decrease suspicion of laborers: grain could be removed only by cart, only between certain hours, and not by laborers. Ault (p. 40), also suggests that the poor may have had some rights to gather the peas of others. This example demonstrates how technology, i.e., bell towers, can increase community. It also suggests the value of the political (or, in this case religious) entrepreneur who can increase productivity and build organization around such collective goods as the bell tower. (And even if the priest – before ringing the bell – ate everyone else’s peas, how much can one person eat?)


134. See, for example, Blum, "Internal Structure and Polity," p. 569.


138. Donald McCloskey, "Economics of Enclosure: A Market Analysis," in William Parker and Eric C. Jones, eds., *European Peasants and Their Markets* (Princeton University Press, 1975), pp. 144–146. I am grateful to Donald McCloskey for reminding me (personal communication, April 1978) that "a small holder of land benefits from an improvement in technique in the village even if he does not undertake it. The value of his land rises because it can be used by others (the buyers) with the new technique." Thus, even a technique which smallholders cannot afford themselves may still benefit them by making it possible for them to survive a bad
year by selling a small corner of their now-more-valuable land instead of selling all of their land or some of their children instead.

139. Chambers and Mingay, *Agricultural Revolution*, pp. 85-90. The impact of views of the enclosure movement on analysis of contemporary situations is clearly demonstrated in Scott's discussion of the green revolution in the Punjab region of India. "As in England, the transition has not been peaceful. The lower 20 percent of the labor force is perhaps worse off than before and open conflict between landowners' and laborers' factions is common... almost all of the new profits have gone to those who control land and capital... A portion of the tenants and smallholders forced off the land have been absorbed into the agrarian labor force, another portion into the secondary industries of processing, transport, and marketing created by the agricultural boom, and still another substantial portion into the growing industrial sector of the region. It would seem, thus far at least, that the Punjab has experienced a successful shift to productive, capitalist agriculture. The "success" has eliminated many of the traditional securities for the rural poor and has particularly damaged those at the very bottom of the social structure but it has provided enough economic safety valves to absorb much of the peasantry." Scott, *Moral Economy*, p. 208, emphasis added. Scott is wrong for the Punjab. There has been a large influx of laborers into the Punjab from other provinces because the green revolution has been labor intensive. There has been a "discernible and unparalleled improvement in employment opportunities and earnings of the agricultural laborers" and an upward shift in income for almost all the farmers in the state. "There are no facts to support that in Punjab evictions took place due to green revolution technology," S. S. Johl, "Gains of the Green Revolution: How They Have Been Shared in Punjab," *Journal of Development Studies*, 11, (1975), pp. 182-185. (The green revolution, however, is by no means the panacea suggested by some of its more ardent enthusiasts.)


142. Ann Waswo, *Japanese Landlords: The Decline of a Rural Elite* (University of California Press, 1977), p. 88-89. Although absentee landlords in Japan at this time provided more secure floors, they were less likely or able than resident landlords to carry out projects that would raise productivity and increase the shares of both landlords and tenants.


147. Gitlitz, "Hacienda, Comunidad and Peasant Protest in Northern Peru." p. 436. He notes also the important role of army veterans in uprisings on the haciendas studied. Veterans home from the Seven Years' War also played an important role in English food riots by "providing a disciplined core of militants able to defy the military, and by giving direction to the disorders." Walter J. Shelton, *English Hunger and Industrial Disorders* (Macmillan, 1973), p. 3.


155. Robert Brenner, "Agrarian Class Structure and Economic Development in Pre-Industrial Europe," Past and Present 70 (1976), p. 71. The importance to states— which benefit from increased developments—and peasants—who secure their families and are more able to control their offspring—of heredibility should not be overlooked. A major peasant demand in Germany during peasant uprisings was for hereditary tenure. David Sabeau, "Family and Land Tenure," p. 5.
156. Waswo, Japanese Landlords, pp. 92-93.
158. Author's interviews.
159. Alavi's "Peasants and Revolution," is the seminal statement on these class conflicts in agriculture. See also Tuma, Twenty-Six Centuries, p. 72; Breman, Patronage and Exploitation, p. 56; and Gitlitz, "Hacienda, Comunidad and Peasant Protest," p. 14. At times, however, peasants did maintain solidarity against lords and deny them the power to bring in new tenants. As long as effective boycotts of new tenants were maintained, they could not survive, particularly when other farmers refused to help extinguish the fires set on unwanted tenants' lands. (Blum, "Internal Structure and Polity," p. 552) Today, agricultural laborers may try and boycott, or otherwise use collective action against tenants who try to use labor-saving means of harvesting or threshing their crops. Such strategies generally fail, however, because those hiring the labor use divide and conquer strategies against the laborers. Divide and conquer strategies seldom require more than paying a few laborers higher wages to switch from knives to sickles and to exclude other laborers from the fields, or taking free pre-harvest weeding from small numbers of laborers in exchange for giving them rights to do the entire harvest and excluding harvesters that did not provide free weeding. William A. Collier, et al., "Agricultural Technology and Institutional Change in Java," Staff Paper 75-1, Agricultural Development Council, New York (1975); Masao Kituchi, et al., "Evolution of Land Tenure in a Laguna Village," Paper #77-11, International Rice Research Institute, (1977). The same focus on visible standards is found in conflicts between laborers and tenants as discussed earlier.
162. See, for example, Blum, "The Rise of Serfdom in Eastern Europe," p. 816; Breman, Patronage and Exploitation, p. 75; Hilton, Bond Men Made Free, p. 214.
165. As Weisser notes for Spain, "anarchism sought to sweep away the remnants of that old system by joining with those elements in the outside world that had begun a similar attack." Peasants of the Montes, p. 117.
166. Day, Dutch in Java, p. 25.