

THE CONCEPT OF 'PEASANT EMBOURGEOISEMENT' IN THE PERSPECTIVE OF DIFFERENT HISTORICAL CONJUNCTURES

ANDRÁS VIGVÁRI¹, TAMÁS GERŐCS²

ABSTRACT. The paper combines the historical analysis of the social transformation of rural Hungary with the evolution of the sociological concept of 'peasant embourgeoisement'. The authors highlight the long lasting impact of the concept in the understanding of academic knowledge production. The concept was the product of thorough ethnographic studies in the inter- and postwar periods by scholarly intellectuals, whose aim went beyond academic purposes and translated into a political agenda of rural modernization. To make such a methodological combination the authors demonstrate that the global historical context is necessary in the understanding of how knowledge production occurs and interacts at various historical conjunctures, especially during periods of crises.

Keywords: peasant embourgeoisement, subsistence economy, world system, narodnik movement, rural society.

Introduction³

In our paper we make a critical review of the concept of 'peasant embourgeoisement', which has been repeatedly applied in the Hungarian sociological discourse and thematised by various intellectuals since at least the early 20th century. The popularization of the term 'peasant embourgeoisement' was the legacy of sociographical narodnik movement⁴ from the interwar period. During state socialism, the concept gained dominance amongst rural sociologists. In both periods the concept was used not only for academic purposes, but also as a

¹ Junior research fellow of Hungarian Academy of Science, Centre for Social Sciences, e-mail: vigvari.andras@tk.mta.hu

² Junior research fellow of Hungarian Academy of Science, Center for Economics and Regional Studies, e-mail: gerocs.tamas@krtk.mta.hu

³ This paper was supported by the Hungarian Scientific Research Fund (OTKA). The number of the research project is 115644.

⁴ The sociographical movement in the interwar period consisted of popular writers who pushed for a national agenda. In the following paper we call them the 'narodniks'.

social vision that meant to challenge either the dominance of large estates in agriculture in the 1930s, or the official modernization paradigm of the socialist regime in the 1970s and 1980s. In this paper we investigate the story of the concept by applying Reinhart Koselleck's method (1989) in order to find out: (1) how the concept was canonized in the Hungarian social sciences; (2) how certain historical conjunctures made the concept one of the most instrumental theories of rural sociology in Hungary; (3) how the term was reconceptualised in various sociological discourses at certain crisis periods.

In the following we trace the story of the concept not only from the perspective of academic knowledge production by particular intellectual groups, but also from a broader social historical perspective, in which both the query of these intellectuals and the subject of their studies – the peasants – have been embedded. In other words, our analysis combines a social historical study focusing on the formation of social structures with a genealogical study shedding light on the evolution of the concept of 'peasant embourgeoisement'. Our aim is to reflect on the relationship between scientific knowledge production and the social-material structures to explain how and why certain ideas reappear at certain historical conjunctures. Our approach will allow us to make a historical analysis of a concept, in which the changing social forms and the various meanings behind it will create a coherent unity between the subject and the object. Thus our method targets the social reality in a way that demonstrates how the concept originates from, and at the same time reflects upon reality (Koselleck, 1989). We will not make any sociological analysis of the intellectual groups, however. We take their ideas as reflections on the reality in the historical conjunctures of crises. Both the ideas of the *narodnik* movement and the rediscovery of these ideas originate in the crisis years of the 1930s and 1970s-80s.

The concept of 'peasant embourgeoisement' contains not only the historical analysis of the social formation of the peasantry in a broader historical-sociological context, but it also involves those global dilemmas regarding modernization and social development which *narodniks* and their followers raised. This is no coincidence since in social historical studies focusing on peripheral regions the study of the peasantry has always been a crucial issue (cf. Amin, 2014). The semi-peripheral capitalist development of the region created favourable conditions for agricultural export production, and thus social processes are inextricably connected to the domain of agriculture (Wallerstein, 1974). Hungarian sociology, hence, has always treated rurality and rural modernization as a priority (Vigvári, 2016). Within this thematic focus poverty and underdevelopment has been thoroughly explored and thematised by various concepts and ideologies. The concept of 'peasant embourgeoisement' - both in the interwar period and during state socialism – had a crucial role in these efforts, partly because it had various facets: (1) it was a sociological model and a political program; (2) it focused on and

criticized the power of the landowning middle classes; and (3) it has also been a keyword for geopolitical programs ('third-way alternatives') articulated from a Central Eastern European position, whereby both western capitalist and eastern socialist systems were refused.

In this paper we combine the structural analysis of the social transformation in a *longue durée* perspective (Braudel, 1958) with the evolution of the concept of 'peasant embourgeoisment'. We want to highlight the long lasting impact of such a concept in the understanding of academic knowledge production. We believe that a more global context is necessary to see how knowledge production occurs and interacts with the changing forms of social relations. The global context in our paper will be about the analysis of the development of historical capitalism from Central Eastern Europe's semi-peripheral uneven development's point of view. In the first section we will start the analysis by introducing the historical context of the concept, before we turn our focus to the concept of 'peasant embourgeoisment' in the second section.

The historical process of uneven capitalist development in Hungary

In this section we explain how uneven capitalist development produced rigid social structures in rural Hungary. The most important social historical processes in this regard were land concentration in the form of manorial estates on the one hand, and the growing number of landless or below-subsistence land-holding classes, on the other (Pach, 1966). The concentration of land based on agro-export production to the world economy was the result of the country's semi-peripheral integration as a satellite agro-supplier to the rising European core during the formation of the international division of labour (Wallerstein, 1974).

The rural population and the question of the land reform

Throughout the 19th century and the first half of the 20th century this polarization – both in terms of the distribution of land, and between the different situations of social classes – was periodically problematized in debates and proposals about potential land reforms. Different agrarian classes had a somewhat different approach to the question of the land reform (Gyáni, 2004). In our analysis it is crucial to distinguish between these positions. We want to highlight that the political agenda in each historical period reached the rural population in an uneven manner. Some of the peasantry was attracted and mobilized for the cause, others lived in a more isolated situation and the opportunity to access land was beyond their hope.

During the Habsburg era, the question of the legal status of the serfs and the question of the land reform were the most divisive political agendas regarding rural development. For the peasantry the question of land reform served not only as a promise for advancing their social reproduction, but it carried strong symbolic value in their moral universe as well (Gunst, 1987). Meanwhile the absolute size of the peasant class had been on a steady decline throughout the centuries due to the historical processes of land concentration (Ditz, 1867). Additionally, the already heterogeneous peasant class had become even more fragmented since the end of the 19th century when capitalist production accelerated the process of land concentration (Kövér, 2004). The process of social fragmentation among the peasantry (Orosz, 1995) meant that not everyone was expelled from their land to become a labourer (or simply enclosed in holdings big enough to ensure only reproduction), but a wealthier upper strata of the middle peasantry emerged in-between the major social processes of the rising estates and the growing number of the landless agrarian proletariat (Gunst, 1987; Gyáni, 2004). As a result of uneven capitalist development, enormous estates and middle-sized farms coexisted in the rural agricultural landscape from the 19th century throughout the interwar period (Orosz, 1995; Gunst, 1987). The so-called question of the land reform was usually advocated by these 'in-between' middle peasants and some semi-proletarian agrarian labourers. Middle peasants targeted the large estates, while semi-proletarian workers sometimes tended to attack middle peasants. Despite the liberal attitude of the large landowner classes regarding the question of serfdom in the 19th century, the majority of them strongly opposed the idea of a radical land reform (Gunst, 1987). In fact, ruling classes managed to keep away most attempts until as late as 1945.

Earlier attempts at land reforms, such as the one in 1920 were usually ineffective, because the structure of the concentrated large estates remained relatively intact, and just a disproportionally small share of the manorial lands were distributed among the peasantry. Gale Stokes (1991) claims that among the different land reform policies that were implemented in most of the countries in the region after World War I, the least radical was the Hungarian. The reason was that the ruling classes were strong enough to prevent any radical alteration in the property structure. Thus the implementation of reform policies had ambiguous consequences and an uneven effect on different social classes and groups (Stokes, 1991).

On the one hand, as we mentioned, large estates managed to remain in power and offered very small shares in the land redistribution. According to the estimates of Gyáni (2004), approximately 8% of the overall arable land was distributed among the landless classes. On the other hand, about one million people with hardly any land were eligible to receive small plots (the average

size of the new plots was less than 1.5 acres⁵) in exchange for monetary reimbursement⁶. Since almost no one among the property-less classes possessed sufficient financial resources to invest into such purchase, a key element of the land reform was to offer state subsidized credits, i.e. mortgage-loans to help the popular classes. The rising indebtedness among the newly smallholder agricultural class later became a great source of financial stress. It was not only that the economic turmoil of the 1930s made the payment on the loans difficult, but the average size of the farms was too small to produce sufficient revenue (Gyáni, 2004). Thus the majority of this smallholder class did not become free peasants in practice: they remained tied to the local estate as wage earners in order to supplement their low revenues from their own land.

Even though access to any land – even below what would actually be necessary for subsistence – represented the illusory effect of social mobility for the new owners, in the 1930s this illusion was lost for the small, below-subsistence farmers, due to the wave of bankruptcies that they suffered (Gyáni, 2004). For them the economic crisis made the already rigid social structures impossible to overcome. However, peasants with middle-sized or even larger farms could survive and consolidate their social position after the crisis. They managed to extend their farms either by buying up smaller plots of land (sometimes from the bankrupted small farmers) for cheap, or by leasing land and gaining access to cheap labour force, the consequence of which was the escalation of political tensions amongst the rural classes.

A fraction of the agricultural workforce had long been almost completely proletarianized. They were employed on manorial estates as manorial servants. Their relationship to the means of production, i.e. to the land was very ambiguous. Their fate was tied to the estate, therefore these people were isolated from the rest of the rural population. In spite of the very limited access to small plot farming or to the possibility of breeding animals, manorial servants were the furthest from the idea of farming one's own land. This made them very difficult to reach and mobilize (Gyáni, 2004). Despite this fact, several studies explored the livelihood of manorial servants (cf. Illyés, 1968). They remained relatively passive and unaffected even in periods of land distribution.

Other wage labourers represented the majority of the agricultural workforce. They usually possessed some land, hence they had experience in farming, but the size of their farms was too small to allow them to farm independently. They depended on agricultural wages and the labour market was operational because

⁵ In the traditional Hungarian metric system which Gyáni uses one 'hold' equals ca. 4300 m². In the international metric system, one acre is ca. 4000 m² (Gyáni, 2004:406).

⁶ The number of small-holding peasant households tripled from 540 000 to 1.6 million due to the land act. The dominant size of small farms remained below 3 hold, their numbers doubled from 580 000 to 980 000 (Gyáni, 2004:312).

of their presence. On the labour market supply-and-demand was rarely in balance, instead the seasonal fluctuations brought great uncertainty in their lives (Gunst, 1987; Gyáni, 2004). These classes were more interested in the land reform than fellow manorial servants, hence, when the agenda of the land reform was raised these classes were easier to be politically mobilized. Agricultural wage labourers might have developed some enthusiasm for acquiring land for two reasons. One reason was that many of them owned some land and they had experience in cultivation. The other reason was symbolic (Gyáni, 2004). Many of them lived a mobile life because they had to follow seasonal work throughout the country. These people were not tied to one particular estate hence they were more mobile and easier to be mobilized for political causes than fellow manorial servants. In general they were more open to radical thoughts. They did not only target large estates but in periods of rapid social polarization amongst the peasantry, frustration grew against the upper strata of the middle peasants. Tensions between the two groups intensified after the 1930s because of the land concentration and the subsequent polarization amongst themselves (Gunst, 1987; Gyáni, 2004).

The Hungarian sociographic *narodnik* movement in the interwar period

Despite the decline in the number and economic significance of the peasantry from the 19th century, the political recognition of peasants gained ground due to intellectuals who sought to find the way out of the country's alleged backwardness through political programs building on them. Intellectuals themselves formed a very diverse group, with each political fraction founding references for various ideas in different social groups. In the 1930s a particular group of popular *narodnik* intellectuals embraced middle peasants (Némedi, 1986; Papp, 2012; Rézler, 1943). Their movement was called 'third way' and interestingly some of their ideas made a long lasting impact even after the war. These intellectuals documented the life of the free holder middle peasants and made valuable sociological observations that affected knowledge production on agricultural modernization even during state socialism.

According to their political agenda, the development of the country should be based on the rise of the free-holder peasantry into a class of independent producers, on which market relations should also be based. In their interpretation, 'third way' meant neither capitalist nor semi-feudal estates, nor the socialist model of *kolhoz* economy (Némedi, 1986). These concepts were an idealization of the real economic situation both in terms of the dynamics of historical capitalism and the social patterns through which these global forces translated into a semi-peripheral agrarian society. Even though they had a certain degree of social

sensitivity, and they aimed to improve the situation of the lower classes of agricultural workers, their vision put a disproportionately large emphasis on one particular class: middle peasants (Papp, 2012). Looking at it from the global context, the viability of social reproduction of the peasant class was the exception not the rule. As we noted, the social structure was dominated by extreme concentration of large estates produced by semi-peripheral capitalist integration on the one hand, and the growing number of wage labourers with very few possession, typically not enough for reproduction, on the other. While the question of land became their focal point, various intellectuals deployed different terminologies to describe the essence of their vision.

László Németh (1935), a famous Hungarian writer, who is regarded as the leader of the interwar *narodnik* movement, envisioned a peasantry-based social order that would find inspiration in other international examples, e.g. Scandinavian (in particular Danish) farm economies. His vision was called Garden-Hungary, the social basis of which would have built up from small, middle-sized free-holder peasants (Németh, 1935). Garden-Hungary was a projection of this class position into a wider universal class idea, somewhat similar to the way classical political economists tended to refer to the class interest of the bourgeoisie as universal. The *narodniks* regarded Garden-Hungary, based on the idea of small farmers as a universal class, for being neither the product of feudal-capitalist development (based on the manorial estates) nor that of socialism (based on soviet experiment at the time with *kolhoz*), but an independent 'third way' (Németh, 1935). Ferenc Erdei spent much of his early academic years studying the free-holder peasantry and the stratification of Hungarian peasants (Erdei, 1943), and called their economic fortunes as 'peasant embourgeoisement' (Erdei, 1973; Erdei, 1974). This was an idealization of the desires and morals of this particular class that neglected the surrounding social processes amongst which both the overall underdevelopment and the particular class relations emerged.

The members of the sociographic *Narodnik* movement observed the misery of the peasants, and they feared the disintegration of this class due to those powerful social processes that produced polarization. The concept of Garden-Hungary and the idea of 'peasant embourgeoisement' were regarded as a radical social idea in which no estates and no proletariat would dominate. In the ideal world of both Erdei and Németh the economic model contained elements of economic autarchy which fit well with the idea of 'third way', as a sort of delinking from the forces of the world economy. However, World War II restructured the whole landscape of intellectual utopias along with the opportunity structures of different political projects. A nice example is how after the war the biographies of the two *narodnik* scholars tended to bifurcate. While Németh kept his strong opposition to socialism, and later to socialist collectivization, Erdei held key

political positions in the state socialist regime, and as a minister of agriculture (1949-53) he became personally responsible for collectivization and agricultural modernization (Huszár, 2010).

Post WW II

After World War II, the occupying Soviet forces seized power in Central Eastern European countries, which resulted in a new wave of land reforms. In 1945 the communist party pretended to be the proponent of the land reform based on previous *narodnik* ideas articulated throughout the interwar period in Hungary. This policy was more radical and thorough with respect to the structure of land ownership than its predecessor in 1920⁷. It broke up the large estates and, furthermore, land was allocated to the lower agrarian classes (Ö. Kovács, 2012).

The consequences of the reform were, however, short-lived. By the early 1950s the Stalinist economic model was already in effect: heavy industrialization enjoyed priority over agriculture (Valuch, 2004). In fact, agriculture was functionally sacrificed to serve the needs of rapid industrialization. Under state socialism, industrialization contributed to the continuation of the historical legacy of large-scale farming in the form of the *kolhoz*-economy. Despite that, the soviet-type *kolhoz*, which was forcefully established in Hungary between 1949 and 1953, was based on state ownership, and what it achieved was the first successful attempt to transform particular groups of the rural population into a fully wage-earning class.

This was, however, only partially successful because it did not manage to fully penetrate the wage form into the peasant class. The reason for its limited success was that the paradigm shifted its focus from agrarian modernization to industrialization in which agricultural production served the needs of the industry. From an agrarian point of view, this assumed the brutal exploitation of both individual producers and the whole of the sector (Ö. Kovács, 2012). This brutal exploitation was interrupted with the 1956 revolution, which was also fuelled by the violent nature of the Stalinist regime trying to restructure the systems of production and social reproduction in rural Hungary. This violence had to be tamed.

⁷ The National Peasant Party and the Independent Smallholders' and Peasants' Party together won a landslide victory (over 60% of the votes) in the first free election after the war in 1945. The National Peasant Party represented the interest of the small peasantry, while the Independent Smallholders' and Peasants' Party represented middle peasants. *Narodnik* intellectuals were overrepresented in the former party.

The second, less violent wave of collectivization came after the revolution of 1956 (Ö. Kovács, 2012). The task to combine the socialist modernization effort with elements of *narodnik* ideas was given to Erdei again, who conducted a reform on new grounds. The second collectivization in the 1960s stopped serving the interest of the industry and instead implemented policies that fostered progress for agricultural production. In addition, the roles in the collective's internal division of labour largely reflected upon the legacy of the local social situation. Individual farmers, though not as private property owners, were still eligible to be shareholders in the local collectives.

In essence collectivization achieved what it was designed for: it dismantled the peasant class and turned its former members into wage labourers. The rural population was from this point either employed in the expanding industrial complexes, or in the agricultural collectives, both of which were managed by the most progressive norms of the era, *taylorism* (Bell, 1984; Valuch, 2004). We need to underline that this type of modernization coalesced with global forces as former agrarian structures were replaced by wage relations in the economy. Naturally under state socialism this happened in a different institutional environment than it happened on the other side of the Iron Curtain, because the wage form was introduced upon public instead of private property relations. But despite this institutional and ideological diversity, the penetration of the wage form was the catalyst in the transition to the capitalist mode of production all around the global semi-periphery in the 1950s and 1960s (Boatca, 2015; Dunaway, 2012).

Similarly to how this global trend unfolded elsewhere, semi-proletarian household economies also mushroomed in Hungary from the late 1960s onwards (Gábor R., 1979). In the reform era of the late 1960s, workers in the collectives (also employed in the industry) were allowed by the state to cultivate small plots for gardening (Valuch, 2004). In addition, surpluses produced in the household economy were untaxed by the socialist state, and the state collectives were permitted to purchase products from the households. As a consequence of this liberalization, the so-called second (or subsistence) economy became an integral part of the rural division of labour besides the industrialized mass production of grains and small-plot garden-farming (Hann, 1980; Sozan, 1983; Szelényi, 1988).

The reason for this liberal approach by the state in the late 1960s was that the consequences of the social transformation could not be stabilized due to the global economic and financial crises. The global crises of the late 1960s reached state socialist countries by the middle of the 1970s (Gerőcs and Pinkasz, 2017). Real wages fell due to restrictive fiscal policies and investments and industrial output had to be kept in check. The interruption in the social transformation brought back non-wage forms of agrarian production, which relied heavily on household production in the form of houseplot farming (second economy). In the 1970s the parallel structure of large-scale farms in the form of collectives and the dependent houseplot farming around rural households co-

existed in a state socialist agrarian division of labour. Despite the fact this agrarian structure originated in the global capitalist crisis, the emergence of the second economy was celebrated for understandable reasons by large segments of the rural population who carried strong memories of independent farming and was also celebrated by the scholars from the so called 'democratic opposition' who embraced narodnik ideas in their attempt to oppose state socialism (Szelényi, 1988).

The second economy gained significance during the growing economic hardship of the 1970s and 1980s. It was a period of indirect austerities, when restrictions in the wage-system were introduced harshly. Liberalization was fostered by state regulation because it served as a substitution for the weakening social safety net. In that sense, the function of the second economy was to provide an extra source of income for labourers in a period of wage control in factories. The more general consequence was the interruption of the penetration of the wage system and the subsequent reversal to a semi-proletarian household economy. Similar trends occurred in the global semi-periphery during the crises years of the 1980s (see e.g. the Latin American experience).

Despite these hardships and the reversal of the wage system, successful peasants could use the surplus in the second economy for representative modernization, which sociologists found new forms of social mobilization and labelled with the term 'rural embourgeoisement' (Kovách, 1988; Szelényi, 1988). This included investments in the comfort of their homes (many of them without basic amenities at that time in rural Hungary) and in the upward-mobility of their children by supporting their migration to the cities for education. The paradox is that the symbolic values and the concrete form of social mobility under the phenomena of 'rural embourgeoisement' was actually the result of a global economic crisis in the 1970s and the subsequent austerity programmes implemented by the socialist state.

The origins of the concept of 'embourgeoisement' in Hungarian rural sociology

Social scientists conceptualized historical processes not only for academic purposes but also as sociological models for political programs. The term 'peasant embourgeoisement' was first used to refer to the process of agrarian modernization in the late 19th century (Hofer, 1975; Kósa, 1998). In the case of Hungary the process of 'peasant embourgeoisement' happened under an extremely unequal structure of land possession characterized by the gradually emerging manorial land and the proliferation of agricultural proletariat. Regarding the definition of 'peasant embourgeoisement' social scientists emphasized the changing economic habits, the abandonment of the former peasant culture, and the changes

in mentality. All of these would suggest that the differences between the urban and the rural lifestyles had started to fade (Sárkány, 2000). However, the geographic representation of bourgeois peasants within the wider agricultural society was unequal, and they were underrepresented in terms of numbers, even though social sciences have always been paying special attention to this subject (Kósa, 1995).

Later the rural Hungarian countryside was overwhelmingly affected by growing social tensions in the interwar period (Gunst, 1987). The unequal possession of the land, the growth of agrarian proletariat and the deprivation of political rights all amplified these tensions (Gyáni, 2004). The aforementioned *narodnik* movement struggled to raise awareness of the growing inequalities by encountering the communities of the villages and putting their experiences into journalistic and ethnographic works (Papp, 2012). On the other hand, they had a vision of modernizing the rural areas and reducing the tensions of the society through providing equal access to land.

As we have already mentioned, the term 'peasant embourgeoisement' had been an important theoretical benchmark for Ferenc Erdei (Erdei, 1973; Erdei, 1974), the then young sociologist who initially played a key role in the *narodnik* movement. Erdei referred to 'peasant embourgeoisement' as the exemplary alternative to the agrarian proletariat, and as the role model for raising the peasantry. In many of his early writings Erdei considered the lifestyle and the morals of these peasants as the desirable pattern, which is produced by a specific mode of agrarian production, which could be the vehicle not only for peasant embourgeoisement, but also for national development (Bognár, 2010). To take one example, Erdei studied the country towns (*mezőváros*) surrounded by hamlets, and the residential structure which is typical to the Hungarian southern Great Plain area (*Nagy Alföld*). These country towns had a special spatial and social composition. In the centre of the structure is the town itself that represents the embourgeoisement class, which despite its farmer background, uses symbolic instruments to show social mobility (e.g. in architecture or in clothing). But the centre is also linked to economic units, which are the real social and economic basis of these people's livelihood around and in the periphery of the towns. These are the scattered farms (hamlets) on the peripheries that were the sites of seasonal agricultural production and served also as summer residencies for the middle peasants from the country towns (Erdei, 1974).

For the young sociologist, the country towns of the Great Plain area symbolized the national agenda of 'third-way' based on the everyday experiences of the socially upward mobile middle peasants. In his view, this structure went beyond the class-based opposition of the urban and rural differences, produced by capitalist development. At the same time, it also offered an alternative to the Soviet-type *kolhoz* model (Bognár, 2010; Erdei, 1974).

For Erdei the theory of ‘peasant embourgeoisement’ was not merely an academic subject. In fact, he instrumentalized his academic findings and later applied them to a wider societal context: he used the model of ‘peasant embourgeoisement’ in his political program as a desired future path for the Hungarian society (Bognár, 2010). Thus the concept of ‘peasant embourgeoisement’ became a third-way political vision popular in the *narodnik* movement, that (1) emphasized the distinctive traits of the social development in Central Eastern Europe; (2) in terms of political program refused both the western capitalist systems and the soviet proletariat dictatorship; (3) desired a policy of egalitarian distribution of land based on the dismantling of the manorial lands and fostering interventionist economic planning based on local resources. Therefore, coining the notion of ‘peasant embourgeoisement’ was not only a contribution to academic discourses, but it also became an integral part of a populist political program in the first half of the 20th century.

The discovery of the ‘houseplot’ and the concept of ‘rural embourgeoisement’ in the 1980s

Rural or peasant embourgeoisement became part of the Hungarian sociological discourse again in the 1980s (Huszár, 2015). From the late 1970s-1980s onwards, rural researches were inspired by the transformation and development of rural Hungary and they ‘discovered’ the growing significance of domestic subsistence farming in local economies (Hann, 1980; Sárkány, 1983; Sozan, 1983; Szelényi, 1988).

According to the policy introduced in the mid-1960s, workers were permitted to practice houseplot farming (Szelényi, 1988) in an area up to 1 acre/person. Soon, small subsistence economies developed which produced goods to satisfy family requirements on the one hand and surplus which could be sold to the collective, on the other. The houseplot farming became the rural form of the so-called ‘second economy’ (Gábor R., 1979; Galasi, 1985; Róna-Tas, 1990) which allowed workers to accumulate some wealth in times of economic hardship. The disadvantage it produced was that it tied workers to the houseplot, thus houseplot farming contributed to the anchoring of the proletarianized rural population.

By providing extra profit for the rural working class, subsistence farming (houseplots) also played a crucial role as a social safety net. However, such extra labour activity demanded additional labour after the wage-duty. Second economy provided an extra income source for labourers in a period of industrial wage control (Gábor R., 1979). The return to semi-wage forms did not occur in large factories nor in the agricultural collectives but in and around the family houseplots (Valuch, 2004).

The transformative role of subsistence farming on the local social relations was clear. Theories that emphasized the temporary and self-sufficient nature of subsistence farming proved to be false because in reality these small economic units were tied to the surrounding collectives. Houseplots developed strong market links (even if market exchanges were limited at this time), and because of the fact that there was an upturn in their activity, the growing market relations translated into the extension of production. Regarding the broader division of labour, tight links to the collectives were immanent. As a consequence of the process, in the 1980s rural sociologists became especially interested in the development of the houseplots (Kovách, 1988; Szelényi, 1988; Harcsa, 1991; Juhász, 1991). Sociologists wanted to know what capacity subsistence farming in the form of houseplots might bring in relation to broader social changes. They presumed that these units might play an important role in transforming the state socialist system.

Knowledge production on houseplot farming: from the theory of proletarianization to the concept of 'third way'

Few Hungarian sociologists considered subsistence economy important not for transforming the social system but as a secondary consequence in the process of rural proletarianization. István Márkus (1973), who had carried out fieldwork in the surrounding villages of Budapest in the Galga valley, found that families involved in commodity production in the second economy for nearby markets in Budapest were so-called 'post-peasants'. In his description post-peasants were not innovative agricultural entrepreneurs. Márkus emphasized that the surplus these families made were usually invested in their children's education or in establishing their urban life, instead of improving the capacity in production as proper entrepreneurs would probably do. In short, these extra revenues were immediately channelled out from production into social mobility, which in most cases functioned as departing from agriculture (Márkus, 1973). István Kemény (1972) revealed in his studies about factory workers in the 1970s that the new generation of industrial workers with peasant ancestry – the 'new working class' as he put it – were usually underqualified and their incomes were at the bottom of the wage system. Therefore these workers still made a good use of their links to rural relatives and utilized the knowledge of houseplot farming to compensate for their insufficient wages (Kemény, 1972).

Contrary to that notion, Iván Szelényi (1988) interpreted the subsistence economy as an innovative individual strategy for the proletarian working-class to socially mobilize. Szelényi and his research team thoroughly studied and explained

in academic papers the expansion of the second economy. By looking at the social-economic role of houseplots, Szelényi insisted that their significance was beyond the economic value of generating extra revenue, because this activity might have also resulted in the transformation of 'social behavior' (Szelényi, 1988).

In his publications Szelényi used the theory of 'rural embourgeoisement' (Szelényi, 1988) and based his agenda on the economic potential of subsistence farming (second economy). In his book *Socialist entrepreneurs: embourgeoisement in rural Hungary*, Szelényi (1988) considered the expansion of the subsistence farming as one of the most genuine inventions in socialist Hungary. He argued that the form of commodity production in the houseplot farms proved that it had not merely been a temporary phenomenon of modernizing agriculture in general, but as a subsector supplying the markets it might become permanent within the economic system of state socialism. In Szelényi's view the political relevance of the second economy cannot be ignored, because these households contributed to the transformation of cultural traits that confront the practices of the bureaucratic state-apparatus. Overall, he expected that this type of economic activity would weaken the political system (Szelényi, 1988).

Notwithstanding, Szelényi argued that houseplot farming did not only substitute wages, but the rising market activities also helped the legal environment to be gradually liberalized. He insisted that specialization in farming and the subsequent accumulation of wealth could be taken for granted as an indicator of entrepreneurship in the making. His main argument was that the role of houseplots was beyond wage compensation. It served as a strategy for entrepreneurs to burgeon within the legal frame of state socialism (Szelényi, 1988). Additionally, becoming an entrepreneur in the second economy could be viewed as a form of resistance in his interpretation. He thought that this economic activity in the informal sector was a sort of silent grassroots revolution. Furthermore, Szelényi emphasized in his concept of rural embourgeoisement that the entrepreneur habitus developed in the frame of the second economy contained the potential to challenge the intellectual notion of the 'bourgeoisie'. He suggested that the new term could replace the former notion with a more bottom-up and popular understanding of the 'bourgeoisie', freed from the classical intellectual determinants (Szelényi, 1988). These social changes could serve, by quoting Erdei, for a 'third-way' solution to create an alternative both to the socialist system and to western capitalism at the same time. Contrary to contemporary intellectuals, Szelényi and his colleagues favoured a model in which development relied on small-scale houseplot production.

The narodnik legacy in studying 'rural embourgeoisement'

Szelényi's notion of 'rural embourgeoisement' was intentionally based on Erdei's terminology about the 'peasant embourgeoisement'. While Erdei recognized the middle peasantry in the country towns as a new model for Central Eastern European modernization, Szelényi saw the capacity in subsistence farming partly due to their informal fashion as an element which might challenge state socialist centralization. Apart from that both approaches paid attention to the land-holding rural middle classes. Moreover, they both combined empirical research on peasant activities with broader intellectual visions, which they translated into a political agenda.

According to their interpretation, Central Eastern European modernization was trapped in an impasse, and in order to avoid the furthering of backwardness, countries such as Hungary with its experience of houseplots needed to return to the path of development that had been abandoned and interrupted at the end of the 1940s (Szelényi, 1988). This group of scholars used the land reform of 1945 as a basic reference to which they suggested to return. No surprise that the idea of 'peasant embourgeoisement' was enhanced by the land reform and the following years were going to be celebrated as the experience of 'third way' development. Szelényi and his colleagues opposed the idea of catching up with western societies. Their belief was consistent with interwar narodnik ideas, according to which the successful development must be an alternative version of free market capitalism.

As Szelényi wrote in his book

[...] on this organic trajectory, family farms and large estates, market competition and officials' powers are carefully balanced in order to avoid both the anarchic individualism of its Western and the untrammelled state power of its Eastern neighbours. The last 40 years should probably be seen as a rather unfortunate, socially costly side-track, which pushed Hungary and perhaps the rest of the region backward in time and eastward in geography. During these postwar years the Soviet Union tried to force on its western neighbours a monolithically statist, bureaucratic and clientelist form of internal social and economic organization that was alien to them. It may make sense to suggest that Hungary (and probably Poland?) are once again searching for a social identity that will distinguish this society both from the Soviet model and from Western capitalism. The question of the 'Third Road' again returns to the intellectual agenda of Eastern Europe (Szelényi, 1988:21-22).

In Szelényi's view, though, the rise of the subsistence economy was the direct continuation of the process of 'peasant embourgeoisement' from the inter- and immediate postwar period, but with the interruption of state socialist intervention. Therefore he described these phenomena as the 'interrupted embourgeoisement' in

the 1980s (Szelényi, 1988). Not only the phenomena were continuous, but Szelényi also attempted to prove that the peasants he found in the second economy had direct links to those families which had been studied by Erdei in the Great Plain area. The protagonists of 'interrupted embourgeoisement' are, to put it simply, the descendants of Erdei's peasant farmers, who after the establishment of the socialist regime gave up on their economic activities and temporarily became proletarians.

In a nutshell, some Hungarian sociologists referred to family producers on the houseplots as agents in social transformation. The term 'rural embourgeoisement' has inspired a novel trend in intellectual discourses, as they have reformulated the concept into a more comprehensive, popular understanding, which was previously not completely compatible with the notion of the 'bourgeoisie'. The notion of 'peasant embourgeoisement' went beyond the sociological investigation of domestic subsistence economies, insofar as it was developed into a 'third-way' *narodnik* type vision of modernization supporting houseplot farming and entrepreneur habitus. Thus the concept of 'rural embourgeoisement' of the 1980s, similarly to how it was used in the interwar period, (1) had been a sociological model and a political program, (2) focused on the power of the land-holding middle classes and (3) had been a geopolitical program and a third-way alternative adjusted to the social development of Central Eastern Europe by refusing the western capitalist and state socialist systems.

Conclusion

In our paper we sought to conceptualize rural modernization from the perspective of uneven capitalist development. Contrary to the classical notion of rurality as a backward sphere of society, unpenetrated by modernization, we argued that rural modernization is in fact an integral part of the evolution of historical capitalism, especially in the history of semi-peripheral development in Hungary. Moreover, 'peasantry' as a social class has not only played a crucial role at several historical conjunctures, but also were and still are crucial semantic reference points both in the memories and in the visions of the rural population in Central Eastern Europe. These memories and visions are embraced not only by rural families, who in some cases identify with the free peasantry and the idealization of the land, but in fact were kept alive by the long lasting impact of the concept of 'peasant embourgeoisement', embraced periodically by sociologists from the inter- and postwar periods. No coincidence that this vision has a strong impact on contemporary Hungarian rural sociology even today.

We argued in the paper that despite the several controversial outcomes of the different waves of modernization in the history of Central Eastern European semi-peripheral development, the different modes of reintegration to the capitalist world economy systematically reproduced rigid social structures and identical sociological concepts of rural development in accordance. Thus, the latter can also be treated as embedded in the different waves of modernization.

In the paper we focused on cyclical shifts in the inter- and postwar period, with special attention paid to changes between the wage and non-wage forms of the rural economy. Between 1945 and the late 1960s the wage form of organizing labour penetrated in most of the Central Eastern European economies under the command of socialist collectivization and the booming urban industrialization. During this period, due to intense industrialization, there was almost no room for houseplot farming which was strictly prohibited by state socialist legislation. The long downturn in the global accumulation reached Central Eastern Europe already by the middle of the 1970s. In Hungary, the effects of the crises were transmitted through state policies with respect to both restructuring and rescaling public administration and the new forms of organizing labour by wage and income policies. In the latter case, the emergence of the so-called rural second economy - which in fact was a return to subsistence farming - was a result of the limitation of the wage-system. Accordingly, we can distinguish between different phases each of which host various concepts for rural modernization. Cycles in knowledge production followed these changes as well. It is interesting to note that the rediscovery of the *narodnik* ideas of 'peasant embourgeoisement' occurred in a period of economic hardship, similarly to the origin of these ideas that date back to the crisis of 1931. The renaissance of *narodnik* ideas was made possible by thorough ethnographic studies carried out in the 1970s and 1980s. Scholars of the time used the idea to re-introduce the notion of third way development that they wanted to contrast with state socialism. They did not perceive the crises as immanent to global capitalism, but they believed this social transformation was the product of state socialist legislation⁸.

Contrary to their notion, the rigid historical social structures (land concentration in the form of estates and collectives and dependent houseplots), thus, reappeared during the declining phase of state socialist modernization. We believe that the origin of the concept of 'rural' and 'peasant embourgeoisement' was attractive for rural sociologists and fellow intellectuals who were in search for an alternative (third way concept of) modernization when they studied the extremely uneven and concentrated nature of agricultural social system in Hungary both in the inter and the postwar periods. These intellectuals encountered the

⁸ We need to highlight that similar processes were to be observed in other semi-peripheral regions with, however, different institutional settings. In Hungary the expansion of the second economy was not unique to agriculture, but it also occurred in other spheres of the economy.

depressing dominance of enormously large estates and the growing size of landless agricultural labourers. They were thus not simply in search for social groups in-between these structures, but they tended to believe that the rediscovery of the middle peasantry could serve as the basis of a new modernization model. They treated, however, these social categories as if they were separate from the rest of the social system, or as if these social fragments could be taken as reminiscence of positive social formations from earlier epochs. But this was a political agenda as well. These ideas proved to have a strong mobilization effect and influence over various reform agendas when agrarian modernization was among the priority of policy makers.

In a nutshell, we wanted to demonstrate that the crisis of the overall economy in the 1970s and 1980s was exactly the period when researches on the second economy were conducted, while at the same time, the idea of 'peasant embourgeoisement' was rediscovered by intellectuals who used the reformulation of the concept to challenge the modernization promises of the state socialist regime in order to find alternatives to the impasse of state socialist modernization.

The origin of these social processes are embedded in the uneven nature of capitalist development; therefore when we study rural development, we also need to be precise on the exact scale of analysis in which we want to grasp the respective social relations and the different concepts of rural modernization. In our research we wanted to understand how these rigid social structures that had been reproduced during different cycles of modernization with respect to the modes of organizing labour and to the forms of regulating the heterogeneous agricultural workforce contributed to the development of scientific knowledge production. In our paper we sought to combine socio-historical development with the evolution of the various ideas regarding 'peasant embourgeoisement' which had been the most valid concept of rural modernization in the Hungarian sociology. In more general terms, we wanted to reflect on the relationship between scientific knowledge production and the social-material structures to explain how and why certain ideas reappear in the history.

REFERENCES

- Amin, S. (2014). *Pioneer of the Rise of the South*. E-book, Springer.
 Bell, P. (1984). *Peasants in Socialist Transition: Life in a Collectivized Hungarian Village*. University of California Press, Berkeley-Los Angeles-London.
 Bognár, B. (2010). *Erdei Ferenc szociológiája*. Loisir, Budapest.
 Braudel, F. (1958). Histoire et Sciences sociales: La longue durée. In *Annales Histoire, Sciences Sociales* 13e Année, No. 4 (Oct. - Dec., 1958), pp. 725-753.

- Dunaway, W. A. (2012) The Semiproletarian Household over the Longue Durée of the Modern World-System. In Lee, Richard E. (ed.). *Longue Durée and World-Systems Analysis*, State University of New York Press. pp. 97-136.
- Erdei, F. (1943). *A magyar paraszttársadalom*, Franklin Társulat, Budapest.
- Erdei, F. (1973). *Parasztok*. Akadémiai, Budapest.
- Erdei, F. (1974). *Magyar város*. Akadémiai, Budapest.
- Gábor R, I. (1979). The second/secondary/economy. Earning activity and regrouping of income outside the socially organized production and distribution. In *Acta Oeconomica* Vol. 22. 1979/ 3-4., pp. 291-311.
- Gyáni, G. (2004). Social history of Hungary in the Horthy Era. In *Social history of Hungary from the Reform Era to the End of the Twentieth Century*, edited by Gábor Gyáni; György, Kövér; Tibor, Valuch. Columbia University Press, New York. pp. 271-510.
- Galasi, P. (1985). Introduction: Development tendencies, labour market and second economy. In *Labour market and second economy in Hungary*. Frankfurt am Main; New York : Campus Verlag, pp. 9-24.
- Gerőcs, T. and Pinkasz, A. (2018). Debt-Ridden Development on Europe's Eastern Periphery. In Manuela Boatcă; Andrea Komlosy; Hans-Heinrich Nolte (eds.). *Global Inequalities in World Systems Perspective. Theoretical Debates and Methodological Innovations*. Routledge. Forthcoming.
- Gunst, P. (1987). *A paraszti társadalom Magyarországon a két világháború között*. MTA Történetudományi Intézet, Budapest.
- Kövér, Gy. (2004). Inactive Transformation: Social History of Hungary from the Reform Era to World War I. In *Social history of Hungary from the Reform Era to the End of the Twentieth Century*, edited by Gábor Gyáni; György, Kövér; Tibor, Valuch. Columbia University Press, New York. pp. 3-270.
- Hann, C. (1980). *Tázlár: a Village in Hungary*, Cambridge: Cambridge University Press (Changing Cultures series).
- Harcza, I. (1991). A polgárosodás lehetőségei a mezőgazdasági kistermelésben: Előzetes kutatási eredmények. In *Agrártörténeti Szemle* 33. Vol. 1-4. sz. (1991), pp. 1-36.
- Ditz, H. (1867). *Die Ungarische Landwirtschaft*. Verlag von Otto Wigand, Leipzig.
- Hofer, T. (1975). Három szakasz a magyar népi kultúra XIX-XX. Századi történetében. In *Etnographia* 1975/2-3. pp. 398-414.
- Huszár, T. (2010). *Erdei Ferenc 1910-1971. Politikai életrajz*. Corvina, Budapest.
- Huszár, (2015). *A magyar szociológia története*. Osiris, Budapest.
- Illyés, Gy. (1968). *A puszták népe*. Szépirodalmi, Budapest.
- Juhász, P. (1991). Polgárosodás. In *Századvég* No. 2-3. (1991), pp. 181-183.
- Kemény, I. (1972). A magyar munkásosztály rétegződése. *Szociológia* 1972/1, pp. 36-48.
- Kósa, L. (1998). *Paraszti polgárosulás és a népi kultúra táji megoszlása Magyarországon (1880-1920)*. Planétás, Budapest.
- Kosseleck, R. (1989). *Vergangene Zukunft - Zur Semantik geschichtlicher Zeiten*, Suhrkamp Verlag, Frankfurt am Main.
- Kovács, I. (1988). Polgárosodás, középretegesedés: Néhány észrevétel a mezőgazdasági kistermelőkről. In *Szociológia* Vol. 18. No. 2, pp. 153-183.
- Boatca, M. (2015). *Global Inequalities, Beyond Occidentalism. World-Systems Analysis and the Feminist Subsistence Perspective*. Ashgate Publishing Company, pp. 47-79.
- Márkus, I. (1973). Az utódparaszság arcképéhez. In *Szociológia* No. 1.

- Némédi, D. (1986). *A népi szociográfia: 1930-38*. Gondolat, Budapest.
- Németh, L. (1935). Töredékek a reformból. In Németh László, *A minőség forradalma – Kisebbségben* I. Püski, Budapest, pp. 645–667.
- Ö. Kovács, J. (2012). Forced collectivization of agriculture in Hungary, 1945-1961. In Constantin Iordachi, and Arnd Bauerkämper (ed.) *The Collectivization of Agriculture in Communist Eastern Europe: Comparison and Entanglements*. Budapest; New York, CEU Press, pp. 211-242.
- Orosz, I. (1995). A differenciálódás és kisajátítás. In Kövér György (ed). *Magyarország társadalomtörténete I. A reformkortól az első világháborúig* (Szöveggyűjtemény) 1. Kötet Nemzeti Tankönyvkiadó. Budapest, pp. 309-327.
- Pach, Zs. P. (1966). The development of feudal rent in Hungary in the Fifteenth Century. In *Economic History Review*, 2nd ser., XIX, 1, Apr. 1966, pp. 1-14.
- Papp, I. (2012). *A magyar népi mozgalom története*. Jaffa, Budapest.
- Rézler, Gy. (1943). *Falukutatók és szociográfusok*. Faust, Budapest.
- Sárkány, M. (2000). A társadalomnéprajzi kutatás hazai története. In Paládi-Kovács Attila, Sárkány Mihály, Szilágyi Miklós (ed.). *Magyar Néprajz VIII*. Budapest, Akadémiai Kiadó, pp. 29-66.
- Sárkány, M. (1983). Economic changes in a Northern-Hungarian village. In *New Hungarian Peasants: an East Central European Experience with Collectivization*, edited by Marida Hollos, Bela C. Maday. New York: Brooklyn College Press, 1983, pp. 25-56.
- Sozan, M. (1983). Domestic husbandry and social stratification. In *New Hungarian peasants: an East Central European experience with collectivization*, edited by Marida Hollos, Bela C. Maday. New York: Brooklyn College Press, 1983, pp. 123-144.
- Stokes, G. (1991). The social origins of East European politics. In *The Origins of Backwardness of Eastern Europe*, edited by Daniel Chirot. University of California Press, pp. 210-253.
- Szelenyi, I. (1988). *Socialist Entrepreneurs: Embourgeoisement in Rural Hungary*. Cambridge, Polity Press.
- Rona-Tas, A. (1990). The second economy in Hungary: The social origins of the end of state socialism. *PhD dissertation* <https://deepblue.lib.umich.edu/handle/2027.42/128659>.
- Valuch, T. (2004). Changes in the Structure and Lifestyle of the Hungarian Society in the Second Half of the 20th Century. In *Social history of Hungary from the Reform Era to the End of the Twentieth Century*, edited by Gábor Gyáni; György, Kövér; Tibor, Valuch. New York: Columbia University Press, pp. 511-668.
- Vigvári, A. (2016). Rural poverty in urban spaces of Budapest. Research proposal for examining spatial inequality in contemporary Hungary. In *Socio.hu. Social Science Review*, Special Issue. In English (4) 2016 <http://www.socio.hu/uploads/files/2016en/vigvari.pdf>.
- Wallerstein, I. (1974). *The Modern World-System I: Capitalist Agriculture and the Origins of the European World-Economy in the Sixteenth Century*. Academic Press.