Y. Gluckstein, “The Present Agrarian Crisis in Egypt (1935),“ *Ha-Mesheq Ha-Shittufi* [The Cooperative Economy], issue 3(11), 1935, pp.183–88. [1*]

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The present world crisis, which is accompanied by growing economic autarky, has worsened and degraded the condition of monoculture countries, to a much greater extent than that of polyculture countries which, due to the versatility of their economies, are not greatly hit by this autarky. The economic downturn, which has affected monoculture countries generally, is even more acute and rapid in those monoculture countries whose economies are closely tied with the light industry, especially textiles, of other countries.

The decline of the textile industry and of its relative value in the world economy at large, and in particular in the English economy, has turned during the present crisis into a rapid and absolute decline, presenting the economy of cotton-producing monoculture countries with the question: to be or not to be?

The burden imposed on the Egyptian economy, which is a cotton-producing monoculture, is many times heavier due to another trend in the world economy: the marking-down of goods at the expense of their quality. Egyptian cotton, dearer than American, Indian or Chinese cotton, sustained itself for decades in the world market, despite its high price, thanks to its superior quality. Now, due to the fierce competition over shrunken world markets, the world’s textile industries are reducing fabric prices at the expense of quality, they are not prepared to pay high prices even for superior cotton, but demand cheap cotton albeit of far inferior quality. So Egyptian cotton has lost its comparative qualitative advantage, which used to give it inroads into the market.

Declining demand for Egyptian cotton in world markets has caused an alarming fall in price. If we take the price of a *qintar* [traditional unit of weight; Egyptian *qintar* = 45 kg] of cotton in the Egyptian commodity exchange in 1913 as 100, then the price in the year 1913 was 100; in 1925 – 217; 1926 – 136; 1927 – 166; 1928 – 159; 1929 – 140; 1930 – 109; 1931 – 56; 1932 – 52; 1933 – 49; and in January 1934 – 57.

The fall in cotton prices, which has impoverished and reduced the purchasing power of the mass of cotton-producing *fellahin* and workers, as well as that of all the multitude indirectly connected to this economic sector (workers in textile, haulage, etc.), has causes the entire Egyptian market to shrink and has brought down prices of other agricultural products bought by that market. For instance, if we take the prices of rice and wheat grain in January 1929 as 100, then the prices are as follows:

<table>
<thead>
<tr>
<th></th>
<th>Wheat grain</th>
<th>Rice</th>
</tr>
</thead>
<tbody>
<tr>
<td>January 1929</td>
<td>100</td>
<td>100</td>
</tr>
<tr>
<td>January 1930</td>
<td>74</td>
<td>84</td>
</tr>
<tr>
<td>January 1931</td>
<td>65</td>
<td>71</td>
</tr>
</tbody>
</table>
The effect of the decline in cotton prices, deriving from the crisis in the Lancashire textile industry, on the entire Egyptian agricultural economy (and later on we shall see that the influence of the cotton economy goes beyond agriculture and determines the fate of other economic sectors) derives from the fact that cotton production is a basic and central branch of that economy: the value of the annual cotton produce is 40–50% of the total Egyptian agricultural produce. The export of cotton and of its derivatives comprises 80–90% of Egyptian exports. Furthermore, note that cotton is virtually the only means of payment in the countryside.

A fundamental condition and means for freeing the Egyptian economy from the yoke of the crisis is a change in the crop structure of this economy. This trend, of diversifying crops and reducing the cotton-planted area, has met with fierce opposition on the part of the English government, which has managed by various means (financial, commercial, seizing control of transport, customs etc.) to turn Egypt into a “hinterland” of the English textile industry, constituting an enormous cotton plantation. The English government is interested in a continual expansion of the planted area, because that keeps the price of cotton down, furthers the independence of the English textile industry of American cotton sources, and keeps the cotton stockpiles overfull for the eventuality of a world war. The main obstacle to the diversification of agricultural crops is the shortage of sufficient capital for launching new economic branches. This shortage of capital, along with the slow capital accumulation in Egyptian agriculture, are caused primarily by the enormous draining of capital by the English government and bourgeoisie (£50–60 million annually), and by the feudal landowners who invest their profits in unproductive businesses.

The fall in cotton prices, which is a consequence of internal contradictions in Egypt’s economic life [as] integrated into the world economy, in its turn aggravates these contradictions and creates phenomena that form an objective fundamental background for eliminating this tangle of contradictions and all that it involves. The main consequences of the crisis in cotton prices, which in turn lead to further aggravation of Egypt’s general crisis, are:

A. expropriation of land from the mass of fellahin by feudal landlords and by Egyptian and foreign capitalists;
B. increase of the burden of feudal rents, government taxes, and debts to moneylenders and usurers;
C. indirect super-exploitation of the fellahin and workers by industrialists (particularly English ones) as well as by merchants and commercial firms.

* * *

(A) Because of the crisis in cotton prices the fellah is less able to repay his debts. This fact is exploited by banks and foreign companies, which evict the peasants from their land because of debts that the latter could not repay. The area from which peasants were evicted was 22,600 faddan in 1929; 21,900 faddan in 1930; 36,000 faddan in 1931; and 30,000 faddan in 1932 (faddan = 0.42 hectare = 4.57 dunum [= 1 acre]).
In fact, this process of concentration of land in the hands of the few and the mass eviction of fellahin has reached a very high level of development; and today 96.5% of all landowners in Egypt (each of whom has a farm on an area under 10 faddan) own only 46% of all the arable land, whereas 3.5% of landowners (each owning more than 10 faddan) own 54% of the arable land. Foreign capitalists are playing a significant role in the eviction of the peasantry: 1,123 foreigners (0.05% of all landowners) own the same amount of land as 1,428,271 fellahin (each owning less than one faddan), who comprise 67.4% of all landowners. The degree of concentration of land in the hand of the few on the one hand, and the eviction of the peasantry on the other, is clearly shown by the figures for 1928:

<table>
<thead>
<tr>
<th>Farm size</th>
<th>Owners</th>
<th>Percentage</th>
<th>Land</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>&lt;1 faddan</td>
<td>1,428,271</td>
<td>67.3</td>
<td>597,307</td>
<td>10.7</td>
</tr>
<tr>
<td>1–5 faddan</td>
<td>536,641</td>
<td>25.3</td>
<td>1,118,376</td>
<td>20.6</td>
</tr>
<tr>
<td>5–10 faddan</td>
<td>84,053</td>
<td>4.0</td>
<td>564,093</td>
<td>10.4</td>
</tr>
<tr>
<td>10–20 faddan</td>
<td>39,207</td>
<td>1.8</td>
<td>530,806</td>
<td>9.8</td>
</tr>
<tr>
<td>20–30 faddan</td>
<td>12,061</td>
<td>0.6</td>
<td>286,518</td>
<td>5.3</td>
</tr>
<tr>
<td>30–50 faddan</td>
<td>9,024</td>
<td>0.4</td>
<td>343,054</td>
<td>6.3</td>
</tr>
<tr>
<td>&gt;50 faddan</td>
<td>11,752</td>
<td>0.6</td>
<td>2,002,944</td>
<td>36.9</td>
</tr>
<tr>
<td>Of which foreigners with &gt;50 faddan</td>
<td>1,123</td>
<td>0.05</td>
<td>461,348</td>
<td>8.5</td>
</tr>
<tr>
<td>Total</td>
<td>2,232,009</td>
<td>100.0</td>
<td>5,425,098</td>
<td>100.0</td>
</tr>
</tbody>
</table>

(Clearly, the crisis has exacerbated class differentiation. Therefore, if [in 1928,] before the present crisis it had reached this point, today it is at a higher point. Accurate figures on current farm sizes and distribution of land between them are unavailable.)

Based on the disintegration of tiny farms, feudal estates and farms of “men of substance” go on growing. The intermediate classes of the Egyptian village are totally disintegrating: in 1896 the total area of farms of 10–30 faddan was 891,425 faddan, and 1928 it was 817,324 faddan. Social differentiation in the village is revealed by a massive growth of feudal and kulak [= rich peasant] farms on the one hand, and a rise in the number of minuscule farms on the other. The number of minuscule farms (under one faddan) in 1910 was 780,789; in 1912 – 841,632; in 1920 – 1,200,000 (estimated); in 1925 – 1,375,000 (estimated); in 1928 – 1,428,271; and in 1931 – 1,528,000 (estimated). And as the number of minuscule farms increases, the farms’ average size decreases. In 1910 it was 0.47 faddan; in 1920 – 0.40 fd.; in 1930 – 0.38 fd.; and in 1934 – 0.35 fd.

It therefore follows that the average size of a minuscule farm has decreased between 1910 and 1934 by 19.2%. Moreover, we must note that the reduction of farms is not based on the intensification of agriculture and increasing soil productivity. In fact, soil fertility is decreasing due to the construction of Nile dams aimed at expanding cotton
plantations in the Sudan, which lower the level and reduce the quantity of water in Egypt (before the construction of Nile dams in the Sudan, each faddan had yielded 4–5 qintar of cotton, and now yields 3–4 qintar).

During the crisis, social differentiation within the Egyptian economy has been exacerbated very rapidly. [1] For in times of relatively stable markets and high prices small and medium-sized farms can endure to some extent; but in a time of crisis, when the competition war over markets intensifies and when all the cracks in the economy, that previously had sheltered small enterprises, are flooded by large farms and their produce, medium and small farmers face accelerating decline and impoverishment, which end up in creating a huge host of rural unemployed (this host has now reached 2–3 million people in the Egyptian countryside alone).

(B) Increase of the burden of feudal rents, government taxes, and debts to moneylenders and usurers. Two basic and interwoven factors create conditions allowing feudal owners in Egypt to extract high rents: the scarcity of arable land on the one hand, and the large number of contenders for this small area on the other hand. True, in absolute terms the amount of arable land in Egypt is increasing, but this increase is slow and lags behind population growth (in 1871 there were 3,183,000 inhabitants in Egypt, and the arable area was 16,000 km²; and in 1927 – 14,168,000 inhabitants with an arable area of 31,000 km²). This process of formation of surplus rural population did not create such a catastrophic condition in the capitalistically developed European countries because large parts of the population were absorbed into the developing industry and trade, that is, by means of internal migration from the city to the countryside [sic! Obviously the opposite is intended]. Egypt is a backward agrarian country, the industrialization of which is very slow relative to the huge mass of people who are surplus and unneeded for agriculture, and so it cannot solve the problem of these inhabitants. This problem could be solved in two other ways:

a. by emigration from Egypt, particularly to the Sudan (which has an economy very similar to the Egyptian one, similar climate and natural conditions etc., and in which the Egyptian farmer could be best absorbed);

b. by way of domestic resettlement.

However, the former solution was much hindered, especially by the English government and by Egyptian feudal owners. The English, who own the cotton plantations in the Sudan, do not want an Egyptian immigration to the Sudan, because by their cultivation method, based on a high degree of technical rationalization, demanding a small work force, they create conditions in which emigrating from Egypt to the Sudan is entirely impossible. The Egyptian feudal owners are not interested in decreasing the mass of Egypt’s surplus population, because the expansion of this land-seeking mass exerts pressure on the tenant fellahin and compels them to increase their rents to the feudal estate owners (in fact, the local and English bourgeoisie in Egypt are also interested in the persistence of a large mass of surplus population, as this provides them with cheap and unlimited labour force). The second way that could solve the problem of the host of unemployed – that of their mass resettlement – has as its fundamental precondition the division of the large feudal estates, a condition which was created and completed in some European countries by the bourgeoisie in its rise to power and its onslaught on feudalism. In Egypt this method is blocked by the feudal
owners and the government and it would required a tremendous revolutionary force to break through all these obstacles and to take on the task of division of the estates and mass resettlement of the unemployed and landless. The Egyptian bourgeoisie cannot assume any role of emancipation from feudal shackles because of the internal contradictions undermining the Egyptian capitalist regime itself. Abolition of Egypt’s feudal class division would mean, given the decay of the Egyptian capitalist economy and the exacerbation of social conflicts within it, abolition of the class division of society as a whole. With the smashing of feudalism, the capitalist market would also be smashed; therefore the Egyptian bourgeoisie – notwithstanding its phraseology of liberation slogans – increasingly identifies its interests with feudalism and with the English government, and so would fight with all its might against any intensification of class conflicts, even within the feudal economy. Therefore, the central role in the liberation of the masses of peasantry in Egypt – a thorough agrarian reform along with the dissolution of the feudal economy – can only be performed by the proletariat, which, while struggling within the capitalist regime for its own liberation, liberates all the masses of oppressed toilers. Under class rule, the three [above-mentioned] ways of solving the Egyptian overpopulation question are impossible. The crisis, that high-water mark of the internal contradictions that devour the feudal and capitalist economy, is also the high-water mark of the overpopulation that flows from these contradictions; and as the former (the crisis) can only be eliminated absolutely by abolishing class rule, the same applies to the latter (overpopulation).

Along with the exacerbation of internal contradictions in the Egyptian economy and the growth in the host of the unemployed and landless in the countryside, the burden shouldered by the mass of tenant peasants grows heavier, as they are forced to pay high rents. In the developed capitalist countries the host of unemployed does not serve as such a dangerous rod in the hand of the estate owner for scourging the multitude of tenants, as the former do not seriously compete with the latter. The European unemployed, even if he were given land for free, would not be able to become a farmer because subsistence as a farmer in Europe requires a minimum of capital, which he does not have. In Europe and America the unemployed poses dangerous competition mainly to the worker fighting for his livelihood (because in this competition they have the same weapon – labour power); and is not a serious competitor against the tenant farmer, whose weapon (a certain amount capital needed for tilling the land and sustaining a farm in a technically advanced country) is immeasurably more powerful than that of the unemployed (who has nothing apart from his labour power and who lacks the means of production for becoming a farmer). But in Egypt the host of unemployed are a hefty competitive force not only with workers but also with tenants, especially the poor ones. The landless in Egypt could, given land, become a farmer, because in order to subsist as a farmer in Egypt, where the economy is very primitive, the amount of capital required is so small (50 francs – the entire possession of a farmer besides his land, according to Lager’s estimate, quoted by Dr. Bonnet), that the unemployed can obtain it. The main host of unemployed scourges ever more harshly the masses of workers and peasants, lowering their standard of living and increasing the surplus value squeezed by the capitalists and feudal landlords.

Due to the various factors mentioned above (scarcity of arable land and the great demand for it, the existence of a host of surplus people who, because of the primitive level of the economy, constitute a competitive force for the land, etc.) the level of rents is very high. Note that between the landlord and the petty fellah there is
sometimes a whole chain of leasing agents who [sub]let, which causes some further increase in the rent. In 1933 a feudal landlord charged a rent of £E10–12 per faddan and about £E6–8 for the water, tools, etc. needed to till a faddan of land. In Upper Egypt, an estate owner charged £E5–6 for the water needed to irrigate one faddan, whereas the water cost him only £E3.45. And in Lower Egypt he would charge £E2–3 for the water which cost him only £E0.90–1.08.

The feudal landlord gets in rent an average of £E4–5 out of every qintar of cotton. In 1931, due to the huge surplus cotton accumulated in the markets of America and Egypt, the average price of cotton was £E3 per qintar. Thus it follows that the fellah had to add another £E1–2 to the gross income from a qintar of cotton in order to pay the rent borne by each qintar. True, the feudal landlord did lower the rent somewhat, as he had no other choice. Nevertheless, the Egyptian fellah was unable to pay even the reduced rent and sank deeper in debt, which kept increasing, as the hard-up peasant is forced to pay rent beyond his means.

The fall in prices of agricultural produce has led to a significant rise in the real value of rents and government taxes, for whereas cotton prices have fallen threefold, the nominal value of rents only decreased by 30% (according to the law enacted by [Isma`il] Sidqi Basha when he headed of Egyptian government), and the nominal value of government taxes has even increased by 10–15%. Thus it follows that in fact the real value of rents and government taxes has increased during the period of collapse of Egypt’s rural economy.

The increase in the burden of rents is becoming the central problem for Egyptian agriculture, because the proportion of tenants among those engaged in agriculture keeps growing (from 1917 to 1927, this proportion rose from 20% to 26%). [This is] caused by the steady and rapid decline of independent farmers, who become tenants (from 1917 to 1927, the proportion of independent farmers among all economically active persons engaged in agriculture fell from 35.4% to 21%). Of course, the rate of growth of the agricultural working class is much more rapid.

According to a government law of 1899, taxes are pegged at 28.64% of rent. In practice direct and indirect government taxes are much higher, weighing very heavily on the Egyptian peasantry, which is abjectly poor as it is. In 1928 the Egyptian fellah paid an average of 947 Egyptian piastres [= £E9.47] in government tax on each faddan, as well as 20 piastres for each qintar of cotton, and many various other taxes on buildings, fruit-trees, etc. In total, government taxes, including direct and indirect ones, take up about 25–30% of the gross income of an Egyptian fellah.

The burden of taxation oppresses the peasantry in Egypt ever more harshly. Government taxes keep increasing, not just relative to the diminishing income of the fellah but also in absolute terms. Here are some figures that illustrate this clearly: in 1905 the average price of a qintar of cotton was £E2.79, and the direct and indirect taxes paid by the peasantry totalled £E7.5 million. And in 1932–33 the average price of a qintar of cotton was only £E2.5 and the taxes amounted to £E21.6 million. (In fact, these levied taxes are not spent on improving the living conditions of the masses of taxpayers, but benefit mostly the feudal and capitalist classes in Egypt, and predominantly flow into the pockets of the English capitalists and government as debt repayment. A small illustration will show this fact clearly: in the budget year 1928/29 the expenses of the court of King Fuad were £E716,709, and the budget for public
health was £E1,051,984 Egyptian Pounds. Vast sums of the Egyptian treasury, squeezed out of the toiling masses, were spent on constructing the Nile dams in Aswan, on the conquest of the Sudan, etc. – actions that sustain the English government and its rule over Egypt.

In addition to the impoverishment of the Egyptian village caused by the fall in the prices of agricultural produce, the growing burden of rents and government taxes, the Egyptian *fellahin* suffer from an unbearable burden of debts, which must be repaid with usurious interest.

The high interest rates and the harsh terms imposed on loans to the masses of *fellahin* are a consequence of several fundamental economic conditions that prevail in the Egyptian village economy:

a. the hardship of the peasant, who is forced to borrow no matter on what terms;
b. the high risk involved in lending to the peasantry, especially at a time of severe crisis such as the current one, causing lenders to demand a high interest rate;
c. the concentration of loan capital in a small number of banks, which leads to a monopoly, allowing the lending banks to raise interest rates.

The high risk involved in lending to the peasantry is primarily due to the fact that the peasant does not have sufficient and valuable collateral that could secure the repayment of the debt. The only thing that could be mortgaged as security is the land (as the value of the inanimate and animate stock, buildings, livestock etc. is nugatory) – which in most cases belongs not to the *fellah* who tills it but to the estate owner, to the *waqf* [Muslim religious endowment] (15% of the arable land in Egypt) or to the government.

The average amount owed by an Egyptian *fellah’s* family is £E40.5. Such a debt is a heavy burden on the back of the poor peasantry even in ordinary times, because the average seasonal income of a *fellah’s* family (of four) is £E7.2, and it is impossible for these impoverished *fellahin* to free themselves totally from the mounting debts as long as their net income is so meagre. Even in Palestine, where the average income of an Arab *fellah’s* family is over three times higher than that of an Egyptian *fellah’s* family (the average annual income of an independent Arab *fellah* is £P35.2, and that of a tenant is £P20, according to the *Johnson-Crosby Commission Report*, p.18), a debt of £P27 per Arab *fellah’s* family is a central and vexing problem in the life of the Arab village. Much more so in Egypt: as the net income of the peasantry is extremely meagre, especially during the crisis, the problem of debt is at the centre of economic life.

In European countries the bourgeois revolution destroyed the loan system that had suited the primitive feudal economy and no longer suited the needs of a developed capitalist economy, a fundamental prerequisite for whose development is the ability of capital to flow easily and freely from place to place, and a broadening of the mortgage base by abolishing feudal ownership that severs the lending farmer from the land (which belongs to the feudal lord) and cannot, therefore, provide a basis for convenient loans to the farmer. [2] The abolition of the feudal loan system requires a broad agrarian reform that would transfer ownership of the land to the farmer who tills
it. In Egypt, the bourgeoisie cannot perform this historical task, and it will be the proletariat that will abolish the Egyptian rural debt and the feudal loan system that dominates it.

[In the original, the new paragraph begins not here but with the sentence after this. This is clearly an editing error, as the “(C)” here refers back to the “(C)” at top of p.184, where the three-part structure of the article is laid out.]

(C) Indirect exploitation of the fellahin by industrialists and merchants. One of the characteristic traits of the capitalist economy is the exploitation of the poor peasantry as a consumers and producers by the magnates of developed industry. However, this exploitation peaks at times of crisis. While the prices of agricultural produce are falling, the prices of industrial products not only do not decline but actually rise significantly. Taking prices in 1913 as 100, prices in 1932 were: cotton – 61, wheat – 87, rice – 63, wheat flour – 99, rice flour – 73, local soap – 87, sugar (produced by English factories) – 150.

The average prices of agricultural produce in January–August 1932 were lower than those in the corresponding months in 1931; at the same time, prices of imported goods rose by 6.8%, although the prices of the same goods on the world market fell by 12%. A price rise in the Egyptian market at a time of a price fall on the world market was made possible by protective tariffs erected by the government, particularly against Japanese goods (the tariff rate varies between 80 and 220%. The tariff rate on English products is only 18%). Local industry has profited somewhat from the competition between England and Japan, which is accompanied by a rise in the price of industrial products, but the effect of this factor on Egyptian economic life is not very significant. In effect it follows that the fellahin get a small amount of finished manufactured goods and [in exchange] provide the industrialists with a large amount of raw materials.

In addition to being greatly exploited by the industrial capitalists, the fellahin are exploited no less cruelly by a stratum of private merchants. The difference between prices paid to the fellah [sic!] is very great. For instance, in 1932/33 a qintar of wheat was sold on the commodities exchange for 100 Egyptian piastres, while the merchant had paid the fellah for the same wheat only 60–80 Egyptian piastres. Sometimes the peasant buys back for high commodity-exchange prices the same goods that the merchant had previously taken from him at a lower price, as debt repayment. A fundamental condition without which such great exploitation and exorbitant pricing could not exist is the concentration of all means of intercourse between the Egyptian agricultural market and the world market in few hands. In fact, there is a total monopoly in Egypt over trade in agricultural produce. [3]

We must now examine how the income of Egyptian agriculture is distributed between the various strata, and what are the most burdensome factors for the masses of fellahin. Due to various historical reasons, Egypt, whose natural wealth is very great, cannot provide a minimal standard of living for a majority of its inhabitants. Egyptian agriculture, which excels in productivity [4], starves its workers due to a specific distribution of its produce which concentrates all wealth in the hands of a negligible minority of the population, leaving nothing for the toiling-producing masses. If
[statistical] calculations are correct, then the gross annual income of Egyptian agriculture, which equals £E102.5 million, is distributed as follows:

Taxes, costs of production, etc. – £E27.5 million; estate owners £E45.3 million, or an average of £E3,000 per estate-owning family; merchants £E9.7 million; fellahin – £E20.0 million, or an average of £E18 per member of a fellah family.

The agricultural crisis affects not only the situation of the fellah, but mainly that of the agricultural labourer whose standard of living is even lower than that of the fellah. A seasonal agricultural labourer was paid in the years before the crisis an average of 5-6 Egyptian piastres a day; in 1930–31 his wages declined to 2.5-3 Egyptian piastres a day, and in 1934 he was paid only 1.5 Egyptian piastres a day.

The general wretched condition of the agricultural labourer is a result, in addition to unemployment and the general agricultural crisis, of the fact that for the most part he is not “free”, but tied for his entire life to one workplace (the “mortmain” law). He usually receives a house and a tiny plot, which tie him to his workplace and enslave him yet further to the feudal landlord and the capitalist.

The appalling pauperization of the masses of workers and peasants in Egypt and the exacerbation of class tensions are manifested very clearly in the spontaneous eruptions of the masses. The bitterness pent up in them erupts fruitlessly, as all these eruptions and insurrections are unplanned and are not guided by a proletarian leadership able to convert the destructive force of rebellion into the creative power of socialist construction. The recurrent eruptions of the agricultural masses are evidence of the point that Egypt’s social tension have reached, as well as of how far the objective conditions for liberation of the masses have ripened, and of the absence so far of a force that would undertake the realization of this endeavour. The outbursts of rebellion that pent up within the masses are of various degrees and kinds: from setting fire to the feudal landlord’s granary, murdering the “umara” (the local village sheikhs who are agents of the banks, the trading companies, the estate owners and the government), murdering policemen and soldiers, to attempts at an agrarian reform. For the time being, the class struggle of the masses is in its lower stages. The number of granary arson cases in 1928–29 was 5,760, in 1929–30 – 6,700, and in 1931 – 7,820.

The incidence of “umara” murders in 1931 was 744, in 1932 – 711, and in 1933 – 752.

Clearly, the struggle will be long and much blood will be spilt until the toiling masses recognize the way by which alone will come the full abolition of the conditions that oppress them.

Conclusion

There are two basic factors operating in the Egyptian economy: (a) the agrarian Egyptian economy is predominantly feudal; (b) it is a “hinterland” for British industry. Had the Egyptian economy been feudal but not served as “hinterland” for the Lancashire industry, then its crisis would not have been so acute, as the foundations of naturalness [autarky] (self-sufficiency) would have been much more robust and price fluctuations on the world market would not have such a big effect. And had the Egyptian economy been a “hinterland” for the English textile industry but had not
been feudal, then too the crisis would not have been so acute, because intensification and mechanization would have improved its position in the world market and it would have maintained a minimum of profitability despite the world crisis; or the Egyptian agrarian economy would have turned very rapidly to other crops. All the manifestations of the agricultural crisis in Egypt are born of the ties between the backward-feudal Egyptian economy on the one hand and the advanced-capitalist English economy on the other. For instance, the high interest rate on loans extended to fellahin arises from two facts: a feudal system of ownership on the one hand (which increases the risk in loans and increases the burden on the fellahin), and the concentration of loan capital (which is a consequence of the developed capitalist English economy) on the other hand.

The agrarian crisis, born of the class crisis, has created the objective conditions for the abolition of classes, [as well as] the famine and crisis they bring about.

Y. Gluckstein, Haifa

Note by Ian Birchall

1. This appears to be Tony Cliff’s first published article. It appeared in Ha-Mesheq Ha-Shittufi [The Cooperative Economy], issue 3(11), 1935, pp.183-188. Cliff describes the circumstances of its writing in his autobiography A World to Win (London, 2000), p.33. Located by the Reference Department, Jewish National and University Library, Jerusalem, and translated by Moshe Machover & Nimrod Ben-Cnaan.

Footnotes

1. From the above figures it appears that the decline of minuscule farms is accelerating: the number of minuscule farms has grown by 53,000 between 1925–1928, and by 100,000 between 1928–1931.

2. Studying the land laws enacted by the Egyptian government reveals a tendency to reduce the ability of the fellah to borrow on more convenient terms and to increase his exploitation by the banks. For example, the “Five Faddan” law, which states that a fellah’s farm of under five faddan cannot be mortgaged, eliminates the credit-worthiness of the fellah by asserting that land owned by him (which is his main asset) cannot serve as collateral for debt repayment.

3. True, some attempts are being made to establish agricultural cooperatives that would eliminate the difference between commodity-exchange prices of agricultural produce and the prices for which the fellah sells his produce. However, these cooperatives are very scant: they only number 42,205 and comprise 129,235 people. But this cooperation does not concern the situation of the petty fellah, as he is not included in it.

4. Here are some figures bearing out the great fertility of Egypt’s soil, despite the backwardness of its cultivation. If we take the cotton output of one land unit in India to be 100, then each unit in the United States yields 150, in China 200, and in Egypt 384.