

Agrarian change and industrialization in Egypt, 1800-1950

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ABSTRACT.

Egyptian agriculture experienced significant changes through the nineteenth and early twentieth centuries. As Egyptian industry experienced periods of growth, limitation, and decline, Egyptian agriculture developed along complementary lines. Throughout this time period, the main developments in Egyptian agriculture centered around the production of cotton for export. This tied Egyptian agriculture to particular industrial developments, and also implicated Egyptian agriculture in the initial under-development of Egyptian industry. This paper looks at these complex processes through the lens of Karl Kautsky's "agrarian question" in order to explore the impacts that these developments had on Egyptian peasants. It is found that Egyptian peasants experienced different challenges from their earlier European counterparts, as unique historical processes shaped the evolution of Egypt's agricultural and industrial sectors. Employing Kautsky's framework to study these developments presents an in-depth analysis of an important part of Egypt's integration into the global economy. Kautsky traces similar developments as they arose through European, and especially German, examples. Egypt provides an especially interesting example of these processes in a peripheral country, as it saw the rise of competing though overlapping modes of production on its path toward capitalist development. Kautsky's framework can complement the Regulation Theory approach to studying long-term trends in capitalist development, especially in non-Western contexts.

Keywords: Agrarian change, industrialization, Egypt, cotton, rural development, Kautsky.

A. KAUTSKY'S "AGRARIAN QUESTION" IN AN EGYPTIAN CONTEXT

In *The Agrarian Question*, Kautsky ([1899] 1988) analyzes the structure of agricultural developments as Europe transitioned to capitalism. This analysis has been extended to other regions and other periods of time (e.g. Ahmad, 1973). Kautsky's framework also offers a useful way to study Egypt's industrialization, yet this has not been explicitly attempted before. Alleaume (1999) describes the beginnings of the industrialization of Egyptian agriculture, and other research (e.g. Barbour, 1972) looks into Egypt's industrialization more broadly. In order to draw hitherto undeveloped connections between these processes, this paper addresses the question of how the industrialization of the Egyptian agricultural sector affected the broader industrialization of the Egyptian economy. Kautsky's "agrarian question" is relevant for nineteenth and early twentieth century Egypt, as it provides a framework for analyzing how these changes in Egyptian agricultural and industrial development affected the Egyptian peasantry, and how the peasantry reacted to these developments.

Kautsky presents an in-depth analysis of how agriculture is affected as capitalism develops. As the capitalist mode of production becomes realized, it cannot be assumed that the agricultural sector will develop along the same lines as the industrial sector. But it also cannot be assumed that agriculture will remain in the same form as it existed under pre-capitalist modes of production. Thus the question arises of "whether, and how, capital is seizing hold of agriculture, revolutionising it, making old forms of production and property untenable and creating the necessity for new ones" (Kautsky, 1988, p. 12). Kautsky traces these developments as they arose through European, and especially German, examples. Yet a similar analysis can offer insights into the distinct development trajectory of other countries as well. Egypt provides an especially interesting case in point.

Agriculture has existed in Egypt for thousands of years. "It is easy even in the 1990s to stand on the banks of the Nile, to observe the rectangular plots of land, the primitive methods of irrigation, the continued reliance on animal power and basic tools and to aver that agrarian life in Egypt has changed little since Pharaonic times" (Bowman and Rogan, 1999, p. 1). Despite the persistence of ancient techniques, Egyptian agriculture has been faced with a range of significant changes over the past couple centuries. Yet it is the persistence of these ancient techniques and structures which makes Egypt an interesting case study for the agrarian question.

Capitalist agriculture is at an advanced stage of development not only in the OECD countries, but also in countries such as Costa Rica, where crops are grown for export (de Janvry, 1981). Egypt is a case where colonial powers influenced the development of agriculture in order to promote certain export crops (namely cotton), but where agriculture today continues in places to look as it has for centuries. Thus the Egyptian case prompts certain questions: How did agriculture in Egypt change as a result of colonial powers promoting export crops? What did this mean for the social and political organization of peasants in the Egyptian economy? Again, this ties back to Kautsky's framework, and its relevance for understanding developments in Egyptian agriculture during the nineteenth and early twentieth centuries.

To approach these questions, this paper first focuses on developments in Egypt during the nineteenth century, in order to understand how capitalism arose in Egypt and the consequences that this had for Egyptian agriculture and rural society. Then early twentieth century developments are added to this narrative, as they pertain to the further development of Egyptian agriculture and to the social and political consequences of these changes for the Egyptian peasantry. The concluding section connects this analysis with the work of Regulation Theorists such as Aglietta (1979), and suggests that Kautsky's framework is useful for highlighting the particular situations facing peasants in industrializing economies, and thus this framework can complement long-run theories of capitalist development.

B. THE NINETEENTH CENTURY: THE INITIAL INDUSTRIALIZATION OF EGYPTIAN AGRICULTURE

Nineteenth century developments in Egyptian agriculture can be analyzed within the more general framework of the development of capitalism in Egypt. Broadly, Beinín and Lockman (1987) argue that “the central problematic of modern Egyptian history is the integration of Egypt into the world capitalist system on a subordinate and dependent basis, and the consequent growth of a capitalist mode of production and class differentiation” (Beinín and Lockman, 1987, p. 8.) Agricultural developments in Egypt during the nineteenth and early twentieth centuries can be placed in this context.

It was cotton production, especially, that characterized the beginnings of Egypt’s integration into the global capitalist system. Cotton was an important part of the British Industrial Revolution, as textile mills in Lancashire and elsewhere came to symbolize the changes that occurred as a society transitioned from a feudal mode of production to a capitalist one. Egypt’s initial role in this chain of developments was to supply cotton to British textile mills, especially when the American Civil War cut off supplies of cotton from the southern United States (Beckert, 2004, p. 1405).

Growing cotton for export on a large scale brought significant changes to the structure and practices of Egyptian agriculture. Capitalist profits from cotton production could best be realized when cotton was grown on large estates. This resulted in the transition away from small-holding peasant farming. Thus a “significant development was the emergence, in certain regions, of a new type of farm founded on large landed estates and linked to the cultivation of industrial cash crops” (Alleaume, 1999, p. 331). These estates are known as *‘izba* (Ibid.). The establishing of these *‘izba* meant that certain understandings of property rights also had to change. Specifically, it was Islamic law that had guaranteed peasants certain property rights prior to the development of these large landed estates. But the Khedives of Egypt used the development of the estates to divest peasants from the rights that they had previously been granted. To this end, Beinín and Lockman argue that the “rapid expansion of cotton cultivation provided much of the impetus for the transformation of agricultural land into private property, a translation that resulted in the restructuring of agrarian social relations” (Beinín and Lockman, 1987, p. 8). Alleaume identifies this process as occurring in four stages during the nineteenth century, as “the formation of large landed estates across the nineteenth century was a product of the various forms of redistribution of lands returned to state control either through fiscal reform...or through cadastral surveys” (Alleaume, 1999, pp. 332-33). This is a noteworthy series of developments because land redistribution in other contexts, such as revolutionary China, is viewed as being progressive and aimed, at least in theory, at helping the peasantry. Yet in nineteenth century Egypt land was redistributed such that large estates were formed and peasants became laborers on these new estates, as discussed below.

Many of the major changes in Egyptian agriculture, and in rural Egyptian society more broadly, can be traced to the development of the global capitalist system. As the British promoted cotton cultivation in Egypt, large estates took over land that had supplied the means of subsistence for peasants under pre-capitalist modes of production. The result was that “the great majority of the peasantry was by the end of the nineteenth century either landless or land-poor, while a new class of large landowners -- an agrarian bourgeoisie -- had emerged” (Beinín and Lockman, 1987, p. 8). This agrarian bourgeoisie assumed much of the power in rural Egypt, yet the influx of foreign capital during this development of agricultural production in Egypt meant that the foreigners who controlled the capital also held much of the power over Egypt as a whole.

Richards (1982) traces the development of widespread cotton cultivation in Egypt to the particular political situation Egypt faced in the early nineteenth century. Muhammad Ali secured his power in Egypt by detaching Egypt from the Ottoman Empire. But in order to protect Egypt from being re-conquered, as well as to expand Egyptian influence into neighboring regions, Muhammad Ali had to build up Egypt’s military power. Selling cotton to Europe provided funds

for these ventures. Thus Egypt gained independence from the Ottomans while becoming dependent on the Europeans. This process took a variety of forms, and the effects on Egypt were far-reaching.

To promote this large-scale cotton cultivation in Egypt, European capital was invested in projects such as railroads, irrigation systems, and ports. Yet the rulers of Egypt were overzealous in their ambition to develop, and the country went bankrupt in 1876. Throughout this time cotton remained a major part of the Egyptian economy, and on the eve of World War I cotton made up 93 percent of Egyptian exports (Richards, 1982, p. 9). As emphasized above, this production of cotton relied on the development of large landed estates.

While they were supplying cotton for the industrialization of capitalist Britain, Egyptian cotton estates could hardly be characterized as being capitalist themselves. They were farmed without much use of wage labor until after World War I. Instead of earning wages, workers on these large estates were allocated a plot of land to farm on their own. Also, “[t]here was little investment, even by wealthy landowners, in either mechanization or in other means of raising productivity” (Ibid.). Yet Alleaume summarizes the research of Marxist scholars as finding that the development of these estates “always coincided with major infrastructural projects such as pumping stations and the rationalisation of irrigation and drainage networks which required significant capital investment” (Alleaume, 1999, p. 332). Thus it appears that while large landowners did not mechanize the cultivation of cotton on their estates, they did benefit from technological improvements which were taking place in Egypt at that time. Again discussing the findings of Marxist scholars, Alleaume characterizes their findings as arguing that “the ‘izba appears as a product of an agricultural system taking a capitalist orientation, to the mutual benefit of European investors and the ‘Turco-Circassian military aristocracy’” (Ibid.). Yet it is clear that the estates themselves cannot be accurately described as capitalist, as the laborers were not paid in wages but rather were allotted some land on which to provide for their own subsistence. Alleaume develops a nuanced approach to reconcile these disparate developments within one analytical framework. To this end, he argues that Egypt did indeed undergo an “agricultural industrial revolution” in the nineteenth century (Ibid.). By this he means that “the appearance of this new type of estate seems...to have generated a transformation in agricultural production comparable to that provoked in manufacturing by the birth of the factory” (Ibid.). This characterization of the changes seen in nineteenth century Egyptian agriculture fits with the descriptions supplied by Beinín and Lockman, in that major changes did indeed occur in Egyptian agricultural structure and production during the nineteenth century, but these changes did not produce a system that could be described as capitalist agriculture as we know it today.

Cotton cultivation resulted not only in the restructuring of Egyptian agriculture into an increasing number of large estates, it also changed the physical landscape of rural Egypt. The northern Nile delta region saw substantial land reclamation projects. Canals were also constructed and were crucial for sustaining irrigation, especially during the summer months. Egyptian cotton commanded high prices on the European market, thus providing “Muhammad Ali with the incentive to expand its production” starting as early as the 1820s (Richards, 1982, p. 21).

All these changes -- from the establishment of large cotton-growing estates to the implementation of public works projects -- affected the lives of the rural peasantry in a variety of ways. Physically, the newfound focus on cotton cultivation meant that peasants were put to work on new projects. Construction of canals, water wheels, and lifting devices was carried out by corvée labor. The peasants were not always willing to go along with these new projects. One trick they would employ was to remove cotton seeds after planting them, to make it so they could argue to their overseers that that land could not be used for growing cotton (Ibid., 21). Early reluctance to grow cotton resulted, at least in part, from the fact that peasants were compensated for cotton cultivation with tax credits rather than with cash, at least until 1836 (Ibid.). Also, “there were labor power problems: cotton was a labor-using crop and the amount of labor-power which was available in a given village was declining, due to conscription, corvée, and flight” (Ibid., p. 22). It is reasonable to argue, then, that “peasants might well have preferred to assure their subsistence crops before undertaking the cultivation of cotton” (Ibid.). The system of

cotton cultivation in Egypt during the nineteenth century faced a host of internal contradictions, and Egyptian peasants reacted against this system of production.

While peasants reacted against cotton production with “lethargy and surreptitious resistance,” they also employed more forceful forms of resistance (Ibid.). Richards (1982) describes these acts of resistance in detail. He characterizes the period of early mass-cultivation of cotton under Muhammad Ali’s rule as “primitive accumulation,” since peasants’ land was taken to promote the cultivation of cotton on a larger scale under the estate system described above. Some of this took the form of the government simply telling peasants where, how, and when to plant. They were then cheated out of earning the market value of their produce, since their remuneration was in the form of tax credits whose value was based on inflated currency. Peasants also suffered physically as a result of increased cotton production: “Formerly beaten primarily at harvest time (a practice which continued), the peasants were now also beaten throughout the eight-month cotton-growing season” (Ibid.). But being beaten while performing agricultural labor was not the worst of what peasants faced. “[B]y far the greatest burden [on peasants] was impressment, either in the corvee, or worse, in the military” (Ibid.). While public works campaigns had existed for millennia in Egypt, cotton cultivation meant that such projects were undertaken such that peasants had to work away from their villages, rather than working on projects that directly benefitted them. As corvee labor on distant projects, peasants often received little-to-no compensation, and even had to supply their own food and tools. Large landlords benefitted from this system, as they got the peasants on their estates exempted from such labor (in order to engage them in cotton cultivation instead), while peasants from other areas were brought in to build projects that benefitted the estates. Peasants resisted being made to work in this way, but the government compelled them to engage in forced labor. “For instance, when the Mahmudiyya Canal was built, soldiers acting as overseers rounded up the peasants and brought them to work with cords around their necks. There were many casualties; estimates range from 12,000 to 100,000 dead over a three-year period” (Ibid., p. 23).

In order to avoid conscription into the military (which was poorly paid and a lifelong commitment) or corvee labor, Egyptian peasants resisted through running away, rebelling, and mutilating themselves (Ibid.). Some peasants feared corvee labor and military service to the point where they fled Egypt for neighboring regions, such as Syria. Others decided to stay and fight against the tyrannical rule that was imposed on them, but these rebellions were ruthlessly put down. Still other peasants resorted to mutilating themselves rather than be forced into labor or military service. “Blinding one eye, especially the right one, cutting off the right index finger, and pulling the front teeth seem to have been the favored forms. This worked so well that in Girga, a province of ninety-six villages, there were only seven suitable recruits” (Ibid., p. 24). All this goes to show the extent to which the Egyptian elite had to inflict suffering on the peasantry in order to compel them to participate in agricultural changes that had cotton cultivation as the top priority. Centuries of village life were disrupted as the process of primitive accumulation turned peasants into laborers on large estates. While there are many examples of peasants’ resistance to these changes, Egypt continued on its path of engaging with the global capitalist system on into the twentieth century.

C. THE EARLY TWENTIETH CENTURY: THE CONTINUING INDUSTRIALIZATION OF EGYPTIAN AGRICULTURE

While life for Egyptian peasants in the early nineteenth century was defined by the harsh rule of Muhammad Ali, the turn of the century saw the increased presence of British rule affecting peasants’ lives. The British presence in Egypt is best characterized as an occupation, since Egypt was never formally a British colony (Mansfield, 1972, p. 173). In this regard, the British imposed their will on Egypt through informal pressure, such as through treaties and the threat of force.

The British presence in Egypt resulted in changes that affected the peasantry, as well as agricultural production more broadly. One significant change was the implementation of private property rights. Just as the earlier nineteenth century saw peasants rebel against unjust rule, as

described above, so too did Egyptian peasants resist top-down changes to their lives around the turn of the century. The peasants directly attacked the large landowners and their estates. Anecdotal evidence of this is supplied by

Sir Thomas Russell, Commandant of Police in Cairo from 1913 to 1946, [who] reported a conversation with a rich pasha in which the former mused on the pleasure of reading on the veranda of a country estate house in the cool of the evening: "My friend said at once: You don't really think that a landlord in the districts could sit out on the veranda after dinner, with a bright light over his head, do you, and not get shot?" (Quoted in Richards, 1982, p. 57).

This exemplifies how Egyptian peasants forcefully resisted the attempts of first Muhammad Ali, and later the British, to impose new systems of agriculture on them.

Another development in turn-of-the-century Egyptian agriculture was the further integration of the rural economy into the broader market economy. Cash wage labor and cash land rents were both seen during this time. This accompanied a move away from sharecropping on larger estates, though smaller estates still employed this system of agricultural production (Richards, 1982, pp. 59). But there were many varieties of agricultural production in Egypt at this time, such that it rarely constituted capitalist agriculture *per se*.

Richards details the wide range of agricultural systems operating in early twentieth century Egypt. Agricultural workers on large estates, for example, were "doubly free" in the Marxian sense that they were "free" from owning the means of production while also being free to sell their labor power (Richards, 1982, p. 59). Indebted workers on estates labored without being paid cash wages, but in general peasants were not forced to stay on these estates, unlike the peasants in feudal Europe. So the Egyptian agricultural system of the early twentieth century was not feudal, but it was not capitalist either. Richards presents a useful explication of the nuances of this system:

[O]ne cannot simply describe the land tenure system as capitalist, tout court. Here it is useful to separate production from consumption. The market structure of the estates is quite clear. They produced for the market, and that market did not include their own labor force. Because of the low levels of cash payments, the low levels of income, and the existence of the subsistence plots, there was no local demand for the 'ezbah's produce. Indeed, there was a sharply limited local market demand for either food crops or simple industrial goods. To use the structuralist term, the economy was "disarticulated" (Quoted in Richards, 1982, 65).

What arises, then, is a picture of the Egyptian rural economy which was neither capitalist nor feudal. Some farming was taking place at the subsistence level, but laboring for cash was also an important aspect of this particular system. Yet the workers were not paid enough to be able to constitute a significant market force on their own. The system was part of the way to becoming capitalist, however, since Kautsky argues that "[m]odern agriculture is impossible without money" (Kautsky, 1988, p. 59). The Egyptian system clearly involved money, so it had some of the foundations of what Kautsky identifies as being a modern agricultural system. Yet it is also the case that the Egyptian system was not fully capitalist at this time, since some workers subsisted, at least in part, off the produce of their own plots of land.

The Egyptian case presents many layers of subtleties. Kautsky also works through the nuances of agrarian change, in the context of Germany. He develops a broader framework for analyzing the situation facing the peasantry under different agricultural systems. These more theoretical sides to Kautsky's work offer a framework that is helpful for better understanding the situation in rural Egypt. After stating that "[m]odern agriculture is impossible without money," he argues that a "modern farm is therefore a capitalist enterprise" (Ibid.). Again, we see that this

does not apply to early twentieth century Egypt, where the farms were becoming more modern but still could not be accurately characterized as capitalist. Later Kautsky abstracts further and suggests that “[m]odern agriculture displays two basic features: private property in land, and the commodity-character of agricultural products” (Ibid.). We have seen that British influence in Egypt resulted in the completion of the process to extend private property rights over all land. Also, it has been shown that Egyptian agriculture did in many respects fit with Kautsky’s “commodity-character of agricultural products,” since cotton played such an important role in Egypt’s economy, and cotton was grown as a commodity for export. Again, we find that Kautsky’s framework helps to clarify the Egyptian situation in the early twentieth century, by identifying characteristics of the Egyptian agricultural system which either were or were not the same as those found in completely capitalist systems. The resulting picture is one where aspects of turn of the century Egyptian agriculture were not capitalist (e.g. peasants’ subsistence plots) while other aspects were capitalist (e.g. the growing of cotton as a commodity).

Having identified the key characteristics of the Egyptian rural economy in the early twentieth century, it is also important to look at other developments taking place in the Egyptian economy at this time. Industrialization is a major part of the story of Egypt’s development. In brief, Egypt’s history of industrialization can be broken into three periods (Mabro and Radwan, 1976, pp. 9-29). First, Muhammad Ali focused on promoting state-sponsored modern industries during the first half of the nineteenth century. Then there was limited industrial development under British influence from around 1890 to 1920, as the British promoted cotton cultivation and discouraged attempts by Egyptians to industrialize. The 1930s saw industries grow under tariff protection, and this industrialization peaked during the 1950s. The remainder of this section discusses these industrial developments (or lack thereof) in detail, as they directly connect to what was happening in Egypt’s rural economy during these times.

Industrialization in the early nineteenth century began because Muhammad Ali “initially wanted to save money spent on imports by producing manufactured goods with local labour and raw materials, and to become self-sufficient in the production of arms and military equipment” (Mabro and Radwan, 1976, p. 10). In The rural economy tied into this vision, as he saw important connections between the urban and rural sectors. Later (in 1837) Muhammad Ali said that he promoted industrialization in Egypt more “for the purpose of accustoming the people to manufacture than for any profits” (Ibid., p. 10). In introducing the “agrarian question” Kautsky recognizes that “the antithesis between the capitalist class and the wage proletariat is not the only social antagonism of our age” (Ibid., 9). It sounds as if Muhammad Ali also acknowledged the importance of understanding the divisions between the rural sector and a burgeoning industrial sector. His remarks also sound like something from industrializing England in the previous century, when peasants had to be compelled to adapt to the logic of industrial capitalist production (Marx, 1967, pp. 671-685).

The period after Muhammad Ali’s rule saw the development of Egypt as an export economy, as detailed above. This period -- the 1850s through the 1920s -- developed in the wake of the general failure of Muhammad Ali’s industrialization efforts. Various interpretations of why this collapse came about range from emphasizing the relative backwardness of Egypt to blaming foreign influence (Mabro and Radwan, 1976, p. 17). Regardless, the period from the 1850s to the 1890s saw the Egyptian economy almost completely revolve around cotton cultivation for export, under the framework of British-prescribed free trade policies. A small industrial sector developed from the 1890s to the 1920s, but was generally controlled by foreigners and was itself focused on the cotton export sector. A broader industrialization was not seen in Egypt until the Great Depression.

Export-led growth faltered in Egypt during the Great Depression as international demand sank. The interwar period also saw the development of Egyptian-owned firms, in contrast to the foreign influence seen during the height of the turn of the century export-based economy. Bank Misr is an example of this phenomenon, as it expanded from an Egyptian-run bank to become the Misr Group (Davis, 1983). By 1940 the Misr Group had direct ties to companies involved in “textiles, building materials, fisheries, air and maritime transportation, insurance, tourism, mining,

and pharmaceuticals” (Mabro and Radwan, 1976, p. 28). This represented a major development in the Egyptian economy. The Great Depression and the subsequent fall in global demand for Egypt’s cotton exports showed large landowners that relying too heavily on cotton was risky. They thus expanded their investment activity from land to industry. Part of this was a move by the Egyptian elite to become independent of foreign influence, after decades of British occupation (Ibid., p. 28). The interwar period also saw a broader trend of increasing nationalism, and the government adopted policies that favored industry. New industries in Egypt were granted special protection and credit. This began a new wave of industrialization, which despite being interrupted during World War II continued throughout the twentieth century (Ibid., p. 29).

Egyptian development in the twentieth century was characterized by the growth of industry. Yet important changes also occurred in the agricultural sector, and therefore for the lives of Egyptian peasants. Goldberg (1986) presents a detailed case study of this process within the specific context of Egyptian sugar mills. As Egypt began to develop its own industrial sector, it required that some peasants leave their village farms or the estates on which they worked and become factory workers instead. In his case study of worker politics in Egyptian sugar mills, Goldberg describes the plight of some of these “peasants in workers’ clothes” who left the farm for the factory (Goldberg, 1986, p. 93). Goldberg discusses the consequences of this process for peasant politics in Egypt. Goldberg also describes the broader societal changes brought about by industrialization:

The formal organization of the process of industrial production does not by itself explain the politics of industrial workers. The industrial process may indeed substitute formal controls for the more personalized controls of the artisan world, but this more formal world of the industrial establishment also requires particular kinds of workers, and, ironically, the most highly mechanized sectors of the economy may well use vast amounts of unskilled labor. The relatively high degree of mechanization in the Egyptian sugar industry, for example, did not attract workers who were “proletarian,” but rather drew in large numbers of workers who did not expect to be employed full time in factories. These workers, moreover, did not have the opportunity to acquire new skills for higher-paying jobs in the factory. Most of the workers in the sugar industry were peasants for whom the opportunity to regularly earn cash money constituted a significant resource, one they sought to pass on within the family. The politics of any union movement had to be intelligible within this framework, the world of the peasant (Ibid., p. 93).

Again, this is reminiscent of the experience of British peasants, whom Marx describes in his chapter on the “expropriation of the agricultural population from the land” (Marx, 1967, 671). The process occurred differently in Britain. Specifically, Marx details the importance of the enclosure movement and the role of the appropriation and distribution of Church lands by the British state. These factors did not develop in the same way in Egypt, which had a different institutional structure. But the similarities between these experiences in Britain and Egypt are noteworthy just the same. Marx describes how

the usurpation of feudal and clan property, and its transformation into modern private property under circumstance of reckless terrorism, were just so many idyllic methods of primitive accumulation. They conquered the field for capitalistic agriculture, made the soil part and parcel of capital and created for the town industries the necessary supply of a “free” and outlawed proletariat (Ibid., p. 85).

Again it is important to emphasize that this process in Egypt did not occur in an identical fashion to the British case. As argued above, nineteenth and early twentieth century Egyptian agriculture,

while being centered on cotton exports and based on large estates and cash wages, cannot be accurately characterized as capitalist because subsistence farming was still an important part of the Egyptian agricultural system, and these rural economies did not have strong markets of their own. Yet the overall description provided by Marx -- of larger estates oriented toward the cultivation of crops for sale, and the disenfranchisement of the peasantry -- describes what happened in both Britain and Egypt.

Interestingly for the concerns of the “agrarian question,” Goldberg argues that “[t]he relatively high degree of mechanization in the Egyptian sugar industry, for example, did not attract workers who were ‘proletarian,’ but rather drew in large numbers of workers who did not expect to be employed full time in factories” (Goldberg, 1986, p. 93). This contrasts with Marx’s description of how the British elite “conquered the field for capitalistic agriculture, made the soil part and parcel of capital and created for the town industries the necessary supply of a ‘free’ and outlawed proletariat” (Marx, 1967, p. 685). Since Egypt did not develop a fully capitalist system of agriculture, the peasants in Egypt were still indeed peasants. While they worked at least some of the time as agricultural laborers on estates and received at least some cash income, they still engaged in subsistence agriculture and therefore had not been completely transformed from peasants to proletarians. Thus the peasantry persisted in Egypt, even as Egypt industrialized in the first half of the twentieth century.

Kautsky identifies the political implications of industrialization vis-a-vis the peasantry. “If there is any clear conclusion to be drawn...it is that industry will become the determining force in society as a whole: that agriculture will lose in significance relative to industry, will increasingly have to concede territory to industry and will become more dependent on industry in those spheres left to it” (Kautsky, 1988, p. 311). In the turn of the century German context in which he was writing, Kautsky argued that “to conclude from this that Social Democracy...can afford to ignore agriculture would be to go too far” (Ibid., p. 311.) If anything this holds even more true for twentieth century Egyptian society. As described in Goldberg’s case study of Egyptian sugar mills in the first half of the twentieth century, even those workers in the industrial mills were still very much grounded in a peasant worldview and lifestyle. Emphasizing this point is crucial, because it is important not to assume that just because those Egyptians were working in what had all the outward appearances of a modern industry that they were “proletarians” in the usual sense of the word (i.e. in the context of industrialized Western Europe). Also of significance for understanding the special history of the Egyptian peasantry and its relationships with industry is to appreciate that Egyptian workers outside of the major urban centers of Cairo and Alexandria did not identify with workers’ movements along the same lines as European workers.

Goldberg’s sugar mill case study provides an in-depth analysis of this phenomenon. Sugar factories employed the peasants who lived in villages near the factories, to the extent that peasants made up 90 percent of the unskilled laborers in these factories (Goldberg, 1986, p. 95). This labor was seasonal, as it depended on the harvest cycle of the sugar crop. Yet the harvest overlapped with the planting of next season’s crop. This resulted in a high degree of awareness among the peasants about the power that they held. They were not forced to work in the sugar factories, and indeed they had other options for surviving should the factory shut down. So peasants were willing to strike in order to receive higher wages, and they carried through with the threat when they felt it was necessary. Strikes for shorter work days were documented as early as 1910 (Ibid., 1986, p. 97). During the first decades of the twentieth century, there was a growing sense of class-consciousness and the development of a workers’ movement in Egypt. But these unions, while providing a sense of organization in the face of class struggle, were not a powerful force in Egyptian society in the early twentieth century. This changed during the 1930s, when nationalism became a more prominent phenomenon in Egypt.

By the 1940s Egyptian unions were legally recognized, and Islam mixed with nationalism to create a stronger political identity among workers. But Goldberg argues that Islam-oriented unions were less radical than Communist unions would have been, since Islamic unions were politically more focused on protesting the British presence in Palestine than they were on engaging in truly revolutionary activity in their workplaces (Ibid., p. 112). And “[i]n the end, the

Muslim activists saw trade unions as just another form of beneficial organization, like the Society for Memorizing the Quran, the Society to aid the Muslim Poor,” etc. (Ibid., p. 115). This resulted in Egyptian unions that were not very militant by the mid-twentieth century. In large part, this was because “Muslim activists tended to place the problems of workers on a par with those of other oppressed groups in the Muslim political community” (Ibid.). Thus Egyptian workers were not engaged in class struggle in the same way as their more militant European counterparts. And “[w]ithout a specific vision of workers as a distinct social group with interests in opposition to other groups, especially owners, leaders cannot create long-lasting independent economic or political organizations” (Ibid.). In sum, in the first half of the twentieth century Egyptian peasants did resist being exploited as they sought higher wages in factories, but political and cultural forces operated to prevent them from developing strong unions which could strive for broader changes in the economy and society at large.

D. CONCLUDING REMARKS

In his application of Kausty’s “agrarian question” to the case of Baluchistan, Amhad focuses on the following points: “First, what has been the pattern of land appropriation? Second, how does it produce the underdevelopment of the productive forces? Third, what is the character of the contradictions as they presently exist in Baluchi society? Fourth, what is likely to be the revolutionary force within the specific matrix of these particular contradictions?” (Ahmad, 1973, p. 19). This paper applies the same analytical framework to Egypt. It is argued that framing the analysis of Egyptian industrialization in this way helps highlight the factors that made Egyptian industrialization different from industrialization in Britain, for example.

Rural Egypt experienced a series of significant changes from the early nineteenth to mid-twentieth centuries. The nineteenth century saw the widespread cultivation of cotton as an export crop. This resulted in the establishment of large estates, thus altering rural economies as some peasants became workers on these estates. Yet this development did not directly result in capitalist agriculture, since peasants were often allocated a small piece of land on which they would grow their own subsistence crops. And some of the peasants laboring on these farms were paying off debts, so no cash wages passed through their hands. A system of corvée labor and military conscription ran parallel to these developments, thus underscoring how little say Egyptian peasants had over the course of their lives. Yet acts of resistance sprang up throughout the nineteenth and twentieth centuries, as peasants rebelled against systems that were so heavily stacked against them. Unionization movements, however, were not very influential in Egypt, especially as compared to the more militant labor movements in Europe. Overall, it is seen that the Egyptian peasantry was driven into exploitative situations, but was not completely proletarianized or fully incorporated into the global capitalist system.

These observations yield conclusions that address how Egyptian agriculture changed as a result of imperial powers promoting the cultivation of export crops, and what this meant for the social and political organization of peasants in the Egyptian economy. It is argued above that large-scale cotton cultivation for European markets resulted in widespread changes in rural Egypt, as the government consolidated land holdings into large cotton-growing estates and undertook massive infrastructure projects and industrialization in order to support this form of agriculture. Peasants were thus compelled to leave behind old ways of production as well as their old social relations, and to enter into this new period characterized by production for export.

The industrialization of the Egyptian agricultural sector affected the broader industrialization of the Egyptian economy. These changes impacted the Egyptian peasantry. Muhammad Ali’s attempts to promote industrialization in the mid-nineteenth century did not produce lasting successes. The following period of British-sponsored industrialization in Egypt (1890-1920) was based on processing cotton for export, and the British actively discouraged attempts at Egyptian industrialization more broadly. Egyptian industrialization accelerated during the interwar period, as it was afforded strong tariff protection. But throughout this process there remained parts of rural Egypt that did not undergo significant changes. Egyptian peasants were

not proletarianized to the extent that British peasants were during the Industrial Revolution. While some Egyptian peasants left their land and went to work in factories, others only worked in factories for part of the year and engaged in their own agricultural work at other times. Overall Egyptian agriculture maintained pre-capitalist elements even though it underwent significant developments during the nineteenth and early twentieth centuries. Egyptian peasants' reactions to these developments highlight the relevance of Kautsky's agrarian question for Egypt at that time.

Kaustsky's framework can be used to complement analyses of long-run developments in capitalist economies (e.g. Aglietta, 1979). In particular, Kaustsky's framework lends itself to the analysis of the experiences of peasants during industrialization processes. This was relevant during Kaustsky's lifetime, as countries in Europe underwent this process of development. But this process has taken different forms in different parts of the world. In countries under imperial rule, such as late-nineteenth and early-twentieth century Egypt, industrial development occurred only to extent that it suited Western interests. Pandey (1983, p. 119) notes that "the very slow growth of modern industry created special problems, in . . . Asian and African countries. There was a large-scale disruption of forms, without a real transformation. The handicraftsmen of old, like vast numbers of the poorer peasants and agricultural labourers, found their means of livelihood in jeopardy: but their links with their rural homes were not completely severed. What was in western Europe a relatively short-lived if traumatic period of change became in the sub-continent and elsewhere a chronic condition." Thus it is not safe to assume that all countries experience similar paths towards industrialization and development. Future research can analyze in greater depth the ways that phases of capitalist development have been different in core and peripheral countries (Brenner and Glick, 1991, pp. 66-75).

Jessop (1990, p. 171) characterizes Regulation Theory as having for its "guiding thread the simple claim that accumulation and regulation were the twin faces of the capitalist system and that economic analysis had hitherto been too concerned with the former." To move beyond these limitations of previous analyses of capitalism, "Aglietta would not provide a one-sided analysis of capital accumulation and its contradictions but would also look at social relations, their cohesion, and transformation" (Ibid.). This latter point connects with the focus of this paper, such that Kautsky's framework highlights the social aspects of capitalist development, especially in the early phases when the peasantry begins to engage in industrial production, or is left out of the modern industrial economy. This suggests that Kaustsky's analysis is relevant for understanding the development of capitalist economies in parts of the world where pre-capitalist and capitalist forces continue to co-exist.

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