

POSTINDUSTRIAL ECONOMY AND THE PROPERTY

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Abstract

The fundamental problem, and at the same time, the great challenge of Romanian agrarian policy, as well as related sciences, is the chronic poverty of peasants, agricultural land owners.

This issue suggests that the land, as an essential element of ownership, paradoxically, no longer creates welfare for the peasants. Hence, is only natural to ask: What does the peasant still wants or expects from the land? or Why is the peasant still attached to the land?

Most researchers of Agricultural Economics would respond to these questions quantifying and analyzing the results of household production. Their approach is not wrong, yet not sufficient. After all, they study the visible part of the iceberg. A complete or nearly complete answer requires deeper inquiries, with reference to other areas of knowledge than the economic one, such as sociology, psychology, culture, history, morality, religion.

Key words: property, capitalism, industrialism, agriculture, land, peasant.

The poverty puts the peasant in contradictory reports towards the:

- a. national economy, which, although in the last years has registered obvious transformations and growth, their effects were minimal over the welfare of agriculture;
- b. industrial worker who, as a natural homologue in terms of position in the economy and society, although it has a much smaller patrimonial inheritance, is in terms of living standards, on a higher level than peasants. Socioeconomic studies and surveys reveals a ratio of 1-4 between the peasants and workers, in household spending.

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At the same time, the assets of a peasant household (land, buildings, animals, machinery and agricultural implements, stocks) are several times larger than the household goods from a non-agricultural household. Synthetically, and at the same time metaphorically, the cause of this situation arises from the fact that industrial workers labor cost is more expensive than the price of bread, provided by peasants. The more the bread is cheaper, the more deepens the disproportion between urban and rural.

- c. Economic theory recognizes that freedom in the capitalist market era is based on possession, with the sole and supreme condition that the possession is engaged in trade relations and not isolated.(1) Therefore, the isolation of peasant property overall (either only through results, as a component part of it) towards the market, does not have the power to generate wealth, and therefore, freedom in economic terms, for the peasants.

In order to reduce those disparities, and contrary to the view of many economists who are considering, as abovementioned, almost exclusively, yields, productivity or viability of peasant agriculture, in this scientific approach, we started from something much deeper, but highly visible and at the same time, constantly neglected, i.e., peasant property, with special reference to its most important component - the earth.

For many economists, the issue in question is perceived epidermal, which is why any entry in the theme is dismissed as irrelevant, in terms of impact on the rural economy.

On the contrary, Alvin Toffler, in “Wealth in motion” made the following remark, which leaves no room for interpretation, when he analyses the foundations of property in the developed countries: „We should start from the property, because it is located at the origin of the capital upon which relies the capitalism”. (2)

In fact, on how the ownership right is resolved depend all the other matters that enter in the economic mechanism: market, productivity, profitability, environment and many others. In this regard, the basic economic theory says that “once clearly established the ownership right, the property will receive the most valuable destination” (Coase Theorem) (3)

More specifically, and unequivocally, we believe that during this period any approach to agrarian policy plan should be centered on the property issue, in every aspect that it entails, namely: rights, ratios, content, role and position of the state, markets, cadastre, land publicity and other aspects.

Supporting this view, we argue that what separates rich from poor, or the developed world from developing world, is that both America and Western Europe, as representative exponents of the wealthy, established „a universal formal law of property and invented the process of converting it into capital ” (4). But these states, unlike us, that we live our own or collective poverty drama, have the power to recognize that this mechanism, referring to the official regime of property right, goes without saying; in other words, it is a natural component

of social order. But in our country, unlike theirs, the property, especially the reports that it generates, legal, economic, and sociological, do not have the proper maturity to ensure economy, respectively production and trade, a solid basis of manifestation.

Therefore, the recognition of property as a stimulating factor in the economy is, paradoxically, nearly exclusively, a fact of legal theory.

Two remarks are enough to assign lawyers the merit of being one step ahead of the economist in matters of property.

The first one considers that “the property is an essential concept that gives expression to the ultimate access of man, taken individually or collectively, to the acquisition of natural assets or assets created by joint activity” (5), and the second, focused on the links between man and society, argues that “the property stood and still stands at the basis of human society development, as one of the fundamental problems of the individual existence and human society” (6).

But these jurists’ opinions are not random. In their scientific constructions they relied on legal theory which, in logic expressions and widely accepted, recognized that „The property is the foundation of any law system”, for which reason “from the property derives, collaterally, the major categories / legal institutions and, furthermore, other and other phyla in a tree representation, which might suggest, in a metaphorical way, the very tree of life”. (7)

Mistakes, in matters of property, whether we talk about private or public property, occurred over the last 20 years, will require huge efforts from the following generations for their rectification in the interest of law, as well as in the national interest.

We, as exponents as well as victims of the collision between two opposites doctrinal guidelines, first - left join, which could benefit from a centralized economy type, second - right join, where benefit arises from the selfishness of the free market, naturally we will not be able to resolve this issue. Otherwise, the measure of our value in matter of property is easily seen through chronic imbalances we have created in the economy and society.

Unfortunately, the previously stated, do not concern only the present. They are old shortcomings over whom the economic history records numerous positions taken. For instance, in the late nineteenth century, specifically in 1983, C.D.Gherea states that due to the lack of native literature, scientific judgments concerning the property in Romania can only be made by analogy with what was elaborated in the other European countries.

Another motivation for our demarche has as starting point the fact that, the land, as the main and irreplaceable agricultural asset, requires special attention, both from the perspective of their legitimate owners and of public power. Furthermore, the importance and value of the land increases as the economic development degree is higher. At the same time, the agrarian policy, as any economic policy in order to achieve its objectives requires clarity or, as JC Scott emphasized, **legibility over the property**.

To sum up, we may say that the great challenge, both on scientific and on economic decision plan, is to what extent the agricultural land property, with reference to the peasant one, can generate capitalist links, producing welfare for farmers and food sufficiency for consumers.

Instead of conclusions

The dynamics of the relationships between the type of property and the organization of society shows that nearly every method of social organization except those marking the beginning of human history had its own type of property, because:

- **Common property**, by far the oldest, as well as the one with the longest applicability in time, is the one that recurs in plain capitalism, but in changed and more developed principles and patterns, when put to the basis of social organization by communists. But the communist experiment proved unsustainable both in Soviet Russia, who promoted and imposed it, as well as in other states covered by the “red pellagra” under the Soviet influence.
- **Family property**, under the vice of the other two forms that frame it, had an ephemeral and less nuanced existence, which has determined many theorists to consider it as belonging either to the common property or to the private one.
- **Private property** is symbiotically linked to industrialism and capitalism, because along with these, form the doctrine triangle of present European economies (Figure 1)

Fig. 1 Doctrine triangle of capitalist relations



This last type of property was noted, in the formulas known today, along with the industrial revolution as a result of the selfish actions of the “invisible hand”, being recognized and glorified in its early stage by the illuminists and lived through capitalism, which also drew strength from the industrialism.

If one of the previously exposed triangle components weakens or disappears, naturally, capitalism, as a way of social organization, suffers amendments or crucial transformations and private property will be substituted with new forms or with one of the old but other than the previously known formulas.

It is obvious that industrialism, under the pressure of scientific and technical achievements so fast today, with a very strong impact in the productive sphere is the link with the lowest resistance to transformations.

Hence, the threat to capitalism comes, not from the outside of it or from confronting the poor with the rich (according to the classical model, which served as a causal support in the previous social changes), but from the forces that have promoted it and has identified himself throughout the period of its existence, namely industrialism, who under the impact of IT revolution is pushed aside, marginalized in the fight for a better profitability.

Therefore, if the developed European economies are in transition from the industrial model to a new, post industrial type (specialists opinions are not yet clear about its content), issue recognized since 2000 by the European Council, gathered in Lisbon, then the private property in its classical form, will be subject to profound mutation as well.

The essence of these mutations is the fact that the information will be not only an object of property but also an important component of production costs structure.

The future, regardless of the time it will occur, will belong to the post-industrial or post-capitalist society and the property will be, in its structure, mainly of virtual type.

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