PEASANT ECONOMIC CALCULATION AND THE HOUSEHOLD ECONOMY IN IMPERIAL GERMANY

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ABSTRACT

Revisionist accounts of Imperial Germany, in stressing the progressive, rational, side to German agricultural development, have underestimated the degree to which older habits of peasant calculation continued to inform small- and medium-scale enterprise. This paper surveys the lingering impact of household economic logics and imperatives — particularly those pertaining to inheritance and labor — upon peasant economic behavior and performance in rural Bavaria.

Much ink has been spilled in arguing the merits of German agriculture during the Imperial era (1871-1918). For all that this debate has turned on issues of economic performance, its recitations of economic trends — of price movements and trade quotas, of pork bellies and crop yields — rarely have been innocent of political connotation. Throughout Germany's turbulent modern history, the shifting relations between agriculture and industry presented a continual source of social discord and public controversy. Agrarian issues and discontents were particularly decisive in shaping the politics of Imperial Germany, as bruising national debates over protective grain tariffs repeatedly roiled and polarized the political landscape. In 1879, the passage of such protectionist legislation figured prominently in Germany's sweeping conservative realignment; during the 1890s, vehement protests spearheaded by the Agrarian League tore furiously at national consensus, rousing rural constituencies into political life by appealing to a maximalist economic egocentrism.

Such circumstances underlined the conviction that, as one leading contemporary put it, "all economic debate is only the accompaniment of a bitter struggle for power in the state." 2 Certainly a distinguishing mark of Imperial German thought was the widespread presumption that an ulterior political agenda lurked behind every economic proposition (and vice versa). This tendency found extravagant expression in academic circles as well. Though debates over German agriculture gave rise to an impressive scholarly literature in the decades prior to World War One, the fruits of this work, its empirical richness and frequently astute sociology, were typically overshadowed by polemic and the overarching partisan disputes of the time. 2

Through this faultily crucible emerged the standard liberal critique of German agriculture. Originally associated with Max Weber and other Imperial era liberals, and reintroduced into later historiography through the works of Alexander Gerschenkron and Hans Rosenberg, this critique has proven immensely influential over the years. Socio-
logically, it assumed an enduring logical connection between agricultural backwardness and political reaction; historically, it focused upon the Junker class of East Elbian estate owners, locating in them a fateful admixture of regressive economics, authoritarianism and heedless militarism. Formally elegant, seductively comprehensive, this argument appeared to offer a satisfying social-structural answer to the riddles thrown up by Germany's calamitous twentieth-century course: a retrograde agricultural sector, holding the nation hostage to its demands for tariff protection, effectively blocked Germany's chances for liberalization prior to 1914 and thus sealed its catastrophic fate.3

For all its formal elegance, this critique suffered a chronic deficiency of supporting evidence, and in recent years historical fashion has largely turned against it. Over the past two decades, historians have rejected notions of a monolithic agricultural sector, and recovered much of the tangled diversity of rural Germany during the Imperial era. In particular they have refocused attention away from the East Elbian Junkers and onto the far larger West Elbian small- and medium-holding peasantry, restoring to these peasant proprietors a capacity for political autonomy and economic rationality hitherto unacknowledged.4 Even the Junkers have enjoyed a measure of historical rehabilitation. Once depicted as hidebound economic conservatives, they appear in today's more generous account as dynamic, entrepreneurial agents of agricultural improvement. In short, where an earlier historiography portrayed Germany's agricultural sector as a stubborn structural impediment to healthy capitalist development, current approaches stress its essential accommodation -- among peasants and lords alike -- to capitalist modernity.5

This revisionist historical literature marks a clear advance. But its frequently polemical character and often jumbled aims have yielded a somewhat confused composite picture. In refuting previous arguments that viewed German agriculture en bloc, as an undifferentiated backwater, revisionist accounts have tended towards simple polemical inversion, encouraging, in the process, a lopsided emphasis upon the adaptability, dynamism and progress of Germany's agrarians. Yet this rosy emphasis seems historically myopic, incompatible with the well-known difficulties confronting German agriculture over the following decades. Chronic labor problems, laggard mechanization, and heavy indebtedness dogged agrarians throughout the Weimar years.6 The persistence of small-scale, labor-intensive agricultural relations stymied modernization efforts under National Socialism during the 1930s.7 As late as the 1950s, much of Germany's countryside remained relatively backwards in respect to machinery use, methods of tillage and land-holding structure, as yet awaiting the great transformations of the Green Revolution.8

These recurrent problems suggest a need to modify some of the more generous claims made on behalf of Imperial German agriculture. In particular they suggest a more conflicted relationship between medium- and small-scale proprietorship and the extension of capitalist relations into the countryside. Germany's small- and medium-holding peasants constituted the most populous grouping within agriculture at the turn of the century, and they farmed roughly half of all land under cultivation.9 For all this peasantry's growing imbrication in market relations, it remained substantially rooted in household
economic relations and dynamics. The household economy, to be sure, fostered a hard-headed utilitarianism which often resembled a more abstractly “economic” mentality and calculus. Some historians have played upon that resemblance in depicting the modern peasantry as quintessential homo oeconomicus. But this is a case of patently mistaken identity. As Max Weber pointed out long ago, the dynamics of the household economy diverge fundamentally from those of capitalism; indeed, a necessary precondition of capitalist development lies in the gradual separation of business enterprise from the household economy, its structures and reproductive strategies.

This epochal separation arrived late to much of the Germany countryside. Well into the twentieth century, the peasant household remained the crucial nexus joining land ownership and labor resources in productive combination. Of the fifteen million persons employed in German agriculture in 1907, more than two-thirds were household members working on family farms. Family labor was no mere survival from the past; in most rural regions it had grown in relative importance since the early 1880s. In such regions, the internal dynamics and requirements of the household economy continued to function as a subterranean “invisible hand,” guiding the allocation of resources and helping to determine production costs. These household dynamics existed, to be sure, alongside a rapidly widening compass of market relations in the countryside. But if these two spheres overlapped, they also remained analytically distinct, embodying different social principles and values. Much of the history of peasant enterprise in the modern era is written in their intersections and tensions.

This paper aims to reintroduce the household economy into discussions of agriculture and agrarian politics in the Imperial era. Its focus is on rural Bavaria, a region heavily defined by its small- and medium-holding peasantry; as such Bavaria provides a valuable case study in the extended interplay of market and household factors during the transition from a largely subsistence to a fully capitalist economy. This interplay occurred across a wide field of economic relations; three identifiable zones of interplay and tension will be addressed here. The first concerns the role of family inheritance systems in setting land prices; the second entails the persistence of household labor in the rural economy; the third involves the tensions between household and economic categories in the development of peasant business calculation.

As for family inheritance and the price of land: in Bavaria, as elsewhere in Germany, land values rose precipitously in the decades following 1848. By most accounts, this leap was triggered by the surging markets for grain of the 1850s and early 1860s; these fueled a speculative boom in the buying and selling of land which propelled not only prices, but mortgage debt, to historic highs. Locked into exorbitant land valuations and debt schedules, agricultural producers were ill-prepared for the fall in grain prices that set in during the 1870s; the result was a lacerating crisis that ruined many, while prodding others to raise the banner of tariff protection.

Yet this well-known version of events tells only part of the story. Turnover in landed property varied greatly according to region, and was generally more widespread at the
upper end of the rural social order. Most peasant households, in contrast, remained beholden to inheritance systems that militated against the selling of land on the open market. In Bavaria, moreover, local communities often acted in concert to prevent outsiders from acting as brokers, or from purchasing land themselves. And noble estates, still a considerable landed presence in some areas, were frequently rendered inalienable by entailment. These circumstances combined to discourage land speculation in much of the countryside, while insulating most peasant operations from price trends on the open market.

Yet property values among this peasantry also soared during the period in question. This owed mainly to dynamics originating from within the household economy, specifically the process in which the family farm was passed down from father to son. The system of inheritance common to most of Bavaria required that the heir — usually, though not necessarily, the oldest son — provide his siblings a compensatory settlement as the price of gaining unalloyed ownership of the family farm. These payments, based on a rough valuation of family property, skyrocketed in the decades following 1848. Peasant proprietors attempting to meet these family payoffs frequently turned to outside creditors, thereby saddling their farms with debt burdens which would take decades to eliminate.

The origins of this special form of household inflation lay in the dramatic shifts in peasant calculation provoked by Bavarian state reforms in 1848. Prior to then, peasant properties “were still under the spell of seigneurialism,” a circumstance that typically required peasant families to camouflage, or consistently devalue, their assets, and thus keep at a minimum their obligations and payments to the seigneurial authorities. For this reason, the valuation of settlements when family holdings were passed from father to son was kept, wherever possible, as low as possible. But after 1848, the clear-cut triumph of private property unloosed a very different logic: household members, anticipating compensatory payment upon the takeover of the family farm, began pushing for an upward valuation of that property, so as to maximize their own individual shares. The net effect of these myriad revaluations, sometimes entailing protracted family squabbling, resulted in a massive upward swing in land prices, a “general overvaluation of property values,” that pushed many rural households to the brink of disaster. Moreover, this inflationary spiral, once set loose through the extended circuits of household circulation, was not easily brought under control: the need to pay off siblings often drove the inheriting son to demand a higher dowry from his bride’s family. In turn, the bride’s family would seek higher compensation in its dealings with other households, and so on. By such means, despite downward market pressures on land prices setting in during the late 1860s, internal family dynamics combined to maintain most household valuations at a level well above market values.

In assessing the causes for the inflated land values which bedeviled so many German agrarians over the 1880s and 1890s, historians have generally opted for two lines of argument. Those convinced of the incorrigible backwardness of Imperial German agri-
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culture emphasize the role of protective tariffs in sustaining artificially high land values; others point to the rising productivity of German agriculture, particularly its root crop sector, as having justified higher prices. Yet clearly the extended circuits of household circulation also played a major role here, as contemporary German observers and economists well understood. In its cumulative effects, this household inflationary cycle placed enormous burdens on agrarian development. Takeover settlements, however socially necessary in procuring proprietorship over the family farm, constituted a spectacularly unproductive form of investment (one might better speak here of tribute). Not surprisingly, Bavarian agriculture remained notoriously lacking in capital improvements prior to World War One, the high levels of debt incurred by many peasant households notwithstanding. In the organization of field work, in tilling and preparing the soil, it was primarily larger farms and estates which availed themselves of new machinery and methods; most peasant proprietors were still, at the onset of the twentieth century, using "the old, handed-down implements, wooden plough and harrow," despite the best efforts of state authorities and agricultural reformers to popularize the use of modern implements and techniques.

As a result, Bavarian agriculture remained highly labor-intensive; its improved productivity over the Imperial era derived mainly from an increasingly diligent organization of farm labor. For most proprietors, this meant first and foremost the resources of the family household. This leads to our second major zone of interplay and tension: the continuing centrality of the peasant household to agricultural labor. In Bavaria, as indeed in many German rural regions, the role of family labor in agricultural enterprises actually increased over the late nineteenth and early twentieth centuries. Several factors encouraged this development. Since the 1840s, chronic labor shortages in agriculture had shifted negotiating power away from employers, and fueled a continuous rise in the wages and salaries paid day laborers and domestic servants. In the 1880s, just as wages finally began leveling off, the German government introduced a number of compulsory social insurance programs, which obligated peasant employers to pay premiums for their employees.

These trends led a growing number of peasant proprietors to replace outside labor sources with family labor. Between 1882 and 1907, the number of domestic servants employed in Bavarian agriculture fell by 105,671 persons. This decline was not, in aggregate, compensated for by day-labor; indeed, the ranks of day-laborers also fell over this period, by about five thousand. The difference was instead made up by the growing number of household members listed as actively employed in farming operations; government statistics show their ranks to have risen by some 130,000 persons during the period in question.

Intensified exploitation of family labor took several forms. Households frequently opted to keep older youth on the family farm, rather than hiring them out to outside employers. Nearly everywhere, as contemporary accounts abundantly confirm, peasant wives faced more punishing workloads. Perhaps the greatest change was in the growing
number of tasks imposed upon farm children (defined as fourteen years or younger, i.e. of compulsory school age). In late nineteenth-century Bavaria, child labor was of growing importance, as the new farm chores and tasks introduced by agricultural diversification fell disproportionately upon the young. Indeed, the ubiquity and arduousness of this labor had, by the turn of the century, become something of a scandal among middle-class reformers. The long hours outdoors endured by young children in herd-watching, their frequent presence in the midst of animal breeding, and their habitual absence from school during harvest season: all entered into the realm of public controversy during the first decade of the twentieth century. Moral reproach had little impact upon prevailing practices, however, or upon the conviction that, as an exhaustive Bavarian state report of 1906 put it, child labor was the “necessary consequence of economic relations.” Everywhere, the report continued, child labor was of “growing economic importance,” leading to constant readjustments in age limits and duties. In conclusion, the report declared that “agriculture can no longer do without child labor” (emphasis in original). To be sure, child labor was something agriculture had never done without; the strained emphasis here nonetheless suggests the growing importance of children and youth in meeting the new challenges introduced by rationalizing and diversifying trends in agriculture.

The movement towards greater household self-sufficiency in labor played dissonantly against other processes underway in the countryside over this time. Expanding educational opportunities, popular literacy, and new consumer choices had combined to open up new vistas of public freedom and individual autonomy to rural youth, even as they found themselves pulled back by increasingly onerous household demands. Just as social trends eroded the social insularity of the peasant household, economic logic busily reconstructed its embankments. The clash of these trends, at once private and social in their dimensions, gave rise to tensions only partly suppressed and suspended during the Imperial era; they would resurface more explosively during the Weimar Republic, by way of heightened generational conflict and estrangement.

Our third and final area of inquiry concerns the tensions between household calculation and modern business accounting. Here, Max Weber's discussion of household and capitalist enterprise presents particularly helpful distinctions. According to Weber, the emergence of an optimizing economic rationality required that its coordinates be detached from those of household calculation. In part this separation was necessitated by the very different rhythms, strategic aims, and criteria characteristic of household and business undertakings. More importantly, the intuitive systems of reckoning that characterized household economies left their operations largely inscrutable to outside surveillance and review. Such opacity hindered the development of meaningful interdependency and long-range planning, without which capitalist development was inconceivable.

Set against Weber's ideal-typical model, Bavarian development presents striking contrasts. Here, modern bookkeeping methods only gradually established themselves in peasant households, often requiring difficult and protracted effort. The problem was not
one of numeracy — the Bauer knew how to count — but of breaking with long-standing habits rooted in subsistence mentalities. An 1895 Bavarian survey of rural conditions found little sign anywhere of book-keeping aptitude or ability; one Upper Bavarian village, for example, was lacking in "every ingredient" for household and monetary calculation (Haushaltungs- und Geldrechnung):

There are absolutely no inventories made and therefore none are reported. One of the more intelligent proprietors here decided, after much persuasion, to make an attempt to obtain the necessary data regarding his operation. But he immediately backed out of his promise, maintaining that, just as soon as he would begin his calculations, he would grow really unhappy with his results. Since he stood fast by his refusal, despite every plea and suggestion, the establishment of factually-based bookkeeping was impossible, and an accounting based upon approximated assumptions would have only limited value.\textsuperscript{35}

The problem of accounting was especially acute among small- and medium-holders. Larger landowners, by comparison, had incentive and means to put their operations on a more solid business footing; even in those cases where estate owners lacked the requisite skills, they could afford to hire the services of someone who did. This option rarely existed for smaller-scale farmers; an additional complication was that household consumption absorbed a far greater portion of farm output in smaller holdings, a circumstance favoring the persistence of customary methods of measurement and calculation.\textsuperscript{36}

Agrarian backwardness in business accounting remained an acknowledged German-wide problem well into the 1920s.\textsuperscript{37} To be sure, the problem was more acute in Bavaria, due to the informality that characterized much of its rural finance and credit. Here again, Max Weber proves theoretically suggestive. According to him, credit was the decisive lever, "the prime mover," in the separation of household and business accounting. The essential requirement of credit, the suspension of transactions over long intervals, imposed upon borrowers the need to quantify their assets and plan out their operations.\textsuperscript{38} In this way, financial institutions provided the external spur to internal budgetary discipline and imagination; the net effect was a growing compass of economic transparency, abstraction, and quantification.

Once again, Weber's idealypical model serves as useful counterpoint to Bavarian development. At the turn of the century, private (that is, non-institutional) money lenders still accounted for more than half of all mortgage debt in Bavarian agriculture.\textsuperscript{39} The scope of this informal credit system is suggested by the example of Leiblfing, a small Lower Bavarian village where, as late as 1895, no local banking offices or agents existed. Of Leiblfing's forty-two households, twenty-two had borrowed from private lenders, twenty from area religious foundations, and only nineteen from a regular banking institution.\textsuperscript{40} A study of rural credit relations from 1903 concluded that the main reason
peasants refused to approach banks and other credit institutions for loans was precisely because they wanted to avoid invasive questions and procedures regarding their household operations.41

Whatever the impact of this financial reticence upon individual households, its compound effects could envelop rural communities in a fog of collective indeterminacy. Certainly this was the perception of many state officials, especially those responsible for assessing local wealth and collecting taxes. Indeed, one baffled Lower Bavarian official in 1897 declared himself unable to determine whether the failure of area farmers to pay their taxes the previous year had been due to a deliberate tax strike, or that they had simply lost the ability to manage their household budgets.42 The possibility that the answer lay somewhere in between is suggestive of at least one dimension of peasant protest during the 1890s.

To summarize: if Germany’s agricultural sector was, during the Imperial era, already well down the road of capitalist development, its habits and practices remained influenced by its household economy antecedents. Though the logics of the household economy could overlap with those of advancing capitalism, household dynamics could also throw up stubborn resistance; certainly they shaped the course of rural development. A closer examination of these logics, and their hybrid interactions, provides us a truer measure of how German agriculture evolved over the modern era. Moreover, the household economy provides a crucial link in joining economic history with the social history of the peasantry, whose own contradictory and conflicted path to modernity remains substantially untold.

Notes


3. Barkin, Controversy, 186-210, ably recapitulates the liberal arguments of the time. For Rosenberg’s arguments, see Grosse Depression und Bismarckzei (Berlin: de Gruyter, 1967); also Alexander Gerschenkron, Bread and Democracy in Germany, (Ithaca: Cornell University Press, 1989; original ed. 1943).


7. Frieda Wunderlich, Farm Labor in Germany, 1810-1945 (Princeton: Princeton University Press, 1961), 159-350. Only 24,183 tractors were in use throughout Germany in 1933; by 1939 this had grown only to 66,000, as against official estimates of the need to put 500,000 tractors to work in Germany’s fields.

8. For Bavaria, see the 1954 assessment offered in Alois Schögl, Bayerische Agrargeschichte (Munich:
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Bayerischer Landwirtschaftsverlag, 1954), 157: "Today's property relations in agriculture across wide areas of Bavaria in no way meet the conditions for an intensive cultivation of ground and soil. Peasant landholdings are in many ways still decisively divided up, the parcels are scattered across the whole field, so that cultivation requires a significant expenditure of additional time and labor power.... A progressive cultivation based upon parcelled property is not possible..." Parcel consolidation began to accelerate in 1949 and thereafter: in 1951, more than twice as much land became involved in consolidation measures than in any year prior to World War II. See ibid., 196. This process deepened over the following two decades, as the average landholding grew larger, more compact and contiguous.

9. According to the German government census of 1907, 48 percent of all land under cultivation was farmed by peasant operations of less than 20 hectares. Georg Neuhaus, Landwirtschaft und Gewerbe. Auf Grund der Ergebnisse der Berufszählungen von 1882, 1895 und 1907 (M. Gladbach, 1913), 5. Though distinctions between "small" and "medium" peasants varied widely according to local conditions, by the 1880s statistical convention had come to define small-holders as those with properties from 2 to 5 hectares, and medium holders as holding between 5 and 20 hectares.


12. This calculation is based upon 1907 census figures from Neuhaus, Landwirtschaft und Gewerbe, 72. Some 85 percent (2,565,675 out of 2,929,493) of all farm operators were owner-proprietors; by far the largest categories of farm employees were "family members working full-time" (4,680,485) and "part-time family members" (3,011,630). Full-time and part-time (or seasonal) workers from outside the family household numbered 4,470,779 persons.

13. See the discussion by Hans Schmelze in Die Landwirtschaft in Bayern (Munich: Oldenbourg, 1910), 86-91. The growing reliance upon family labor was especially pronounced in Bavaria, but was to varying degrees replicated in most other German regions; the common denominator here was the bid, through employing family help, to circumvent the employer-paid premiums mandated by the employee insurance programs introduced during the 1880s.


16. At one extreme was the extraordinary turnover in East Elbian estate ownership between the 1830s and 1860s. See Hans-Ulrich Wehler, Deutsche Gesellschaftsgeschichte, 1815-1845/49 (Munich: C.H. Beck, 1987), 36.

17. See the account of one such action in the Upper Bavarian village of Ruhpolding, Augsburger Postzeitung, 5 January, 1897.

18. The extent of entailment varied by region. In Bavaria's Upper Palatinate, 5.6 percent of the total land under cultivation was entailed. For Upper and Lower Bavaria, the respective figures were 3 and 2.5 percent. Figures computed from 1879 statistics provided in Die Landwirtschaft in Bayern (Munich: Oldenbourg, 1890), 44, 127. Entailment increased substantially in the years leading up to World War One; see Landwirtschaft in Bayern (1910), 20.

19. The importance of household imperatives in structuring peasant economic life was an important motif in the controversies over inheritance rights (Anerbenrecht) involving Lujo Brentano and others during the 1890s. See the work by one of Brentano's students, Ludwig Pick, - (Stuttgart: J.G. Cotta, 1895). Also Otto Gierke, "Bäuerliches Erbrecht u. bäuerliche Erbsitze in Bayern", in Beilage zur Allgemeinen Zeitung (Munich) Nrs. 184, 185, 186, from 12, 13, 14 August, 1895.

20. Regarding unigeniture, especially widespread in Upper and Lower Bavaria, see Landwirtschaft in Bayern (1890), 27f. "Even now the father determines freely which of the children (in the first place, which of the sons) is best qualified to take over the holding, which of them has been most attentive and demonstrates the greater knowledge and diligence in agricultural matters, who has long worked loyally on the father's farm, has shown concern for the aging parents, has the best chances for marriage or to acquire other property, who can
take over the family holding to the best advantage of other family members, and provide ongoing compensation due his siblings." Most often the first-born son, by dint of his longer years of working on the farm, best met the above criteria. But this choice was not automatic. Because the unigeniture system left open the final determination of heir, it tended to maximize the leverage of other siblings in haggling over their own compensatory settlements.

21. Die Landwirtschaft im Regierungsbezirke Oberbayern (Munich: Dr. Wild'scher Buchdruckerei, 1885), 58f.

22. See the figures comparing family takeover prices, before and after 1848, in the Upper Bavarian community of Petting, cited in Lujo Brentano, Agrarpolitik. Ein Lehrbuch (Stuttgart: J.G. Cotta, 1925), 204.

23. Landwirtschaft im Regierungsbezirke Oberbayern (1885), 59. Again, the powerful impact of internal family pressures upon prices owed much to the inheritance system (Anerbenrecht) involved, in which competing family claims over a (theoretically) indivisible property drove its valuation upwards. In areas where partible inheritance patterns prevailed, inter-family disputes were more apt to be taken outside the family for resolution, resulting over the nineteenth century in a great number of lawsuits processed by one or another disaffected family member, in which the competing claims of siblings over parcels were adjudicated. See Utz Jeggle, Kiebingen. Eine Heimatgeschichte (Tübingen, 1977), 215-263.

24. Land prices indeed had been in general decline "over the past two decades", according to Bavaria's quasi-governmental Agricultural Association in 1890. This overall finding did not preclude contrary price trends in some localities, as well as regional variations. Prices could also vary depending upon the kind of land for sale, as well as the size of the holding: inasmuch as larger holdings were usually harder to sell off, they often were bought at a lower prorated price. See Landwirtschaft in Bayern (1890), 710ff.

25. Landwirtschaft im Regierungsbezirke Oberbayern (1885), 59-73. See also Untersuchung der wirtschaftlichen Verhältnisse in 24 Gemeinden des Königreiches Bayern (Munich, 1895), 11, 45. Additional complications arose over the far-from-clear basis by which the value of the family farm was calculated: was it to be determined by reference to its hypothetical sale price, or the value of its output? The former generally made for a higher settlement price, the latter somewhat lower. See "Das Anerbenrecht, II" in the Beilage zur Allgemeinen Zeitung (Munich), Nr. 184, 11 August, 1894, 4f; Landwirtschaft in Bayern (1890), 706-12.

26. In addition to above references, see Werner Sombart, Die deutsche Volkswirtschaft im Neunzehnten Jahrhundert, (Berlin: Georg Bondi, 1909), 394. Sombart defined agrarian crisis in simple terms: the persistence of high land prices and debt levels in the face of declining agricultural prices. He viewed family takeover settlements as having formed "the greatest part of all extant debts: how much we do not know; experts in the matter field assume that two-thirds to three-fourths." The numerical imprecision here is fairly typical of Sombart, and the "expert" opinion he cites probably exaggerates the role of takeover settlements in German-wide developments. His views are nonetheless symptomatic of what was regarded by contemporaries to be common knowledge.

27. In the Bavarian Wald regions of Lower Bavaria, less than forty percent of all peasant operations, as of 1907, possessed even a threshers—at the time by far the most ubiquitous of the newer farm implements. Karl Kreiner, Wirtschaftsleben im Bayerisch-Böhmischen Waldgebiete. Wirtschafts- und sozial-statistische Studien aus Bayerns nordöstlichen Gauen (Erlangen, 1919), 102f.


30. The rise in wage and salary levels was especially pronounced after 1848: between 1853 and 1863, annual pay for domestics rose by one-third for male farm hands, and nearly so much for farm maids. The same decade saw similar leaps in wage levels for agricultural day laborers: by nearly one-third for males, and nearly one-half for females. Though wages and salaries stabilized in the mid-1880s, the passage over 1883-84 and 1889 of employee disability and old age insurance legislation soon added new layers of financial obligation upon peasant employers. Marion Hruschka, Die Entwicklung der Geld- und Kreditwesens (Straubing, 1990), 51.

31. Landwirtschaft in Bayern (1910), 90.
32. Documentation of Bavarian-wide developments in Bayerisches Hauptstaatsarchiv (hereafter BHStA), Ministeriums des Innern 92 978.

33. BHStA MA 92 978, here the report, “Zusammenstellung auf Grund der Regierungsbericht zum Vollzuge der Ministeralentschließung vom 19. November 1904” (Bayerisches Staatsministerium des Innern an das Staatsministerium des Innern für Kirchen- u. Schulangelegenheiten, Munich, 30 July, 1906). Note that all sides of the debate (the Physicians Association strongly attacked child labor practices, the Agricultural Association strenuously defended them) agreed that child labor was a factor of growing, not diminishing, importance.

34. Listing the “principal conditions necessary of obtaining a maximum of formal rationality in capital accounting,” Weber specified “the most complete separation possible of the enterprise and its future prospects from the household and its future prospects, especially the capital assets of the enterprise from the property endowments and inheritance obligations of the owner.” Weber, Wirtschaft und Gesellschaft, 94.

35. Untersuchung der wirtschaftlichen Verhältnisse, 33f.


37. See discussion in Landwirtschaftliche Buchführungsresultate (previous citation). The unpopularity of book-keeping among the peasantry is suggested by the occasional appearance of the issue in agrarian agitation; see the 1919 leaflet by the (vaguely liberal) Deutscher Bauernbund against the (conspicuously conservative) Reichsbauernbund, in which the latter outfit was accused of having proposed “the compulsory introduction of business accounting (Buchführung).” BHStA, Abteilung V, Flugblatt Sammlung 131 (Deutscher Bauernbund).


39. Joseph Steinecker, Die Verschuldung des ländlichen Grundbesitzes im rechtsrheinischen Bayern (Berlin: E. Ebering, 1903), 20. Steinecker estimated that the value of informal loans came to some 700 million, out of a total mortgage debt of 1,319 million Marks, in 1896.

40. Untersuchung der wirtschaftlichen Verhältnisse, 56f.

41. Steinecker, Verschuldung, 10ff.
