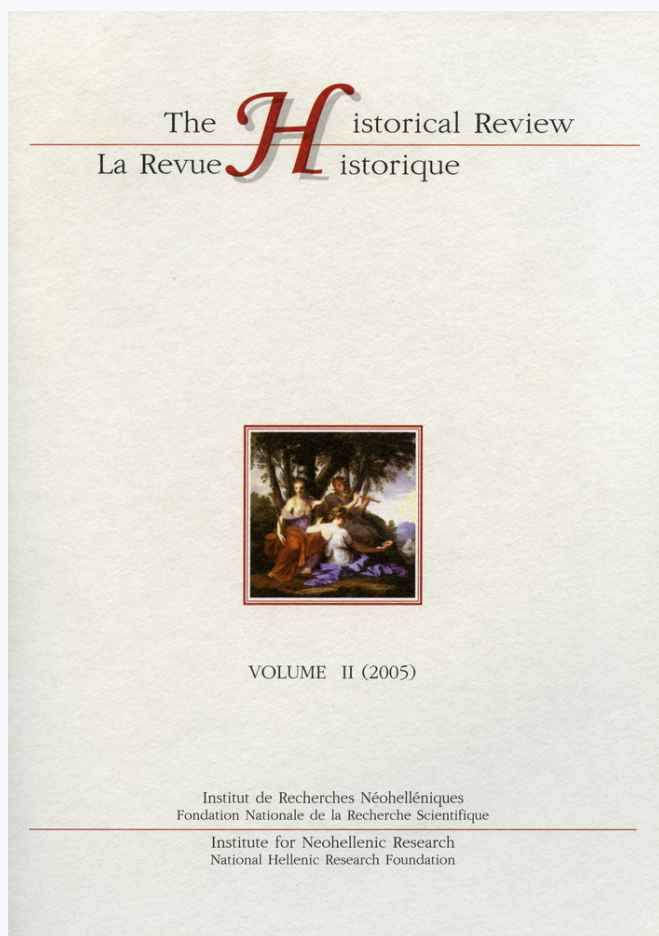


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DAVID MITRANY AND SOUTH-EAST EUROPE:
THE BALKAN KEY TO WORLD PEACE

Lucian M. Ashworth

ABSTRACT: Today David Mitrany is best known for his work on international functionalism, which influenced the development of European integration and the organisation of United Nations specialised agencies. What is often ignored in the West is his work on South-East Europe. During the inter-war period Mitrany studied both the operation of war government and the subsequent peasant revolution in the Balkans. War government demonstrated that political organisation could bridge the gap between social action and private property, while the peasant social revolution showed that the abstract economics associated with both capitalist and Marxist economics was not applicable outside of urban industrial production. It was through his studies of South-East Europe that Mitrany drew many of the lessons and concepts that were to form the foundations of his international theory.

David Mitrany and the British Radical Tradition

South-East Europe has always held a particular fascination for British liberals and socialists. From the 1820s onwards, “the Balkans” have tugged on the romantic heartstrings of the British liberal and radical tradition. “For a number of reasons, political and sentimental,” David Mitrany recalled in 1975, “devotion to the cause of the Balkan peoples came naturally into play with English opinion... it intruded deep into English politics and policy”.¹ By the beginning of the twentieth century the interest in South-East Europe had become something of a publishing phenomenon. Liberal journalists and opinion-formers travelled over the Peninsular, returning to write detailed accounts of what they had seen. Between the 1880s and the 1930s, with national conflicts on the rise, these writers tended to take sides in the various Balkan conflicts, favouring one group over others. Edith Durham supported the Albanians; H. N. Brailsford the Macedonians; James Bouchier, C. R. Buxton and Noel Buxton the Bulgarians; Wickham Steed and Rebecca West the Serbs; and Dr Seton-Watson the Romanians. Whenever tensions arose in the Peninsular these British liberals would fight a proxy Balkan war in the newspapers and lecture halls of Britain. With the waning of the British Liberal

¹ David Mitrany, “The Making of the Functional Theory: A Memoir” in David Mitrany, *The Functional Theory of Politics*, London: LSE and Martin Robertson, 1975, p. 14. Hereafter referred to as “Memoir”.

Party the Labour Party and its press took up the mantle.² A number of the key Balkanists (the Buxtons and H. N. Brailsford being the highest profile) became Labour Party stalwarts, and Labour-leaning publications like *Foreign Affairs* and the *New Leader* (the latter edited by Brailsford) frequently contained reports on South-East Europe.³

Behind all these Balkan national partisanships was a belief, inherited from Mazzini and the nationalist liberal tradition, that the creation of a world of free and democratic nation-states would lead to an informal and peaceful international federation. Yet, there was another British liberal and radical tradition that rejected this softer form of nationalism, and proxy nationalism, as inherently self-defeating. This internationalist tradition favoured integration, rather than disintegration, and the development of international, rather than national, institutions as a solution to the human problems of want and war.⁴ At the forefront of this second tradition, which included such key writers on international affairs as Leonard Woolf and Norman Angell, was David Mitrany.

Mitrany⁵ was born in Bucharest, Romania, on 1 January 1888. After military service he left Romania in order to further his education. His strong internationalism, and ability to feel at home in Germany, Britain and the United States, was probably the result of being born Jewish in a country that

² Leonard Woolf claimed that this tendency “to develop a not altogether rational attachment to some foreign nation, nationality or race” was fundamentally a nineteenth-century liberal trait. The assumption is that the twentieth-century liberals and socialists were more global. Leonard Woolf, *Downhill All the Way: An Autobiography of the Years 1919-1939*, London: Hogarth, 1967, p. 246.

³ For a discussion of these British debates see Slobodan G. Markovich, *British Perceptions of Serbia and the Balkans, 1903-1906*, Paris: Dialogue, 2000.

⁴ H. N. Brailsford, despite my inclusion of him in the earlier group, tended towards this view from 1914 onwards.

⁵ Although Mitrany wrote a memoir of his life (see full reference in note 1 above), the best intellectual biography remains Dorothy Anderson's 1988 summary (Dorothy Anderson, “David Mitrany (1888-1975): An Appreciation of his Life and Work”, *Review of International Studies* 24 (1988), pp. 577-592). Anderson includes an extensive bibliography at the end of her article. Mitrany's best-known works on the functional approach to international politics are: *The Progress of International Government*, London: Allen and Unwin, 1933; *A Working Peace System*, Oxford: Oxford University Press, 1943; *The Road to Security*, London: National Peace Council, 1944; and *The Functional Theory of Politics*, London: LSE and Martin Robinson, 1975. During his time he was also well known for three other books: *The Problem of International Sanctions*, London: Oxford University Press, 1925; *The Land and the Peasant in Rumania: The War and Agrarian Reform*, London: Humphrey Milford & Oxford University Press, 1930; and *Marx Against the Peasant: A Study in Social Dogmatism*, London: Weidenfeld and Nicolson, 1951.

was at the time amongst the most anti-Semitic in Europe. Jews in Romania were regarded as not being properly Romanian and were forbidden from entering politics, owning land or working in education and the health services. They were liable for military service, but could never be officers.⁶ Yet, he never lost a feeling of some attachment to south-east Europe, and maintained a deep concern for its problems and possibilities. Arriving in Hamburg in 1908, he took night courses at the Kolonial Institut (the forerunner of the University of Hamburg),⁷ and in 1911 left to further his studies in London. Initially attracted to social work, he enrolled at the London School of Economics in 1912. This proved a fateful decision. Mitrany studied under L. T. Hobhouse and Graham Wallas, and it was under their influence that he developed his thinking about the nature of society.

World War I proved to be the catalyst that led Mitrany to take an interest in international affairs. His wartime career included work for the Romanian Legation in London, intelligence work for the British Foreign Office and War Office, and membership of the first League of Nations Society.⁸ Mitrany was one of four Balkan experts that convinced the British Government to change its policy towards the Habsburg Monarchy in 1918 from maintaining the Empire to advocating dismemberment.⁹ He also contributed to the *Peace Handbooks* produced by the Department of Political Intelligence at the Foreign Office. These were written under the editorship of Sir George Walter Prothero and were used by the British Empire delegation at the 1919 Paris peace negotiations.¹⁰ In 1919 Mitrany joined the editorial staff of the *Manchester Guardian*. Although he left this position in 1922, his association with the paper lasted for the rest of his life. His work for the *Manchester Guardian* took him all over the Balkans and Europe. Despite his refusal to join any political party, Mitrany was a member of the influential Labour Party Advisory Committee on International Questions from 1918 to 1931. The membership of the Advisory Committee included some of the best-known British experts in international affairs, as well as many of the Labour Party's leading lights, such as Arthur Henderson, Hugh Dalton, Philip Noel-Baker and Arthur Greenwood. Mitrany saw his involvement in the Advisory Committee as a very rewarding

⁶ Mitrany, "Memoir", pp. 60-1.

⁷ Mitrany, "Memoir", p. 4; Anderson, "David Mitrany", p. 577.

⁸ Mitrany, "Memoir", p. 6; Anderson, "David Mitrany", p. 577.

⁹ Sherman David Spector, *Romania at the Paris Peace Conference: A Study of the Diplomacy of Ioan I. C. Brătianu*, Iași: Centre for Romanian Studies, 1995, p. 126 and p. 155n.

¹⁰ Spector, pp. 126-127.

experience,¹¹ and the Labour Party certainly appreciated Mitrany's contribution.¹²

Although Mitrany had already published on South-East Europe, it was his experience from 1922 as the Assistant European Editor of the Carnegie Endowment for International Peace's multi-volume series on the "Economic and Social History of the World War"¹³ that helped firm up his ideas about the nature and direction of international politics.¹⁴ The Carnegie series, under the direction of its general editor, James T. Shotwell, was a comprehensive history, in which each volume was written by a specific expert in the relevant field. Two of the volumes written by Mitrany will be discussed in more detail below. Shotwell himself spoke very highly of Mitrany's crucial contribution to the series.¹⁵ Mitrany's work for the Carnegie Endowment brought him into contact with American academic life. Between 1931 and 1933 he was a visiting lecturer at Harvard University, and in 1933 he was appointed professor at the Institute of Advanced Study at Princeton. With Britain's entry into World War II in September 1939 Mitrany returned to the UK in order to take up a position with the Foreign Office's Foreign Research and Press Office, which Mitrany described as a camouflaged academic intelligence group.¹⁶ Much of his work during this period dealt with the future structure of the post-war international system. He left the Foreign Office in 1942, and with the publication of his *A Working Peace System* in the following year Mitrany became a popular figure in the lecturing and broadcasting circuit.

After the war Mitrany returned to his professorship at Princeton, a position he was to hold until 1956, when he resigned to become a permanent member of the Carnegie Endowment. Approached by Unilever, the London-based Anglo-Dutch multinational corporation, he was appointed in 1944 as their permanent political consultant, a position that he would hold until his

¹¹ Mitrany, "Memoir", pp. 8-9.

¹² See, for example, the letter from William Gillies to James Ramsay MacDonald, 19 May 1925. James Ramsay MacDonald Papers, National Archives, Kew, London. PRO3069/460. Gillies erroneously reported that Mitrany was a member of the Party.

¹³ The Carnegie Endowment for International Peace had been set up by the industrialist Andrew Carnegie in 1910. Its stated goal was to hasten the abolition of war. The Economic and Social History of the War project organised the publication of 150 volumes, each volume covering a specific topic. G. D. H. Cole and J. M. Keynes also contributed.

¹⁴ Anderson, "David Mitrany", p. 578; see also Mitrany, "Memoir", p. 17.

¹⁵ James T. Shotwell, *The Autobiography of James T. Shotwell*, Indianapolis: Bobbs-Merrill, 1961, pp. 143-144.

¹⁶ Mitrany, "Memoir", p. 19.

retirement in 1960.¹⁷ Mitrany continued to write on the functional organisation of international society and on peasant agriculture during the post-war years. In 1957 he became interested in the Swedish ombudsman system, writing about its possible introduction in Britain in two articles for the *Manchester Guardian* “at least two years before there was a sudden interest in and publicity about the need in the UK for such a post.”¹⁸ Although the advocacy was done by others, it was Mitrany’s articles in the *Manchester Guardian* that had publicised the institution.¹⁹ Mitrany died in 1975, soon after his final book, *The Functional Theory of Politics*, was published.

The purpose of this article is to highlight the work that Mitrany did on the Balkans and on Balkan issues, and to show how certain aspects and trends in the politics of South-East Europe, from Mitrany’s point of view, contained lessons for the wider world’s search for a working peace system. Today Mitrany is best known for his work on the functional approach to international organisation, and he is regularly quoted as a founding thinker of European integration. His work, especially *A Working Peace System*, is often found in anthologies of European integration theory.²⁰ The basis of Mitrany’s functional approach was the argument that the state, as a security system, was no longer able to contain a self-sufficient social life. Since human society was now fundamentally global, the security system based on states was a threat to, not a protector of, human social relations. The federal union alternative to the state system was both difficult to organise and inclined merely to replicate the problem of state security on a larger scale. The best alternative form of government to the state was what Mitrany called functional government. Different global and regional functions should be organised and managed by functional government structures that would cross international boundaries and gradually globalise government function by function. There were already precedents for this in the various public international unions, such as the Universal Postal Union, that had been established since the second half of the nineteenth century. Mitrany saw a more functional approach to global government as solving a number of modern problems: 1. by handing over control of a function to the people who worked, supplied and used it,

¹⁷ Mitrany, “Memoir”, p. 31; Anderson, “David Mitrany”, pp. 580–581.

¹⁸ Anderson, “David Mitrany”, p. 581.

¹⁹ See Mitrany, “Memoir”, p. 44.

²⁰ See, for example, Brent F. Nelsen and Alexander Stubb (eds), *The European Union: Readings on the Theory and Practice of European Integration*, Boulder, Co: Lynne Rienner, 1994, which reprints *A Working Peace System* between pages 77 and 97. See also David Mitrany, *A Working Peace System*, Oxford: Oxford University Press, 1943.

government could be made more efficient and have access to detailed practical knowledge about the nature of the function being managed; 2. functional government would have the advantage that it could slowly develop as people were ready to globalise or regionalise a function; 3. the development of functional government, by fulfilling needs, would gradually attract the support of populations, thus reducing the power of nationalism; and 4. by taking the management of functions that fulfilled various human needs out of the hands of governments, the functional approach would make it more difficult for governments to mobilise their economies for total war. In short, the functional approach envisaged a cobweb of specialised governmental and quasi-governmental organisations across the globe that would create a complex system of global governance. To a certain extent, with the proliferation of UN specialised agencies, other international organisations, non-governmental organisations, trans-national corporations and other cross-border entities, Mitrany's cobweb of global governance has come to pass.

Although Mitrany thought that the best work he ever did was on the issue of peasant agriculture, which concentrated on his experiences of Eastern Europe, he also regarded himself as fundamentally a British liberal. The two greatest intellectual influences on his work were the liberal socialist British thinkers L. T. Hobhouse and Graham Wallas. Hobhouse and Wallas were also his intellectual mentors at LSE. From Wallas Mitrany took both his scepticism about the value of reason as an organising principle of society and his view that society was a vast aggregation of values and institutions that was larger than the sum of its parts. From Hobhouse Mitrany took the notion of organising society upon the basis of function, as well as a distrust of the Hegelian metaphysical theory of the state. In fact, Hobhouse's 1911 book *Liberalism* outlined the concept of function that formed the intellectual basis for the functional theory of government found in Mitrany's approach to world peace. In effect, David Mitrany could be said to have a British head and a Balkan heart. His intellectual underpinnings and the conscious theoretical structure of his work was very much a product of British liberal and socialist thinking. His raw political instincts remained in South-East Europe to the extent that he maintained a life-long sympathy with the region, its distinctive peasant-led social revolution and the peculiarity of its problems.

Mitrany's work on South-East Europe is less well known today, despite the fact that throughout the 1920s and 1930s Mitrany was primarily known as an expert on Romanian and Balkan politics. By largely ignoring his writings on South-East Europe international relations scholars and experts on European integration have missed the important intellectual links that exist between

Mitrany's analysis of the Balkan experience and his international theory. Put another way, it was his experience of South East Europe that was instrumental in shaping his contribution to international organisation and European integration. Mitrany's interest in South-East Europe was never wholly academic, however. As a correspondent for the liberal *Manchester Guardian* he was a major source of information on the Balkans for the paper, and in turn this meant that Mitrany's view of the region was very influential on British centre-left thinking. Indeed, the editor of the *Manchester Guardian*, C. P. Scott, went as far as to suggest that between 1919 and 1922 "the *Guardian's* foreign policy... has been Mitrany's policy".²¹ When C. P. Scott's son travelled through the Balkans with his wife, it was Mitrany and his wife, Ena Limebeer, who acted as guides.²² Mitrany's frequent trips to South-East Europe for the *Guardian* seem to have taken him to a number of dangerous spots since, in a comment on another issue, he mentions that he always took a Browning revolver with him on his Balkan assignments.²³ Prior to his work on the *Guardian* Mitrany had worked for the Romanian government during World War I. It was during this period that he wrote what could be his only foray into nationalist politics. His *Greater Romania* pamphlet, published in 1917, was an appeal in support of Romania's claims to all of Bessarabia, Transylvania and Bukovina. Seriously at odds with his later writings, he suggested that only by the just settlement of national claims could the tensions in the Balkans be resolved, and he glossed over the serious failings of the Romanian state that he was to lay bare in his *The Land and the Peasant in Rumania* in 1930.²⁴ Interestingly, and despite the increasing distance that he put between himself and Romanian government policy in the years that followed, Mitrany continued to dabble in Romanian politics. Robert Skidelsky has even claimed that in 1925 Mitrany had suggested to John Maynard Keynes that Keynes should be the new economics minister of Romania.²⁵ Nothing came of the offer, but this does remain one of the lesser-known "what-ifs" of history. Outside of Romania, and no doubt influenced by his work on the peasant

²¹ Mitrany, "Memoir", p. 10.

²² Anderson, "David Mitrany", p. 578.

²³ Mitrany, "Memoir", p. 8.

²⁴ David Mitrany, *Greater Rumania: A Study in National Ideals*, London: Hodder and Stoughton, 1917, especially pp. 19-20.

²⁵ Quoted in Gerhard Michael Ambrosi, "Keynes and Mitrany as Instigators of European Governance", University of Trier, Unpublished paper, January 2004, p. 7. See Robert Skidelsky, *John Maynard Keynes*, Vol. II: *The Economist as Saviour, 1920-1937*, Harmondsworth: Penguin, 1995, p. 243.

revolution in South-East Europe, Mitrany was also heavily involved in attempts to bring social democratic and peasant parties in South-East Europe together. Unfortunately, his most documented attempt to do this, through a British Labour Party brokered meeting in Prague during the autumn of 1928, ended in failure.²⁶

Mitrany's intellectual interest in South-East Europe took two forms: first, there was the experience of World War I and war government in the Balkans; and, second, there was the peasant revolution and the development of an effective system of peasant economics that provided an alternative economic system to the dogmatism of capitalist and Marxist ideology. This interest, in turn, helped forge the ideas that Mitrany is more famous for: his functional approach to international security. A fuller exploration of Mitrany's work in these two areas reveals the extent to which his appreciation of the problems of South-East Europe led to his ideas about the possibilities of the security of the world as a whole.

Mitrany and the Issue of War Government in South-East Europe

While many of his fellow internationalists tended to see the Balkans as a problem,²⁷ a kind of half-world between the old and the new where the ideas of the West were often aped in the service of something older and more violent, Mitrany saw it as a region in transition that contained within it the seeds of new approaches and ideas that might have relevance to the rest of the world. In fact, Mitrany argued strenuously against the view of the Balkans as the powder-keg of Europe, and did much to counteract the negative views of the Balkans, without falling into the trap that so many British liberals did of adopting and promoting one or other of the national groupings. Rather, Mitrany's view of the Balkans was as a region that was linked in, and influenced by, the wider European stage. "The Balkans only broke out in a rash when Europe was in a state of fever" he famously told an American audience in 1937.²⁸ Since the Balkans were intimately connected to the wider European political world the influence could also flow the other way. The Balkan experience could have valuable lessons for Europe and the world.

²⁶ Mitrany, "Memoir" pp. 42-43.

²⁷ Most famously, J. R. R. Tolkien is meant to have equated the distance between the Shire and the evil land of Mordor with the distance between England (Tolkien's model for the Shire) and the Balkans.

²⁸ David Mitrany, "Address to the American Historical Association", Brown University, 1937. Mitrany Papers, British Library of Political and Economic Sciences, LSE, London.

Although Mitrany's first foray into the idea of a global functional order came in 1933 with the publication of his *Progress of International Government*, it was in 1936 that his first thorough examination of "real existing" functional government was published. The work itself was part of the Carnegie Endowment's Economic and Social History of the World War mentioned above. The work for Mitrany's volume on the effects of World War I on South-East Europe had been gathered and largely written well before 1936, and contained five chapters on war government in the region. Mitrany was particularly interested in the functional character of war government, and the implications this held for future questions of government in both war and peacetime. The fact that quite similar arrangements had emerged in very different countries seemed to confirm to Mitrany that functional government was a practical cross-cultural answer to the problem of social organisation.²⁹ While the political arrangements put in place by the authorities in South-East Europe during the war (Mitrany focused on the Austrian and Turkish experiences, but made frequent reference to other governments too) were increasingly military and dictatorial, the economic measures (by contrast) had to rely on the civil authorities. While the political broke down in 1916-1917, the economic continued to expand to cover more and more functions. In fact, the major complaint he levels at the economic organisation of functional war government was its largely haphazard nature that made it principally reactive.³⁰ The initial reaction of the military authorities was to sacrifice the normal husbandry of the economy to the war effort. This only made sense if the war was to be a short one. As the war dragged on, the military requirements had to give way to economic management, and in fact as the war progressed it was the ability of the state to marshal and foster its economic resources that became more telling than the ability to sacrifice all economic resources to the immediate needs of the military. This meant a diminution of the role of the military, and the rise of the civil administration within the war government.³¹ Not only did modern war blur the distinction between soldier and civilian, it also blurred the distinction between military and civilian authority in the waging of war.

While Mitrany always cautioned that the development of war government, albeit dramatic, was always a temporary measure, the lessons were relevant to wider problems under peacetime conditions. The development of war government, through its organisation of the appropriation of property and central

²⁹ Mitrany, "Memoir", p. 18.

³⁰ David Mitrany, *The Effects of the War in South Eastern Europe*, New Haven: Yale University Press, 1936, chs 5-7.

³¹ Mitrany, *The Effects of the War in South Eastern Europe*, especially pp. 70-1 & ch. 5.

organisation of industry and infrastructure, redefined industrial property as a social function, rather than as merely private property.³² Frequently, the industrial plant remained in private hands, but the government through centralised agencies was able to dictate its use. Norman Angell, writing in 1911, had argued that wars of conquest did not add wealth to a state because wealth still remained in private hands.³³ Mitrany's study of war government in South-East Europe, while not totally contradicting all of Angell's argument, demonstrated how a war economy could take control, even while not formally expropriating. A second lesson of war government was that even quite weak governments were capable of organising national resources for common social ends, in this case the war economy. The main weakness of the economic arrangements for war government was the failure to develop popular control. The sense of having no control over the war measures, combined with the increasing scarcity that the economic war government was forced to manage, led to the deep unpopularity of the measures. Mitrany frequently mused about what the reaction would have been if popular, perhaps parliamentary, control had given a sense of the measures being an expression of popular will. "In other words, if in the 'nation-in-arms' each new function gives the executive added power of rule over the people, it also makes the success of its rule... more dependent on devoted performance by the people".³⁴ Yet, although South-East European war government remained authoritarian, the need to maintain popular support certainly forced governments in the region to undertake popular measures to stave off discontent or even revolution. Romanian land reform in 1917, announced as an initiative of the King, was intended to firm up popular support for the regime, and the subsequent distribution of land was organised on the basis of the level of sacrifice to the national cause, not on any economic criteria.³⁵

While the autocratic nature of South-East European war government might tempt the observer to see it as very much part of the old world, Mitrany was quick to see that it was actually part of something new. Certainly the political controls of the war government had much in common with the old autocracy, and failed much in the way the autocracy had, but the economic part of the war government had broken new ground in the practice of politics.

³² Mitrany, *The Effects of the War in South Eastern Europe*, pp. 98-99.

³³ Norman Angell, *The Great Illusion: A Study of the Relations of Military Power in Nations to their Economic and Social Advantage*, London: William Heinemann, 1912, especially chapter IV.

³⁴ Mitrany, *The Effects of the War in South Eastern Europe*, pp. 136-137.

³⁵ David Mitrany, *The Land and the Peasant in Rumania: The War and Agrarian Reform*, London: Humprey Milford & Oxford University Press, 1930, pp. 92 & 569.

These organs were altogether original, equally distant from a rigid *étatisme* and from capitalist *laissez faire*. They combined in various ways and degrees public control with private initiative, and public utility with private property. Not unlikely these experiments contain elements which may prove of value for the handling of economic and social problems in the immediate future.³⁶

For Mitrany this was a major break with conventional economic theory. States had proved that political power could be mobilised to solve social and economic problems. The otherwise fragile governments of South-East Europe had proved themselves adept at organising all parts of society. If this could be done for war, then the potential for developing a government geared to welfare provision in peacetime must also be there. Finally, the lessons of war government gave some indication of the nature of a future war. War now encompassed a full range of human activities. The ability to organise and bring under state control large sections of the economy meant that this was now a fundamental part of a state's ability to wage war. This opened up the possibility that there might be economic and governmental means of controlling a state's war-fighting potential through the internationalisation of its economic means to wage a total war. The idea of internationalising the "sinews of war" was to form the basis of the idea behind the European Coal and Steel Community four decades later.

The autocracies of South-East Europe had, from Mitrany's perspective, gone far in demonstrating the potentials of functional government, but the second aspect of Mitrany's work in the region focused on a major reaction against the autocracies and their elites. For Mitrany the changes in land ownership in the Balkans after World War I represented a social revolution as profound as the liberal one that had occurred in western Europe a century before.

Mitrany and the Peasant Revolution in South-East Europe

Growing up in Romania Mitrany had, from a young age, been well aware of the deep splits in Romanian society. No split was deeper than that between its peasants, who made up four-fifths of the population, and their aristocratic landlords. As in much of the rest of the Balkans, landowners dominated the new state that formed with the decay of the Ottoman Empire, and it was of little surprise to Mitrany that with each successful expansion or consolidation of the new state the lot of the Romanian peasant actually declined in real terms as the

³⁶ Mitrany, *The Effects of the War in South Eastern Europe*, p. 99.

aristocracy increased its power. Each “downward step in the peasants’ social status corresponded rather to some moment of recovery in the country’s political status.”³⁷ While Mitrany had still been living in Bucharest in 1907 a widespread peasant uprising had been brutally put down. As Romania tried to come to terms with the economic dislocation caused by the outbreak of war in 1914, continued peasant hostility to war-time government controls did much to strengthen class hostility.³⁸ With Romania’s entry into the war on the Allied side it was the peasants who bore the brunt of the cost, both in lives lost and in the loss of livelihood. The land reforms that began in 1917 in Romania were necessary to guarantee peasant support for the war effort, as what was left of the government fought on in a vain attempt to continue the war after the Russian Revolution had cut it off from outside support. The war, and the needs of war government, was the catalyst for major land reforms that gave the peasantry control of their own land. Although Romania was an extreme case, the land reforms that eliminated the landed aristocracy in Romania were repeated across South-East Europe.

Central to Mitrany’s analysis of the Balkans after the Great War was his view that the land reforms that followed the end of hostilities were a social revolution on the same scale as that of the liberal revolutions in the nineteenth century. The power of the landed aristocracy in South-East Europe had been maintained through the power of the state. With the weakening of the state, and the aristocracy’s role in it, the peasant class and its political organisation had been able to push through expropriation, completely changing the economy of the region from one based on large latifundia to a decentralised peasant-owned agriculture.³⁹ The new power of the peasants brought the countryside into conflict with the cities in a way that had never happened in Western Europe.⁴⁰ There was no major migration of destitute peasants to the towns to provide cheap labour for industrial concerns, and the peasant parties emerged as a serious political force for advancing peasant interests.⁴¹ This conflict between urban and rural was exacerbated by the divergent economic systems at play. Peasant agriculture was based on small-scale labour intensive enterprises, while the cities worked under the industrial capitalist logic of large enterprises employing economies of scale. This capitalist idea that larger is

³⁷ Mitrany, *The Land and the Peasant in Rumania*, p. xxxii. See also Mitrany “Memoir”, p. 48n.

³⁸ This is discussed in Misha Glenny, *The Balkans, 1804-1999: Nationalism, War and the Great Powers*, London: Granta, 1999, pp. 339-340.

³⁹ Mitrany, *The Land and the Peasant in Rumania*, pp. xxv-xxxi.

⁴⁰ Mitrany, *The Land and the Peasant in Rumania*, p. 462.

⁴¹ Mitrany, *The Land and the Peasant in Rumania*, p. xxix; David Mitrany, “Marx v. the

always more efficient had also become an article of faith amongst the socialist and Marxist left. The urban industrial abstract economics of liberalism and Marxism assumed, using industry as a model, that larger capital-intensive farming was more productive, and therefore a more efficient system, for providing those two necessities for industrial development: an agricultural surplus and cheap food for the urban population.⁴² In fact, World War I and other political developments had shown that peasant-owned agriculture, with its low capital overheads and intensive techniques, produced food more cheaply than did the capital-intensive larger factory farms. It turned out that the link to the land, rather than being merely the stuff of mystic poets, was a central part of a highly productive and cost-effective modern agriculture.⁴³ This shift in advantage from the large estate to the peasant farm was also a product of changes in the agricultural market. Changes in taste meant that dairy and market gardening – all of which are better produced by small farms – had become increasingly popular at the expense of wheat, while the opening up of the North American Prairies meant that the latifundia of south-east Europe could no longer compete with the cheaper North American wheat.⁴⁴ All of these developments benefited the peasant at the expense of the old landed oligarchy. The productive efficiency of peasant agriculture could be undermined, however, by the problems of distribution. Peasants lack a serious distribution system. The answer lay in distributive cooperatives, controlled by the peasants but working on a larger scale than they could individually.⁴⁵ “It is an undoubted fact... that small-scale cultivation, assisted by co-operative arrangements, is much more effective for the production of high-quality products than extensive large-scale farming”.⁴⁶

Peasant” in T. E. Gregory and Hugh Dalton, (eds), *London Essays in Economics: In Honour of Edwin Cannan*, London: Routledge, 1927, p. 320.

⁴² See the discussion in “Marx v. the Peasant”. This argument was later expanded into a book fourteen years later – David Mitrany, *Marx Against the Peasant: A Study in Social Dogmatism*, London: Weidenfeld and Nicolson, 1951 – and was the subject of a subsequent programme on British radio – David Mitrany, “Marx, Stalin and the Peasants”, *The Listener* 47 (1952), pp. 455-6. See also: David Mitrany, “Large Scale and Peasant Farming in Eastern Europe”, paper presented at the Conference on European Agriculture, March 1942, p. 1. Mitrany Papers, British Library of Political and Economic Sciences, LSE, London. Reprinted as an appendix to this article.

⁴³ Mitrany, “Marx v. the Peasant”, pp. 366-368.

⁴⁴ Mitrany, *The Land and the Peasant in Rumania*, pp. 572-3; Mitrany, “Large Scale and Peasant Farming in Eastern Europe”, p. 1.

⁴⁵ Mitrany, *The Land and the Peasant in Rumania*, pp. 369-70.

⁴⁶ Mitrany, “Large Scale and Peasant Farming in Eastern Europe”, p. 2.

Mitrany's most comprehensive analysis of peasant agriculture was his 1930 book *The Land and the Peasant in Rumania*, which was also a volume in the Carnegie Endowment series. The book contains two main themes, both backed up by a wealth of statistics on Romanian agriculture and economic development that was unparalleled in the English-speaking world. The first theme is a detailed defence of his view of peasant agriculture and the agrarian revolution in South-East Europe. Here the complete disappearance of the Romanian landed aristocracy and their latifundia is heralded as a crucial change in the economic and power relations in Romanian society.⁴⁷ This positive trend is matched by the second, more negative, one. While the landed elite had disappeared, the members of that elite, fused with the Romanian nationalist middle class, had formed a new urban elite that had worked to undermine the efficiency of the peasant-dominated agrarian sector. With the land now closed to them, this elite turned to industry, and used government policy as a means of taxing the agrarian sector in order to pay for subsidies for their industrial ventures. On top of this, the new industrial elite tried to suppress the prices of agricultural produce in order to provide cheap food for the urban areas. By keeping prices for food low the industrial elite were able to lower industrial wages, while making the peasant farmers pay for the subsidy. According to Stefan Zeletin of the ruling Liberal Party the "unhappy condition of the peasantry [is] a necessary price to be paid for the building of capitalism in Rumania".⁴⁸ *The Land and the Peasant in Rumania* sees a reversal of Mitrany's view of Greater Romania. Rather than settling the issue of social discontent, the establishment of Greater Romania had handed power to an oligarchic elite. Mitrany even mentioned that the peasants from the parts of Romania that had been in the old pre-1919 Kingdom had suffered greater impoverishment than those in the parts formerly under the Hungarians, Austrians and Russians. A strong state had proved to be incapable of providing what the bulk of the population needed, and had instead become parasitic on the Romanian body-politic. This analysis of the state was taken further in a later paper by Mitrany, where he argued that the state had only made sense in a world in which it provided security for an autarkic and self-sufficient community within its boundaries. In the world of the twentieth century the social life had burst the bounds of the state, and consequently the state, as in Romania, had ceased to provide security for the social life, but in fact undermined social relations in an

⁴⁷ Mitrany, *The Land and the Peasant in Rumania*. This was discussed in both the introduction and the conclusion.

⁴⁸ Quoted in Glenny, *The Balkans*, p. 445.

effort to protect itself.⁴⁹ By the time Mitrany wrote *The Land and the Peasant in Rumania* he had become convinced that the state and the state system was running counter to what he called the trend of the times.

Mitrany's discussion of peasant agriculture contained two elements vital to the working out of the logic of his functional approach to international security. The first was that the different functions of the modern human social life did not necessarily follow similar logics. This was the reason that Mitrany spent much of his time attacking what he saw as social dogmatism. The major obstacle, from his point of view, to seeing things as they were – the “relation of things”, as he phrased it – was the assumption that one abstract principle could be applied to all aspects of life. Thus, an economics that had been developed in order to explain and enhance industrial productivity could not necessarily be applied blithely to the very different conditions of agricultural production in a post-grain dependent society. A centralising and totalising system of government or thought was liable to be counter-productive. The individualist assumptions of both liberal and Marxist economics failed to grasp the essence of peasant agriculture, which though based on private property also had a communal aspect that rendered land as simultaneously property and communal social function. Second, the solutions to modern social problems, such as the distribution of peasant produce, required inherently cooperative and function-specific solutions based upon the localised knowledge of those who actually worked within a function. While he clearly opposed the dogmatism that he found in certain aspects of socialism, Mitrany's solution to the peasant problem was itself a form of socialism that rested on the fundamentally anti-statist anarcho-communism of writers like Proudhon (whom Mitrany admired), and fitted well with the guild socialism of such British Labour Party stalwarts as R. H. Tawney, G. D. H. Cole and Harold Laski. The answer was collective and cooperative structures, but ones that were developed on a voluntary basis and as a response to specific technical problems facing people in specific functions.

The Functional Lessons of the Balkan Experience

Thus Mitrany drew a number of lessons from his study of South-East Europe. First, in both the war government and in the management of peasant land the means of production were treated as a social function, which was a major break

⁴⁹ David Mitrany, “Memorandum on Studies in International Relations”, unpublished paper, dated 1933-4. Mitrany Papers, British Library of Political and Economic Sciences, LSE, London.

with the old *laissez faire* liberalism of the nineteenth century. In both cases it also showed Mitrany that there was an alternative to the dichotomy between capitalist concepts of property and the idea of the nationalisation of the means of production. Public control could operate, while property remained in private hands. Equally important, both war government and peasant agriculture were systems that only worked effectively when the question of efficiency of production was combined with the issue of need fulfilment. The economic measures associated with war government broke down if distribution was also not properly managed, while the productivity of peasant agriculture was wasted without an efficient distribution system. Second, the development of war government demonstrated that government institutions, whether state organised or not, could manage the economic life of a society. If government could marshal the resources of a society in wartime, why could it not do it in peacetime? Third, different functions in society worked under different logics, and the best people to understand these logics were the people who worked within the functions, whether as producers, distributors or consumers. This contradicted both the old liberal idea that the same abstract *laissez faire* principles could be applied across all of society, and the prevailing Marxist logic that applied similar abstract principles to all modes of production. Fourth, in a world where the social life is trans-national, the state becomes parasitic on its society, rather than protective. Nowhere was this clearer than in the Romanian state's behaviour towards its peasant agriculture. The attempt to create a controllable national industry actually undermined the efficient peasant-based rural economy. Fifth, for functional government to be stable it needed popular input and popular control. Mitrany later developed this into his idea of functional democracy, where he proposed that the control of functions should rest with those who are involved with it. This was an important part of his proposal for a Danubian River Authority.⁵⁰ Finally, the nature of war had expanded to the extent that the capacity to wage long and sustained hostilities relied now on the ability to organise an effective war economy. The flip side of this was that removing the ability to organise a war economy could be a more efficient means of preventing future wars than military disarmament.

All of these six lessons were central to Mitrany's later functional approach to international security. Basically, the functional approach was a means of achieving a peaceful system of international security that avoided the pitfalls of the institutional and federal structures proposed by others. Attempts during the

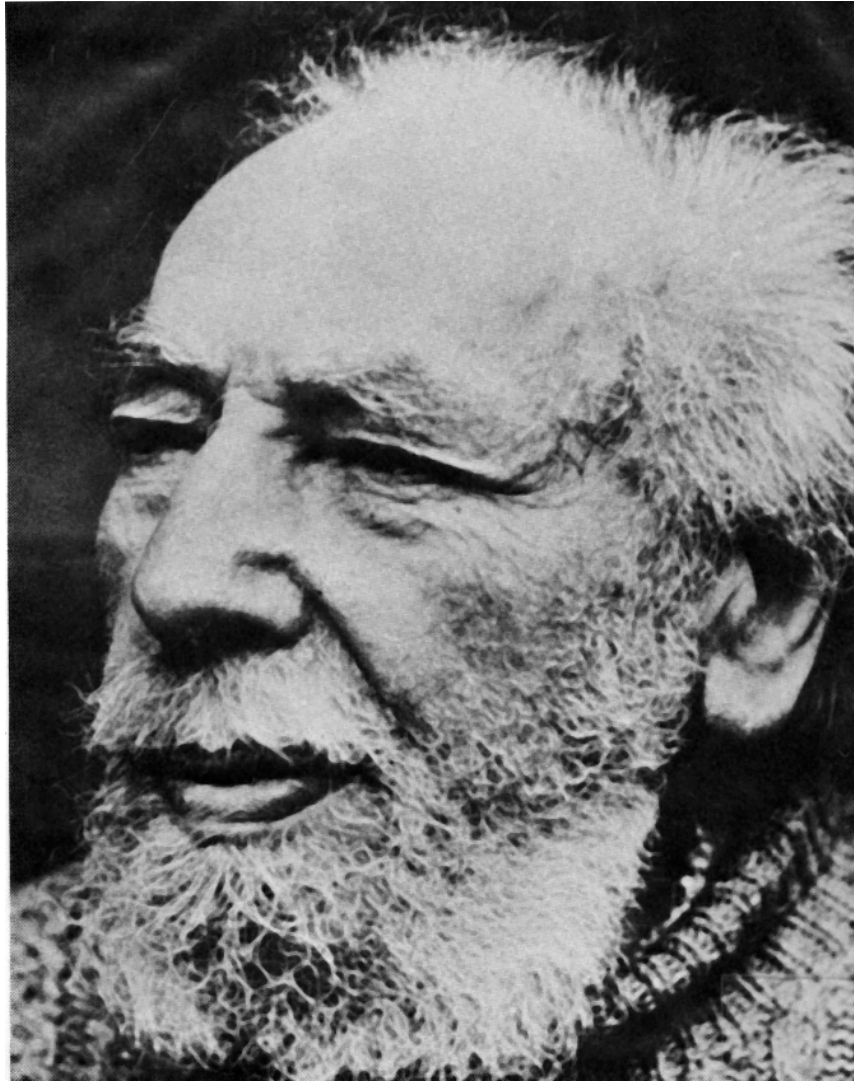
⁵⁰ See, for example, David Mitrany, "The Functional Approach to World Organization", *International Affairs* 24 (1948), pp. 350-363.

inter-war period to develop a collective security system through the League of Nations had foundered on the inability of state representatives to agree on an adequate system of arbitration, sanctions and disarmament.⁵¹ Federalists had suggested a world federation as an alternative, but while sympathetic to their aspirations, Mitrany pointed out the severe weaknesses in the federal project. Larger federal states failed to deal with the twin problems of a globalised world and the war-proneness of a state-based system of organisation. Instead they merely created larger states. It was his work on South-East Europe that provided Mitrany with many of the concepts that he used in his functional approach, and in turn it was the functional approach that had an important influence over the development of both European integration and much of the ideology behind the specialised agencies of the United Nations. Because the functional approach concentrated on the role of the myriad of technical functions, it became common in the West to argue that Mitrany's work was fundamentally about economic relations, and that he had no theory of government.⁵² What is clear from an analysis of his work on South-East Europe is that, on the contrary, it was government that was always central to his analysis. The functional approach was always a theory of government, but it was not necessarily a theory of state government. Mitrany's experience of the problems of government in South-East Europe had alerted him to the potential of forms of government that were not necessarily state-based. To the extent that it was Balkan experiences that had alerted Mitrany to some of the possibilities of functional government, then it is legitimate to claim that, far from being the powder-keg of Europe, it was the Balkans in Mitrany's view that (potentially at least) held the key to developing a working peace system for the world as a whole.

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⁵¹ Mitrany had written on the necessity of effective sanctions in any working system of collective security. The failure of League sanctions in 1931 and 1936 played a major part in Mitrany's abandonment of collective security in favour of the functional approach. David Mitrany, *The Problem of International Sanctions*, London: Humphrey Milford/Oxford University Press, 1925.

⁵² The main source for this view is almost certainly the neo-functionalist Ernst Haas. See especially his *Beyond the Nation State: Functionalism and International Organization*, Stanford: Stanford University Press, 1964; and *The Uniting of Europe*, Stanford: Stanford University Press, 1958.



David Mitrany.

Source: D. Mitrany, *The Functional Theory of Politics*, London: LSE and Martin Robertson, 1975.

LARGE SCALE AND PEASANT FARMING IN EASTERN EUROPE

Dr D. Mitrany

In the Communist Manifesto the new socialist current had already demanded the nationalisation of the land and its cultivation in large units upon a "Common plan", by means of "armies of Labourers." To Marx and Engels this was not so much a political programme as a historical decree. Concentration in ownership and production was proceeding irresistibly in industry; and viewing that accumulating tide from the vantage point of the Reading Room of the British Museum, Marx never doubted that what was true for industry was bound to be true for agriculture too. Nor were the Socialists distressed by this. The old peasant subsistence economy was, in their view, of no use for the modern industrialised state. With this view the classical economist concurred fully. The economists of course stood for private ownership and for private profit; but for the rest they wholeheartedly agreed with the Marxians in looking upon the extinction of peasant agriculture as something if not immediately possible, at any rate inevitable and perfectly desirable.

That likeness in outlook between Marxist and classical economists still holds good of our time. It was part, then as now, of the same climate of opinion. Large units of operation were taken without questioning to mean greater and better production, and production was the glittering goal upon which all their eyes were riveted. The issue of large v. small in agriculture is a complex one, largely technical, and I am not here to debate its theoretical points. My port is to enquire briefly as to how it applies to the peasant countries of Eastern Europe. The general views of western economists on the working and problems of eastern agriculture, and on the substantial land reforms carried through in those parts between the two world wars, have been guided by the same dogmatic subjection to the fetish of large-scale production; in being so guided they have gone hopelessly astray. Their judgment of peasant agriculture has rested on a historical inconsistency, on an economic fallacy, and on a social delinquency.

(i) The historical inconsistency was to assume dogmatically that the demand for wheat during the rise of the new industrial centres must be the

determining criterion for judging agricultural organisation and production – cereal growing being a speciality of large farms. Subsequent developments showed that the demand for wheat is inelastic; moreover, and especially, that it could be amply satisfied from the great wheatlands overseas, the opening up of which has affected this type of European agriculture disastrously.

(ii) The economic fallacy was to assume that large-scale production was an infallible criterion of efficiency. Since the depression this has come to be questioned even for industry. In agriculture it has always been uncertain, bound by many technical limitations. And in relation to the peasant countries of Eastern Europe it was definitely false. Large-scale production means in effect not only big in extent but also deep in intensity; in other words, it is a three-dimensional measure. In the peasant lands it was, and still is, two-dimensional; the large estates were cultivated in the same way as the peasant holdings, and indeed mostly by the peasants with their own animals and implements and seed. (That explains in fact the concentration on cereals, as other crops would have required more means and knowledge and care.) Moreover, large-scale agriculture in those countries, with few exceptions, could maintain itself only as long as it could command semi-servile conditions – in regard to labour, to economic favours and to administrative privileges.

(iii) Finally, the quantities which through such abusive conditions were made available for export were never true surpluses. Exports from old Russia as from Rumania have always been starvation exports, obtained by depressing through fiscal and other means the standard of living of the peasantry to the point of severe and chronic under-nourishment.

Be that as it may, certain fundamental changes in conditions and outlook have utterly upset those premises, erroneous as they were, upon which the Marxian and the classical economists based their agrarian judgment.

(i) From the purely economic standpoint the opening-up of the rich overseas wheatlands have made it impossible for European agriculture to compete on terms of equality in the wheat market.

(ii) But since the depression the general outlook has shifted greatly. The general concern is not so much with production, which we now

can increase almost without limit, but with distribution – not with trade and profit, that is, but with social security. This gives us the true meaning of peasant farming – for the peasant. To him it is the equivalent of the many life-lines which in the West the State has had to throw to the derelict industrial workers, and an equivalent which in his view rests on better material and moral foundations.

(iii) Moreover, the same change in outlook has caused the agricultural problem itself to be considered first of all from the social angle. Especially in the last year, under the farsighted and generous guidance of President Roosevelt and Vice-President Wallace, the problem of agricultural reorganisation is being studied from the standpoint of nutrition. This has brought out the fact that even in the United States, not to speak of the countries of Eastern Europe, there is everywhere a serious shortage of “protective” foods. Recent calculations for Rumania, for instance, have shown that its agricultural production would have to be increased all round (with the one exception of maize) by anything from 100 to 400 per cent to provide even the minimum requisite diet for its population, without anything being left over for export. It is an undoubted fact, to which even Soviet policy has had to adjust itself, that small-scale cultivation, assisted by co-operative arrangements, is much more effective for the production of high-quality products than extensive large-scale farming; so that even from the economic standpoint the peasants stand to come into their own again.

(iv) There is one final aspect of this issue which reaches into the political field, with an important bearing on the war and reconstruction. The alternative in Eastern Europe to a peasant agriculture, intended to satisfy above all the nutritional needs of the population concerned, is an agriculture directed towards mechanised farming and concentrating on certain staple products for export. That is the idea that inspires the Nazi “New Order” for Europe. It wants to achieve a European self-sufficiency “which is to make the Continent immune against the threat of blockade for ever”. The two ideas are therefore to make Europe self-sufficient, with the gradual exclusion of overseas wheat from the European market, and to do so in the interest not of the Continent’s nutritional needs but of its military strength. In the light of such intentions the present discussion acquires an importance vastly beyond its local limits. For the converse of the Nazi ideas means that in the measure in which Eastern Europe, especially, is organised on a peasant basis, the agricultural war potential of

the Continent would be kept in check. And it also means that co-operation with the overseas grain countries, on the basis of a more rational division of labour in agriculture, in the light of the new demand for a greatly increased supply of protective foods, could only be reached through the development of mixed peasant farming in Europe.

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