Rural Azerbaijan through Quantitative and Qualitative Research Lenses: Debating the Transition to Small Farm Capitalism*

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ABSTRACT This article examines agrarian relations in post-Soviet Azerbaijan after redistributive land reforms. We argue that the reforms failed to establish small-farm capitalism on former collective and state farm land. Commodity production in rural Azerbaijan is characterized by increasing concentration of land and capital, and the recipients of the privatized land shares procure livelihoods not through commercial farming, but through a combination of strategies—including wages, remittances from migrant relatives, and subsistence agriculture. This study is based on the combination of state statistics, government reports, and local ethnography—in-depth interviews with land reform administrators and with rural residents in six diverse villages from two distinct regions of Azerbaijan. Previous studies of post-Soviet transition in rural Azerbaijan reported different results of the land reforms. A quantitative account based on the state statistics reported a postreform countryside where small farmers, former collective and state laborers, live off their privatized land shares and increase agricultural productivity. A qualitative account based on local ethnography suggested that the privatized land shares play a marginal role in the livelihoods of local residents. We show how the discrepancy is illusory and stems from an erroneous, legal definition of “small farms” used in the state statistics, which conflates socially distinct categories of land use. When the statistical terms are put into their social context, the quantitative data confirm the qualitative findings.

Introduction: Land Reforms and Transition to Small-Scale Agrarian Capitalism

Achieving production efficiency and redistributive justice in the countryside are issues of concern for rural economists and social scientists. Small, family-farm-based capitalism is one model posited as a solution to these issues and a superior path to rural economic and social development. Agrarian capitalism is a system characterized by “generalized commodity production” (Bernstein 2002:433)—agricultural production for

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the market (Wood 1999). Some argue that organization of this agricultural commodity production on small, family farms versus large agricultural enterprises propels a more efficient distribution of rural resources and promises to eliminate poverty, especially in labor-abundant developing countries (Berry and Cline 1979; Deininger and Feder 1998; Griffin, Rahman Khan, and Ickowitz 2002, 2004). These propositions have been challenged both theoretically and empirically with cross-country data (Byres 2004; Dyer 2004; Kitching 2004; Sender and Johnston 2004).

Nevertheless, the small-scale family farm has been embraced as the ideal commodity production unit in the countryside, by what Bernstein (2002) has called the “classic bourgeois” and “populist approaches” to agrarian capitalist transition. The last “new wave” of agrarian reforms in the Global South—involving land redistribution and clearer land titling and ownership policies—have been carried out with the goal of establishing such small-scale, family-farm-based agrarian capitalism (Bernstein 2002).

Market reform proponents have argued that this new wave of land redistribution provided the rural poor access to land: Many more could now own or rent land. Contenders have pointed out that land is not a sufficient condition for a transition to commodity production, that factors such as the supply of other inputs and access to credit and marketing are as crucial. Examination of the new wave of land redistribution suggests that clearer land titling and ownership have not always resulted in the rural poor cultivating the land, that the rural poor have been “just as likely to rent out land that they possess, as to rent in land to farm” (Bernstein 2002:454).

The countryside of the former USSR was a historic testing ground for different conceptual approaches to optimal land-use models and the transition to agrarian capitalism, after the collapse of state socialism. In the Soviet Union, land was cultivated on large collective and state farms. In the post-Soviet age, what would be the best way to organize and use the former state and collective farmlands? The questions of optimal farm size and commodity production models stood before the politicians and economists across the postsocialist space at the onset of the transition. The relative merits of individual, small farming were cited by the proponents of decollectivization (Dudwick, Fock, and Sedik 2005). Post-Soviet states’ conclusions were not uniform: Some, such as Russia and Kazakhstan, retained the large farms; others, such as Azerbaijan, opted for the individual redistribution of the land (Dudwick et al. 2005; Wegren 2008). Azerbaijan was praised for its commitment to the market model, and was called a “star performer” of the capitalist transition in the post-Soviet space (Aslund 2007). This article examines the results of post-Soviet Azerbaijan’s rural reforms.
Azerbaijan’s Land Reforms and Transition to Small-Farm Capitalism

Azerbaijan’s rural transition model aimed to balance the country’s emphasis on a crude oil production strategy. The country had been predominantly agricultural under the USSR (Lerman and Sedik 2010). After independence, Azerbaijan adopted a petroleum-extraction-based development strategy with the advice of the World Bank and the International Monetary Fund (Rzayeva 2013). As investments flowed to the petroleum-extraction sites near the urban capital, Baku, the countryside stagnated (Rzayeva 2013). The torpor of the former state and collective farms—the main rural employers—without alternatives in place meant massive rural unemployment and poverty (Rzayeva 2013; Thurman 2004). The government adopted redistributive land reforms to address the imbalance between urban, petroleum-oriented development and rural stagnation. The World Bank, an ardent advocate of the small farm approach, assisted Azerbaijan’s privatization and redistribution of former collective and state farmland area and property to individuals as a gateway to rural stability and prosperity (Dyer 2004; Thurman 2004). High hopes were placed on the economic and social effects of establishing small-farm capitalism in rural Azerbaijan, as the country embarked on the World Bank–assisted farm privatization.

What were the results of this small-farm capitalism experiment in the acclaimed star performer of postsocialist transition? To this, interestingly, there was no uniform answer.

Two books, both published after the reforms, in 2010, provided very different accounts. *Rural Transition in Azerbaijan*, by Zvi Lerman and David Sedik, drew from the Azerbaijan State Statistical Committee reports and World Bank surveys in rural Azerbaijan. We call this “the quantitative account.” It painted a picture of a countryside where small farmers, former collective and state farm laborers, now live off their privatized land shares, driving up agricultural productivity.

Lale Yalçın-Heckmann’s *The Return of Private Property: Rural Life after Agrarian Reform in the Republic of Azerbaijan* was based on ethnography in one village in the Shamkir region, and painted a different picture. We call this “the qualitative account.” The main question investigated in the book was: “Why do rural residents not cultivate the land that they received for free during the reforms?” The ethnographer observed that the role of the privatized land shares in rural residents’ lives is marginal. Predominantly, rural livelihoods are made through nonagricultural, petty commercial activity. Yalçın-Heckmann questioned whether the private ownership of the former collective and state farmlands can thrive without stronger market and economic support.
There was a brief encounter between the two accounts in 2012. One coauthor of the quantitative account argued that the qualitative study conclusions were limited to the study site, Tazakand village; therefore, they could not be generalized to Azerbaijan at large (Lerman 2012). Everywhere else in rural Azerbaijan, the critic contended, former collective and state farm workers, now small farmers, lived off their privatized land shares as shown by the quantitative data (Lerman 2012).

Did the land reforms establish small-farm capitalism in Azerbaijan’s countryside, as claimed? Does agricultural commodity production on small, family farms characterize livelihood making in rural Azerbaijan? Why did qualitative and quantitative approaches produce radically different answers to this question? These are the questions addressed in our article.

These questions are addressed through the following subquestions: How do rural residents make ends meet in postreform rural Azerbaijan? How do they use privatized land shares? How much do the land shares from former collective and state farms contribute to rural household incomes? How are agricultural commodities produced in rural Azerbaijan? What social relationships characterize this commodity production? What historical processes shape the social relations of agricultural commodity production in post-Soviet rural Azerbaijan?

**Methodology**

Our data are based on the combination of archival and qualitative research, juxtaposed with the state statistics.

During the archival research, we chronologically analyzed the laws and legal decrees on land use passed in Azerbaijan’s post-Soviet history, including the 2002 book *Azerbaycanda Torpaq Islahati: Huquqi ve elmi-ekoloji meseleler* (Land Reforms in Azerbaijan: Legal and Scientific-Ecological Issues) by the chief land-reform executive, the chair of the State Land and Mapping Committee Garib Mammadov.

During the qualitative research, we conducted in-depth interviews with three distinct respondent groups: (1) government officials directly responsible for the land reforms at the national level,\(^1\) (2) government officials, and (3) rural residents. Among our eight public official interviewees was Garib Mammadov, the chair of the SCL, who headed the reforms from their inception, under former president Heydar Aliyev in 1995 to their completion, under current president Ilham Aliyev and chaired the SCL until its dissolution in 2015.

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\(^1\)Two types of government agencies were central in the implementation of Azerbaijan’s land reforms: the State Committee for Land (SCL), specifically created for land reform execution, and the local executive governments in the rural regions. We asked government executives to narrate the successes and difficulties of implementing the reforms. Among our eight public official interviewees was Garib Mammadov, the chair of the SCL, who headed the reforms from their inception, under former president Heydar Aliyev in 1995 to their completion, under current president Ilham Aliyev and chaired the SCL until its dissolution in 2015.
Debating the Transition to Small Farm Capitalism — Rzayeva and Rzayev

officials responsible for implementation of the reforms at the local level,\(^2\) and (3) rural laborers from six villages across two rural regions.\(^3\) In our interviews with the last respondent category—rural laborers—we sought the cohort who could compare livelihood making under the USSR and now, thus the ages of the respondents ranged from 40 to 82.

The first two groups of our respondents were upper-class—government officials, with a political stake in the system. The third group of our respondents consisted predominantly of manual laborers—those at the bottom of rural Azerbaijan’s class hierarchy. By collecting narratives of rural reforms from distinct groups of respondents—on the one hand, from the representatives of the ruling class and rural elite (the government officials at the national and local levels), and on the other hand, from the representatives of those at the bottom of the rural social hierarchy—we hoped to capture views of livelihood making and economic transition in Azerbaijan not defined by a particular class experience. Scholars have argued that a person’s experience of social reality is always from his or her place in the social hierarchy (see Hartsock 1983). Those at the bottom of a social hierarchy experience subordination, exploitation, and other forms of power relations directly. Thus, for example, it would be harder for a worker in a capitalist society to see that society only in terms of demand, supply, and competition. These terms (supply, demand, and competition) would suffice to a much greater degree for a middle-level entrepreneur as a description of the social reality in which his work and life takes place.

In our efforts to balance class-based perspectives of the agrarian transition we discovered another dimension: gender. Our respondents in the third category were mostly female manual laborers of former collective and state farms. The reason for this was the gendered division of labor in agriculture in the USSR: Manual laborers in Soviet agriculture were predominantly females (Gal and Kligman 2000; Zhurzhenko 2001a, 2001b, 2004). They performed manual, repetitive farming tasks deemed unfit for the men, who operated farm technology, dispensed scientific knowledge of plant and animal health, and performed administrative responsibilities.\(^4\) Gendered division of labor characterized not just agriculture

\(^2\)Officials of local executive governments and the SCL representatives in the study sites: two rural regions, Shamakhy and Lankaran explained below.

\(^3\)These are explained in the “Site Selection” section below.

\(^4\)Female laborers were at the bottom of the social hierarchy in the former state and collective farm division of labor under the USSR. A category of workers below the female manual laborers consisted of school children and older students taken to the farms for seasonal work at harvest time.
but the Soviet economy as a whole, and was called a driver of its industrial growth by some commentators (Zhurzenko 2001a, 2001b, 2004).

Thus, although our research questions were not centered on gender, our class-based sampling strategy had a gender dimension as its by-product: the respondents in the first two categories—government officials and reform implementers—were not only upper-class but also exclusively male. The respondents in the third category—rural laborers—were predominantly female.5

Site Selection

We conducted interviews in six villages in central and southern Azerbaijan: four villages in Shamakhy and two in the Lankaran-Lerik region (Figure 1). The two regions differ in population density and land-share sizes.

Figure 1. The study sites of the rural interviews, Shamakhy (center right) and Lankaran-Lerik (lower right). [Colour figure can be viewed at wileyonlinelibrary.com]

5With the exception of two elderly males, former brigade managers in the USSR, currently pensioners—whom we contacted at the request of our laborer respondents. The female respondents urged us to interview them, “to see a confirmation” of their (female laborers’) narratives. Although to us the narratives of the female laborer respondents were equally authoritative as the narratives of the male former brigade managers, we interviewed the two men as requested.
Lankaran is the most densely populated rural area in Azerbaijan. It has Azerbaijan’s smallest land share sizes per person distributed during the post-Soviet farm decollectivization. Bordering Iran in the south, Lankaran has a humid, subtropical climate conducive to the cultivation of citrus fruits, tea, and garden vegetables like tomatoes and cucumbers, and was a chief supplier of these products to Moscow under the USSR. Shamakhy is located in the central, Shirvan area of Azerbaijan. Post-Soviet privatized farmland share size in Azerbaijan is the national average. Shamakhy is far from Azerbaijan’s borders with neighboring countries.

The villages selected from each region also differed widely. In each region, we studied one village close to the central town, well connected to the central highways, and one remote mountain village, cut off from its surroundings for most of the year. We call these remote villages “subsistence villages” throughout the article. In addition, we studied two more villages in Shamakhy with distinct geographic and socioeconomic characteristics. One of these is a popular summer residence for the upper middle class from Baku and the regional center. The population here triples in the summer due to seasonal residents. We refer to it as “the resort village.” The last of our sites was a village with a school, health clinic, and kindergarten serving surrounding villages. We call it “the public services village.” We chose research sites with very different livelihood-making strategies in order to observe commonalities regarding land use. We believed that the commonalities with regard to land use observed in such different locations would be more likely to be found elsewhere in Azerbaijan as well.

The interviews with rural laborers were organized around three open-ended questions. We asked them (1) about themselves, their families, and how they were currently earning a living; (2) how they had earned a living during the Soviet period; and (2) how they came from the Soviet occupation to their current situation. This structure was intended to build the history of the passage from the Soviet period to the present. Land shares were not mentioned by the respondents as they narrated how they make a living, so we found ourselves asking specifically about land-share use in interview after interview.

Interviews were coded and common themes across the six different villages identified. In five of the six villages, land shares received during the reforms were not cultivated by their owners. This was also reported to be the case for “others in the village”—villagers not interviewed. In the village where a reported 50 percent of the respondents did cultivate their land shares for government-subsidized wheat production, in the
public services village, the contribution of the land share to the family income was marginal, as we show in detail.

We conducted in-depth interviews with 22 women from four villages in Shamakhy and with 24 women from two villages in Lankaran-Lerik (Table 1).

Although the number of interviews is small, these numbers should be interpreted in the context of the purpose and nature of the research project. While “the aesthetic thrust of sampling in qualitative research is that small is beautiful,” sampling in qualitative research, as in quantitative research, should be commensurate with the purpose of the study and with the nature of the information sought (Sandelowski 1995:180). The purpose of the interviews was not to produce a statistical generalization about rural Azerbaijan, but to capture description-rich accounts of transition livelihood strategies and adaptations from socioeconomically distinct rural locales that could provide pointers for historical commonalities and guide a historical analysis of post-Soviet rural transformation in this country. Our assertion that the land shares are predominantly not cultivated in post-Soviet Azerbaijan stems not from the size of our sample but from juxtaposing our findings with the statistical data.

Once the nonuse of privatized land shares became a clear commonality expressed in the responses across six very different villages, we probed into the statistical reports. We revisited the data used by the quantitative narrative of Azerbaijan’s rural transition. We located and interviewed three public officials responsible for land-use data on Azerbaijan’s State Statistical Committee and in the Ministry of Agriculture. Findings, which we share in this article, show that commodity production on individualized land shares is not how livelihoods are made in rural Azerbaijan. Livelihoods are made through a combination of strategies, including wage labor, and reliance on state payments and migrant remittances. Agricultural commodity production in rural Azerbaijan is taking place on

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<thead>
<tr>
<th>Village</th>
<th>Total No. of Households</th>
<th>No. of Women Interviewed</th>
<th>Percentage of Total No. of Households Represented among Interviewees</th>
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<tr>
<td>S1</td>
<td>50</td>
<td>7</td>
<td>14</td>
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<td>S2</td>
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<td>5</td>
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<td>S3</td>
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<td>18</td>
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<td>L1</td>
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<td>2.2</td>
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<td>L2r</td>
<td>12</td>
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<td>17</td>
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Note: S = Shamakhy village; L = Lankaran-Lerik village; r = remote mountain village.
larger and larger land holdings. One product that is massively cultivated on smaller parcels of land—wheat—has a negligible contribution to household incomes, and does not justify a description of rural Azerbaijan as family farm capitalism. The quantitative report of small-farm capitalism in Azerbaijan’s countryside rests on treating fundamentally different categories of land—land shares and household plots—as essentially the same. Once these two categories are separated and understood in their social context and in the light of the Soviet history, Azerbaijan’s success in achieving small-farm capitalism is debatable.

How This Argument Is Organized

We start by providing a background to land reforms in Azerbaijan and explaining different land-use categories—land shares and household plots—in the post-Soviet countryside. Then we present reports from the rural interviews describing (1) livelihood strategies, (2) use of privatized land shares, and (3) agricultural commodity production in each studied region. Readers will walk through the cultivation of three agricultural commodities in rural Azerbaijan: garden vegetables (tomatoes and cucumbers) in Lankaran, grapes and wheat in Shamakhy. These commodities are cultivated through very different labor-capital arrangements, and we look at the historical constellation of events and processes shaping these relations. After this, we describe livelihood strategies and land use in non-commodity-centered, subsistence villages from the remote mountain areas of Lankaran and Shamakhy. Livelihoods in these communities are not based on commodity production. Finally, we ask why quantitative and qualitative approaches differ in their conclusions regarding the establishment of small-scale capitalism on the privatized lands of the former Soviet farms in rural Azerbaijan, and argue for putting the land categories used in the state statistics in their proper historical and social context.

Findings

Post-Soviet Land Reforms

Azerbaijan started implementing post-Soviet land reforms in 1996. By December 1, 2006, of the 3,438,625 persons entitled to land shares, 3,420,778 (99.5 percent) had received their shares in actuality and in documentation (interview with Garib Mammadov, former chairman of the State Land and Mapping Committee, 2009). This involved the liquidation of 2,032 collective and state farms in the country (Mammadov interview).
The land of the former Soviet Socialist Republic of Azerbaijan was divided into state-, municipality-, and privately owned land with the post-Soviet reforms.

As explained in the law On Land Reforms, privately owned land comprised (1) the land areas of houses and yards (household plots), and (2) the shares from the former collective and state farm—kolkhoz and sovkhoz—lands. These two forms of privately owned land are referred to as (1) the household plot (heyetyani torpaq) and (2) the land share (torpaq payi or pay torpagi) in regulatory documents and state statistics.

The first type of private land, the household plot, in the rural areas includes one’s house and adjacent land (front yard and backyard). Since Soviet times, household plots have been used to grow garden vegetables and fruit trees and to keep a few chickens and dairy animals. Under Soviet law, the household plot was legally owned by the state; hence the excesses of household production were taxed. The land reforms privatized these household plots, passing their ownership from the state to the users.

The second type of private land, the land share, is a share of former kolkhoz’s and sovkhoz’s cultivation area. Land shares can only be used for agricultural purposes as decreed by the law. Land-share sizes in a region were determined by dividing the kolkhoz’s or sovkhoz’s land area by the number of people working there at the time of the collapse. Land shares were distributed free of charge under the law On Land Reforms and were designed to be an equalizing element of the land reforms. The privatization of household plots had carried over the owners’ Soviet-era social status: households with larger plots got to keep them, and households with smaller plots did not get any more at the expense of their neighbors. Land shares, in contrast, were equalized: Land-share sizes were the same for everyone in a given kolkhoz or sovkhoz area. Unlike the household plot, the land share of an individual is not just outside his or her door; it is often several miles away.

Privatization of household plots meant transferring the title for a house and yard from the state to the family that had been using the land. Privatization of kolkhoz and sovkhoz lands as land shares meant the addition of a new, much larger chunk of land than a household plot to household disposition for private use.

During our open-ended interviews in rural Azerbaijan, we were surprised that our respondents did not mention land shares as a source of income when narrating how they made a living. These interviews were taking place after the completion of what is regarded as the most successful land decollectivization process in the former USSR. The lands of the former collective and state farms had been divided among the rural
population, and all interviewees had received their land shares several years earlier. Yet none mentioned land share use when narrating how they make ends meet. We had to ask about the shares explicitly. These questions showed that the land shares were not central to rural livelihoods. In the following sections, we share how rural laborers make ends meet, how land shares are used, what relationships characterize agricultural commodity production in each of the regions we visited, and how these relationships shaped the post-Soviet period.

**Lankaran**

**Livelihood strategies.** The Lankaran-Lerik area is famous for its highly productive, rich red soil. Yet the rural respondents in this region described nonfarm livelihood strategies during our interviews: One maintained a teashop, another a billiard place for the village men. Several were peddlers bringing small goods from Iran; they complained of the rudeness of the border officials. The elderly relied on state pensions. Remittances from emigres were central to livelihoods: all respondents had at least one emigrant relative in Russia who “helped” with larger expenses such as children’s education, health crises, and weddings.6

**Land share use.** Our question about the land shares, “Did you receive your land share from the collective farm privatization?” was often followed by dismissive hand gestures indicating the insignificance of the new property addition. How did the interviewees use the shares? “I tie my cow there [for pasture],” one woman said. Others reported leasing the land out. The lease price for a land share was not high: 60 manats paid yearly, 5 manats per month—the monthly lease price for a land share provided around 4 percent of the minimum needs for an adult.7

**Commodity production: Garden vegetables.** All the respondents in one village, with the exception of the elderly pensioners and one health-impaired middle-aged woman, worked as seasonal wage laborers on a local garden vegetable farm operated by a former collective farm manager. The farm produced tomatoes and cucumbers and shipped

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6 According to our respondents, Russia was a strived-for university destination for many students from Lankaran in the 1980s, who settled there after receiving their diplomas. These early migrants formed networks and after the breakup of the USSR, provided “hold-on points” and initial placement support for the new post-Soviet wave of young males from Lankaran.

7 Five manats equaled seven US dollars at the time of the interviews. The same year, the minimum consumer basket for one adult was calculated at 164 US dollars per month by Azerbaijan’s Center for Economic Research (“Azerbaijan’s Minimum Consumer Basket” 2010).
them to the capital city, Baku, as well as to Russia. The farm operated on partially leased land. Some of this land belonged to the seasonal wage laborers themselves: They had leased it out to the farm manager. Why did the landowners not cultivate their own land received during the privatization, but instead lease it out and work as seasonal wage laborers on it? The relationship characterizing garden vegetable production in Lankaran was a curious historical by-product of the rural social stratification inherited from the USSR.

One aspect of social stratification in the USSR was the tense relationship between the collective farm managers and rural laborers: The authoritarianism of the managers was a reality of Soviet rural life (Abramov 1963; Bradley 1971; Wilson 2002). During the breakup of the Soviet Union, when Soviet-wide supply networks collapsed, the former farm managers were central in keeping the production and income flowing to the rural areas. In this interim period, when the old system was not functioning and the new one not yet established, some collective farm managers, or brigade heads in Lankaran, leased land (podrat) from their government farm to continue agricultural production; to ensure jobs for the workers; and, according to some respondents, to enrich themselves. The podrat entrepreneurs hired the employees of the former kolkhoz on the agreement to pay them from future profits of the podrat. The podrat manager assumed the task of finding buyers for the produce and organizing its delivery, mostly to Russia, but also to Baku.

The arrangements, however, did not work out smoothly most of the time. The early 1990s were a fragile and chaotic period in the transitioning Soviet–post-Soviet space. Business transactions were risky, even within any given former USSR republic. Transborder shipments were vulnerable to lawlessness and seizure, especially in the northern Caucasus, where the Azerbaijan-Russia border lay. Shipments of vegetables could be kept at the border in open trucks for days, leading to high spoilage. The women workers of a podrat brigade were to be paid after the produce was sold, and very often they went without pay, with the podrat manager claiming that there had been no gain.

The women interviewed for this research in Lankaran viewed their pay from the podrat system as the product of their labor doled out to them, or often denied on the grounds of “unsuccessful sales.” They believed

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8Soviet ideology glossed over the actual social inequalities by emphasizing the common goal of building communism: “everyone toils for the same common goal from their different position.” The social tensions between the Soviet farm laborers and administrators were downplayed and explained as necessary and “temporary hurdles on the road to communism.”
that the *podrat* managers made profits from the sales, even after all the losses: “Otherwise they would have no interest in doing this again year after year,” said one interviewee.

After the privatization of land, the *podrat* managers offered to lease the land plots now owned by the female brigade workers. But as one interviewee, a former *podrat* worker, said, “Cultivating my own land was a cherished dream.” As soon as they had legal control of the land, these female laborers mobilized their households to do what their *podrat* managers had done—produce vegetables to sell in Lankaran city and in Baku. With the privatization of land, the women could be their own managers, or so they hoped.

The work was hard. The women described plowing and sowing the land share completely manually, “fuelled only by motivation,” in the first two years after its receipt. “Our dreams kept us going,” said one interviewee. She recalled how her son, who was of military-service age in the first year of their land-share receipt, begged the officers at the regional military-drafting center for a few months’ delay so that he could help his family to collect harvest from the land share. Another described how they borrowed money with their very meager incomes and “cut from their half-empty stomachs” to rent a truck to take the first harvest of tomatoes and cucumbers to the city. Economic self-sufficiency, depending on nobody but their own land and labor—this was the dream and hope driving the women’s sacrifices and motivation.

However, the dream was difficult to realize. Brigade managers had relevant retail connections and knew how systemic corruption worked. The female laborers, unlike *podrat* brigade heads, were inept at bribery, and their produce could be kept for days by road post officials for “bureaucratic” reasons. The women also lacked access to the retailer networks that would guarantee the purchase of their produce. Cucumbers and tomatoes spoil fast. They could not sell the produce fast enough, or arrange appropriate storage at their destination to prevent spoilage. Their inability to do what brigade managers did was a bitter realization. For some it took a year of trying. For others, it took longer, but the unprofitability of the endeavor was clear, and all gave up.

Eventually, the land was leased out to the original brigade managers, and the owners were hired as seasonal laborers on their own land. In the absence of market access and market knowledge, the covert class relationship of Soviet rural society was reestablished in a different form in post-Soviet Azerbaijan. The managers were confirmed in their potency over landowners-laborers as the ones who could make the land pay. The new landowners were hired as seasonal laborers on own land, but their
livelihoods were made through a combination of various strategies, including remittances, petty trade, and state payments and pensions. Receiving the land shares was not enough to turn rural residents into small farmers who earn their livelihood from their farm. Leasing out the land shares added a negligible amount to the family income. Thus, the land share was devalued in the eyes of rural residents in Lankaran. This is why they did not mention it when narrating their livelihood strategies and dismissed it with the wave of a hand when reminded. In contrast to the shares, household plots—the backyards adjacent to houses—were mentioned with pride. These little plots were used for families’ food needs: for growing vegetables, for housing the families’ cow and chicken.

Shamakhy

Livelihood strategies. In Shamakhy, we again did not hear about the land shares in the descriptions of livelihood strategies. Respondents described cash-bringing wage labor; the nature of the work differed based on the specificities of the village: In the public services village, which houses the school, clinic, and kindergarten for the surrounding villages, government salaries are important. In the resort village with a high percentage of seasonal residents, service work for these summer residents and visitors is an important source of income: Year-round residents cultivate the household plots for city-based summer residents; clean their houses; and, during the visitors’ seasonal stays, cook for them and watch small children. Year-round residents also sell excesses of their household plot produce, as well as eggs, milk, and honey, to the temporary residents and visitors in this resort village.

Migration of the rural young was widespread in Shamakhy’s villages as well, but mostly to Azerbaijan’s capital city, Baku. In contrast to the emigres to Russia from Lankaran, the migrants to Baku were not always able to help those left behind. Shamakhy interviewees’ family members who had migrated to Baku were said to be working predominantly as construction workers, drivers, night guards, cleaners, and bread-factory workers. There were exceptions: One woman’s son was a university instructor in Baku, and another’s daughter was a seasonal administrative assistant with a Chinese company. But overwhelmingly, the outflow of young labor from the villages of Shamakhy went right into the lines of the lower working class of the growing Baku. Some, who became skilled construction workers, could send remittances. Many could not.

Land share use. Land shares in lower Shamakhy were leased out to a new, large grape farm. In higher villages, the land was used for wheat cultivation. The income from both land-use forms was a negligible addition to household incomes. Both are explained below.
Commodity production: Grapes. All our respondents in lower Shamakhy were seasonal laborers on a large grape farm established by a private investor in 2006. The work was organized under the management of a hired male brigade manager, a former state farm manager experienced in grape production, who oversaw male technical experts and female manual laborers. The workers were paid quite a bit more than they would have earned at a medium-size vegetable enterprise in Lankaran. The new grape field provided most of the women in the roadside village with work paying 200, 230, or 350 manats a month, depending on the intensity of required work that month. This was 50 to 60 times more than the monthly payment for a leased-out land share. The women were aware of this and were deeply grateful to have their jobs. Instead of the self-sufficiency emanating from landownership, there was gratitude for the availability of seasonal work as manual laborers. Their experiences during the podrat were similar to the reports from Lankaran. The respondents in Shamakhy also tried to turn their land shares into profitable business, but failed. Leasing out the land was less risky than cultivating it for the market; wage salary was guaranteed, unlike the profits from their own commodity production. The wage laborers of former collective and state farms in our lower Shamakhy sites were reproletarianized after the land reforms.

The 100-hectares grape field where our respondents worked was established with investments from Baku. The grapes required an initial investment of 12,000 to 15,000 USD per hectare for initial plantings, and three years to mature. This excluded land purchase or lease costs. Grapes also required economies of scale to justify initial costs and a costly irrigation system. It was not rural capital that could invest in this high-cost endeavor and afford to wait for three years for the first (uncertain) yield in post-Soviet Azerbaijan. The following story of the investor was shared by the respondents.

In 2006, into lower Shamakhy, famous for its Soviet-era grape producers (see Table 2), came a person, “a middle-level bureaucrat working in

Shamakhy had been one of the centers of grape growing in Soviet Azerbaijan. The grapes had mostly been used for winemaking, and the vines began to be cut down under Soviet leader Mikhail Gorbachev’s antialcoholism crusade in the late 1980s. In the post-Soviet period, the remaining fields were privatized to the former collective farm employees. The fields were difficult to sell, impossible to irrigate individually, and too expensive to cultivate collectively for impoverished rural communities. Many of the vines in the fields had been cut and used as wood fuel. In 2005, of the 284,000 hectares of Soviet-era grape fields, only 7,200 remained (Table 2). That same year, the government declared its support for grapes and wineries. Rural executive governments were instructed by the central government to support any investment in grape production. Such investment here, in a Shamakhy executive’s words, would not just tap into the skills of the local laborers but would “provide some livelihoods” to the population as well.

<table>
<thead>
<tr>
<th>Year</th>
<th>Total Area (1,000 Hectares)</th>
<th>Total Area of Harvestable Age (1,000 Hectares)</th>
<th>Total Harvested (1,000 Tons)</th>
<th>Productivity per 1 Hectare (100 Kg)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1985</td>
<td>267.8</td>
<td>218.0</td>
<td>1,789.6</td>
<td>81.0</td>
</tr>
<tr>
<td>1990</td>
<td>181.4</td>
<td>156.1</td>
<td>1,196.4</td>
<td>76.5</td>
</tr>
<tr>
<td>1995</td>
<td>97.7</td>
<td>94.7</td>
<td>308.7</td>
<td>32.6</td>
</tr>
<tr>
<td>2000</td>
<td>14.2</td>
<td>13.9</td>
<td>76.9</td>
<td>35.8</td>
</tr>
<tr>
<td>2005</td>
<td>9.6</td>
<td>7.2</td>
<td>79.7</td>
<td>61.8</td>
</tr>
<tr>
<td>2008</td>
<td>13.3</td>
<td>8.9</td>
<td>115.8</td>
<td>74.0</td>
</tr>
</tbody>
</table>

one of the ministries in Baku,” one interviewee said, who chose an area in which to establish his grape field. He partially bought and partially leased from local villagers land to be cultivated as grape fields from scratch. Before leaving, he hired a former collective-farm manager to organize and oversee the work in the region. The initial seeds of the enterprise were sown, and an expensive irrigation system was put in place.

The middle-level bureaucrat from Baku spent over 1.2 million USD in initial setup costs. He was said to be acting on behalf of a top government minister. He was responsible for the investment and visited the region every few months to check its progress. By 2015, the field had matured. The grapes were grown for export and shipped outside the country.

The grape plantation in Shamakhy is not the only commercial large-scale agricultural project in post-Soviet Azerbaijan. Projects like these, funded by the oil elite’s money, have spread in the countryside with the progress of the land reforms. According to Lerman and Sedik (2010:93), about 25 percent of Azerbaijan’s agricultural land was in use by large-scale private corporate farms already in 2005.

Commodity Production: Wheat

Half our respondents in upper Shamakhy reported cultivating wheat on their land shares from the collective farms. They mentioned this only after being asked about the land share use and did not speak of wheat in their original livelihood narratives. Wheat is an important example, because it occupies about 60 percent of the total sown crop area in Azerbaijan and much of this land was cultivated by individual owners of land shares in 2015 (Figure 2, Table 3). The wheat farmer is the quintessential “small farmer” of post-Soviet rural Azerbaijan referred to by Azerbaijan’s government, the state statistics, and the quantitative narrative.

But interviews revealed that these “small farmers” are in essence procuring their living through very different livelihood strategies: One man may be a retired schoolteacher, another a seasonal bus driver, a third the owner of the village’s cigarette shop. In turn, the wife of the first “farmer” may sell excess dairy products and eggs produced in the backyard, taking them one day a week to the village or regional market. The wife of the second “farmer” may help clean and cook in a local executive officer’s home. A third may be just working on her household plot. Wheat cultivation is their supplementary livelihood strategy, with a very

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10Who supplies the Baku investors’ capital is a valid question. The historical connection between oil revenues, state offices, and personal enrichment in post-Soviet Azerbaijan is addressed through the prism of “institutional corruption” in Rasizade (2002).
small addition to the household income, as we show later. The work is short and seasonal and does not detract from the farmer’s main livelihood strategies.

Several factors make small-scale wheat cultivation possible as a supplementary household income strategy: Unlike tomatoes and cucumbers, wheat can be stored in large quantities relatively longer in the conditions of a peasant home. Wheat flour is the basis for the national staple, bread, and farmers do not have trouble selling it, often to the middlemen who come to their field at harvest time (Eliyeva 2012). Government subsidies, combined with the above factors, encourage small-scale wheat and cereal production on land shares.

The contribution of wheat cultivation to an individual household’s budget is marginal due to the dependence on machinery. Wheat cultivation requires machinery rental at sowing and harvest times. The

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11 As Soviet collective farm workers, Azerbaijan’s villagers used tractors to plow the land and, in the case of crops such as wheat, to also sow and harvest. Collective and state farm tractors have been privatized as part of the property distribution program. Within the property distribution program, the price of the tractors of a collective or state farm was divided by the number of employees, and each employee received his or her “property share” in monetary form. The shares were insignificant and evaporated quickly in the struggle to make ends meet in the countryside. Left behind was a mass of landowners with no cultivation technology, and no means to acquire it. Small farmers of wheat must rent tractors at planting and harvesting times. Monopolization of agricultural technology imports makes this expensive. The number of tractors in Azerbaijan has decreased by half since the late Soviet period. The same amount of agricultural land as in the Soviet period is now serviced with less than half the cultivation technology.
Table 3. Sown Area (in Thousands of Hectares) of Agricultural Crops, by Farm Type, 2015.

<table>
<thead>
<tr>
<th>Farm Type</th>
<th>All Crops</th>
<th>Cereals, Dried Pulses</th>
<th>Industrial (Cotton, Etc.)</th>
<th>Potatoes, Vegetables, Watermelons, Melons</th>
<th>Fodder</th>
</tr>
</thead>
<tbody>
<tr>
<td>All categories</td>
<td>1,585.4</td>
<td>952.1</td>
<td>38.7</td>
<td>166.0</td>
<td>428.6</td>
</tr>
<tr>
<td>Agricultural enterprises and other organizations</td>
<td>101.7</td>
<td>78.3</td>
<td>6.8</td>
<td>2.7</td>
<td>13.9</td>
</tr>
<tr>
<td>Private owners, family peasant farms, and households</td>
<td>1,483.7</td>
<td>873.8</td>
<td>31.9</td>
<td>163.3</td>
<td>414.7</td>
</tr>
</tbody>
</table>

rental costs for one hectare of land (average land share size) roughly equal the price of wheat raised on one hectare of land in a normal harvest year.\textsuperscript{12}

But a normal yield is not guaranteed; the yield depends on the weather. As one respondent recalled during our interviews:

The first year we sowed wheat on the land share, the year was good. We took almost two tons from a hectare. The next year everybody in the village sowed wheat but the year was not good, grasshoppers attacked. The following year also was not good, we had drought. So people gave up sowing wheat. Nobody would be growing wheat today, if the government did not start paying for the technology.

Wheat cultivation on land shares in Azerbaijan today is a product of government subsidies for this particular crop. In 2008, as a part of its rural development and food security program, Azerbaijan’s government began offering rural residents 100 manat per year and free seeds to cultivate wheat on their land shares. The subsidy is given regardless of the yield and insures against crop failures. Whereas the costs of wheat and the minimum consumption basket change with inflation, the proportions of the peasants’ costs and benefits from grain cultivation stay the same (Eliyeva 2012). As farm size increases, technology costs per hectare decrease and farmers can earn a greater profit (Eliyeva 2012).

The contribution of wheat to household incomes is marginal, even after the government subsidies. In Shamakhy, in a normal yield year, the yearly gain from wheat cultivation on a land share is 120 manats after the government subsidies. Dividing the 120 by 12 months, the “small farmers” get about 10 manats per month—less than 10 percent of the minimum consumer basket value—for their wheat farming, after government subsidies. They do not make ends meet from wheat production. Subsidy-based cereal cultivation is a source of marginal side income. Despite cultivating wheat on their land shares, these households receive their incomes from elsewhere, mostly wages. Many small (wheat) farmers are

\textsuperscript{12}In 2009, yearly costs of machinery rental for one hectare of land was 104 manats. The price of one ton of wheat on the market was 120 manats. The villagers take one ton of wheat harvest as a “normal,” average yield from one hectare of land: Good years result in more yield, worse years in less. A villager’s profit is the price of the wheat raised minus the machinery rental costs. So in 2009, an average yield year, the villager’s profit from raising wheat on his or her own land share would be 120–104 = 15 manats. This yearly profit from wheat is less than the yearly price of leased-out land shares in Lankaran. If we divide the yearly profit of 15 manats into 12 months, the villager makes just over 1 manat—less than three dollars per month from wheat cultivation on his or her land share in a normal yield year.
wage laborers who take time off from work for short sowing and harvest periods to oversee the rented tractor operator’s work on a land share to qualify for the government subsidy. Presenting wheat cultivation on land shares as proof of small-farm capitalism in rural Azerbaijan conceals the degree to which former collective and state farm workers have been reproletarianized in the post-Soviet period.

**Challenges to Capitalism? The Case of a Subsistence Village**

*Livelihood strategies and land shares.* Livelihoods in the Shamakhy remote mountain village that we studied as a part of our research were not centered on commodity production and wage labor. Subsistence production was central to livelihood making here. In this mountain village the houses did not have household plots, and many used the land shares for subsistence growing. Interestingly, this was the only site where land shares were acknowledged as a significant contribution to household income. Our respondents in this village expressed proudly that their land shares, although rocky and hard to plow, generously provided them with a yearly supply of potatoes—a staple of the Azeri diet—and all other vegetables. Potatoes and vegetables harvested from land shares, berries and nuts from mountain forests, and goats and sheep fed on the grazing fields of the commons (municipal lands) contributed to a degree of food self-sufficiency. An elderly woman talking about her use of the privatized land share for subsistence stressed her independence from others: She was the one supporting her migrant children in Baku with produce, not receiving their remittances as a helpless villager.

*Mixed approaches to commodity production.* In this village, commodity production and commercial activity in general was seen as accomplished at the cost of relinquishing subsistence work—and thus, self-sufficiency. An example from one of the respondents’ narratives demonstrates this vividly: The respondent was a skilled carpet weaver. Her handmade carpets had been taken to and won exhibitions in Moscow during the USSR era. In the interview, she told us about recently rejecting offers to make carpets for the wealthy from Baku. The latest offer before our interview was $2,000 for a red carpet (she dyed the yarns herself with a juice made from certain mountain berries, and “the colors never faded, not like today’s machine-made carpets,” she said). She had rejected the offer and explained to us that she was busy and that the money was not worth her labor. The amount she had turned down was significant by rural Azerbaijan’s standards, worth two years of the woman’s own pension payments. Moreover, opportunities to earn cash do not come easily in rural areas. This lady’s self-valuation of her non-cash-bringing
labor was in striking contrast to other self-valuations of personal labor that we heard during the interviews in other rural sites. For many, many others, bringing in cash—engaging in market-oriented activities—was the key measure of their labor’s value. This reflected what J. K. Gibson-Graham has called the “capitalocentric discourse” (1996, 2006). Gibson-Graham (2006:56) asserts: “Capitalocentrism is a dominant economic discourse that distributes positive value to those activities associated with capitalist economic activity, however defined, and assigns lesser value to all other processes of producing and distributing goods and services.”

Capitalocentrism was seen as a threat to independence and dignity by some in this village and was at the heart of the tensions over the use of village commons. The village commons—pasture areas privatized to the village municipality after the breakup of the USSR—were in use for the villagers’ livestock. An oligarch from Baku wanted a long-term lease of the village’s scenic pastures for private resort construction. This would provide cash-paying jobs to the villagers as service personnel, but would take away much of their food self-sufficiency. The villagers were deeply divided over capitalocentric versus subsistence use of the common village pastures. The older generation stressed food self-sufficiency, whereas the younger generation favored leasing the pastures for mountain resort construction.

In summary, we observed small farming for subsistence on land shares in the remote village, but not small-farm capitalism. Moreover, commodity production, commercial activity, and capitalocentrism were viewed as detrimental to self-sufficiency and contested in this site. The geographic location—which meant distance from the markets, inaccessible roads, and isolation from the rest of the country for the winter months—might have contributed to the focus on subsistence versus commercial agriculture here. The residents were not proletarianized as agricultural wage laborers into the commercial farms established on their land shares—as observed in other locations. Nevertheless, the processes of proletarianization were present. Younger residents turned to wage labor as migrants to Baku or as potential workers on the proposed international resort a project of commercializing the advantages of a remote and scenic mountain location.

13To Gibson-Graham, capitalocentrism is a key to the power of a capitalist system organized around market production and allocation. To understand this power requires answering “How is it that waged labor, the commodity market, and capitalist enterprise have come to be seen as the only ‘normal’ forms of work, exchange and business organization?” (2006:53).

1499-year lease.
Why Did Quantitative and Qualitative Accounts of Land Use in Postreform Azerbaijan Differ?

The quantitative account of Azerbaijan’s rural transformation posits that the land reforms have individualized agriculture (Lerman and Sedik 2010). This account celebrates the transition to small-farm capitalism in rural Azerbaijan. This view is challenged by the ethnographies, such as Yalçın-Heckmann’s (2010) and ours. The ethnographic studies reveal that the rural residents do not cultivate once-coveted private land and often work as seasonal wage laborers on their own land leased out to middle-size to large-scale farm enterprises. When they actually individually farm a government-subsidized crop, like wheat, the contribution to household income is too small to categorize the wheat growers as small farmers. The wheat growers make ends meet through a combination of non-farm-livelihood strategies.

What can explain the difference between the quantitative and qualitative accounts of land use in post-Soviet rural Azerbaijan?

The quantitative account categorizes all noncorporate forms of land use as “individual farms” (Lerman and Sedik 2010:93–94). Thus defined, individual farms include large peasant farms operating on leased-in land as well as tiny household plots. Defined as the antithesis of corporate farms, the term “individual farms” is used interchangeably with “small farms.” When this definition is used, our acquaintances from the narratives above—a multimillion-dollar investor in grape fields, former kolkhoz brigade managers supplying city markets with garden vegetables, a wheat farmer who is also a village schoolteacher, and the subsistence farmer who refused to weave carpets on demand—all are categorized as individual, small farmers despite their very different relationship to land, labor, and agricultural markets.

The categorization actually belongs to the Azerbaijan State Statistical Committee. “Private owners, family peasant farms, and households” are grouped into one category by the Azerbaijan State Statistical Committee (2017), despite significant differences in size and social implications. The quantitative approach simply adopted the state’s statistical categories without scrutiny. The categorization allows presenting the government’s land reforms as a success story in numbers: If all noncorporate farms are defined as “small farms” regardless of substantial differences, the goal of the reforms, the transition to small farming, was indeed achieved.

The discrepancy between the quantitative and qualitative accounts of land use in post-Soviet Azerbaijan stems from this definition of “small farms” and is illusory. The data used in the quantitative account actually confirm ethnographic observations.
For example, the data used by the quantitative account show that farming is a source of livelihood for larger farms only: Bigger farms rely more on agricultural income from the land—whereas smaller farms rely primarily on nonagricultural income, such as wages, social transfers, and other nonfarm income (Lerman and Sedik 2010:109). This confirms ethnographic observations that small farming is marginal to the incomes of “farmers.” Second, the quantitative account registers the rise of larger farms based on leased-in land, described in our ethnographic narratives. The quantitative account states:

Peasant farms . . . are substantially larger than household plots (151 hectares on average, with 11 hectares of owned land) and accordingly they make much greater use of leased land. Virtually all peasant farms lease in land (95% of peasant farms compared with only 6% of households). Leased land accounts for 93% of the average peasant farm in the survey. (Lerman and Sedik 2010:108)

Despite the differences, the quantitative account places larger peasant farms and much smaller household plots into one category—individual, small farms—and presents this as proof of rural Azerbaijan’s transition to smallholder capitalism (Lerman and Sedik 2010:94).

Categorizing household plots as individual farms is conceptually problematic, if we put these plots in their historical social context. A household plot (heyetyani sahe in Azeri) is a backyard, literally. Subsistence farming on household plots characterized rural livelihoods under the socialist regime. As Spoor and Visser (2001:889) point out, “before the break-up of the Soviet Union, an estimated 30% of agricultural output was already produced on household plots.” Did Azerbaijan’s rural population transform into small commercial farmers because rural residents continue to produce their household’s food in their backyards? If growing vegetables or keeping a few chickens and a dairy cow in the backyard makes a rural resident a small farmer, then were Azerbaijan’s rural population individual-small farmers even while they were collective farm laborers under the Soviet government?

Household plots, or backyard farming, are indeed central to rural livelihoods. Table 4 shows that most rural residents (97 percent in some regions) identify their backyards as their main type of land. But this happens after millions of hectares of kolkhoz and sovkhoz land have been individualized, giving each family a land share 10 to 30 times larger than the average backyard. If after nearly 3 million hectares of farmland have been decollectivized and passed to individual ownership, household plots are where individual farming takes place, then the land reforms have, in essence, failed to bring about small-scale farming on land shares—former collective and state farmland.
Table 4. Azerbaijan’s Households and Land Use, 2009.

<table>
<thead>
<tr>
<th>Administrative Region</th>
<th>Nakhchivan</th>
<th>Ganja-Gazakh</th>
<th>Sheki-Zagatala</th>
<th>Lankaran</th>
<th>Guba-Khachmaz</th>
<th>Aran</th>
<th>Yukhary-Garabagh</th>
<th>Daghlyg-Shirvan</th>
<th>Kalbajar-Lachyn</th>
</tr>
</thead>
<tbody>
<tr>
<td>Households with plot of land</td>
<td>90.2</td>
<td>84.2</td>
<td>96.2</td>
<td>93.7</td>
<td>98.7</td>
<td>80.6</td>
<td>84.5</td>
<td>99</td>
<td>16.5</td>
</tr>
<tr>
<td>Average size of main plot of land</td>
<td>18.3</td>
<td>54.9</td>
<td>78.4</td>
<td>32.4</td>
<td>90.3</td>
<td>127.3</td>
<td>61.8</td>
<td>12.5</td>
<td>8.6</td>
</tr>
<tr>
<td>Type of main plot of land</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Peasant</td>
<td>1.9</td>
<td>47.7</td>
<td>55.8</td>
<td>33.3</td>
<td>44.6</td>
<td>38.5</td>
<td>41.8</td>
<td>1.5</td>
<td>16.9</td>
</tr>
<tr>
<td>Farming</td>
<td>0.1</td>
<td>1.0</td>
<td>0.3</td>
<td>0.7</td>
<td>0.4</td>
<td>2.3</td>
<td>2.0</td>
<td>1.2</td>
<td></td>
</tr>
<tr>
<td>Backyard</td>
<td>97.6</td>
<td>51.3</td>
<td>43.9</td>
<td>65.9</td>
<td>55.0</td>
<td>57.8</td>
<td>37.5</td>
<td>97.3</td>
<td>53.5</td>
</tr>
<tr>
<td>Garden in summer house</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>0.2</td>
<td>–</td>
<td>1.3</td>
<td>0.3</td>
<td>–</td>
<td>29.5</td>
</tr>
<tr>
<td>Other</td>
<td>0.3</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>0.2</td>
<td>18.5</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td>Ownership of land plot</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Own</td>
<td>99.7</td>
<td>97.5</td>
<td>97.8</td>
<td>99.4</td>
<td>99.1</td>
<td>96.4</td>
<td>38.6</td>
<td>98.1</td>
<td>56.7</td>
</tr>
<tr>
<td>Rent</td>
<td>–</td>
<td>2.3</td>
<td>1.6</td>
<td>0.2</td>
<td>0.2</td>
<td>0.6</td>
<td>–</td>
<td>0.7</td>
<td>–</td>
</tr>
<tr>
<td>Use temporarily</td>
<td>–</td>
<td>0.1</td>
<td>0.6</td>
<td>0.4</td>
<td>0.7</td>
<td>1.3</td>
<td>25.8</td>
<td>1.2</td>
<td>41.0</td>
</tr>
<tr>
<td>Other</td>
<td>0.3</td>
<td>0.1</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>1.7</td>
<td>35.6</td>
<td>–</td>
<td>2.4</td>
</tr>
<tr>
<td>Primary use</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Used just for rest, nothing grows</td>
<td>–</td>
<td>0.2</td>
<td>0.9</td>
<td>0.2</td>
<td>–</td>
<td>2.7</td>
<td>0.2</td>
<td>0.9</td>
<td>–</td>
</tr>
<tr>
<td>For consumption but not marketing purposes</td>
<td>86.1</td>
<td>32.7</td>
<td>9.2</td>
<td>39.8</td>
<td>32.7</td>
<td>33.0</td>
<td>39.4</td>
<td>75.8</td>
<td>51.2</td>
</tr>
<tr>
<td>For consumption and marketing purposes</td>
<td>13.9</td>
<td>64.8</td>
<td>87.3</td>
<td>59.6</td>
<td>65.4</td>
<td>63.5</td>
<td>43.5</td>
<td>22.4</td>
<td>8.4</td>
</tr>
<tr>
<td>Only for marketing purposes</td>
<td>–</td>
<td>–</td>
<td>0.4</td>
<td>–</td>
<td>–</td>
<td>0.1</td>
<td>3.6</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td>Just started exploitation</td>
<td>–</td>
<td>0.4</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>40.4</td>
</tr>
<tr>
<td>Other</td>
<td>–</td>
<td>1.8</td>
<td>2.2</td>
<td>0.4</td>
<td>1.9</td>
<td>0.7</td>
<td>13.3</td>
<td>0.9</td>
<td>–</td>
</tr>
</tbody>
</table>

Source: Azerbaijan State Statistical Committee Household Survey, table 145.
Conclusions

Many policymakers and some scholars have argued that small-farm capitalism is the optimal road to economic development and redistributive justice in rural areas—a claim highly debated in academic circles, yet embraced by policy advocates in the World Bank and policy implementers in some agrarian economies around the world. This article examines one case of rural reforms aiming to establish small-farm capitalism: in post-Soviet Azerbaijan. Did Azerbaijan’s redistributive land reforms establish small-farm capitalism in the countryside?

Azerbaijan’s land reforms passed the titles of the citizens’ backyards (household plots) to the owners and gave rural residents shares from the former collective and state farmlands (land shares). Both quantitative and qualitative data show that the backyards—the household plots—are actively cultivated and valued in the postreform countryside. Land shares, by contrast, are predominantly leased out (observed by qualitative studies). This is reflected in increasing average farm sizes much larger than a family land share (registered by the quantitative study).

Despite their increase over the years, average farm sizes in Azerbaijan are still much smaller than the Soviet-era collective and state farms (Lerman and Sedik 2010). Did the reforms then establish small-farm capitalism after all? If by “small-farm capitalism” we mean agricultural commodity production on farms with sizes smaller than an average Soviet collective farm, then the answer is yes. But if our understanding of small farm and smallholder agrarian capitalism involves an industrious farmer navigating production and markets with the help of his family and a small team of hired help, after the ideological images of the English “yeoman” or the American “family farmer,” then we may be celebrating prematurely. While a medium-size enterprise established by a former collective farm manager in the post-Soviet period resembles the image of a larger family farm in many ways, a significant number of

As Bernstein (2002:439–40) commented, one source of the notions of scale implicated in the idea of small-farm capitalism is:

English (or other European) constructions of “yeoman” as the exemplar of industrious (and progressive) farming combined with cultural and political conservatism. Another instance is an American version of the “family farmer”, extending from its eighteenth-century, anti-feudal Jeffersonian celebration through the epic conquest of nature as the frontier pushed westwards in the nineteenth century, to the highly capitalized, ostensibly “family”, farm of today with its capacity to harness economies of scale. What lurks within such constructions, then, is also a sociological (rather than purely physical or technical) notion of scale, often centered on the modest capitalist farmer rooted in family property, the patriarchal character of which embraces “farm servants” as well as wife and offspring. (emphasis in the original)
the commercial farms in rural Azerbaijan are established by the capitalists based in Baku—absentee investors. These investors—farm owners do not directly manage the farms, but hire local managers to oversee the production. The owners also hire administrators to oversee the local managers’ work and to market the produce (often outside Azerbaijan). The agricultural enterprise is not the only source of livelihood for these owners, whose income and capital come from elsewhere. Therefore, these agricultural enterprises are not subject to the same competitive pressures experienced by small farmers and propelling agricultural capitalism. An investor-funded agricultural enterprise managed by separate market and production administrators may continue to function at loss, because the owners do not depend on the profits for livelihoods, and often view their agrarian investment as a way to connect to nature, a hobby (various interviews, 2013–17). Seeing these investor farms as the classical small, family farms would be a mistake: They are not operated by the enterprise owner. Currently, we do not know what percentage of private, noncorporate farms are absentee investor farms versus farms operated by the enterprise owners; the State Statistical Committee does not have data on this. Our government official respondents estimated the investor farms to be in the majority.

If small-farm capitalism is not a fair description, what is the nature of social relations in rural Azerbaijan? While establishment of small-farm capitalism in rural Azerbaijan is arguable, the integration of the countryside into global capitalist circuits is evident. Through its export-oriented investor farms, country resorts catering to tourists, and out-migrants sending remittances to their home villages, rural Azerbaijan has acquired the characteristics of what Michael Woods (2007) has called “the global countryside.” Dependence on massive emigration to Baku and, especially, to Russia from the Lankaran area suggests that distant changes in the Russian economy or the slowing down of construction projects in Baku have a larger social effect in rural Azerbaijan than the small-farmer narrative of the countryside allows us to see.

Another process characterizing Azerbaijan’s postreform rural communities is increasing class differentiation and social stratification. What started as a countryside of landowners with equal-size plots at the onset of the reforms have transformed 10 years later to the landowners working as seasonal laborers on their own cheaply leased out land managed by others. Increasing social stratification within rural communities was observed in other areas of the former Soviet Union as well, including Russia, which retained the large farm sizes, unlike Azerbaijan (Visser, Mamonova, and Spoor 2012; Wegren 2011). No studies have yet looked closely at the differences in the nature and extent of class differentiation
and social stratification between the postsocialist countries that adopted different farm-size models. This would be a very interesting area for future research.

How vulnerable is this system to change? What can we expect to see in the next generation’s livelihood choices? These questions are still open for comprehensive research.

References


