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THE CREATION AND CONTAINMENT OF THE PAPUA NEW GUINEA PEASANTRY

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The Creation and Containment of the Papua New Guinea Peasantry

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The argument of this essay is that the creation and containment of the Papua New Guinea peasantry can be explained largely in terms of two aspects of Australian colonial penetration. One aspect is the maintenance of traditional society in the subsidising of capitalist production and in the countering of potentially disruptive class organisation. This aspect is contradicted in some ways by the second which involves the promotion, with the advent of neo-colonialism, of compliant class elements - something of a resident 'ruling class'. All this is not to deny the recent trend in political economy which stresses the centrality of traditional society. Rather, such a trend dominates this essay. The peasantry in Papua New Guinea can only be comprehended in the conjunction of traditional society and colonial penetration but in this conjunction the part of traditional society is subordinate and adaptive.

The essay begins by accounting for the virtual non-existence of the peasantry prior to the second world war. It then looks at the emergence of the peasantry after the war and during that period which the colonist labelled one of gradual development. The effect of the so-called accelerated development of the sixties in the further emergence of the peasantry is then described. But the story was not simply one of the peasantry's unhindered emergence, for the colonist took measures to contain and restrict the peasantry and these are described next. Then an overall assessment is offered of the shape and direction of the peasantry's formation in Papua New Guinea. The essay concludes with something of a postscript on the post-colonial period.

The Peasantry Before the Second World War

Prior to the second world war the peasantry in Papua New Guinea had

little room within which to exist. An illuminating exception is provided by the latter part of Germany's occupation of New Guinea during which time cash-cropping by New Guineans was extensively encouraged. This was done over the objections of the German settlers. The supply of plantation labour was a serious problem and settlers were concerned that cash-cropping would provide a preferred source of money to meet tax payments and to acquire introduced goods. However, the Imperial government, representing as it did a strong and burgeoning industrial power, was more interested in increasing the overall volume of raw materials produced by its colonies than in deferring to its settlers. Australia, on the other hand, was in terms of industrialisation, weak and backward and was basically a producer and exporter of raw materials itself. Hence it had little interest in a more intensive exploitation of New Guinea and as a colonial power it deferred to its settlers on the issue of peasant production. As a result, the growing and processing of cash-crops by New Guineans was restricted or prohibited in various ways.

In Papua the end result was the same but the circumstances different. Unlike New Guinea, there was no Germany to build a settler economy which Australia could latch onto. Despite efforts by an over-extended Britain and by Australia to attract settlers, the attempt was largely unsuccessful. Under Australian rule, the colonial authorities then discovered a commitment to 'native development' and sought to realise this through a scheme of compulsory production on 'native plantations'. Basically, the system was used to finance colonial rule in the supplementing of Australia's niggardly contribution to the colony's government. However, what was left of the profits of the scheme for Papuans was meagre in the extreme. This, combined with their resentment of compulsion and with official ineptitude, meant that the scheme was very far from successful. Apart from this bounded outlet, there were almost no opportunities for Papuans to engage in production for the market.

Although the Papua New Guinea peasantry was at this time close to non-existent, this period brings forth historically a factor that becomes one of central importance in the formation of the peasantry - that factor being the need for Australian colonialism to preserve traditional society. This is the dominant focus of state action, for traditional society maintains and subsidises the supply of labour for capitalist production and its preservation serves to uphold 'primordial loyalties' thereby countering class organisation that would threaten the colonists' domination.

The Peasantry in the Period of 'Gradual Development'

After the Pacific War, the Australian colonist had to realise that independence would come - hopefully later rather than sooner. The colonist began to promote new structures that can be most comprehensively described as neo-colonial; a start was made in the 'indigenisation' of colonial bureaucracies; compliant class elements were fostered; and policy as well as some resources were committed to economic 'development'. This emphasis on development coincides with and serves to justify greatly increased capitalist investment in the third world and the greater integration of the third world into the international capitalist economy.

In line with this and with its own increasing industrialisation, Australia's involvement in Papua New Guinea after the second world war increased greatly and the colonist set about promoting hopefully compliant class elements. In so doing, it was responding in part to efforts at liberation on the part of the colonised - efforts usually located by scholars in the 'unrest' of the war period but, if the Papua New Guinea experience was like that of many other colonised people, these efforts probably had their roots in the economic depression of the 1930s. But the accumulation of wages earned during the war and the receipt of war damage compensation gave Papua New Guineans capital resources which many were anxious to use.

The economic basis for promoting compliant class elements did not then exist in the towns which had been maintained strictly as enclaves of the colonist. Any attempt to create such a basis would confront the colonist's pervasive penetration of the urban economy. But a basis existed in rural areas where the traditional mode of production and cash-cropping for the world market could be judiciously combined in the creation of a peasantry. True, for this purpose some expansionist settlers would have to be restrained but overall economic domination by the colonist could be maintained by retaining a monopoly in the processing and marketing of cash-crops. In this way a peasantry could emerge in co-operation rather than confrontation with the colonist.

Thus, after the second world war the colonist broadened agricultural extension activities to include Papua New Guineans and removed many restrictions on cash-cropping. But this, and Australia's greater involvement generally, did not mean that it suddenly changed into an intensely exploitative colonist. On the whole there was no introduction of coercive, large-scale and highly regulated schemes for agricultural production. This continuing lack of metropolitan pressure for more intensive exploitation left room, as it were, for the comparatively relaxed policy of "gradual development" associated with the long reign beginning in 1951 of Hasluck as the Australian Minister for Territories. An effective policy of restraining but not completely preventing further Australian settlement was implemented by Hasluck early in the piece. The policy of gradual development was considered appropriate to Papua New Guineans - Hasluck foreseeing that the process would stretch 'over a number of generations'. The process would be lengthy also because it was, in terms of the policy, to be one of 'uniform development'; this was supposed to mean an egalitarian raising of the mass rather than a precipitate development of the few in advance of the many.

Although the policy of general development did not survive the end of Hasluck's reign at the end of 1963 and had been crumbling for some time before - 'the steeper upward climb to achievement began about 1960-1' - it was far from a spitting into the wind. As with the pre-war colonial administrations, Hasluck and various official reports emphasised again and again that traditional society must be preserved. Papua New Guinean development was to be built 'on the foundations of native society' or on 'native social organisation' and the 'native' was to remain attached to his land and to his village. In 1946 the Director of the Department of Agriculture anticipated that 'the basic unit of the community will be the rural family securely settled on its small-holding, and producing food and other crops for its own and local consumption and export', thus foreshadowing later state action explicitly aimed at this end.

Fundamentally, then, traditional society was still to be preserved and the peasantry was to operate from within it. Hopefully traditional society would thus remain to subsidise and maintain the supply of labour for capitalist production on settlers' plantations and in the towns. But - and this is a new dimension - traditional society can now serve to subsidise also the peasants' production for the market. Within traditional society a peasant's subsistence, or much of it, will be provided for and functions of social security will be performed. This element of subsidy enables the peasant to endure the competition of more 'efficient' capitalist production and to endure widely fluctuating commodity prices. Further, if the peasantry can produce for the market within the setting of traditional society potentially disruptive class elements could continue to be contained: there would be no "landless proletariat", as official reports so often put it, and the peasantry itself would have difficulty organising across ethnic barriers. Hence the thrust of colonial polity at this stage continued to be the preservation of traditional society. This is done in numerous ways but mainly through regulating the supply of labour and through controlling dealings in land. But there were other indicative aspects of this policy. It

was even the case with early agricultural extension efforts by the colonist that communal production was emphasised because it was thought this would fit the traditional mode of production. Such thinking, as we shall see, was somewhat wide of the mark. So strong was the effective emphasis on preserving traditional society that state action which would have, unwittingly or not, weakened traditional society was severely circumscribed in operation. Examples of this come up later but taking one from this early stage, there is Hasluck's repeated insistence on the need to formalise individual rights which, if it had been effected, would have upset the pivotal and sensitive balance between individual and group rights in traditional society. The Native Land Registration Ordinance of 1952 was intended as a first step in effecting Hasluck's purpose but it was hardly used to any practical purpose at all.

Having used the policy of gradual and uniform development to justify the conventional foundation of an exploitable peasantry, the colonist then did little to ensure that 'development' was in fact uniform even if he ensured that 'development' was indeed gradual. There were potent aspects making for unequal development. The pattern of colonisation in Papua New Guinea had resulted in widely separate centres of Australian plantation activity. Transport and marketing factors were oriented towards serving these centres; these factors could easily be extended to Papua New Guineans in the vicinity but not at all easily to others. The other source of inequality arises within traditional society itself. Basing production for the market 'on the foundations of native society' means, because of the nature of that society, that some are in a better position than others to engage in and benefit from this production.

This general account of aspects of traditional society deals only vaguely with a matter than is central in the present context: the balance between the rights of the group and the rights of the individual to land. The vagueness covers an illuminating diversity. Some say that there are simply no individual rights in land. But it is clear that in a great many societies individual rights are

well developed and well defined. This situation is usually related to greater population density. The matter has recently been incisively investigated and analysed by Brown and Podolefsky. They find a greater practical definition of individual rights - more precisely a tendency towards individual inheritable rights to specific marked plots - with greater agricultural intensity but, naturally enough, there was also a high correlation between agricultural intensity and population density. Hence, to anticipate later argument, one could posit that intensive cash-cropping, even in areas of low population density, would lead to a development and greater definition of individual rights.

There are three broad ways in which traditional society responds to production for the market. First, traditional society provides a basis for the big man to assume a position of advantage in production for the market. Second, traditional rights in land adapt to give the peasant greater individual rights. These two aspects can be seen as making for the undermining of traditional society. The third restores something of a balance for it is the general strengthening of traditional society in its adapting to production for the market. Each of these aspects will now be looked at briefly and then related to the increased involvement of the colonial state in the period of 'accelerated development' and to the ensuing shape of the formation of the peasantry. This analysis can be seen as a particular application of the thesis that capitalist penetration in the third world tends both to the dissolution and the conservation of traditional societies leaving them in a state of stunted transition.

Even in its earliest phase the policy of gradual and uniform development was being undermined by the activities of big men. The big man cluster was an adaptive and sometimes extensible source of capital accumulation and labour. Academic observers have seen the big man as operating a system of 'primitive capitalism' or one 'preadapted to capitalism'. These are

one-sided exaggerations - traditional society would fit no rigorous definition of capitalism and in many respects it is just as 'preadapted' to socialism - but they do underline that some big men became big peasants and some became members of the rural bourgeoisie by using traditional relations. But success in this does not result from continuing to rely on the 'capitalism' of traditional society. Success entails a containing or even a rejecting of traditional distributive obligations. These obligations, it will be recalled, result from exchange relations on which the big man's position in traditional society is predominantly based. Such exchange relations are used by the big man in engaging in production for the market, including the provision of services. Because of this and because such production is often 'mixed' with the fulfilling of traditional exchange obligations, exchange has some purchase on production for the market. But production with a nexus to the market really provides a base for the big man alternative to traditional exchange-a base for an economic expansion potentially much more extensive than anything required to meet traditional obligations. Production for the market breaks the tie that contains the big man's wealth within obligation-bearing relations of exchange. Wealth is no longer purely personalised but becomes capable of abstracted expansion.

The second way in which traditional society adapts to production for the market consists in its system of land tenure changing to provide land rights characteristic of a peasantry. With the extension of cash-cropping and, later, cattle-raising there is a greater awareness of land as having a reified value and there is effective pressure for more clearly defined individual rights in land. This awareness and these pressures are doubtless contributed to by the actuality and the potentiality of land shortage in many areas. The greater definition of land rights that results is vividly illustrated by the work of land demarcation committees under the Land Titles Commission Act of 1962 which were charged with the ascertaining and marking

of land boundaries: in areas of extensive cash-cropping, the committee's work proceeded with much greater ease and rapidity than in other areas. There is evidence from many societies that a person must have strong right in land before planting cash-crops- before establishing the more enduring individual-land relation involved in the long cycles of use typical of cash-crops in Papua New Guinea.

As this last point indicates, the group appears to maintain control over land despite the strengthening of individual rights. This can be seen as part of the third way in which traditional society responds to production for the market - a way which involves its strengthening or at least its adaptive survival. Overall group control of land use appears to persist. There is evidence however that with the wider acceptance of cash-cropping, individuals try and succeed in asserting their rights to land independently of group control. The extent and strength of this tendency, if it be such, seems doubtful. The extensive and recent investigation by the Commission of Enquiry into Land Matters led to the conclusion that group title to land would serve as the basis of a nation-wide formal tenure system. And even strong individual rights and powers over land do not, as yet anyway, seem to be inconsistent with the maintenance and continued relevance of wider group relations. Such a general assessment hides important variations: the mass of the peasantry may well continue to rely on group relations as a necessary guarantor of social security but a big peasant and, more so, a member of the rural bourgeoisie may seek to minimise group control over land. But traditional society as well as promoting the big peasant also seeks to restrain him in the interests of the collectivity: distributive demands continue to be made in the new context and continue to be backed by the use of sorcery. Traditional society also continues to set the context and content of the subordination of women and although some women through production for the market surmount the situation, this is not done on a disruptive scale.

More generally, traditional society survives because the effects of production for the market are contained within it. To a great extent this is possible because of the limited penetration of production for the market and this point is taken in more detail later. Thus the influx of new goods and new currencies was largely absorbed in traditional exchange and for the most part did not flow into productive investment. More particularly, it was absorbed in a displacing of some traditional trade goods, in an inflation of exchange values and in a general intensification of exchange activities. New forms of exchange in gambling and prostitution become increasingly common but are accommodated within the traditional context. An array of imported consumption goods soaked up the proceeds of cash-cropping as well as wages. More recently alcohol has become a significant item of wasteful consumption and it seems to play an increasingly important part in exchange activities. Colonial penetration also helps in more direct ways. State action aimed at the preservation of traditional society has already been mentioned. As well, the suppression of warfare and the introduction of technologies - such as the steel axe - that were simple but immensely saving of labour created more time for exchange activity and released labour for production for the market and also for work on the colonist's plantations and in towns.

But the adaptation of traditional society contains an ambiguous element in that this society includes the big man who can, as we have seen already, develop in ways that undermine the efficacy of traditional social control. The extension of exchange also strengthened the position of big men since they were the organisers of major exchange activities and, building on their position in traditional society, they took advantages of various opportunities presented by colonial penetration to bolster their position generally. But the direction such advantage took them in was not invariably away from traditional society. Some big men aspire to break away and be of the rural bourgeoisie but many and probably most will use the new opportunities to improve their standing in the traditional context. The scope for a big man to do this can be vast - especially it seems within the exchange networks and intergroup alliances of the Highlands.

This has resulted in 'combined' forms of economic venture - forms which combine investment in production for the market with elements of traditional distribution and organisation and organisation. These are considered in more detail later.

The Peasantry in the Period of Accelerated Development'

The period of 'accelerated development' is one of greatly increased state involvement in the formation of the peasantry. This involvement builds on apt elements of traditional society in their conjunction with production for the market. But the involvement is not merely a response to these elements in this conjunction: its explicit orientation is towards the purposive creation of a rural bourgeoisie or at least of a big peasantry. The political aspect represented by the state acts in advance of the economic so far as the national bourgeoisie and hthe big peasantry are concerned; it is access to state benefits and state power that secures economic advance. This state involvement has some contradictory characteristics which will have to be taken account of also.

The period of accelerated development is usually dated from the early 1960s when a particularly persuasive combination of events impelled Australia to anticipate independence 'sooner, not later', as Prime Minister Menzies put it. There was the castigation of Menzies at the Commonwealth Prime Ministers' Conference in 1960 for Australia's 'reactionary' colonial policy; there was the pressure of the decolonisation - or recolonisation - of West Papua New Guinea; 1960 saw the adoption by the United Nations General Assembly of the declaration for the abolition of colonialism and this reflected numerous contemporary liberation struggles; there was the report in in 1962 on Papua New Guinea of a particularly influential visiting mission of the UN Trusteeship Council recommending accelerated political and economic development; and it seems also that the debacle in the Congo was particularly influential. It is difficult to locate the change in terms of

general policy pronouncements and it seems probable that these events gave a push to the direction Australian involvement was taking anyway. But the acceleration was nonetheless highly significant. Established positions in the Department of Agriculture increased from 408 in 1963 to 1,919 in 1968 and the number of Papua New Guinean state employees rose by over forty per cent between 1962 and 1964 compared with an increase of one-quarter over the previous decade. The main ideological impetus for (and affirmation of) acceleration came from the World Bank Report. This, in line with what passed for general development theory of the day, recommended a building on the best, a concentration of effort where financial returns would be highest or, in the agricultural sphere, the promotion of the 'progressive farmer' in advance of his fellows - all this being in polar opposition to the idea of gradual and uniform development. But gradual development as a policy was undermined well before this. Production concentrated itself around existing centres of plantation activity as it was bound to do without massive infrastructural investment spreading opportunity more evenly. There was also the development from within traditional society of big men as an incipient big peasantry or as an incipient bourgeoisie. It is this development which has to be looked at more closely here since it is the basis on which the state promotes the rural bourgeoisie and the big peasantry and since it also helps explain constraints on the emergence of these class elements.

In moving into production for the market the big man at first takes the big man cluster with him and indeed uses the new economic activity to extend and sustain these group ties; within the context of traditional relations of exchange the big man cluster provides labour and capital contributions and the big man will reply usually on traditional access to land. Within this traditional context also, distributive demands on the big man continue to be made but there is a tendency for the big man to resist or to seek to minimise them in the interests of capital

accumulation. He will seek to control and allocate returns so that he obtains a disproportionate share. In this he can be assisted by the uncertainties and complexities that attend the extension of traditional relations into new activities - the nature and diversity of understandings involved in contributions to a venture can be complex in the extreme. But most significantly there is now production with a nexus to the market as a base alternative to personalised exchange. There seems to be a tendency for many big men to seek to subordinate, transform or replace traditional relations in favour of relations typical of the new base. They will seek to assert the discontinuous nature of relations involved in the venture: labour and capital contributions rather than being part of a continuous personal relationship give rise to obligations that the big man attempts to extinguish by reciprocal assistance or repayment. There is a propensity to employ outside paid labour instead of labour from within the traditional context. Big peasants take to living in a more splendid isolation outside of their area of traditional residence. And it is being increasingly recognized that the loan from the government or from a finance company is a less troublesome alternative to capital contributions from the big man cluster. Despite these various moves, the big man may try to accommodate group pressures and to still group recrimination by making some distributions, by conferring patron-like favours, by emphasising the community nature of the venture and by fostering an ideology that 'businessmen' deserve more. Underlying this is the fear of group reprisal through sorcery or physical attack.

Our immediate concern here is with the relation of these forces to state action in the period of accelerated development - more particularly with the ways in which state action promote a big peasantry and a rural bourgeoisie. Broadly, state action here takes two forms: a system of combined agricultural extension and government lending on the one hand and,

on the other, supportive and protective legal intervention. To deal with the first, extension and lending cannot be looked on as something incidental to the big man's rise - as something like advice and ancillary assistance. A big peasant or member of the rural bourgeoisie is not necessarily or even usually the vigorous 'entrepreneur' beloved of many development theorists. Progress has to be thrust upon him. Agricultural extension officers will be closely and continuously involved in the management of the venture often to a greater degree than its profitability could warrant. The Development Bank - the government lending agency - often gives big men loans of close to 100 per cent of the capital needed for a venture and indeed has to 'persuade' many applicants' to borrow at all. The overall picture then may approximate less to ventures set up and run by big men assisted by the state and more to ventures set up and run by the state assisted by big men - but with the state-subsidised profits going to the big men.

Despite the policy of gradual development, agricultural extension work after the second world war had from the start largely focused on the big man. This is partly explainable in organisational terms for, as McKillop's acute analysis has shown, it is easier to measure success and hence easier to evaluate promotion through the ranks of officialdom by focusing extension activity on a few farmers and pastoralists. But it was with the period of accelerated development that this approach was given a more explicit emphasis and impetus. The end-result was an almost exclusive attention to the ventures of a wealthy few. To further assist the big peasantry and fledgling rural bourgeoisie, the Department of Agriculture helped them form pressure groups and marketing bodies. Group ventures sometimes pushed their claims for agricultural extension assistance and for loans but officials processing these claims took the view - with justification as we shall see later - that only individuals or small partnerships should benefit because group ventures were illegal.

Almost half of agricultural extension work is taken up by the administration of supervised credit. After the small amount of lending undertaken by the Native Loans Board in the period of gradual development, the extent of government lending increased dramatically with the setting up of the Development Bank as a state corporation in 1967. In terms of the effect of lending, the activity of the Development Bank is crucial because loans by commercial banks to Papua New Guineans are close to insignificant and only one finance company lends to Papua New Guineans to any great degree and this is hire-purchase lending for acquiring passenger trucks. The Development Bank provides loans that are heavily subsidised in the charging of low interest rates and the acceptance of close to negligible security. The actual costs of lending are very many times the interest rate charged. Characteristically, Development Bank lending has been to the few rather than the many, the wealthy rather than the poor, the individual rather than the group and, in a significant degree, to the literate and the formally educated. It also helps to be a member of the national legislature.

As for legal intervention, the most explicit case is the Land (Tenure Conversion) Act of 1963 which, in terms of its 'long title', provided for 'the Conversion of the Tenure of Native Land into Individualised Tenure'. A person could apply for a conversion order and, subject to restrictions which are described later, such an order conferred absolute legal ownership of the land and, as the Act's preamble says, the land would then 'cease in all respects to be subject to or regulated by native custom'. To ensure that conversion was basically in favour of individuals and as something of a counter to fragmentation, ownership of the converted land could not be vested in more than six owners. A conversion order was not to be made unless all persons with interests in the land agreed to the conversion. It was common for a big man wishing to convert land to secure consent by giving various undertakings on the side, as it were - undertakings that some traditional interests would continue to be recognized or that some benefit

would be forthcoming for giving them up; but it was not unusual for a big man to ignore these under-takings once conversion was secured. Legal provision was made for conversion to be subordinate to present and future need for land for subsistence cropping but this restriction does not seem always to have been effective: the leading British exponent of individualisation was moved to 'view with misgiving the carving of large personal holdings out of fully occupied tribal lands, as at Mt. Hagen'. A tenure conversion in this area in favour of one person covered 265 hectares.

However, this law was, as we shall see later, of limited effect in practice and other methods of individualisation were also used. Probably the most significant is the 'Clan Land Usage Agreement' created and widely used by the Development Bank. The Bank often makes such an agreement the basis of a rural loan. In terms of the agreement, traditional land authorities representing group interests acknowledge and agree to the loan applicant's 'right under native law and custom for the whole of his lifetime to use the land'; the use is not confined to the period of indebtedness to the Bank. The making of the agreement is often attended with some pomp and a surplus of official presences and signatures but the agreement is not considered enforceable in terms of the national legal system. But doubtless it is not basically this stratagem which accounts for the remarkable success of the Clan Land Usage Agreement - only one agreement had been disputed when the matter was checked in 1974; rather, the agreement reflects and builds on the adaptation described earlier of traditional society to production for the market: there is a strengthening of individual rights in land but a retention of some overall group control.

People have also sought a secure title by entering claimed individual rights in informal or semi-official registers operated by several Local Government Councils and some government officers. Pressures to record individual rights will probably grow with what seems to be an increase in land dealings between different land-owning groups.

In a somewhat similar if more oblique vein, T.S. Epstein has described how a law requiring registration of cocoa growers as a disease control measure was used to bolster ownership claims among a Tolai group because they were said to believe that the 'licence' resulting from registration represented a legal title to ownership. Epstein has also noted how, in the competition between sons and nephews amongst the matrilineal Tolai - the rights of nephews and the matrilineal element can be taken here as a representation of the group interest - fathers would seek to favour sons in preference to the traditional rights of nephews by putting vehicles in a son's name under vehicle registration laws, by putting cocoa proceeds in bank accounts in sons' names and by buying land in their names.

The most effective legal avenue to individual ownership is the obtaining of a long term lease of government land. Some large areas have been leased to members of the big peasantry and rural bourgeoisie and the government lease can be an effective way of avoiding group claims based on land. Much government leasing has involved resettlement schemes, either to ease particular population pressures or to provide something of a captive labour force for foreign plantation companies in 'nucleus estates' - that is, estates where the nucleus of the company's plantation and processing facility is surrounded by small blocks leased and worked by Papua New Guineans. Although these schemes usually involve smallholder blocks, members of the big peasantry or of the rural bourgeoisie sometimes operate them either directly or as absentee landlords.

Inheritance laws were changed in the period of accelerated development to facilitate the passing and accumulation of the new property created in production for the market. In one way traditional legal mechanisms of inheritance have already adapted to this situation. It is the case in many Papua New Guinea societies that a person can indicate who is to succeed to property on his death and this mechanism has been extended to the new property. A person can it seems so indicate also through the informal registration

systems and the various ways of evidencing legal title to property that have just been described. The Wills Probate and Administration Acts of 1966 and 1970 enabled Papua New Guineans to will property except, broadly, land that has not officially been taken out of the traditional context and other property still dealt with in that context. This exception means that the great bulk of land, even if it is used in production for the market, cannot be passed by will but remains subject to traditional inheritance laws. This new law was seen officially as a needed response to 'the growth of commerce and economic enterprise in the Territory'. It is too early to gauge its effect. Many Papua New Guineans have shown that they want to depart from or restrict the range of traditional obligations of inheritance and to focus succession more on the nuclear family or on a favoured son. This tendency could lead to an adaptive change in traditional inheritance laws. A small survey of state employees showed it to be a common view among them that people should be able to will new property and should make a will if they have a large amount of such property. Many blockholders on one resettlement project have made wills and the Development Bank provided them with 400 completed wills to help them in this. But wills do not seem to be at all widely used nor is their use promoted by extension agencies or, normally, by the Development Bank. The significance of this shall be elaborated on shortly.

The concern so far in this section has been to show how the state through supportive measures encourages the emergence of a big peasantry and a rural bourgeoisie. These supportive measures, together with the general legal protection and upholding of property rights and of contract, provide something like a system alternative to the traditional relations that the budding bourgeoisie can opt into. People, Uyassi notes, perceive that laws and state action seek to counter challenges and competitive alternatives to the emergence of the big peasantry and of the rural bourgeoisie. This aspect is now sketched in.

Sorcery has already been viewed as a traditional restraint on the dominance of the big man and as a restraint that continues to be relevant in the context of production for the market. In 1971 the Sorcery Act discerned a 'widespread belief...that sorcerers have extra-ordinary powers which can be used for good purposes but more often for bad ones' and proceed to strengthen prohibitions against sorcery. Sorcery is, however, a weapon of the powerful as well as the weak, but Uyassi makes the point in the context of sorcery that big men expect 'courts and the police' to protect them effectively.

Various group ventures producing for the market or organising such production were competitive with the emerging big peasantry and rural bourgeoisie. To some extent these ventures were contained and constrained within official corporate forms - a matter take up in more detail shortly. The types of restraint considered here involve pure prohibition. Prohibition was justified in such official and academic terms as the inherently unsatisfactory nature of these ventures because of their involving distributive demands. There were in the colonial period numerous prohibitions and restraints on group ventures. Although by the mid-1960s some of these had either been repealed or only occasionally applied several remained. To take on example, but probably the most significant, there is a legal provision, standard in corporate laws derived from the British, prohibiting 'an association or partnership consisting...of more than twenty persons which has for its object the acquisition of gain' unless the body is incorporated as a company; the cost and complexity of incorporation and of continuing compliance with corporate law were such as to make this avenue impossible for almost all Papua New Guinean groups. By the end of the 1960s only a very few companies controlled by Papua New Guineans had been incorporated. It was this prohibition which justified the view of extension officials, including those processing loan applications, that only individuals or small partnerships were 'legal'. A loan to a group operating

in breach of the prohibition could not be recovered and this restrained the Development Bank - if restraint were needed - in lending to groups. In 1971, the senior legal official in the government advised the extension officers responsible for 'business development' that they could be committing the serious criminal offence of conspiracy if they assisted groups operating in breach of the prohibition. When some larger scale groups attempted to incorporate in the early 1970s, they were met by official obstruction in a pedantic and sometimes erroneous insistence on points of law. On one occasion, such a group after incorporation as a company was prosecuted for failure to lodge the annual return required by corporate law; a search of the official records of various companies at about that time showed that some significant foreign-owned companies were likewise in breach of this requirement - yet they were not prosecuted.

Containment of the Peasantry

However, containment and restraint extend further and include the big peasantry and the rural bourgeoisie. In promoting these class elements, the colonial state begins to assume a more complex dimension. The state not only "lets the Kulaks run" but carries them along as well. In doing this the state is responding basically to the interests of the foreign bourgeoisie but the embryonic national bourgeoisie and big peasantry is, as part of this process, given some political power and uses this power to further propel their own emergence. The more complex dimension now assumed by the state involves mediating between the national bourgeoisie and the big peasantry on the one hand and the foreign bourgeoisie on the other. This does not necessarily mean that the state is now in some way autonomous or above these class elements; in the Papua New Guinea context, state action continues largely to reflect the dominance of the foreign bourgeoisie. This is not the case of a dynamic and restless national bourgeoisie chafing at foreign constraint. Rather, the colonial state as an agent of the foreign bourgeoisie

takes the leading role in promoting the national bourgeoisie as well as the big peasantry and in so doing it seeks to mould these class elements in a way conformable to the interests of the foreign bourgeoisie. On the whole, and not without qualification, the national bourgeoisie and the big peasantry emerge in a subordinate relation to the foreign bourgeoisie. The mass of the peasantry are somewhat similarly subordinate and become in several ways subordinate also to the big peasantry and the rural bourgeoisie. The wide range of ways in which different agricultural products are marketed makes a generalised illustration of this argument difficult. Although detailed structures of surplus extraction differ from one product to another the general orientation is the same for each, so the idea here is to look at one product in some depth. Coffee has in recent years been the major export crop and coffee provides perhaps the most dramatic example because much more than any other crop its cultivation is in the hands of nationals. The position described here is that prior to recent changes which will be accounted for shortly. The next stage after growing and harvesting the coffee bean is its sale either as unprocessed cherry or semi-processed parchment. This initial processing to the parchment stage will have involved the use of a coffee pulper and this will usually be under the control of a big peasant who will use it to take an initial slice of the surplus. The next stage - the sale of the cherry or parchment - was regulated under marketing legislation. The Coffee Marketing Board, set up under the legislation, licensed buyers and, although it was not legally empowered to do so, it restricted the issue of licences. As far as Papua New Guineans were concerned, it could back up this abuse of power because there were standards in the legislation which it was difficult for them to comply with, such as a requirement that each buyer should have an expensive-type storage shed; if a buyer tried to work outside the licensing system without such a shed he could be prosecuted out of a buying existence. The Board issued most of the buying licences to foreign coffee processors who farmed out many of

these licences to roadside coffee buyers. The buyers were usually nationals and often emerging big peasants. In this way, and sometimes in conjunction with tied loans providing capital for buyers, the buyers were bound to the particular processor who held the licences; the binding of buyers helped also to minimise the risk involved in the fulfilling of forward contracts entered into by processors and exporters. Further sale to exporters was the next stage in the process; almost all coffee is exported by foreign companies and the dominant company here also has substantial interests in processing. The matter should then be taken into the realm of international marketing and of the international coffee agreement but will not be. In all, the extent of foreign involvement increases in each step - from cultivation, to selling of the unprocessed or semi-processed bean, to processing and to export and international marketing.

Recent changes in this situation help to take the argument further and introduce something of a qualification. Due to the intense efforts of a national Minister for Agriculture and despite strong opposition from his own Department and from the Coffee Marketing Board - which was in law subject to the Minister - the roadside buying of coffee was in 1974 limited to nationals and related tied loans and other tied arrangements were denied legal effect. The pressure for this tended to come from younger emerging big peasants; it was opposed by more established big peasants who sided with Australian settlers - such settlers often being their mentors. It may well have been the case also that established big peasants gained from the established system and would stand to lose with the greater competition that was expected to flow from this change. As it turned out, the change did provide openings for a wider range of emergent big peasants. However, there was a not unexpected continuation of tied arrangements; many buyers were still bound effectively if not legally because of their need for working capital. The same Minister who effected

this change also used legal controls to forbid the buying of coffee in the unprocessed cherry form. He argued this was to discourage the theft of cherry from coffee trees and to encourage Papua New Guinean processing at least to the parchment stage. His opponents claimed that the measure was to help big peasants whose coffee was being stolen and who controlled the coffee pulpers needed to process cherry to the parchment stage. It was certainly the case that some small-scale growers objected on this latter ground. However, more influential objection came from the mainly foreign processors who found it more profitable to take their processing from the cherry rather than the parchment state. The opposition of foreign processors and of small-scale growers was effective in having the prohibition on buying cherry lifted.

As this account shows the alignments and influences of different class elements in concrete situations can be more complex than the attribution of their overall and respective strengths would allow. What particularly appears here is that general domination by the foreign bourgeoisie is not incompatible with effective self-assertion by the national bourgeoisie and the big peasantry at least in the lower reaches of the economy and that this is so even if it involves defeat of elements of the foreign bourgeoisie. Some marginal self-sacrifice is at times necessary to uphold 'the big material interests of the bourgeoisie (even against the will of the bourgeoisie)', to borrow Marx's description.

It is in this perspective that changes at the political level can also be explained. No longer is it the pure colonial case of the state acting on the 'undifferentiated mass' of the colonised. The rural bourgeoisie and the big peasantry are not merely acted on; they, or their representatives, act within the state system. To be in a position to do so, they are buttressed and promoted through state action but their advance is contained within a particular structure of power. By hastening and helping the emergence of the rural bourgeoisie and big peasantry the colonial state may

well be creating some opposition to the foreign bourgeoisie but there is a countervailing element in that this allows the state to take part in the shaping of these class elements. These elements come 'into their own' in the context of a state system on which they depend - a state system that is temporally in advance of their emergence politically as well as economically. In this way power is conferred yet contained. It is close to a mere continuation of this process for the rural bourgeoisie and big peasantry to act in their own advance from within the state system. Thus a study of one large ethnic group summarises recent developments in this way:

Political power at the local and national levels is increasingly used to reinforce economic status, leading to the emergence of a rural elite as well as an urban elite....

and 'certain government agencies' are seen as 'the main stimulus' in this process.

Even in earlier periods of colonization big men used appointed positions of colonial rule to increase their wealth; such positions were used to obtain labour, to erect some independence from demands of followers and generally to obtain a preponderant share of the valuables introduced with colonisation. When local government councils and co-operations were introduced new positions of power were used to acquire wealth, to obtain access to government lending and extension services, and to step outside the checks of traditional society. In more recent times there may be a tendency for the rural bourgeoisie and big peasantry to desert councils and to aim for the richer rewards associated with election to the national legislature. The contemporary introduction of provincial government - a tier intermediate between councils and national government - was in part a response to pressure from the rural bourgeoisie and big peasantry who are heavily represented in at least some provincial government. Electoral politics seem generally to be viewed as an avenue to wealth and a great number of candidates compete at national elections. Another political

avenue to wealth is seen in the phenomenon of senior governmental employees acquiring plantations and other rural property; these people, although they occupy a contradictory class location, must be seen as having some identity of interest with the rural bourgeoisie and big peasantry.

In addition to emerging within the confines of a particular structure of power, the rural bourgeoisie and big peasantry are contained through the maintenance of traditional society by the state. The ultimate logic of 'letting the Kulaks run' is the breaking down of the traditional mode of production and the comprehensive substitution of capitalist relations. But in terms of the interests of the foreign bourgeoisie, traditional society must remain to subsidise capitalist production and to counter challenging class consolidations. Hence the Kulak must only run so far. Traditional society itself, as we saw, assists by continuing to assert demands incompatible with capitalist development. It does not lightly let go of its own. It has some purchase on the big peasant because he retains an operative commitment to the traditional mode. The rural bourgeoisie is very small if not merely embryonic and can in cases still be subject to challenge from traditional society.

The checks and hesitations of the Land (Tenure Conversion) Act of 1963 and in its implementation provide perhaps the most dramatic example here. Even in its terms, the Act's expressed commitment to the individualisation of land tenure was hedged about almost to the point of extinction. The Act imposed drastic restrictions on dealing with converted land. However, an official body within the colonial administration could direct that the restrictions would no longer apply in specific cases. The liberal use of this power of exemption provoked a change in the Act subjecting each sale of converted land to the consent of the Australian Minister for Territories and tightening up drastically on other dealings beside sale. Further, the colonial administration in 1965 - that is, soon after the Act was brought

into operation - gave a direction that conversions be limited and the main body charged with making conversions 'had inadequate staff or funds to carry out the whole process. The upshot was that tenure conversions were few and a great deal of the few were for urban house sites. In a much studied area where there were many rural conversions, traditional obligations relating to land and some group control over it continue.

Inheritance can be seen in this context as something of a testing point - a test of the ability of emerging class elements to reproduce and consolidate their positions. Legal changes in the period of accelerated development enabled Papua New Guineans to will 'new' property - that is, unregistered or unconverted land remains to be dealt with within the traditional mode, a situation confirmed by the continued operation of certain colonial 'native regulations'. This land includes most of the land used by nationals in production for the market. In describing aspects of traditional society it was seen that a big man's empire dissolved on his death. It was built and held together as a set of personal relationships focussed on him. In a similar vein, Finney has recounted how the venture of a modern 'business leader' was dissipated on his death in a multitude of claims resulting from his exchange relationships. Although its effects have not been studied in detail, the death of a political leader and big peasant, Kondom Agaundo, seems to have had a similar result although his venture had been somewhat dissipated in his lifetime. A recent case involved the death of one of the wealthiest national cattleman, Doa Minch (or Mints). Although his 265 hectares of land was tenure converted he had not made a will and the court decided that his estate should be dealt with under traditional law. The final outcome is as yet unclear. As a continuing entity, his venture has all but disappeared. The Development Bank had much of the estate sold up to repay its loan to Doa Mints and also to repay two loans he had guaranteed - thus revealing the limited nature of its commitment

to the maintenance of the rural bourgeoisie. The land is now leased to what are largely foreign interests. Doa Minch's clansmen claim they helped in the creation of his wealth and are entitled to a share in his estate. He strongly resisted similar claims in his life time and was constantly in fear of his life. In the same vein, people discuss sorcery as a possible cause of all these deaths. There seems to have been only one instance so far of a large venture surviving and this was due to an exceptional conjunction of circumstances. That there appear to be only a few cases to go on is probably due to the latter-day emergence of the rural bourgeoisie and big peasantry. T.S. Epstein foresees numerous disputes breaking out among the Tolai when the present generation of big peasants begins to die. However, as was seen earlier, traditional patterns of inheritance may well be changing to favour more the smaller-family unit and it seems to be part of this tendency for holdings to remain intact. It was also seen that in the traditional context there was some scope for sons of big men to build on a privileged position and perhaps this factor applies to production for the market, although many such sons are now more oriented to the opportunities opened up through formal education especially in government employment. As far as the state is concerned, however, and despite its promotion of a rural bourgeoisie and big peasantry, the examples of tenure conversion and inheritance strongly suggest that in matters of ultimate right as between these class elements and traditional society, it is traditional society that is preferred.

In the containment of the mass of the peasantry the state introduces and relies on forms that are used in the bounded advance of the rural bourgeoisie and big peasantry - the local government council and the co-operative. Hasluck once homolized that 'the wisdom of government is to anticipate and avoid the building up of a destructive flood, and ensure that the energy of people flows along quieter and happier channels'. The idea of co-operatives was borrowed from British colonies in Africa. They were introduced as a

response to an upsurge of group economic and political organisation after the second world war - 'to guide potential forces of resistance into proper channels.' These group organisations or associations were usually based financially on wages accumulated whilst working for the military administration and war damage compensation. They often transcended ethnic divisions; their membership sometimes numbered in the thousands and they were, understandably, felt by many colonial officials to be politically dangerous. Some of these, as well as later associations, were 'guided' by officials in various ways into the co-operative fold. Containment then took the form of comprehensively paternalistic official control over co-operatives, as even Hasluck recognized. In official theory such control was necessary to ensure profitability but was to be temporary - awaiting the advance of Papua New Guineans to appropriate skills. But it was apparently to be a long awaiting, for the official commitment to education in these skills has been slight and recent. Such control also meant that co-operatives could be restricted in areas when they might provide competition for the foreign bourgeoisie. Any potential threat of this kind was obviated in any case by the hardy incompetence of Australian officials running the co-operatives. In the face of the resounding failure of co-operatives in terms of profitability, Australian officials have recently advanced a revealing alternative criterion of success in the observation that former directors and employees obtain the necessary experience in co-operatives to go into business on their own account whence the co-operative becomes 'redundant' and leaves the field to those who can 'go-it-alone'. This success has to be seen in the context of the wider success involved in providing an organisational form that diverted the larger scale groupings and types of collective organisation that were emerging. This organisational form fitted the structure of peasant society: with few exceptions, co-operatives were officially promoted as having marketing and, sometimes, consumer-supply functions - production being left to the peasant household. They were also promoted on the basis of small membership for the most part and often on the basis of existing ethnic divisions.

The system of local government councils was introduced shortly after the second world war but it was only in the period of accelerated development that the form was widely used. Each council would cover several traditional ethnic groupings but councillors were based in discrete ethnic groupings and councils were meant to reinforce traditional ethnic divisions. As with co-operatives, councils were subject and subjected to broad official control and were basically 'an administrative arm of the colonial administration'. Generally, they were used to contain and divert indigenous political action. People were persuaded to form councils through tax measures, official promises of material benefit and plain coercion. As far as members of the rural bourgeoisie and big peasantry are concerned the local government council seems, like the co-operative, to be transitional, for these people appear to move beyond the council to provincial and national-level government, as was suggested earlier.

The Peasantry Formed?

To ask whether the peasantry is formed is to return to the question of what the peasantry is and to the seemingly very different kinds of people the term can cover - that is, whether the peasantry is a homogeneous class or a class at all. No attempt is made to resolve the issue conceptually. The attempt here will be to set the influence of the different modes of production, including the influence of differentiation among the peasantry. The broad implications of this for class formation, class consciousness and class action will be too obvious to need elaboration. Less obvious will be the implications for class alliances - especially the importance of relations with the proletariat - but this is not pursued here.

The degree of operative commitment which people have to the different modes of production is not something susceptible of precise definition and arbitrary division. At one extreme some people will operate almost wholly within the traditional mode and have only a small degree of commitment to

the capitalist. Cash from production for the market is desired because the ability to buy introduced foods, clothing, fuel and simple tools is universally prized; this supplements and aids production for use and the traditional mode remains a comprehensively accessible retreat. At the other extreme would be a big peasant producing for the market, aspiring to join the rural bourgeoisie and systematically attempting to reject obligations grounded in the traditional mode; he, presumably, would not find this mode easily accessible. Some peasants will, in varying degrees, be dependent on both types of production. The conditions of production for the market may, in cases, be so extremely constrained that the peasant can be seen as approximating to a proletarian selling his labour - a blockholder on a nucleus estate could be an example of this. These perspectives are not coherent but they give an idea of the diversity that the concept of 'peasantry' can contain. The most significant perspectives in the Papua New Guinea context are those focused on the big peasant, merging into the rural bourgeoisie, and on the continuing operative commitment to the traditional mode of production.

It seems to be common for a big peasant to start his climb by relying on traditional relations - but this reliance may be lessening with the increased role of governmental lending - and then to move in the direction of ownership and control on an individual basis or in partnership with other big peasants. In many areas there is a great differentiation in terms of property and monetary income between the big peasants and the mass of the peasantry. Structural supports for the maintenance of the big peasantry as a distinct class element emerge: various mechanisms develop for easing property out of the domain of the traditional mode; 'new' property can be willed; education serves as a point of preference in the allocation of governmental resources; the big peasantry form pressure group organisations transcending ethnic boundaries and develop something of a corporate identity. But the foreign bourgeoisie remains dominant and in the interests

of that class element traditional society is maintained. The emergence of the big peasantry tends to be bounded by this. There results certain combined forms of economic organisation - forms that combine production for the market with a continuing significant relation to traditional society. One form, and a fascinating one, is that of the 'development corporation'. Typically, it involves a large ethnic grouping and sometimes relies on, or on an extension of, traditional exchange networks. Component smaller groups and individuals within the grouping invest in the corporation as shareholders. The corporation engages in economic activities in its own right and sometimes invests in other ventures. The big peasant plays a dominant role in the organisation of corporations and the ventures in which a corporation invests will sometimes include his. These ventures will often include also those of the foreign bourgeoisie and there will be other types of intimate linkages with this class element. Some development corporations have - or had - something of a nationalist, radical inclination. Gerritsen would distinguish these from certain organisations explicitly dominated by the big peasant but Uyassi seems to be correct in saying they are basically no different; the radical corporations are often just as implicated with the foreign bourgeoisie or have tried to be and the lifestyle of their leaders - formally only executives of the corporation - strongly suggests an appropriation of surplus entirely comparable to the efforts of more conventional big peasants. At the political level, and in a context where turnover in membership of the national legislature is very high, the big peasant operating with a development corporation or with some other type of large, ethnically-based formal organisation appears more likely to be re-elected. More generally, observers have recently noted the emergence of patron-client relations - a classic form typing the mass of the peasantry in relations of dependence on the big peasantry and a form which has obvious antecedents in traditional society.

There are combined forms of economic organisation not involving the

big peasantry. Indeed the geographical spread of the big peasantry is probably not extensive being confined largely to centres of existing foreign plantation activity. There are movements and organisations based on traditional groupings which engage in marketing or production for the market but whose leaders operate in a less economically dominant and more egalitarian frame and although these are probably widespread they have been discriminated against or suppressed by the state and tend to be organisationally unstable. Another combined form may be the peasant who produces for the market with considerable success but nonetheless remains strongly integrated into traditional society meeting in large degrees the attendant distributive obligations.

As for the mass of the peasantry, their involvement in production for the market is quite small. Even in those areas where general production for the market is intense, it tends to be concentrated in the hands of the big peasantry and of the rural and foreign bourgeoisie. As far as nationals are concerned, supportive state action has been largely dedicated to the big peasantry and the rural bourgeoisie; production for the market has been imported and encouraged neither comprehensively nor intensively. Most peasants engage in production for the market as something incidental to subsistence production. Dependence on production for the market is probably quite strong with many settlers on nucleus estates and on government resettlement schemes but settlers are a very small minority. The possibility has been remarked on that in some areas cash crops have been planted to the point that land for subsistence production is becoming inadequate; this is not at all a general or clear trend. Nor is the commitment of land to production for the market irreversible: in several areas cash crop land has been returned to subsistence production in the face of population pressures. But doubtless the rapid increase in population will increasingly test the adequacy of available land. Also of relevance here are those

communities - peri-urban and further afield - which operate to an overwhelming degree in the maintenance of an urban workforce and which depend to a considerable degree on remitted wages. More direct challenges to the integrity of traditional society come from changing relations to the means of production. Individual control over land in some areas seems to have developed almost to the point of the exclusion of group interests and some land is now treated as a commodity. The provision of labour for the rural bourgeoisie and big peasantry on a proletarian basis is becoming widespread and increasingly common. But despite all this, the tendency remains towards the maintenance and integrity of traditional society. The following recent description of one large group can, subject to pockets of exception, be generalised - and this group is comparatively intensely involved in production for the market and is subject to great population pressures:

'Chimbu socioeconomy has never been challenged by an innovation so successful, never been subject to an external force so drastic, that any irrevocable structural modification has occurred in it. The traditional culture has changed... but its essential elements have survived.'

The Post-colonial Period

The tendency towards the maintenance of traditional society is in some ways reinforced with the advent of the post-colonial period. The state discovers and asserts the virtues of 'Papua New Guinea ways', of traditional community organisation, agricultural development, equality and popular participation in the economy. This was in part a nationalist rejection of colonial policy, in part a new ideology needed for new rulers and in part a reflection of contemporary fashions in international guidance on desirable development. The first signal for revolt was the introduction by the colonial administration in 1971 of land bills which tended to more effective individualisation of tenure and to making a commodity of land; the bills were withdrawn after

inequitable'. The immensely disproportionate allocation of public sector spending to urban areas is suggestive of more implicit patterns of surplus extraction. The new revenues from copper in the earlier part of the decade, the continuing high levels of Australian 'aid' and the continuing inflow of foreign capital have lessened pressure to squeeze the peasantry. As protections, however, these factors can only be considered precarious, and in some ways equivocal. However, a related, if speculative, factor may provide a more enduring protection for the peasantry and for the integrity of traditional society: it is possible, and even probable, that a hugely preponderant domination of the economy will come from capital involved in natural resource extraction; typically, this involvement is capital-intensive and relies on imported inputs; hence heightened class division within Papua New Guinea would not be functional to such capital since it only requires a small, skilled proletariat and does not require extensive internal production for the market; more positively, such capital could prefer a stable 'backwardness' and ethnic division in the maintenance of traditional society - prefer this to class consolidation and class conflict.

Should such a scenario prove accurate, it will further strengthen the interest of the foreign bourgeoisie in the maintenance of traditional society. The somewhat contradictory maintenance of a rural bourgeoisie and big peasantry would persist because these are the main elements of the resident 'ruling class' and explicitly foreign political domination now lacks legitimacy. The contradiction would probably find some resolution, at least for the short term, in the growth of such combined forms as the development corporation and relations of the patron-client type.