

Table 1.- Contrast between peasant and entrepreneurial agriculture.

Attributes	Peasant farming	Entrepreneurial farming
Production objectives	Reproduction of the family and of the production unit.	Maximization of the profit rate and the accumulation of capital
Origin of the labour force	Basically the family and at times reciprocal interchange wage labor is marginal	Wage labor
Commitment by the head to the family labor force.	Absolute	Non-existent, except for legal obligations.
Technology	Very labor/intensive and low “capital” and purchased inputs intensity	Higher capital/labor, higher purchased inputs per unit of output
Destination of products and origin of inputs.	Partially mercantile	Mercantile
Criteria for intensification of work	Maximum total production even at cost of a fall in average. Limit: zero marginal product	Marginal product > than wage. Limit MP=wage
Risk and uncertainty	Risk evasion: “survival algorithm”(Lipton, 1968)	Internalization based on probabilities, in search for profits proportional to risk
Nature of work force	Makes use of non transferable or marginal family work	Only uses transferable labour in qualified functions

Source: A. Schejtman (1980)