STATE INTERVENTION IN WINE MARKETS IN THE EARLY TWENTIETH CENTURY. WHY WAS IT SO DIFFERENT IN FRANCE AND SPAIN?*

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ABSTRACT

In the early twentieth century, governments not only used trade policy to protect domestic agricultural markets, but they also introduced regulations affecting quality, quantity and prices. In this article I assess the differences in the state intervention in wine markets in two major wine-producing countries, France and Spain, and try to explain the reasons for them. To do so, I examine the specific features of their markets and productive systems, the winegrowers’ collective action, and the political framework in each country. I argue that the differences are related to a) the strength and cohesion of the winegrowers’ lobby; b) the winegrowers’ relationship with political parties; and c) the state’s ability to respond to their demands.

Key words: agricultural policy, wine market, early twentieth century, France, Spain

JEL classification: N43, N44, N53, N54, Q18

RESUMEN

A comienzos del siglo XX, los gobiernos no sólo utilizaban la política comercial para proteger los mercados agrícolas nacionales, sino que también introdujeron regulaciones sobre la calidad, la cantidad y los precios de los productos. En este artículo trato de evaluar las diferencias en la intervención del Estado en los mercados vinícolas en dos de los principales países productores de vino, Francia y España, y las razones de las mismas. Para ello, examino las características específicas de sus mercados y sistemas productivos, la acción colectiva de los viticultores y el marco político de cada país. Sostengo que las diferencias están relacionadas con a) la fuerza y cohesión del

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‘lobby’ vitícola, b) la relación entre viticultores y partidos políticos, y c) la capacidad del Estado para responder a sus demandas.

**Palabras clave:** política agrícola, mercado vinícola, inicios del siglo XX, Francia, España

**Clasificación JEL:** N43, N44, N53, N54, Q18

1. **Introduction**

During the nineteenth century, state intervention in European agricultural markets was limited mainly to commercial policy, in the form of tariffs and quotas to protect domestic producers from imports. In the early twentieth century, its involvement expanded into many more areas: governments not only used trade policy to protect domestic markets, but they also introduced regulations affecting quality, quantity and prices in domestic markets. In fact, trade policy gradually took second place within global state intervention in agricultural markets.¹

The wine sector provides a good illustration of this evolution, and indeed many of the current EU regulations in the wine market can be traced back to the French regulations of the early twentieth century.² In France, the main producer and consumer of wine, so many regulatory measures were introduced in the interwar period that viticulture came to be described as a “command economy”.³ Initially these were legal measures to control the process of winemaking and to avoid imitations using alcohol, water and other products. Fraud had always been present in wine markets, since the poor quality of many wines made adulteration easy; but the growing physical separation between producers and consumers, the shortage of genuine wines caused by the phylloxera plague and other vine diseases, and the development of new techniques to mask food deterioration and to lower costs made sharp practices of this kind especially attractive for manufacturers and imperceptible to consumers.⁴

Some of the regulations were introduced to protect consumers, by attempting to guarantee food quality standards in an environment in which, naturally, they had less

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¹ Tracy (1989); Koning (1994, 2013); Moser & Varley (2013).
² Meloni & Swinnen (2013).
³ Morel (1939).
⁴ Simpson (2011: 82).
information than the producers. However the regulations also affected income distribution in the French market and limited competition.\(^5\) Legal measures were introduced to control the quality of wine in 1889, 1891, 1894, 1895 and 1905, and in 1907 crop declarations ("déclarations de récolte") were made compulsory in order to fight fraud in winemaking. Regarding wine quality, the introduction of regional appellations ("appellations d'origine"), passed in the legislation of 1905, 1908, 1919, 1927 and 1935 represented another way to avoid the problems associated with adulterations and to improve the information provided to the consumer.\(^6\)

Regional appellations were also, in the end, a response to overproduction and insufficient demand, but in the early twentieth century the state also intervened to regulate the quantity of produce sold. In the 1930s, the French government tried to reduce wine overproduction not only by raising tariffs, but also by regulating the domestic market. The act of 4 July 1931 was considered “the most important legislative measure consecrating the intervention of the state in the domain of economic life since the French Revolution”.\(^7\) It was the first of a complex set of measures called the "Statut de la Viticulture" passed in the 1930s: in addition to the regulations regarding quality, the French government introduced quantity controls such as the prohibition of high-yield vines, the ceasing of irrigation of vineyards after 15 July each year, the storage of harvests in the farms and their release at stipulated intervals, mandatory distillation of wine surpluses, restrictions on planting vines, and even the pulling up of vines already planted. There was even a project to create a National Wine Agency ("Office National du Vin") to fix wine prices and output.

In Spain, price controls and restrictions on competition were also introduced in the early twentieth century, but regulations in the domestic market did not go so far. Although natural wine had received protection from adulteration since the late nineteenth century (Wine Act of 27 July 1895), counterfeiting was not prosecuted and the legislation was not enforced. Crop declarations and wine distribution licenses, which were the winegrowers’ main demands in order to prevent fraud, did not become law until the 1930s when the wine crisis was at its peak, and even then they were not effective. The first attempts to start joint management of viticultural policy under the dictatorship of Primo de Rivera proved highly unsatisfactory for the winegrowers, and

the Wine Act passed on 29 April 1926 aimed to satisfy winegrowers, alcohol producers, wine merchants and exporters all at the same time. Following the example of the French parliament, in 1932 a Wine Statute was passed as an all-embracing set of measures to regulate the domestic wine market, but it was less interventionist and provided less protection for the winegrowers than its French equivalent. Many of these measures merely continued and systematised earlier legislation (especially the 1926 Wines and Alcohol Act), they were difficult to implement and the winegrowers were not satisfied. An examination of wine market policy in Spain during the 1920s and 1930s concluded that the winegrowers’ lobby was a failure.

The aim of this paper is to explain why state intervention in wine markets differed so much in these two major wine-producing countries; to do so, I examine the specific features of their markets and productive systems, the winegrowers’ collective action, and the political framework in each country. Since the nineteenth century, rural populations in both countries had undergone a process of politicisation which transformed the conditions and mechanisms available for collective action. Emerging agricultural organisations radically changed the relationship between the peasants and the state. Already well aware of the effects of government economic policy on their individual destiny, peasants now discovered the potential of organised collective action as a way to influence this policy in the desired direction. As I will argue, the agricultural policies introduced were in many ways a response to the mobilisation of civil society and its relationship with the political parties. In this article I try to shed more light on how the differences in the economic, social and political frameworks of the two countries affected the outcomes of government intervention in their respective wine markets.

As I focus on the relationship between the state intervention in wine markets and the winegrowers’ collective action, I pay special attention to two specific winegrowing regions: the viticultural départements of the Midi (Aude, Gard, Hérault and Pyrenées-Orientales) in France, and Catalonia in Spain (Figure 1). These were not only the major winegrowing regions in their respective countries, but they were the ones that led the winegrowers’ collective action, and, as they were neighbours on either side of the

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9 In France, the “Wine Statute” was passed on 4 July 1931. In Spain it was first a decree (8 September 1932) and later an act passed on 26 May 1933.
national border they had a substantial influence on one another, as we will see below. Moreover, most of the legislation introduced in France (which the Spanish winegrowers fought hard to introduce in Spain as well, though without success) concerned the table wines grown in the Midi. In other ways the two regions were quite different: they both started their winegrowing specialisation in the seventeenth century, but in the nineteenth century, when the railways began to bring down transport costs dramatically, the Midi’s market became the industrial cities of the north of France, above all Paris, while Catalonia was much more oriented to exports to America and, increasingly, to France. Consequently, wine production was also quite different (much more homogeneous in the Midi, with a specialisation in low-quality wines), and so were the social structures in the two regions, with a predominance of small owners (and labourers who often owned small plots) coexisting with large exploitations in the Midi, but a much stronger dependence on sharecropping contracts in Catalonia.\textsuperscript{14}

\begin{figure}
\centering
\includegraphics[width=\textwidth]{wine_regions.png}
\caption{The winegrowing regions of the Midi (France) and Catalonia (Spain)}
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\end{figure}

Source: Author’s elaboration.

After this introduction, the paper is divided in four sections. Section two examines the evolution of the wine sector in France and Spain during the early twentieth century, paying special attention to their major winegrowing regions, the Midi


\textsuperscript{14} Pech (1975); Frader (1991); Gavignaud-Fontaine (1997); Carmona & Simpson (1999); Simpson (2005); Giralt (2008).
and Catalonia. Sections three and four briefly describe the winegrowers’ mobilisation and the governments’ response in both countries. Section five argues that the differences in state intervention in France and Spain are related to a) the strength and cohesion of the winegrowers’ lobby; b) the winegrowers’ relationship with political parties; and c) the state’s ability to respond to their demands. The paper ends with some brief conclusions.

2. Winegrowers and wine production in the early twentieth century

Since the 1860s, European winegrowers had had to contend with the destruction of large areas of vineyards by the phylloxera plague. The only long-term solution was to uproot the dead vines and substitute them with American vines, which were resistant to the disease. This was done by grafting (inserting European vines onto the roots of the American vine species) or by using hybrids (crossing two or more varieties of different vine species, either between American species or between European and American species). However, uprooting and replanting vines was extremely costly, and in fact the investment yielded little or no return, since in the early twentieth century the wine markets underwent several crises of overproduction and prices fell as a result. The new vines – especially the hybrids – produced higher yields, and the spread of phylloxera across the continent led to the emergence of new winegrowing areas to supply the wine markets, as table wines were products with low barriers to entry.¹⁵

Figure 2 shows the response of French winegrowers to the phylloxera plague: although the vine area was reduced by about 1 million hectares from 1870 to 1940, from 2.4 million (1871) to 1.4 million (1939), wine production increased; by the 1920s and 1930s, with a smaller area of planted vines, wine production was larger. It was hard to match supply and demand, as wine consumption was more or less constant and annual production fluctuated considerably. The consequence was high price volatility that made adjustment to market conditions more difficult.¹⁶

¹⁶ In the 1930s, when the wine crisis was at its height and wine prices very low, it was pointed out that “the problem with French winegrowing is not that the price is excessively low; it is that the price is excessively irregular” (Milhau, 1935: 77).
The four main winegrowing départements of the Midi did not reduce their vine areas and production increased much more than in France as a whole. The Midi was the first winegrowing region hit by phylloxera (in 1867, two municipalities in Hérault were already affected), and replantation was carried out when wine prices were still high, leading to an intensive vineyard monoculture. As I will argue later, the region’s high specialisation in winegrowing and its share of the national wine output had a major influence on the viticultural policies that were implemented in France.

The evolution of wine production was the consequence of the higher vine yields. From 1870 to 1940, average yields in France nearly doubled, from 24 (1871) to 47 (1939) hectolitres per hectare, because the new vines were more productive and winegrowers used more fertilisers. Production costs also increased, not just because of the replantation with new vines but because of the use of fertilisers and other costly inputs such as sulphur and copper sulphate needed to prevent the downy mildew and other vine diseases, and also because of rising salaries. Consequently, after the replantation the running costs of winegrowing also increased. The trend was similar in the Midi, where yields were even higher: they rose on average from 34 (1871) to 63
(1939) hectolitres per hectare, reaching 300 hectolitres in some areas.\(^7\) Replantation in the Midi was mainly carried out with highly productive vines (mainly aramon), and now the fertile plains were cultivated. More than in any other winegrowing region, production in the Midi was moving towards quantity at the expense of quality: its specialisation in cheap table wines with highly homogeneous production was defined at the beginning of the twentieth century as an “industrial viticulture”.\(^8\) In the 1930s the four départements of the Midi accounted for about a third of the total extension of France’s vineyards and nearly half of its total production of wine; they produced more wine than all Spain, with only one third of the vine area (Figure 3).

**FIGURE 3**

**AREA OF VINES AND WINE PRODUCTION IN SPAIN AND CATALONIA, 1898-1935**


In Spain, vine yields were much lower than in France (between 15 and 20 hectolitres per hectare in average) and they increased little over the period. Consequently, even though the evolution of its vine areas was similar (albeit with a certain delay, because the phylloxera plague arrived later), wine production fell from 32

\(^7\) Augé-Laribé (1950: 175).

\(^8\) Augé-Laribé (1907).
million hectolitres in 1889 to 17 million in 1935 (Figure 3). In addition, the high degree of regional concentration of the French wine production (which had far-reaching consequences for the organisation of winegrowers’ interests) was not reproduced in Spain (Figures 3 and 4). At the beginning of the twentieth century Catalonia was Spain’s main winegrowing region, but it had about 15% of the country’s vines, and its wine production (less homogeneous than in the Midi and more oriented to exportations) represented a similar proportion of the total. Its share rose until 1920, and then fell slightly; in the 1930s, it accounted for roughly 20% of Spain’s wine production and a lower share of the area of vines (Figure 4). Throughout the period, other regions of Spain increased their specialisation in winegrowing, especially La Mancha. In the 1930s, four provinces (Albacete, Ciudad Real, Cuenca and Toledo) concentrated 24% of all Spain’s vines and produced wines at a much lower cost than Catalonia. To sum up, in contrast to France, the wine crisis did not have such a harmful impact on a particular region, and therefore in Spain it was more difficult to mobilise winegrowers in order to lobby the government.

FIGURE 4a
AREA OF VINES IN THE MIDI AND IN CATALONIA (% OF THE TOTAL IN FRANCE AND SPAIN)

FIGURE 4b
WINE PRODUCTION IN THE MIDI AND IN CATALONIA (% OF THE TOTAL IN FRANCE AND SPAIN)
Furthermore, Catalonia had a much more diversified economy than the Midi. In the early twentieth century the province of Barcelona had the largest area of vines in Catalonia, but it was also highly industrialised. In contrast, Hérault, the *département* with the largest area of vines and wine production in France (the second in added value after Gironde) was highly dependent on wine: in the interwar period, 90% of its revenue came from vines and its main city, Montpellier (90,787 inhabitants in 1936, nearly a fifth of the total population of the *département*) was strongly linked to the wine economy, with many commercial businesses, but had little industry.¹⁹ Nor were the wine sectors in the two regions comparable in terms of size: the Midi, with a smaller surface area than Catalonia, had nearly twice as many vines and seven times its wine production.

In both countries wine prices experienced a clear downward trend from the 1890s onwards and, despite annual harvest variations, prices did not recover their late nineteenth century levels except for the period of the First World War. Winegrowers were mainly small-scale producers who had difficulty responding to the evolution of wine prices in order to match supply and demand. Firstly, wine prices varied significantly from one year to another, resulting from the fluctuations in output, and families who owned winemaking facilities were compelled to sell their produce in order to leave room for the next harvest. Secondly, even though prices were falling in the long term, it was difficult to halt wine production, because of the significant investment in planting and winemaking facilities. Moreover, farmers were often unable to produce other crops due to the conditions of the land. In this situation, they often responded to

¹⁹ Sagnes (1986: 7-8).
falling prices by selling a greater amount of wine to increase their revenues, a practice which pushed the price down still further. Consequently, they suffered recurrent “crises de mévente” – times of large harvests and very low prices – when wine was sold at a loss. The difficulties facing winegrowers in the early twentieth century can be better understood by looking at the changes in relative prices of wine and labour (Figure 5). In contrast to the general increase in living standards, the winegrowers were becoming steadily poorer; their revenues fell, but their production costs did not.

FIGURE 5
WINE PRICES AND WAGES RATIO IN THE MIDI AND CATALONIA, 1871-1939 (1871=100)

Sources: The ratios wine prices/wages have been constructed by using: Pech, 1975 (wine prices in the Midi); Bayet, 1997 (nominal wages in France); Colomé et al., 2013 (wine prices in Catalonia); Garrabou et al., 1991 (nominal wages in Penedès). Author’s elaboration.

Due to the spread of the phylloxera plague, from 1880 onwards France was a net importer, initially from Spain in the 1880s and later on from Algeria, where vine plantations expanded massively and wine production increased dramatically, mainly for consumption in France. As a French colony, Algeria benefited from tariff-free entry for

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21 Pech (1975); Pujol (1986).
its products. Not counting Algeria, in the early twentieth century Spain was still the world’s leading exporter of ordinary table wines in terms of volume; but the French market absorbed more than 60-70% of these exports, and the Spanish export sector was severely affected by France’s increasingly protectionist policy from 1892 onwards. Most of these exports were wines of good colour and alcoholic content used for blending (“coupage”) with low-strength wines from southern France, but in this function imports from Algeria soon began to replace Spanish wines. In France exports were also falling: they had reached four million hectolitres in the 1870s, but fell from two million hectolitres in the 1890s to less than one million in the 1930s. After the introduction of the tariff in 1892 French wine production grew, but the “artificial” expansion of vineyards favoured by protection led to overproduction and increased the difficulty of finding markets.

Two other factors worsened the overproduction crisis. On the one hand, the development of the alcohol industry reduced opportunities for wine distillation, which had traditionally functioned as a safety valve for large harvests and low prices. In Spain, industrial alcohol production grew rapidly after the loss of its colony Cuba. Sugar beet expanded in order to avoid dependence on importations from the island and the residues of sugar manufacturing were used to produce alcohol, since animal husbandry was much more limited than in other countries and so these residues were of little use to feed livestock. Industrial alcohol was also produced with corn, which was imported mainly from Argentina for cattle breeding or for distillation. On the other hand, there was growing competition from “artificial” wines in the markets. The phylloxera crisis caused shortages and boosted the production of beverages that imitated wine, like piquettes, wines produced from dried instead of fresh grapes, and poor quality beverages produced with industrial alcohol and other substances at rock bottom prices.

Before the fall of the wine prices, France and Spain had used industrial alcohol produced from sugar beets and potato spirits to fortify wines, and Spain imported large amounts of industrial alcohol (especially from Germany) in order to be able to export

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22 Meloni & Swinnen (2014). According to these authors, it was the growth of the Algerian wine industry that triggered the introduction of wine regulations in France at the beginning of the twentieth century, and especially in the 1930s.
24 Tracy (1989: 75).
25 A vinous beverage produced by adding sugar, together with hot water, to the remains of the grapes after the first pressing, and then repressing. The process was called “chaptalisation” because it was described by the French chemist Jean-Antoine Chaptal (1765-1832). See Simpson (2005: 532).
wines to France and also for its domestic market. However, when overproduction started to affect wine markets, the competition from these “artificial” wines – even if most of them were harmless to health – was seen by winegrowers as a fraud that needed to be prosecuted. In addition, wines were taxed on entering the municipalities. These taxes not only raised prices and limited consumption, but also encouraged fraudulent practices which were carried out in the cities. In Spain these taxes were removed in 1915, but three years later they were reintroduced as municipalities protested at the loss of this important revenue. In 1934, in accordance with the provisions of the Wine Statute, a bill was presented to the Spanish parliament for the removal of municipality taxes on wine; but it was difficult to find compensation for the sum of around 150 million ptas, which, it was calculated, the tax proceeds represented, and on the eve of the outbreak of the Spanish Civil War the winegrowers were still campaigning for the removal of the taxes. In France, in contrast, they were reduced in 1893 and finally abolished in 1918.

3. The winegrowers mobilise

Winegrowers faced important constraints on their ability to deal with the crisis. In a very volatile market, with the large-scale intervention of merchants and a product that was easy to imitate, the growers were numerous but disorganised. Collective action represented a major change, prompted by the wine crisis. It is not surprising that the winegrowers’ mobilisation started in the Midi of France where, after the phylloxera plague, winegrowing had developed into an intensive monoculture of high-yielding vines throughout almost all of the cultivated land. The depreciation of wine was also more severe in the Midi than anywhere else in France, as it was also the region most affected by wine adulteration due to its specialisation in cheap table wines.

The Midi winegrowers started to mobilise very early. As Simpson pointed out, the fight against phylloxera provided a useful rehearsal for collective action at a later point when they faced low prices. In 1887, they had already created the Syndicat des Viticulteurs in order to avoid the renegotiation of the trade agreement with Italy and to

27 Revista de alcoholes, azúcares e industrias derivadas (RAAID), 7.1934.
28 La Vinicultura Española (LVE), 15.7.1936.
increase tariffs. Later on, their major complaints were directed against the passivity of the government with the prosecution of fraud in winemaking, since even the antifraud legislation passed in 1905 was useless without strict control and enforcement of the law. The region’s high specialisation in winegrowing and winemaking meant that the effects of the crisis were particularly keenly felt, and the protest became a cross-class movement defending wine prices and the prohibition of artificial wines. In 1907, after several “crises de mévente” there was a widespread uprising of winegrowers in the Midi, with mass demonstrations of hundreds of thousands of people, the resignation of many town councils, tax strikes and even street violence, with a clash with soldiers in Narbonne resulting in casualties.

The nature of this movement is particularly interesting, because since the late nineteenth century a powerful class-based peasant syndicalism had also emerged in the Midi in response to the development of vineyard capitalism. In 1903 a federation was established, affiliated to the Confédération Générale du Travail, comprising 31 unions from Languedoc-Roussillon and with a membership of around 3,000. From November 1903 to July 1904 about 150 strikes were carried out, involving about 50,000 workers. Significant gains were achieved in terms of both increases in wages and reductions in working hours, and numerous unions were created. Nevertheless, within three years, membership had fallen sharply (1904: 14,804; 1905: 9,747; 1906: 4,470; 1907: 1,721), and in 1907 agricultural workers were also participating in the cross-class protest against fraud in winemaking. As Frader pointed out, “the fact that many rural workers had been (or remained) landowners, or that numerous poor small vineyard owners became part-time or even full-time workers, made the class status of vinedressers extremely complex”.

Later, the Midi uprising became a symbol of the winegrowers’ resistance against the authorities and when the “députés du vin” from Hérault called for protection for small-scale winegrowers, they often recalled the risks of social unrest and harked back to the events of 1907. The Midi revolt probably had long-term consequences, as “a permanent feature of French policy was the importance given to social stability […] and

34 Caupert (1921: 28).
37 Bagnol (2010: 91).
at preserving social peace for fear of peasants’ riots”.

In the short term, however, the organisation of the winegrowers took an important step forward with the creation of a permanent association of Midi winegrowers. In September 1907 five large agricultural syndicates, which had been created during the winegrowers' uprising, set up the General Confederation of Winegrowers (Confédération Générale des Vignerons, CGV). In its local delegations (sections communales) this organisation grouped together large and small landowners, tenants, leaseholders and agricultural workers, as well as traders and members of professions related to the production and marketing of wine. In 1908 there were nearly 70,000 members from 700 viticultural municipalities, which were responsible for about half of French wine production. From 1922, with the adhesion of the Confederation of South-East Winegrowers (an organisation based on the départements of Gard, Ardèche, Vaucluse, Bouches-du-Rhône and Var), the CGV had more than 100,000 members and was active in eight départements, from the Pyrénées Orientales to the Var, and a budget of more than two million francs.

The success of the CGV triggered many imitations in other wine-producing areas, which also contributed to the government’s increasing preoccupation with the winegrowers’ demands. In 1908 the Confédération des Associations Viticoles de Bourgogne was founded, with 33,000 members, and expressed “their wish to enter constant and regular relations” with the CGV. On 12 September 1908 the winegrowers in Charente created the Fédération des Viticulteurs des Deux-Charentes, based in Cognac, and in the Champagne region winegrowers started to organise their own federation. In 1909 the Confédération des Viticulteurs du Sud-Est was founded in Nîmes, based on the départements of Gard, Vaucluse, Bouches-du-Rhône and Var (with 10,000 members in 1912), and later the Confédération des Vignerons des Trois Départements Algériens (1912) and the Ligue des Viticulteurs de la Gironde also came into being.

Even if the CGV followed an autonomous strategy and its collective action was based mainly on a regional defence, in 1913 it promoted the foundation of the Federation of Regional Winegrowers Associations of France (Fédération des

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39 The syndicates of Montpellier, Béziers, Narbonne, Perpignan and Carcassonne from the départements of Hérault, Aude and Pyrénées Orientales.
40 Vendémiaire, 15.5.1908 and 1.7.1908.
41 Roche-Agussol (1924: 38); Azibert (1925: 43).
42 Vendémiaire, 1.10.1908.
Associations Viticoles Régionales de France), based in Narbonne, and in 1919 it also played a leading role in the creation of the National Confederation of Agricultural Associations of France (Confédération Nationale des Associations Agricoles de France), after the first French Agricultural Conference. However, this confederation met with little success as the associations were unwilling to obey the central body, and the CGV even abandoned it for some time;\(^{44}\) it had to defend too many different interests in order to formulate a coherent set of demands and at the same time satisfy the different agricultural producers. In contrast, following the example of the winegrowing associations, other specialised agricultural federations were set up: the Confédération Générale des Planteurs de Betteraves (1921), the Association Générale des Producteurs de Blé (1924), the Confédération Générale des Producteurs de Lait (1924), the Confédération Générale des Producteurs de Viande in the late 1920s and the Confédération Générale des Producteurs de Fruits et Légumes in 1932.

The creation of specialised agricultural associations proved to be a very effective formula for attracting farmers’ support since it bypassed the political, social and economic divisions between them, and also for lobbying in parliament to defend their members’ interests since it allowed the formulation of a precise set of demands.\(^{45}\) Although they were controlled by large landowners, as was the CGV, they were able to enlist many small farmers and claim to speak for them. Moreover, the specialised associations introduced a new system of “professional” representation of agricultural interests that differed from the two traditional models of French agricultural syndicalism (the “rue d’Athènes” and “boulevard Saint Germain”);\(^{46}\) it was particularly active during the corporatist regime of Vichy, and then became consolidated after the Second World War.\(^{47}\)

The example of CGV was followed not only in France. In Catalonia, after several "crises de mévente" (1905, 1907, 1908 and 1909), the association of Catalan winegrowers was founded (Unió de Vinyaters de Catalunya: UVC). In a few months this association established delegations in over 200 municipalities and had nearly 20,000 members,\(^{48}\) far more than any other agricultural association in Catalonia. In May 1911, a contemporary observer noted: “I don’t know if ever in the agricultural

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\(^{44}\) Augé-Laribé (1950: 444).

\(^{45}\) Wright (1964: 36).

\(^{46}\) See Barral (1968).

\(^{47}\) Pesche (2000: 90).

\(^{48}\) Rev. IACSI, 20.11.1911.
movement in our country there has emerged a society with more speed, more thrust, and more vigour than this one”.49

In Spain, the first group to follow the example of the UVC were the winegrowers of Navarre, who founded their association in 1912. Their leader had attended the UVC’s first general conference in Barcelona in February 1912, and he invited all the participants to a meeting to be held in Pamplona in July of the same year, where “the union of all winegrowers in Spain could begin”.50 At this conference, which was convened jointly with the UVC, it was agreed to establish a Winegrowers’ Federation of the North-East of Spain comprising the regional associations of Catalonia, Navarre, La Rioja (where, following the examples of Catalonia and Navarre, a similar Winegrowers’ Association was founded in the same year), Aragon, and the Balearic Islands. Other federations were to be set up in eastern and central Spain (in La Mancha, Valencia and Murcia), the south (in Andalusia and Extremadura) and the north-west (in Galicia, Asturias and Leon). Together, they were to constitute the National Confederation of Winegrowers of Spain.

The Spanish Confederation (Confederación Nacional de Viticultores, CNV), however, was not founded until November 1924. In 1923 the UVC started a campaign to demand the enforcement of laws protecting natural wine, and meetings were held in Catalonia, Valencia, Navarre, La Rioja, Aragon and La Mancha, where on 20 September 1923 a winegrowers’ federation was founded (Federación Regional de Viticultores Manchegos). Primo de Rivera’s coup d’état interrupted the campaign, but after the Spanish government’s decree on alcohols (1 September 1924), which the winegrowers considered to be highly unsatisfactory, they stepped up their protest to force its repeal and reorganised their mobilisation. Large meetings were held demanding the repeal of the decree, the implementation of crop declarations and wine distribution licences, the removal of taxation on wine and other measures to prevent wine depreciation. The winegrowers’ mobilisation culminated in the Valencia assembly in November 1924 and the foundation of the Federation of Winegrowers of Levante, which became the largest and most important in the country, with 150 syndicates and around 25,000 members; that is, “all the wine cooperatives and agricultural syndicates in the region”.51 The CNV was created immediately afterwards, and along with the

49 Rev.IACSI, 5.5.1911.
50 La Vanguardia, 18.2.1912.
Levante federation it comprised the UVC, with 120 syndicates and 20,000 members, and the Federation of Agricultural Syndicates of La Rioja, with 15,000 members, as well as other winegrowers’ associations from Navarre, La Mancha, Aragon and Castile.52

After the early mobilisation of the Catalan winegrowers, it had taken more than ten years to create the CNV. As the leaders recognised in 1925, they faced great organisational difficulties: “if winegrowers had not been so disorganised so many years, so many obstacles and taxes on wine and alcohol would not have accumulated, adulteration and falsification of wine would have not been tolerated, and the competition of industrial alcohol would not have reached the proportions it has reached today”.53

4. The governments’ response

The French government responded to the winegrowers' protest very promptly: as fraudulent manufacture or sale of wine was one of their main complaints, on 29 June 1907 legislation was passed requiring crop declaration ("déclaration de récolte"), and imposing a high tax on sugar used for winemaking (chaptalisation) and its prohibition in the Midi départements. Other measures to restrict wine adulteration were introduced by a second law passed on 15 July 1907.54 Although since 1889 the use of products other than fresh grapes to produce wine had been banned,55 malpractice was difficult to prosecute. Once crop declarations were introduced by law, all winegrowers (except for very small vineyards) were required to declare, every year before 5 December, the exact number of hectares of vineyards in production, the number of hectolitres harvested and the stocks of previous years.56 Wine distribution licences were already necessary for any trading activity. Legislation made it possible to establish the exact situation of the wine production in each département and, thus, to determine the degree of adulteration in the market. This was the first important regulatory measure introduced by the French

52 Archivo Histórico Nacional (AHN), Fondos Contemporáneos (FC), Presidencia de Gobierno Primo de Rivera, 212-2: Copia de la instancia que eleva al Excmo. Sr. Presidente del Directorio Militar, la C.N.V. (Valencia, 11.2.1925). See also CNV (1929).
53 CNV (1925: 6).
55 Stanziani (2003).
government; nevertheless, it was insufficient to resolve the overproduction crisis, and it is doubtful that fraud was the sole cause of the situation.\textsuperscript{57}

The French legislation enabled the agricultural syndicates to prosecute fraud in court, and the CGV took full advantage. From 1907 to 1920 the number of agents paid by the CGV to pursue fraud in the whole territory of France (including Algeria) rose from twelve to thirty-two, who “travel France, ranging in hotels, restaurants and taverns, taste the wine that is served there, take samples, do the analysis and, if appropriate, they shall report”.\textsuperscript{58} In 1920 the CGV budget for the repression of fraud was 500,000 francs while the sum assigned to this task by the government was 600,000 francs.\textsuperscript{59} In 1912 the government assigned the CGV antifraud agents the power to inspect vineyards and test wine for sugar content under the direct authority of the Ministry of Agriculture, thus initiating a system of close collaboration between the winegrowers’ organisations and the state. Another major contribution to stopping fraud in winemaking was the commitment of all CGV members to prevent adulteration. Thanks to the crop declarations, each local section was able to control the total amount of wine that was to be produced in the municipality according to its vine area, and in 1908 the CGV created a label to be used as a quality trademark for commercialisation.\textsuperscript{60}

The CGV also paid close attention to the activities of members of parliament regarding the wine market, was consulted on the preparation of the legislative measures, and was continually involved in proposing legislation affecting trade in wine and viticulture. According to a contemporary observer, in the 1920s the viticultural parliamentary group did not take a single decision without first taking advice from the winegrowers’ organisation.\textsuperscript{61} The CGV was also well represented in the public bodies in charge of the wine market regulations, and for decades it was closely associated with the government.\textsuperscript{62}

In Spain, the government was not so sensitive to the winegrowers’ claims. Several attempts were made to introduce crop declarations and wine distribution licences, but the wine and spirits producers and merchants vociferously opposed them

\textsuperscript{57} Paul (1996: 261). According to Pech, singling out fraud as the cause of the crisis “made it possible to lay the blame on a relatively abstract group, the fraudsters, and by placing the debate in the moral plane, to avoid the problem of the distribution of revenues and that of the class struggle”. Pech (1975: 79).
\textsuperscript{58} Véran (1922).
\textsuperscript{59} Caupert (1921). According to Véran, in 14 years, the CGV had spent between 7 and 8 million francs (Véran, 1922).
\textsuperscript{60} \textit{Vendémiaire}, 1.10.1908.
\textsuperscript{61} Azibert (1925: 100).
\textsuperscript{62} Pech (1993: 24).
“since, without in any way avoiding fraud, they would hinder the transactions and cause pointless damage to trade and to the producers themselves”, 63 and – as they admitted – they were fortunate that governments listened to them each time the proposal was made (1918, 1924, 1926 and 1930). 64 The demand for crop declarations was approved at the first general conference of the UVC in 1912 and ratified in the following meetings but it never had the unanimous support of the winegrowers. In 1913, an eminent Catalan winegrower published a booklet arguing against the measures, quoting opinions compiled in France against state intervention. The author claimed to be an enthusiastic member of the UVC and an admirer of its board, but he was convinced that “they are leading us along a path which will seriously damage the interests of winegrowers, especially small winegrowers, and from which, once undertaken, there will be no turning back”. 65 He was not the only member of the UVC to hold this opinion. Later on, he bitterly accused the UVC board of preventing debate on the issue. 66

In fact, there was strong disagreement between the two main agrarian organisations in Catalonia on these interventionist measures. According to the main landowners’ association (Institut Agrícola Català de Sant Isidre, IACSI), the solution to the wine crisis was to be found in the tax-free distillation of wines to reduce overproduction, and in the taxation of sugar and industrial alcohol to prevent its competition in the wine market. 67 The landowners feared that crop declarations and wine distribution licences would lead to an increase in taxation, and opposed them as representing an attack on free trade and excessive control and taxation on agriculture: “any restriction, any disincentive, any regulation that involves and implies distrust in the mode of action of citizens, should be dismissed because of the obstacles and humiliations that it imposes, because of the unnecessary expenses that it causes, because of the taxes it requires, which reduce the effectiveness of work and, therefore, increase the cost of production, thereby inflicting serious damage on the national wealth”. 68

According to the IACSI, the wine crisis was not caused by fraud, but rather by underconsumption and low exports. This impression was obviously influenced by the

63 RAAID, 2.1925.
64 LVE, 15.11.1931.
65 Raventós (1913: 5).
66 La Vanguardia, 17.9.1918.
67 IACSI (1915). Since the first law on alcohol (1888), wine distillation was to be declared and taxed, and became less and less competitive in relation to industrial alcohols. On this law, see Pan-Montojo (1994: 212-229).
68 IACSI (1918).
fact that Spain, unlike France, was a wine-exporting country characterised by low domestic consumption.

The differences in opinion between the main agrarian associations weakened the winegrowers’ lobby. Consequently, the Spanish government was under no pressure to legislate effectively on the issue. It also faced opposition from other very powerful sectors such as the industrial alcohol manufacturers, liquor producers and wine exporters who feared a loss of competitiveness if wine prices rose. A bill was presented in parliament in 1918, when the Catalan politician Francesc Cambó was a member of the government, but it was not passed. After the foundation of the CNV, the establishment of crop declarations and wine distribution licences were still on the Spanish winegrowers’ agenda, but their leaders had to admit that such measures had caused considerable debate and were not unanimously supported by all its members.\(^\text{69}\)

After Primo de Rivera’s coup d’état winegrowers’ associations expected a more far-reaching intervention of the state in the wine domestic market and, especially, the enforcement of laws for the protection of natural wine. They were well aware of the ineffectiveness of the existing laws to prevent wine adulteration, as the main legislation had been passed as long ago as 1895 and a great deal had changed since then to make manipulation easier: for instance, the increase in beet cultivation (and sugar production) in many regions, the development of transport and communications and, especially, the technological advances in enology, which permitted sophisticated adulterations that were very difficult to detect.\(^\text{70}\) Even so, the enforcement of the law would have been sufficient to prevent adulterations at the level of retail trade (in taverns, inns, etc.), which was also ineffectively regulated.

The winegrowers were very soon disappointed with the new regime. The decree on alcohols passed on 1 September 1924 permitted the use of industrial alcohol for beverages when harvests were not large; this had never been authorised before, even though the prohibition was not eventually enforced. According to the Association of Catalan natural alcohol manufacturers, Spain produced about 400,000 hl of industrial alcohol for beverages (extracted from corn, sugar beet, molasses, pods, and products other than wine and its residues): they argued that if this amount were produced through wine distillation, 4 million hl of wine would be consumed and its price would rise. As in

\(^{69}\) CNV (1925: 24-25).

\(^{70}\) CNV (1925). The UVC admitted that a chemical analysis could never determine whether alcohol mixed in a beverage came from the alcohol industry or from the distillation of wine. This is precisely why this association requested the supervision of the wine trade to fight against adulterations (RAAID, 7.1923).
other nations (France, Italy, Germany, Portugal, and Argentina), the legislation prevented the use of industrial alcohol for beverages; nevertheless, according to them “in those countries the laws affecting public health are strictly observed, but in Spain, until today, we have shown an excessive mastery in failing to abide by them”. These demands, however, were opposed by the wine exporters, who used industrial alcohol – much cheaper than natural wine alcohol – to fortify wines and called for “the continuation of the use of industrial alcohols obtained from exclusively national raw materials for the same purposes as ‘wine-based’ alcohols, and for domestic consumption”.

The winegrowers were active in lobbying the Spanish government but they often faced strong opposition from wholesale merchants and exporters, who were also beginning to organise and could easily reach agreements because of their much lower numbers. In 1922, that is, even before the CNV was founded, wines and spirits producers and merchants created the Asociación Nacional de Vinicultores e Industrias Derivadas (ANV), which considered that, contrary to the winegrowers’ claims, no legal provision could ban the use of industrial alcohol to fortify wines or to produce spirits, especially after the Alcohol Law passed in 1908. It did not take long to create a federation of wine producers, wholesalers and exporters (Federación Nacional de Criadores, Exportadores y Almacenistas de Vinos de España); in 1926 the alcohol wholesalers established their own association (Asociación de Almacenistas de Alcoholes al por mayor de España) and a federation of natural wine alcohol manufacturers was also founded (Federación de Destiladores y Rectificadores de Alcohol Víncico), which grouped together around one thousand wine distilleries existing in Spain. From 1906 onwards the sugar manufacturers also had a powerful association (Asociación General de Fabricantes de Azúcar) and operated as a cartel.

The Wine and Alcohols Act of 29 April 1926 tried to harmonise the diverse interests by protecting wine and natural wine distillation and by promoting the use of industrial alcohol as fuel. Once more, the model that inspired this policy was France, where the government banned the use of industrial alcohol for beverages and a strict

73 LVE, 1.4.1924; RAAID, 4.1924.
division between industrial and natural alcohol was established during the interwar period. The prohibition was first introduced during the First World War: as the demand for explosives increased and some important distilling regions were invaded, the French government had to confiscate industrial alcohol and take full control of the alcohol industry. French winegrowers fought to extend the prohibition after the war in order to counter the depreciation of their product, and the definitive prohibition was achieved after the Béziers Agreements between the CGV and the representatives of the industrial distillers and beetgrowers of northern France in 1922.

In Spain, on the other hand, even though a differential taxation system had been in place since 1903, the strict division between industrial and natural alcohol could not really be enforced. The Wine and Alcohols Act passed in 1926 banned the use of industrial alcohol for beverages, but only when the price of wine alcohol was below 250 ptas./hl; moreover, contrary to the wishes of the winegrowers, the alcohols produced not directly from wine but from wine residues were assimilated to industrial alcohols, which provoked the shortage of wine alcohol and pushed the price above the 250 ptas./hl threshold. It must be borne in mind that the high fluctuations in wine production, with the risk of high prices and low consumption when harvests were not particularly large, was a serious handicap for the winegrowers’ demands, even in a context of general overproduction.

The 1926 Wine and Alcohols Act created a National Office on Wine (Junta Vitivinícola) responsible for setting alcohol prices and for adopting measures to regulate the wine and alcohol trade. Winegrowers had only one representative in this office, and they soon realised that the decisions favoured industrial alcohol manufacturers and wine merchants and exporters. In 1928, the Winegrowers’ Association of Aragon proposed the withdrawal of the CNV representative, “since this body, though created to uphold the law, constantly violates it with agreements that are contrary and prejudicial to wine production”, and the winegrowers even called it the National Office against Wine (“Junta Antivitivinícola”).

The 1932 Wine Statute set up a new central wine agency (Instituto Nacional del Vino), entrusted with the task of “a) studying and proposing to the government any measures to encourage the consumption of wine, rationalise its production, revalue the

77 LVE, 1.1.1928.
product of the vine and its derivatives, and b) trying to harmonise the diverse interests affected”. Winegrowers were represented in this agency, which continued the work of the former National Office on Wine, but so were industrial alcohol manufacturers, wine merchants and exporters, whose interests often clashed head on. Again, it was difficult to reach agreements that were satisfactory for winegrowers, who called it “National Institute against Wine”, echoing the name they had given its predecessor, and in 1934 the representative of the wine alcohol producers (Federación de Destiladores y Rectificadores de Alcohol Víncico), whose position was close to that of the winegrowers, presented his resignation, “convinced of the failure of the Institute”.

Examining Spanish wine policy in the interwar period, Fernández (2008) concludes that winegrowers did not achieve their goals because the Spanish government wanted to protect the interests of wine exporters and the national sugar industry. In France, on the other hand, the government was much more sensitive to the winegrowers’ demands; in fact, wine policy was so clearly producer-oriented that viticulture was described as “the spoiled child” of agricultural policy.

5. State intervention in wine markets: why did Spain and France differ so much?

Why were the positions of the Spanish and French governments so different? In the first section we saw that winegrowers in both countries faced similar difficulties, despite the disparities in the level of the specialisation in winegrowing and the size of the wine sector. In the following sections we saw the responses of the winegrowers in the two countries to these difficulties, in terms of mobilisation and organisation to defend their interests. Taking all this into account, in the remainder of the paper I will try to assess the differences in the state intervention in wine markets and the reasons for them. According to Sheingate (2001), government capacity in agricultural policy is a function of the relationship between interest groups and the state as mediated by institutions. In this paper I argue that the differences in the viticultural policies of France and Spain in the early twentieth century can be best understood by looking at: a) the strength and cohesion of the winegrowers’ lobby, b) the winegrowers’ relationship

79 Art. 84, decree 8 September 1932.
81 RAAID, 2.1934.
with political parties, and c) the state’s ability to respond to their demands. These three factors were intrinsically related, as we will see below.

5.1. The strength and cohesion of the winegrowers’ lobby

French wine producers were not a homogeneous group producers from Bordeaux, Champagne and Burgundy were more concerned with the quality of their wines (and soon achieved protection under regional appellations), while winegrowers from the Midi were more concerned about wine adulteration and the importation of table wine from Algeria or Spain. However, as we have seen, the Midi concentrated a large share of the total production under very homogeneous conditions, and the CGV was able to achieve agreements based on clear and widely-supported demands, and provided powerful leadership in the organisation of the winegrowers’ interests.

Catalan winegrowers followed the mobilisation of the neighbouring Midi very closely and tried to imitate their organisation; but, due to its lower degree of specialisation, its smaller size and its smaller share of the national wine sector, the Catalan leadership was substantially weaker. The UVC membership had increased rapidly after its foundation, and reached about 20,000 in 1911; but from then on it fell progressively to 19,402 in 1914, 17,237 in 1917, and only 3,412 in 1933. When the CNV was finally founded in 1924, the UVC was no longer Spain’s most important winegrowers’ organisation, and in 1927 the president acknowledged its weakness (even the risk that it might disappear), and the need for its reorganisation based on cooperatives.

The spread of wine cooperatives was indeed an important factor for strengthening mobilisation. The social interaction and cohesion they provided was particularly important for the representation of their interests and their relations with the authorities. In France, local cooperatives were a sounding board for CGV campaigns; with the bottom-up expression of winegrowers’ interests through the cooperatives, the initiatives led by the CGV had a greater impact. In the Midi, the wine cooperative

84 The geographical concentration of wine production was a key factor for achieving tariff protection in America: California in the US, Mendoza in Argentina, Rio Grande do Sul in Brazil. Pinilla & Ayuda (2002). See also Simpson (2011).
85 El Vinyater, 2.1911; Resumen de Agricultura, 5.1914; Ministerio de Fomento, Memoria estadística social-agraria de las entidades agrícolas y pecuarias en 1 de abril de 1918, Madrid, 1918; Boletín Oficial de la provincia de Barcelona, 1.7.1933.
86 La U.V.C., 15.2.1927.
movement developed early on, with strong encouragement from the CGV: “while remaining independent of them, particularly in financial terms, the CGV has continued to spread them by outlining their benefits through lectures in villages, and encouraged them, emphasising, in its reports, their utility and successful results. Its local delegations form the natural nucleus of all these initiatives”.

Its counterpart in Catalonia followed the same strategy. From its earliest days, the UVC encouraged the creation of cooperatives in every municipality, as they formed a far more effective relational network than the local delegations. The cooperative movement developed quite early in Catalonia, and more than 80 winemaking cooperatives were in operation in the 1930s, accounting for 70% of the Spanish total. Nevertheless they were far fewer in number than in the Midi, where 340 wine cooperatives were founded from 1919 to 1939. France had 827 wine cooperatives operating in 1939, compared with only around a hundred in Spain before the outbreak of the Civil War in 1936. The difference in size of the cooperative movement had a major effect on the winegrowers’ ability to mobilise: the higher the number of cooperatives, the greater the support they could achieve, which was essential in order to lobby the government.

Last but not least, in Catalonia there was a significant social divide among the winegrowers. Many of them were tenants who cultivated the vineyards thanks to a type of contract known as rabassa morta, which had been widespread in Catalonia since the eighteenth century. Under this contract, the tenants (rabassaires) had the right to use the land until most of the planted vines had died, as indeed happened due to the phylloxera crisis. After the replantation, the rabassaires fought to improve their contractual terms and to gain access to land ownership. In the early 1920s the agricultural syndicate Unió de Rabassaires was created to fight for their rights, and their struggle with landowners became a source of social unrest and a major political issue in Catalonia until the Spanish Civil War. These tenants were certainly concerned about the problem of wine prices, but their priority was to improve their contractual terms as a way to reduce the rent they had to pay on the land. In general, then, the collective response of Catalan winegrowers was hampered by the social division between rabassaires and landowners, who had different goals and strategies, and this significantly weakened the cohesion of

87 Caupert (1921: 111). See also Véran (1922).
88 Planas (2016).
90 Colomé et al. (2016).
the winegrowers’ lobby.

5.2. The winegrowers’ relationship with political parties

In France, the winegrowers’ mobilisation had an immediate political effect. For many years under the political influence of the landlords and notables, in the late nineteenth century winegrowers had begun to contribute to the increasing power in rural areas of the Radical party, and later of the Socialist party, especially in the south. These two parties tried to retain the support of small winegrowers, defending their interests in parliament and calling for state intervention in wine markets. Throughout the period the Midi was politically left-wing: before the First World War the Radicals dominated, and later the Socialists. The Radical government’s use of force in the Midi revolt (1907) and the involvement of the Socialist party (SFIO) in the winegrowers’ movement extended the socialist influence in these southern départements.

Though critical of large landownership, the SFIO supported small or medium-sized landownership, which it saw as a working tool for family producers. It accepted state intervention in wine markets to avoid speculation, stabilise prices and achieve a fair revenue for small producers through market regulation. In fact, in the late nineteenth century, Jean Jaurès had already stated that increasing the living standards and the independence of peasant farmers was a national priority: “We must put them in a situation of such independence that they become the unshakeable foundation of a regime of freedom”. At the Congress of Nancy (1907), the SFIO clearly declared its support for small landownership, and in the 1930s the Socialist deputies were still “in favour of the defence of agricultural workers, but also of small producers or landowners whose interests are also threatened by the development of capitalism”. In order to defend the small winegrowers’ interests, the SFIO proposed not a social revolution, but state intervention in wine markets in order to stabilise prices. The initiative of creating the Office National du Vin and regulating the wine market by fixing wine prices and output came from the SFIO, although many parliamentarians and winegrowers’ associations opposed the project.

Nevertheless, the relationship between the Socialist party and the CGV was not

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an easy one. The Socialist party supported the agricultural workers’ strikes until 1906. During the Midi uprising (1907) many Socialists were reluctant to accept the interclass character of the revolt and warned workers and small vineyard owners of the risk of being co-opted by the large winegrowers leading the movement, even though one of the main leaders was the Socialist mayor of Narbonne, Ernest Ferroul. 94 After Edouard Barthe’s election (1910), however, and with his control of the Socialist federation of the Hérault département, the relationship between the SFIO and the CGV became smoother. Barthe, who was elected continuously from 1910 to 1940, was the undisputed leader of the deputies from the Midi, whose activities in parliament earned them the name “députés du vin”. 95 When Barthe was elected leader of the viticultural parliamentary group (1919), it had nearly 250 members and was the most important of its kind in the French parliament.

In Spain, on the other hand, the political voice of the winegrowers was very limited. The Spanish Socialist party (PSOE) had much less influence than its French counterpart, and it was mainly concerned with the agricultural workers’ interests, 96 although the mobilisation of the winegrowers from La Mancha in the 1930s had the support of some regional socialist leaders. Until the Second Republic (1931-1936), leftist Republican parties were too weak to give support to winegrowers, and in the 1930s Catalonia was the only region where winegrowers received clear support from the regional government, led by the Republican Left party (ERC). This party supported the tenants (rabassaires), and its priority was to change the contracts for land use; however, as in the rest of Spain, the landowners managed to block agrarian reforms.

In the Spanish parliament the winegrowers had far less influence than in France. Some of the members were large landowners with viticultural interests and others were businessmen from the wine sector, who, as we have seen, had very different interests which often clashed head on. At any event, small-scale winegrowers – who, as in France, formed the majority of the wine producers – had very few representatives, and so it was more difficult to defend their interests. There were several attempts to create a parliamentary group that could present a joint defence of the wine sector, but it was hampered by disagreements. In 1921, the main promoter, the Catalan member of parliament Josep Zulueta, threw in the towel, lamenting that the associations had not

95 Bagnol (2010).
96 Luebbert (1997); González de Molina (2011); Cruz Artacho (2011); Cobo Romero (2012).
achieved the required level of development and blaming the persistence in Spain of an undemocratic electoral and political system dominated by local power bosses (caciquismo).97

The viticultural parliamentary group was finally created in August 1931, under the Second Republic, with the aim of laying the foundations for new legislation on wines, and of overthrowing the legislation introduced during the dictatorship of Primo de Rivera, which was considered “calamitous and flawed”.98 At the end of that year, the group comprised 76 members from different parties, a figure that rose to 101 in 1932 and 150 in 1935, although they never managed to work closely together.

5.3. The state’s ability to respond to the winegrowers’ demands

State agricultural policy depends not only on the strength of the interest groups and their relationship with political parties, but also on “the development and design of agricultural bureaucracies, the definition and scope of departmental jurisdictions and the location of decision-making authority in the agricultural policy”.99 The degree of democracy in the political system clearly influences the government’s agricultural policy, as well as the structure of the agricultural bureaucracy that exists to implement it.

In Spain, the capacity of parliament to address the wine crisis was hampered by the influence of the large landowners, by rigged elections, and by the lack of strong parties. Furthermore, the bureaucracy was ponderous; the organisms to implement regulatory measures were weak and funding was insufficient. Consequently, law enforcement, which was the winegrowers’ main demand, was also more difficult: even though some laws clearly favoured wine producers (for example, alcohol taxation, which favoured wine alcohol), the lack of control in the wine market meant that the legislation was difficult to implement. The real influence of the different interest groups was, then, much more balanced than the legislation might suggest.100 Significantly, in a country where agriculture was the main economic sector, the Ministry of Agriculture did not exist as a single institution until 1933; in France, the ministry had been created in 1881. As for the regulation of the wine markets, the non-existence of a Ministry of

98 LVE, 1.10.1931.
Agriculture had major consequences, since the measures introduced by different ministries frequently clashed with each other: as one of the UVC leaders bitterly complained, “the ministries of Development, Finance and Governance intervene in the legislation on wine and alcohols in a way that is often unfortunate, because the ministry of Development has to defend certain economic interests, while the ministry of Finance sees them only from the perspective of taxation and the ministry of Governance only from the perspective of health, leaving our agricultural resources without the support and joint commitment that they need in order to be saved”.101

In contrast, in France the creation of a national agricultural bureaucracy was a key part of the strategy to consolidate the Third Republic.102 French Republican politicians were aware of the need to retain political support in the countryside; as they lacked party organisations capable of mobilising the peasant farmers, they used the local administrative officials (that is, the mayors) and promoted a network of agricultural organisations with close relations with the state.103 With the foundation of the Société nationale d’encouragement à l’agriculture the Republicans tried to challenge the conservative Société des Agriculteurs de France and its powerful Union des syndicats agricoles de France, with the creation of another network of local agricultural syndicates.104

In France, the winegrowers’ organisations not only amplified the voice of small producers in politics, but also supplied government administrators with information, assistance, and political support in the implementation of agricultural policy. This intervention was critical, given the increasingly technical nature of agricultural policy and also in order to allay fears of state encroachment. Since 1907 the CGV performed regulatory functions on behalf of the government, as it had its own agents to prosecute fraud in winemaking. Later on, in the interwar period, the CGV and other winegrowers’ organisations were well represented in the public organisms in charge of wine market regulation, and the Statut de la Viticulture reinforced their role in the implementation of wine policy.105

It can be debated whether this code of laws was globally successful, but it was surely a major factor in the salvation of small growers, who had many votes in

101 “Conferencia de M. J. Mª Rovira en la Asociación de Agricultores de España”, La cuestión de los alcoholes en España, Barcelona, 1924, p. 74-75.
104 Barral (1968).
legislative elections.\textsuperscript{106} The \textit{Statut de la Viticulture} represented the institutionalisation of a social commitment on the part of the state to organise the domestic wine market and protect small winegrowers.\textsuperscript{107} This undertaking slowed down or delayed certain structural changes which, in other circumstances, would have been accelerated by market forces and would have been particularly damaging for the small producers. This was not the case in Spain, where even though a similar code of laws was introduced in the 1930s, the wine regulations to protect small winegrowers were mostly ineffective before the outbreak of the Spanish Civil War.

6. Conclusion

Winegrowers mobilised very early in France and called for state intervention to help them overcome the difficulties facing their sector. The effects of the wine crisis were felt particularly keenly in the Midi, due to its intensive specialisation in winegrowing, and the main initiatives to organise the sector originated in this region. After the Midi uprising of 1907, the creation of the CGV provided a powerful leadership able to defend the winegrowers’ interests and, together with other regional associations, this institution exerted a strong influence on viticultural policy for several decades. These specialised agricultural associations, the first of their kind, proved particularly effective parliament lobbyists and presented a succinct but widely-supported set of demands. Even though they failed to restrict the free-tariff entry of Algerian wine, they were successful in introducing regulations that affected income distribution in the French market and limited competition.

In Spain, the winegrowers’ organisations looked for solutions to the problem of overproduction, mainly, as in France, via the regulation of the domestic market. However, in spite of their intense mobilisation, they were less successful. Firstly, the winegrowers’ lobby was slow to get off the ground, and the Catalan leadership was considerably weaker than its French counterpart due to the lower degree of specialisation in the region’s winegrowing sector and its smaller size. Secondly, the winegrowers’ lobby was held back by differences in opinion regarding the level of state intervention that was required; for example the demand for crop declarations and wine distribution licences did not enjoy unanimous support among the winegrowers and the

move was also strongly opposed by traders and industrial alcohol manufacturers and by the large landowners. Finally, in contrast to France, Spanish governments paid little heed to the winegrowers’ demands, which, as we have seen, met opposition from wine merchants and exporters who also lobbied the government and, though small, were highly-organised pressure groups.

The reason for this is related with the degree of democracy in the political system. In Spain, the political voice of the winegrowers – who were mainly small producers – was very limited, and they had far less parliamentary influence than their French peers. The main political parties in France were aware of the need to retain support in the countryside, which obliged them to defend the winegrowers’ interests in parliament and to call for state intervention in wine markets so as to safeguard (as far as possible) the latter’s income. In Spain, on the other hand, political parties were not as strong; besides, for many years, their political support was rendered useless by the rigging of the elections.

Furthermore, in Spain the administrative bodies created to implement the regulatory measures in the wine market were weak and poorly funded. Consequently, even though a significant part of the legislation was favourable to winegrowers’ interests, the laws were not properly enforced and the winegrowers’ lobby turned out to be a failure. This is also to do with politics. The structure of a bureaucracy created to implement political measures is also linked to the degree of democracy of the political system and, as this paper has made clear, the contrast between France and Spain in this regard was already plain to see.

REFERENCES


