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ECONOMIC CONDITIONS OF PEASANTS IN BRITISH INDIA

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PHYSICAL FACTORS, AREA, AND POPULATION

THE fundamental influence of physical factors on the economic life of every country need not be laboured—they are the prime determinants of a country's products, the occupations, density, and distribution of the people.

India, including the Indian States, is 1,802,657 square miles (1,093,074 plus 709,583) in area, with a population of nearly 350 million people. The length of the country from north to south is about 2,000 miles, and from east to west about 2,500 miles. India is thus a country of huge dimensions, being fifteen times as large as Great Britain, and equal to the whole of Europe excepting Russia.

In India extreme physical diversities of various areas can be clearly noticed. We can find every type of climate, from the permanently snow-clad mountain peaks of the Himalayas, the glorious Alpine regions of Kashmir, to the rainless desert of Sind, the extremes of heat and cold in the Punjab, and the perpetual hot-house of Malabar.

Briefly speaking, the physical features of India fall into three well-marked divisions, namely:

1. The Himalayan and north-west mountainous regions.
2. The great fertile plains of northern India, watered by the Indus, the Ganges, the Brahmaputra, and their tributaries, which have been the seat of the great Hindu and Mohammedan kingdoms and empires in the past.
3. The southern or peninsular region, which may itself be sub-divided into the Deccan plateau (average elevation 1,500 to 2,500 feet above sea-level) and its coastal fringes.

It follows from this that India possesses a great variety of animal, vegetable, and mineral products, ranging from the heavily coated Kashmir hill sheep to the camel of Sind, the elephant of Bengal and Assam; from the wheat, fruit, fir-trees, and Alpine vegetation of the north to the rice, coco-nuts, and palm-trees of the hot, low-lying swamps and coastal regions; from the coal, iron, and mica fields of Bengal and Bihar to the gold of Mysore; and from the salt ranges of the Punjab to the oil and other mineral fields of Burma and Assam.

The most striking characteristic, however, of the economic life in modern India is the overwhelming preponderance of agriculture over all other occupations; the great mass of human life and effort, represented by four out of every five persons in the country, being devoted to agricultural and/or pastoral pursuits. I shall strive to present in the next few minutes the most important agricultural facts and statistics in a very condensed form. It is difficult even to do so without committing sins of omission and commission, and I trust that you will pardon me for them.

Agricultural occupation, it is true to say, has from time immemorial been predominant in the life of the nation. Indeed, in the remote past, democracy in India rested on the land. Almost everywhere in that vast sub-continent people have lived in small villages, the houses of which are huddled together in a more or less compact area situated in the midst of the fields, which provide the means of livelihood to their occupants. The farms and their farmsteads which are so striking a feature of the rural life of most western countries are practically absent.

In ancient India large towns were few, great cities were fewer still, but there were as many as 500,000 villages. The urban population was comparatively very small, and even to-day constitutes only a little over 11 per cent. of the whole. Thus the demand for agricultural produce for final consumption in the towns was small in comparison with the whole volume of production.

With little or no urban or industrial population, and little or no means of export, agricultural production was perforce confined to local demand. No organization of trade and commerce could grow up without the production of a surplus over local demand, and no individual would indeed continue to produce such a surplus in the absence of a market which, in India of the period under review, did not exist. Circumstances, therefore, have combined to maintain what is, in large measure, a self-sufficing type of agriculture. Little surprise need therefore be expressed at the very limited progress which the art of husbandry made during the period.

Throughout the history of India, famines have been frequent and often widespread. When favourable seasons yielded a surplus, this used to be stored, because the surplus could not be sold and storage was the obvious means of disposing of it. Generally speaking, storage in excess of a season's requirements was regarded as unnecessary, the contingency of famine being too remote to determine mass conduct.

Another notable characteristic was the marked insecurity of life, due mainly to the uncertainty of the water-supply and the prevalence of certain endemic and epidemic diseases.

Such were, in short, the conditions which confronted the Indian peasantry up to the early years of the nineteenth century. During this period man's insignificance, impotence, and ignorance in the face of cosmic phenomena such as floods, cyclones, earthquakes, &c., were, perhaps, responsible for the characteristic 'fatalistic' attitude of Indians in general and of the Indian peasantry in particular.

THE PRESENT POSITION

Since the last decade or two of the nineteenth century there has been a steady increase in the percentage of the population engaged in agriculture. Thus the proportion of people engaged rose from 61 per cent. in 1891 to 71 per cent. of the actual workers of India in 1931—the percentages for 1901, 1911, and 1921 being 66, 71, and 73 respectively.

Agriculture, being the basic industry, is of vital importance in the life of all nations, but it is more particularly so in the case of India, where it directly or indirectly supports, as already pointed out, such a bulk of the population, and as such should be entitled to the greatest consideration.

Among the causes, however, for this increasing pressure of population on land, the stability of the governmental institutions and the consequent security of life and property, absence of famines, wiping out of the old rural industries and handicrafts, irrigation, abolition of certain 'positive' checks, and the 'natural' increase of population stand out as prominent.

Two other important causes, both external to India, have exercised a profound influence upon her agricultural economy. The Suez Canal was opened in 1869; steamship services with cheap freights and comparatively rapid transport followed soon after. What these have meant to Indian agriculture is clear when we say that when the Suez Canal was opened, exports were valued at rupees 80 crores. For the three years ending 1926–7 the average value of annual exports of mainly agricultural products exceeded rupees 350 crores (rupees 1 crore is equivalent to £750,000 approximately).

The present agricultural position may therefore be summed up as follows:

The large development of the export trade, on which we have commented, has obviously been secured after providing for the steadily increasing population. That production has increased and

leaves an exportable surplus is beyond question. Some part of this increase is due to enhancement of yield resulting from expansion of irrigation, but a far larger part is due to spread of cultivation. Cultivation and management are, however, mainly carried on according to traditional and stereotyped methods, with little or no manures and improvements.

Internal peace and order have been unbroken for several generations, railway communications are now quite satisfactory, roads have been improved and extended—these have provided stability to rural society. But India is still the land of the small-holder. Large-scale farming, even in the altered conditions of to-day, though open to many, is practised by few. The typical peasant is still the man who possesses a pair of bullocks and who cultivates a few acres with the assistance of his family and of occasional hired labour. In spite of the progress that has undoubtedly been made, the ordinary farmer on his tiny plot is still a man of small resources, with small means for meeting his small needs. He therefore requires all the help which science can afford, and which organization, education, and training can bring within his reach.

SCOPE FOR IMPROVEMENT

It will not serve any useful purpose to enter into a discussion of either the comparative prosperity of agricultural industry to-day and in the pre-British period, or to compare the efficiency of the Indian peasant with that of his brethren in other parts of the world. No one, however, doubts that there is a vast scope for the improvement of Indian agriculture as found to-day, both in extensive and intensive directions.

Statistics show that only 60 per cent. of the total cultivable area is now under cultivation, and it would thus be possible by a progressive agricultural policy, such as utility projects like the Sukkur Barrage in Sind and the Mettur Dam in Madras, to secure appreciable extension of cultivation in India.

Similarly, as regards the intensity of cultivation, the produce of the Indian fields compares very unfavourably with those of other countries. Taking one or two of the principal crops, we are told[1] that whereas the yield per acre of rice in Japan is 3,232 lb., in Egypt 2,610 lb., in U.S.A. 1,775 lb., in India it is only 1,336 lb. Similarly, while an acre yields 32 bushels (1,861 lb.) of wheat in the United Kingdom, 20 bushels (1,318 lb.) in Japan and Canada, the yield in India is only 12 bushels (618 lb.). For cotton the comparative yields

[1] From the *International Year-books of Agricultural Statistics*, 1909–21.

are: U.S.A. 151 lb. per acre, Egypt 294 lb. per acre, and India 89 lb. per acre.

There is also no room for doubt that with the application of proper manure and an improvement in seeds and the methods of tillage, it is possible to increase greatly the productive capacity of our soil, thus adding to the material well-being of the peasants. As the result of experiments carried out in various parts of India it can be safely asserted that the productive capacity of our fields can easily be doubled.

FACTORS OF AGRICULTURAL PROGRESS

We may follow the classical analysis of elements necessary for the production of agricultural wealth into land, labour, capital, and organization. From the practical point of view, however, we may classify these factors under two heads, namely:

1. The physical factors.
2. The 'human' material or factor.

PHYSICAL FACTORS

Under physical factors, it may be said that the natural fertility of the Indian soil is good. For this reason it has been possible to raise crops from the same field year after year for centuries without rest and with comparatively little help from man. But with the growth of population and decay of indigenous industries a steadily increasing burden has been thrown on the soil.

This continuous and increasing pressure of population on land is manifestly a 'reverse process' when compared with most of the western countries. In Europe and the U.S.A. agriculture lost—and lost very heavily in some cases—to industries. Thus the 'rural exodus' that depopulated the English countryside in the nineteenth century is more or less in constant operation in practically all countries of the West. This phenomenon has become a grave menace to social well-being, and is seriously engaging the attention of all rural sociologists.

Probably it is true to say that the problems of agriculture in the West and in India are not identical, but one cannot ignore the fundamental economic fact that progress in agriculture, as in any other branch of industry, depends not on the increase in mere numbers but in an increase in output per head.

As long as the increase in population is followed by corresponding improvements in the arts of production and utilization of material resources without any diminution in the customary standard of living

or comfort, it may be socially desirable. Unfortunately this is not so in India. Moreover, this excessive concentration of population upon the soil has resulted in subdivision and poverty, with their concomitants, indebtedness and under-employment.

There are the problems, again, arising out of a whole series of interconnected social institutions, such as the Hindu Joint Family. The influence of laws and customs governing inheritance amongst the Hindu and Mohammedan communities favours the partition of immovable property among a number of heirs. These are undoubtedly lamentably militating against the spread of large-scale farming in India.

The extent, nature, and the continuous increase in the subdivision and fragmentation of holdings will be seen from the following table:[2]

Average size of holding in	1900–1	. . .	14·02 acres.
„	„	„ 1917–18. . .	7·73 „
„	„	„ 1926–7 . . .	7·30 „

This subdivision and fragmentation involve a colossal loss of energy and time, and as the plots are 'unenclosed', the liability to disputes regarding boundaries, rights of way, &c., can easily be imagined.

Various attempts have been made to cope with the problems arising from subdivision and fragmentation of holdings. Fortunately, it appears that interference with subdivision by restrictions through legislation has been practicable and successful. With the growth of education and agricultural co-operation and commercialized agriculture, these social and religious customs and traditions are changing. But the progress is slow, and it should of necessity be so, since the work of reconstruction must not outpace the capacity of the people to adapt themselves to new ways of working and living.

IRRIGATION AND DRAINAGE

Irrigation plays a very important part in the agricultural development of India, and offers great future possibilities. In areas where rainfall is insufficient, no cultivation is possible until schemes of irrigation carry the essential water to the land. The Sukkur Barrage in Sind is expected to bring about 5,000,000 acres of land under cultivation, and will thus add materially to the wealth of the country.

The Mettur Dam recently opened in Madras will also prevent the ravages of drought and will bring approximately 300,000 acres under cultivation.

[2] From *Life and Labour in a South Gujarat Village*, by Mukhtyar.

THE 'HUMAN' MATERIAL

Efficient agriculture depends on the qualities of the man behind the plough more than on anything else. As things stand at present, the Indian peasant must be acknowledged to be inferior in point of literacy to the average European and American peasant. Moreover, he is steeped up to the lips in superstitions and prejudices.

His inefficiency and ignorance, however, are not innate, and are, therefore, capable of being remedied. He is generally improvident and reckless and is too prone to needless litigation. He spends far beyond his means on marriages and other ceremonies, and walks into the money-lender's parlour, from which he is rarely able to get out. A poet aptly describes the life of the Indian peasant:

> He eats and hath indigestion,
> He toils and he may not stop,
> His life is a long-drawn question,
> Between a crop and crop.

The Indian peasant with his 'fatalistic' attitude is generally inclined to blame Fate or Providence rather than himself for an evil from which he may be suffering. These are real and pathetic evils, and in their totality are a serious drag on his economic progress, and direct frontal attack must be made on them.

One can, therefore, easily see that the Indian peasant is handicapped with many a burden, and the wonder is that he still continues to carry on the struggle for existence and is not altogether extinct. It is thus a matter of paramount importance to recognize clearly the actual defects and shortcomings of the cultivator, and seek remedies for them, directly through education in the widest sense of the term, as well as indirectly through an improvement of environment and external conditions.

It is obvious that so long as ignorance and illiteracy prevail in our villages all talk about rural progress is futile. The problem of rural uplift cannot be effectively solved until the peasant desires his own improvement and can think and act for himself. A comprehensive scheme of rural education, based on a sound general education, supplemented where necessary with a 'vocational' training, is therefore urgently necessary.

Agriculture is a changing industry. A high degree of adaptability is necessary to keep pace with the 'dynamic' conditions—this is possible through general intelligence fostered by a system of elementary education. 'Vocational' or technical education is very necessary. 'Vocational' education, with its special occupational

knowledge, can only be superimposed when a good general education has been received or when an occupation has been chosen. Agricultural colleges in India should form the apex of the whole scheme of agricultural and vocational education. The system of elementary education should be supplemented by demonstration and propaganda. Ocular demonstration is the best method of convincing the peasant classes, amongst whom illiteracy is widespread, of the advantages of an agricultural improvement. Propaganda through wireless broadcasting, lectures with the help of slides, the cinema, leaflets, bulletins (these latter two will be of limited application), will be very valuable. Local societies on a partly-voluntary, partly-official basis, with a government subsidy, may be organized.

PUBLIC HEALTH AND AGRICULTURAL DEVELOPMENT

Many of our villages are ravaged by diseases like malaria, tuberculosis, &c. This is one of the main causes of inefficiency of the peasant. How serious is the position can be understood from the following:

Average expectation of life in India . . . 23·5 years.
„ „ „ U.K. . . . 40·0 „

Since the first fifteen years of life are on the debit side, the ordinary 'creative' period stands a little more than eight years! A campaign of public health (health publicity bureaus, baby weeks, child and maternity welfare centres) and personal hygiene must be set on foot on a large scale to wipe out diseases and to create an active and enlightened 'public health conscience'.

UTILIZATION OF 'HUMAN' WASTE

Further, there is an appalling amount of waste of human labour on account of the seasonal character of agricultural occupations. Except in irrigated tracts, where it is possible for the cultivators to sow and reap something throughout the year, the average farmer does not get employment on his farm for about six months. In the absence of any subsidiary rural industry, six months are passed in enforced idleness. Apart from dairy farming and cattle-breeding, the following rural industries, such as mat-making, cane-work, pottery, &c., may be taken up by the peasant. In ancient India these supplemented the agricultural occupations, but have since been wiped out as a result of the onslaught of large-scale manufactured products. This probably explains the fact that India demands tariffs and protection to rehabilitate and protect these industries. The spinning wheel also, under the present condition of the mass of the peasantry,

affords the simplest and quickest means of utilizing existing idle man-power.

THE FUNCTIONS OF LANDLORDS IN RURAL ECONOMY

One of the greatest difficulties under which the Indian peasantry works is the lack of enterprise, capital, and leadership. India has had no counterpart of Bakewell and 'Turnip Townshend'—English landed proprietors who contributed so much to British agriculture. It was expected that the landlords would act as powerful instruments not only of material but of intellectual and cultural leadership in rural areas. This expectation, however, has unfortunately not been fulfilled—absentee landlordism being the rule.

Villages naturally do not possess the amenities of urban life, and that is one of the strongest reasons why the landlords do not live in the villages. This is a problem not only in India, but also in the West (except, perhaps, in the U.S.A.). How to solve this is not easy to formulate, and it is engaging the attention of all rural economists.

TECHNIQUE, EQUIPMENT, AND POWER

In many parts of the country there is sufficient scope for improvements in respect of preparation of the soil, sowing, harrowing, weeding, careful selection of seed, a better system of rotation of crops, and adequate manuring. The Indian peasant still largely uses his old and simple implements, which are cheap and easy to make and to repair, and within the capacity of draft oxen. Greater productivity obviously depends on the use of improved implements, which, in turn, will involve a capital expenditure. The pertinent question in this connexion is whether such an expenditure is within the reach of the Indian peasant.

It is easy to realize the importance of cattle-power in connexion with agricultural industry in India, where, besides human labour, bullocks are probably the only form of power used for drawing the plough and carrying produce to the market. Mechanical contrivances, though making slow penetration into villages, are negligible. We must also improve and expand the sources of good-quality milk supply. Yet, important as live stock are to agriculture and to the health of the peasantry and general community, the question of preservation and improvement of cattle seems to receive very little attention. A cattle-breeding industry should be fostered and encouraged. Veterinary service is also necessary for the health and improvement of the cattle-power.

RURAL INDEBTEDNESS AND THE CO-OPERATIVE MOVEMENT

In India, as in nearly every predominantly agricultural country, the problem of indebtedness is and has long been a vital one. In fact, indebtedness in India has been not so much the result of poverty as a cause of poverty. The poorest in the villages cannot and do not borrow. This problem of indebtedness has assumed exceptional importance because it has been accompanied by disastrous effects. The Indian peasant has paid exorbitant rates and has stood little chance of ever again extricating himself from debt. Thus, in India, indebtedness has tended to become a permanent condition. This contrasts with what has occurred in other countries, where, although indebtedness has been equal—if not greater—per head, it has been a temporary stage in the career of an individual debtor who ultimately clears himself of debt.

It was as a remedy for these problems that eventually the co-operative movement began. Further, it was also clearly understood that to make a beginning in the direction of 'better farming, better business, better life' in India, we must look to the co-operative movement. Thus the progress of the movement is indicated by the fact that in 1933–4 there were in India some 106,000 co-operative societies (as compared with 96,000 in 1927–8), with over four million (4,300,000) members, and with a total working capital of nearly 92 crores of rupees. This progress is all the more remarkable because it has been achieved in the face of the general economic depression and the fall in agricultural prices.

However, the main results achieved may be said to be the provision of a large amount of capital at a reasonable rate of interest, and the organization of a system of rural credit which, carefully fostered, may relieve the cultivator from the burden of usury.

The various types of co-operative societies which have grown up since the Act of 1912 may be classified as follows:

1. Primary credit societies, which are, in point of fact, the chief corner-stone of the whole movement, based sometimes on unlimited and sometimes on limited liability.
2. Primary non-credit societies (agricultural, industrial, consumers', educational, and health).
3. Central Organizations, for both general and credit purposes. The co-operative movement has further advantages in its educative value.

Within recent years it has become apparent that the village credit societies are not suitable agencies for the grant of long-term loans,

and that this class of business should not be mixed up with the short-term credits which it is the function of the village society to provide. To remedy this defect Land Mortgage Banks have already been set up in certain provinces.

MARKETING AND MARKETING ORGANIZATION

Commercial agriculture demands an efficient system of marketing, grading, and standardization. It has been brought home to all that an efficient production is only one blade of the scissors, and is thus powerless without its other blade, namely, an efficient system of marketing. In this direction the developments in the U.S.A. and Great Britain have been carefully studied and are being adopted in India.

Further, an essential complement to any programme for marketing is the regulation of production in adjustment to the potential demand. It is a happy sign, therefore, that attention has already been given in this direction, and the recent Crop Planning Conference in India has discussed the possible lines of advance in this connexion.

THE STATE IN RELATION TO AGRICULTURE

The aim of every government should be to preach to the nation the importance of a stable agriculture in a national polity. In India the necessity of the state concerning itself with the amelioration of the peasant's position and the improvement of the agricultural system has been recognized for a long time. The idea of improving agriculture by means of special government departments was first conceived as early as 1866. Developments in this connexion followed, but unfortunately the departments were saddled with work not properly belonging to them, and the value of agricultural education then received little emphasis.

The first step towards agricultural education and research was taken after the princely gift of an American philanthropist. In recent years, though there has been considerable extension of facilities for agricultural education and research they cannot as yet be said to be adequate.

There have also been government departments for agriculture in every province, with an all-India department for agriculture, which mainly concerns itself with agricultural problems of all-India importance, and maintains the following institutions:

1. The Agricultural Research Institute at Pusa;
2. The Imperial Institute of Veterinary Research, Muktesar;
3. The Imperial Institute of Animal Husbandry and Dairying, Bangalore and Wellington;

4. The Cattle-Breeding Farm, Karnal;
5. The Creamery at Anand;
6. The Imperial Cane-breeding Station, Coimbatore; and
7. The Sugar Bureau, Pusa.

The all-India department also advises the provincial departments when called upon to do so. In addition, certain official and non-official bodies such as the District Agricultural Associations and poet Tagore's Institute of Rural Reconstruction at Surul, have been started to supplement the work of and to co-operate with the government departments. Further, for a successful working of any scheme of rural reconstruction, the harmonious co-operation of various government departments concerned—education, public health, co-operative, and agriculture—is essential and imperative.

For the purpose of taking stock of the results achieved in agricultural revival in the past twenty-five years or so, and setting the lines of future advance, a Royal Commission on Agriculture, with the Marquis of Linlithgow as its president, was appointed in 1925. Though there have been royal commissions on allied problems, it was the first royal commission appointed specifically to examine and report on the conditions of agricultural and rural economy in India. The report of the Commission is an exceedingly valuable document, and is a store-house of up-to-date information on Indian rural conditions.

As a result of the Commission, and the Ottawa Conference, the future possibilities of the uplift of the Indian peasantry are really great. It is also a good sign that the state is determined to take advantage of these possibilities.

CONCLUSION

Modern agriculture is not merely technological or scientific, it is a part of the commercial-industrial régime, and the problem is how best 'to organize agriculture as part of a price-regulated society'. The modern farmer must understand the economic forces that regulate his profit, and adjust himself to new and changing conditions.

A diagnostic study of the factors inhibiting any process of development among the mass of Indian peasantry must form the basis of a comprehensive policy of rural reconstruction in India. In this field, agricultural economists whose efforts are 'for raising humanity to a higher level' have a very important part to play in India, by carrying the torch of knowledge into villages and thereby creating a new outlook on life for the people, imbuing them with a desire for 'better farming, better business, and better life'.