Facts Behind Land Refo

A fascinating study of India's agrarian problem a land reforms.

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THERE has been an immense and unprecedented wave of land reform in India since the coming of Independence in 1947. One might have thought that after these reforms the larger holders left on the soil would have devoted themselves to the reorganisation and intensification of production on their land. Such a modernisation, had it occurred, might have yielded the owners abundant returns and might have given India a great increase in output, so essential for the development of the country and the success of the Five Year Plans. Instead, in vast areas of the country the larger holders find it simpler and more lucrative to give out much of their land on rent to petty tenants and cropsharers. In addition to taking rent, the larger landholders often lend money at usurious rates of interest to their petty tenants and cropsharers. Furthermore, the larger holders may act as traders in agricultural commodities. They take over the produce of the smaller people of their village, often paying them less than the going market prices.

High rents, high rates of interest and low prices leave the mass of petty peasant producers with very little to invest in the development of the land; and keep them at the mercy of the more powerful people in the village. Thus, on the one hand, the grip of the larger holders serves to prevent the lesser folk from developing the land; on the other hand, the larger holders do far less than they might to modernise production on that part of their land that they farm directly with hired labourers.

There is a kind of *industrial* revolution proceeding in India today, in the sphere of manufacture. But, thanks to the agrarian problem, there is nothing that can legitimately be called an agricultural revolution.

An illustration may perhaps make clearer what I am driving at. Let us take the case of a particular individual whom I met the Christmas before last. His name is Anand Madho Shukla, to whom we will refer with proper respect by calling him Shuklaji. He lives not far from Mahewa, the centre of the world famous Community Project at Etawah, a couple of hundred miles east of Delhi. Albert Mayer, the moving spirit of the work at Etawah, has written a book on the project in which he prints a picture of Shuklaji and says he was the most co-operative peasant in the entire project area. Shuklaji accepted the ideas of the project more quickly than anyone else and adopted or adapted them to suit his own farm; he also helped more than any other peasant to persuade other cultivators to try out the suggestions of the project.

On the two occasions that I met him, Shuklaji conducted himself with quiet dignity and charm. He freely gave me an account of his holdings of land and how he handles them. In a nutshell it was as follows:

He has 90 acres altogether. Of these, he himself farms a bit more than half, say 50 acres. The remaining 40 acres he gives out on cropshare to small peasants. Depending on circumstances, Shuklaji may provide half of the seed and half of the fertilizer, or meet half the cost of the cropsharing peasant in obtaining them. At the beginning of the crop season, Shuklaji's own labourers and equipment may take part in the first heavy ploughing. Otherwise all of the work and costs of cultivation right through the eventual harvesting and threshing are borne by the cropsharers. When the crop is in, however, more than 50 per cent. goes as his share to Shuklaji; actually, he takes on the average from 60 to 70 per cent., say roughly two-thirds. The actual cultivator, the cropsharer, gets only about one-third.

Shuklaji was quite frank about the consequences of an arrangement of this sort. The cropsharers who take land from him, he told me, also have some other land of their own. On their own land, he said, the yields are a good deal better than on the same quality of land that they take from him.

If Shuklaji were an isolated case of giving out land to cropsharers, I would not have brought him to your attention. The fact is, among the larger holders in the U.P. (Uttar Pradesh), the giving out of land to cropsharers is very common. By larger holders I mean those with more than 20 to 30 acres of good land or more than 40 to 50 acres of middle grade or poor land. In the great majority of villages, you are likely to find a few families, perhaps half a dozen, sometimes a dozen families, with relatively large holdings of land. These are precisely the families which in one way or another continue to give out land to others to cultivate, usually on one sort or another of cropsharing terms. The division of the crop that is most commonly reported is 50-50, i.e., half of the crop to the owner, the other half to the cropsharing cultivator.

The announced aim of land reform in India, the most basic aim, was to bring the actual cultivator into direct relationship with the State. To enable the cultivators to hold their land directly from the State, the land reform undertook to eliminate the intermediaries.

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But intermediaries of one sort or another continue to remain very much present in India. The State whose land reforms have been the most publicized in India is the U.P., which passed in 1950 its famous U.P. Zamindari Abolition Act. Five years later, a comprehensive sample survey reported, for whatever the results may be worth, that 10 per cent. of the families in the villages continued to own 50 per cent. of the land.

Let us for the moment leave aside the statistical question of the exact degree of reliability of this figure. If we use it as a *rough* guide, it is probably all right. It tells us that the top families of the villages in the U.P. held on to a great deal of land. We also know that of this land they give out, in small bits, an impressive overall total to cropsharers.

If you will pardon an obvious oversimplification, one may say that the same sort of thing has been happening in one form or another all over India; in essence, the bigger people have held on to a lot of land, and they are getting others to cultivate it for them. In many States, in fact, tenancy continues to be open, blatant and flagrant (Punjab, Andhra, Madras, Mysore, etc.) In terms of their *announced* aims, the land reforms of India since 1947 have, by and large, failed. I am *not* saying that the land reforms are a complete failure, for that would be too strong. They have had important beneficial consequences, to which we shall turn in due course. But the land reforms have *not succeeded* in their central and announced purpose; and the agrarian problem in India today remains basic, serious, and deeply-rooted.

To get at the roots of the failure, let us return to the U.P. The U.P. Zamindari Abolition Act of 1950 does not require the cultivator to till; the cultivator does not have to participate in the actual work of cultivation, the tilth. He does not have to go to the fields and work. In fact, he does not even have to leave his house, or to get up off his divan. Worse still, he is not even required to be in the village at all. The U.P. Zamindari Abolition Act was supposed to get rid of absentee landlords, but it has left plenty of room for the persistence of non-tilling absentee cultivators.

What were the ostensible grounds on which the U.P. Zamindari Abolition Act did not require the so-called cultivator to go into the fields and till? These grounds may be found in the Report of the U.P. Zamindari Abolition Committee, 1948. There the Committee observe that in some parts of the State high-caste people do not plough. To require them to do so would offend their customs, which draw sanction from their religion.

Such an argument is exceedingly unconvincing. In the first place, there are tens of thousands of Brahmans in the U.P. who *do* cultivate and handle the plough, guiding it through the soil,. Secondly, India by the Constitution of 1950 was announced to be a secular state. Catering to the particular prejudices of highly privileged castes would seem out of place, especially on so fundamental an issue as land reform.

The real questions at issue were much larger than that of the feelings of particular castes or sub-castes in certain areas of the U.P. For no state in India — not even the recent Communist regime in Kerala — has passed a land reform or agrarian relations act requiring the cultivators to till. The fact is that in India there is an age-old feeling that manual labour, physical work, is degrading; wherever possible, such work should be left to the lowly, to inferior persons. In the villages there is one sure sign by which successful cultivators tend to show that their economic condition is improving and that they now wish to raise their social standing; they, and the members of their families, stop doing the field work; instead, they engage others to do it for them, or they give the land out to tenants or cropsharers.

The larger holders, of course, did not want to do field work and did not have to do it. At all levels of Government in India from the village to the State capital to the national capital, the larger holders have been very powerful. Their influence alone in the U.P. in 1949-50 would have been enough to account for the fact that the U.P. Zamindari Abolition Act did not require the cultivators to till.

A land reform law which does not require the cultivator to till is patently more difficult to enforce than one which requires him to take part in all the major field operations. Once you absolve the so-called cultivator from tilling, you leave the door open for all manner of subterfuge and for easy violation of land reform acts.

There was a second major aspect in which the U.P. Zamindari Abolition Act, as presented to the legislature in Lucknow at the end of the 1940's, was highly favourable to the larger holders. It allowed them to keep all the land that they could prove to have been their *sir* and *khudkasht* land. Such lands, broadly speaking, were supposedly lands under their personal cultivation. In practice, it was not so much a question as to whether they were actually cultivating these lands, as that the records of the villages should state that they were so doing.

The record-keepers in the villages were small people, many of whom owed their appointments to the larger holders. A few strokes of the pen in the village records could considerably increase the amount of a given holder's *sir* and *khudkasht* and, in the event, the zamindars of the U.P. ended up with some six million acres of *sir* and *khudkasht* land. Many of the zamindars themselves were small people; but this should not obscure the fact that the

families of thousands of large holders found themselves, after Zamindari Abolition, with quite substantial holdings. Otherwise, how would 10 per cent. of the peasant families have been still holding something like 50 per cent. of the land in 1955?

As originally presented to the legislature, the U.P. Zamindari Abolition Act had at least two fundamental defects. In the course of passage through the legislature the bill was amended to incorporate another defect of profound significance. The original bill had allowed cultivators either to work their land with their own hands or by engaging hired labourers to do the work for them. The members of the legislature (many themselves larger landholders or relatives of larger landholders) inserted a third category called "sajhidars", which may be rendered roughly in English as "partners" or "helpers". It was difficult in practice to distinguish these "partners" from the previous cropsharers of the larger holders, the common word for cropsharer in the U.P. today being *bataidar*. When you go to the villages in the U.P., the peasants will tell you: *"Bataidari aur sajhidari eki ciz hai"*, which means: the system of having *sajhidars* is the same system as having cropsharers. In effect, therefore, the U.P. Zamindari Abolition Act provided a legal basis for the continuance of the cropsharing system.

To put matters bluntly, the land reform legislation of India has been defectively conceived; bills with major loopholes have been presented to the legislatures; which in turn have seriously weakened the original bills by adding crippling amendments. To date, India has not yet had the kind of land reforms that could conceivably pave the way for a period of rapid agricultural development.

In the past decade, there has been much talk of ceilings (limits on size of land holdings) and redistribution of excess land obtained by imposition of ceilings. In the context that we have just outlined, ceilings may prove to be of limited value. In any event the bigger landholders have been given ample warning of the possible advent of ceilings. Typically they have taken the necessary action to divide up their property among their friends and relatives,

so that they will be little affected by ceilings. So many "paper partitions" of this sort have occurred, that there is not much point in our discussing ceilings further.

Despite what has been said, the land reform position in India is not altogether dark. Independence has been followed by universal adult suffrage. In terms of *voting*, this means that the high-caste owner and the low-caste cropsharer or labourer are on the same plane. At the polls one man is as good as another. The big people have to go to the little people and seek their votes. This is a shocking change in India, profoundly disturbing to the old order of things.

Another fundamental development since 1947 has been the virtual disappearance of forced or unfree labour. There may be a few pockets or enclaves of India where some bond labour persists, but these are small. By and large the force of hired labourers in Indian agriculture is now made up of free men. One could not say this a generation ago. If we go back to the turn of the century it is probable that the bulk of the agricultural labourers were unfree men, men who were in debt bondage or some other form of servitude.

No one to my knowledge has yet traced the transition in Indian agriculture from a force of hired labourers who predominantly were unfree to men (and women) who today are free. This is a change of immense significance and is likely to have wide ramifications and repercussions in the next few decades.

Just as the once lowliest of India have been coming up, so the great landlords, the big zamindars, taluqdars, and jagirdars have been brought down. I refer in particular to the great absentee landlords who used to maintain town houses and disport themselves famously in cities like Lucknow, Lahore, Calcutta and Madras. Compared with what they used to have — say dozens or hundreds of villagers — now they may only have a thousand or so acres, or perhaps a mere few hundred. For them this is ruin, and many are broken in spirit. Nevertheless, there are cases where these ex-landlords have used the money paid them as compensation for the taking over of their lands to buy tractors and go in for modern-style agriculture. Some, whose lands are irrigated, have taken to sugarcane cultivation and are doing quite well.

Any effort to sum up the agrarian change in India as a whole in the past decade and a half is extremely hazardous. One of the chief reasons for this is that village families in India are, in the economic sense, mixed forms; they carry on simultaneously a wide variety of different economic activities, the make-up of which varies remarkably from family to family.

This variety of economic activity is particularly characteristic of the half-dozen to dozen families which are usually dominant in any given village. They have more resources at their disposal and therefore can do more things at one and the same time. The bigger people like to keep their fingers in many pies. For the land which they cultivate themselves (i.e., through hired labour) they may buy a small tractor and introduce other improvements. Simultaneously they may be getting handsome rents by giving out a sizeable portion of their land, perhaps half, like Anand Madho Shukla, to tenants or cropsharers. In regions like Gujarat, Andhra, and the Malabar coast, they may also be doing some moneylending or trading. The most extreme case that I have met in this respect is Mysore. There the principal landowners are at one and the same

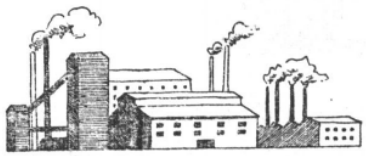
time the largest employers of agricultural labourers, the chief traders, the main moneylenders, the shopkeepers, and the village officials. In Kanarese these people are termed the *mukhyestaru,* the leading personages, or, colloquially, the "all-in-alls."

The half-dozen to dozen families which are usually dominant in village life are introducing some technical improvements on the lands which they farm through hired labourers. But the tendency towards modernization is far from uniform or omnipresent, and it is not proceeding very rapidly. We are not in a position to say crisply why this is the case, but some surmises may be offered. The work of running a farm is hard and requires constant attention; there are 1,001 things to do. At the same time, however, the returns from the land may not work out to much more than the 50 per cent. obtained by giving the land to cropsharers.

In cases where a hard-working father of a family does modernize his farm and succeeds in getting good returns, he is very likely to send his sons to the University. After that, they may want to live in the city and not return to the farm. In the India of the 1950's and of the first two Five Year Plans, we have heard a good deal about governmental efforts to improve yields and to transform agriculture. There has been an immense increase in the funds spent for agricultural development. The most dramatic of the recent efforts to revolutionize agriculture has been the country-wide Community Development Programme. We know, however, from the Government of India's own Evaluation Reports that the benefits of the Community Projects have chiefly gone to the top families of the village. In the western U.P. there is a saying *Jis ke pas jitna hai, utana use milta hai* (To him that hath much, much shall be given). We may recall that the Congress Party and the Government of India have committed themselves to an ideology of socialism, and have adopted resolution after resolution calling for a socialistic pattern of society. This has been explained as meaning primarily a reduction of inequalities in income and wealth. By contrast, the Community Development Projects, as we have just seen, have served to strengthen the position of the strongest in the villages and thereby to accentuate existing inequalities.

You will notice that up to this point I have not used the term "capitalism" or "feudalism," and that for the first time I have mentioned "socialism," but that in a very special sense. In my view it is not helpful, it may even be unsound, to conceive of *agrarian* India in terms of an evolutionary sequence from feudalism to capitalism to socialism.

There have been efforts in some of the earlier papers read at this conference to use the word feudal in reference to Indian rural society. Indian feudalism, it has been explained, did not have manors or serfs of the manor; but India has also lacked the feudal nexus proper, the feudal "contract"; and has lacked genuine vassals and fiefs in the sense in which those terms have been used for Western Europe and Japan. All of this was clearly explained half a century ago by William Crooke in his introduction to the classic edition of Tod's *Annals of Rajasthan*. A feudalism without manors, serfs of the manor, feudal contract, vassals and fiefs based on feudal contract, is simply not feudalism; and the term had best be dropped, at least for rural India.



So far as capitalism is concerned, we can certainly speak with assurance and with a modicum of statistics of a capitalistic sector in Indian manufacturing industry, and of associated capitalistic activities in Indian banking and trade.

On the agricultural side, the tea, coffee and rubber plantations can certainly be characterised as capitalistic. Apart from these large-scale enterprises it is by no means easy to identify capitalist elements in the countryside. In parts of the Punjab, in western Uttar Pradesh, in Gujarat, and in Andhra, we find numerous cases of larger peasants who carry on their production in genuine capitalistic style; that is, by relying on regularly hired free labourers to grow crops for sale in organised markets with the aim of realising profits. But these self-same peasants may at the self-same time be obtaining part (perhaps even the major part) of their income from renting out land, lending money or grain, or trading in agricultural commodities.

Throughout India the great mass of petty peasants carry on their production primarily with their own family labour. They utilise the crops they grow chiefly to feed their own families and to hand over what is due to the moneylenders, merchants or landowners upon whom they are dependent.

These being the most characteristic types and relationships, Indian peasant agriculture today can scarcely be termed capitalistic. It was even further from capitalism a century ago. In fact, to speak of capitalism in the Indian villages in the nineteenth century, when the agricultural labourers were largely unfree, may be quite misleading.

We cannot even say that capitalism in agriculture is the dominant form among the half dozen or so leading families in India's villages today. We have just seen that these families have a very mixed pattern of economic activity. It would be quite wrong to confuse an analytical economic category such as capitalism — necessarily an abstract concept — with the very complicated actuality of real life. There are very few pure capitalist producers in the countryside.

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THE E.E.C. AND HONG KONG

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The preservation of Free Trade in Hong Kong, and its consequent prosperity, is no doubt due to the urgent circumstances in which common sense could not be ignored. But there is some check on land monopoly, and this must have had some effect. All land belongs to the Crown but this great advantage has been offset by leasing the most valuable sites for periods of 75 or 100 years. When leases expire they are auctioned for similar periods but with a convenant obliging the lessees to undertake a minimum of development, so the site cannot be held entirely out of use for speculation. In 1961 the total revenue from lands exceeded the amount received from rates (levied on the British system) and yielded over a quarter of the sum received from income tax. Revenue from land in 1962-63 will be considerably higher. The sale of the lease of one site, in the vicinity of extensions to the Tin Hau Temple Road, more than paid for all the road works.

If the Hong Kong Government, instead of granting long leases, progressively adopted the method of collecting the site value annually, it is obvious that it could tap a source of revenue which at no distant period would enable all rates to be taken off buildings, reduce income tax and enable the territory to face with greater confidence the dark cloud which threatens its prosperity: the entry of Great Britain into the mis-named Common Market.

INDIA

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As we have seen most peasant families, especially the ones with the largest holdings of land, carry on many types of economic activity. No one has yet succeeded in separating out and measuring the capitalistic aspects of their economic activities. We do not know how large the capitalistic elements are in these mixed family activities, nor do we know how durable they will prove. I do not think there is anything to be gained by making believe that we know, when in fact we do not know. Up to the present, at least, capitalism has not been the dominant form in the countryside; it is premature to say whether or not it is the leading tendency today.

As for socialism, I shall refrain from arguments about the future. I think we can say what is the leading tendency in the contemporary community development projects and the vast new programme for the expansion of co-operatives. To the extent that they have been promoting anything in the economic field, they have so far been promoting not socialism but capitalism.

Despite all that we have heard about the great wave of land reform in India, from the *agrarian* point of view the transition from British rule to independent India has turned out to be a fairly conservative process. The most dramatic event (perhaps more dramatic than profound) has been the skimming off of the top layer of great absentee landlords.

There are however forces and ideas at work today which may presage basic change. Today, all men are free. All men are equal in the sense of having equal votes and of being equal, in principle, before the law. All men are promised education. The idea is afoot that life can be and should be marked by some degree of human dignity for each and all.

These are all forces for great change, particularly in the structure of rural society. But if we have learned anything from those who have tried to assess India's economic and social development in the past, we should be wary about exaggerating the pace of change in India today.

FREEDOM THE ONLY END

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rise of Machiavellianism. In the feudal age when relationships were either individual or of small groups or at most a Pope or Emperor speaking ecumenically on very limited points, a good deal of morality could enter into human conduct in one way or another and probably did (if only by a back door). Morality implies reason and free will, which in their turn imply individual thinking and willing, which are always of necessity individual acts. But with the creation of the modern state in the Reformation period, and not merely of one state but of many, there was an end to any individual thinking and willing apart from those who represented the sovereign. There was an end, too, to moral purpose in international relationships. The state, which is simply a body of men preserving an unnatural monopoly, must of necessity be amoral. The men who constitute it do not think and will as individuals — which is the only real moral activity, but as a corporation, and the action which results is more like that of a blind force than of human beings — an absolute, omnipotent and arbitrary blind force.

A typical case is a statesman declaring war, when, quite obviously, he is in no wise thinking and willing for himself. He would not dream of following up for his own benefit the line of action he prescribes for others, but none the less his compatriots proceed to kill and wound large numbers of foreigners with the best moral intentions. Yet they too would never dream of behaving in this way for ends of their own, and they invariably shift the responsibility on to the statesman or, even more, on to the enemy, who is at least as innocent as they are. This is why the action of a state in going to war — and for that matter, in all its actions — is amoral. *Moral responsibility is individual, not collective and must always be so.* Hence an anarchic world would have a better chance of being moral than a politically centralised one.