

banks." (Sir M. Visvesvaraya, *Planned Economy for India*, 1936, pp. 64-65.)

A careful examination of the detailed provisions of the Government of India Act of 1935 will abundantly show that there has been no intention to allow the constitutional reforms to weaken the real grip of British finance-capital of India, but that the whole elaborate network of special reservations and safeguards has been devised to strengthen and confirm that hold.

IX. The Agrarian Crisis

"Now awake, brave peasants awake, follow in Krishna's wake.
Thieves and robbers have entered our house. Do not sleep.
Now awake, brave peasants awake, follow in Krishna's wake.
In the month of Baisakh† when the peasants reap the crops,
The Bohray‡ confiscate the land and landlords rob the crops.
There is no peace for a day.
They take the fruit of your labor right in front of your eyes,
And leave you not a grain to eat.*

Now awake, brave peasants awake, follow in Krishna's wake."

Satoki Sharma, landless peasant poet of Muthra District, President of the Village Poets' Conference, Faridabad, May, 1938.

I. THE OVERCROWDING OF AGRICULTURE

Imperialist rule, and the entire existing social and political system in India, is built on the most intense exploitation of the Indian peasantry, who constitute three-quarters of the population of India. The understanding of agrarian relations is therefore the essential key to the understanding of Indian problems.

The contrast between the dependence of the overwhelming majority of the population in India on agriculture and the highly industrialized communities of Western Europe is commonly pre-

* Krishna drove Arjun's chariot into the battlefield when Mahabharat was going to be fought. Arjun was diffident to kill his own uncles and relations, but Krishna explained to him the philosophy of war and prepared him for battle.

† Month in the Hindu calendar.

‡ Village capitalists.

sented as a kind of natural phenomenon, illustrating the backward character of Indian society and the consequent necessity of extreme caution in proposing changes.

Typical is the statement in the classic Montagu-Chelmsford Report of 1918 in its opening section on "Conditions in India":

"Agriculture is the one great occupation of the people. In normal times a highly industrialized country like England gives 58 persons out of every 100 to industry, and only 8 to agriculture. But India gives out of every hundred 71 to agriculture or pasture. . . . In the whole of India the soil supports 226 out of 315 millions, and 208 millions of them get their living directly by, or depend directly upon, the cultivation of their own or others' fields."

What is invariably omitted from this vulgar imperialist presentation of the picture is the fact that this extreme, exaggerated, disproportionate and wasteful dependence on agriculture as the sole occupation for three-fourths of the people is not an inherited characteristic of the old, primitive Indian society surviving into the modern period, but is, on the contrary, a *modern* phenomenon and the direct consequence of imperialist rule. The disproportionate dependence on agriculture has progressively *increased* under British rule. This is the expression of the destruction of the old balance of industry and agriculture and the relegation of India to the role of an agricultural appendage of imperialism.

This overcrowding of agriculture, alongside the social conditions of exploitation of the peasantry, is at the root of Indian poverty. This was recognized already by the Famine Commission of 1880, when it reported, in the extract previously quoted:

"At the root of much of the poverty of the people of India and of the risks to which they are exposed in seasons of scarcity lies the unfortunate circumstance that agriculture forms almost the sole occupation of the masses of the people."

In 1928 the Royal Commission on Agriculture repeated the same tale (*Report*, p. 433):

"The overcrowding of the people on the land, the lack of alternative means of securing a living, the difficulty of finding any avenue of escape and the early age at which a man is burdened with dependents, combine to force the

cultivator to grow food wherever he can and on whatever terms he can."

Since 1911 the decline of industry, and consequent still further one-sided dependence on agriculture, has reached an even more extreme stage. Between 1911 and 1931 the absolute number of those engaged in industry declined by over 2 millions, while the population increased by 38 millions.

In 1911 Sir Thomas Holderness wrote:

"The total population of India, including that of the protected native States, is 315 millions. Three-fourths of this vast population is supported by agriculture. The area under cultivation is not accurately known, as the returns from the native States are incomplete. But we shall not be far wrong if we assume that there is less than one acre and a quarter per head for that portion of the population which is directly supported by agriculture. . . .

"Not only does the land of India provide food for this great population, but a very considerable portion of it is set apart for growing produce which is exported. . . . In fact it pays its bill for imports and discharges its other international debts mainly by the sale of agricultural produce. Subtracting the land thus utilized for supplying foreign markets from the total area under cultivation we shall find that what is left over does not represent more than $\frac{2}{3}$ acre per head of the total Indian population. India therefore feeds and to some extent clothes its population from what $\frac{2}{3}$ acre per head can produce. There is probably no country in the world where the land is required to do so much." (Sir Thomas Holderness, *Peoples and Problems of India*, 1911, p. 139.)

In 1917 the Bombay Director of Agriculture, Dr. Harold H. Mann, published the results of an inquiry in a typical Poona village. He found that the average holding in 1771 was 40 acres. In 1818 it was 17½ acres. In 1820-40 it had fallen to 14 acres, by 1914-15 it was 7 acres. He found that 81 per cent of the holdings "could not under the most favorable circumstances maintain their owners." And he drew the conclusion:

"It is evident from this that in the last sixty or seventy years the character of the landholdings has changed. In the pre-British days and in the early days of British rule the

holdings were usually of a fair size, most frequently more than 9 or 10 acres, while individual holdings of less than 2 acres were hardly known. Now the number of holdings is more than doubled, and 81 per cent of these holdings are under 10 acres in size, while no less than 60 per cent are less than five acres." (Dr. H. H. Mann, *Land and Labor in a Deccan Village*, Vol. I, 1917, p. 46.)

Similar results have been obtained for other provinces.

These are facts whose significance cannot be escaped. They reveal a desperate, chronic and growing land hunger. They point only in one direction, as similar facts in the agrarian history of Russia pointed.

Does this chronic and growing land-hunger mean that we are here faced with an inevitable nature-imposed problem of absolute land shortage in relation to population? On the contrary.

It has been estimated that, even on the existing basis of small-scale technique, the available land area for cultivation in India, given necessary measures of land reclamation and irrigation, could maintain a population of 447 millions, or 70 millions in excess of the existing population. (R. Mukerjee, *Food Planning for Four Hundred Millions*, 1938, p. 26.)

But the extreme poverty of the cultivators, from whom every ounce of surplus and more is extracted, leaving the majority below subsistence level, leaves them completely without resources to accomplish this task. This task can only be accomplished by collective organization with governmental aid, utilizing the surplus resources of the community for this urgently necessary extension of production. But this responsibility has never been recognized by the Government.

British rule in its earlier period even abandoned into complete neglect the public-works and irrigation system maintained by previous governments. Its extreme exactions have driven land out of cultivation. In the more recent period the beginnings of land reclamation and irrigation works have been fractional in relation to the possibilities and the needs.

The overcrowding of agriculture means that a continuously heavier demand is made on the existing backward agriculture in India to supply a livelihood for an increasingly heavy proportion of a growing population.

On the other hand, the crippling limits of agricultural develop-

ment under the existing system, owing to the effects of the land monopoly and the paralyzing burdens of exploitation placed on the peasantry, make the existing agriculture increasingly incapable of fulfilling this demand.

This is the vicious circle which holds Indian agriculture in its grip and underlies the growing crisis.

2. THE LAND SYSTEM IN INDIA

When the Royal Commission on Agriculture in India was appointed in 1926, and subsequently reported in 1928 in a bulky Report of close on 800 pages, together with sixteen additional volumes of Evidence, it was instructed by its terms of reference "to make recommendations for the improvement of agriculture and to promote the welfare and prosperity of the rural population." But at the same time it was warned by the same terms of reference that "it will not be within the scope of the Commission's duties to make recommendations regarding the existing systems of land ownership and tenancy or of assessment of land revenue and irrigation charges."

This is indeed Hamlet without the Prince of Denmark. It is impossible to deal with the problem of agriculture in India without dealing with the problem of the land system.

In the traditional land system of India before British rule the land belonged to the peasantry, and the Government received a proportion of the produce. "The soil in India belonged to the tribe or its subdivision—the village community, the clan or the brotherhood settled in the village—and never was considered as the property of the king" (R. Mukerjee, *Land Problems of India*, p. 16). The "king's share" or proportion payable to the king was traditionally fixed under the Hindu kings at one-sixth to one-twelfth of the produce, though this might be raised in times of war to one-fourth.

When the British established their dominion on the ruins of the Mogul Empire, they took over the traditional land basis of revenue; but they transformed its character, and they thereby transformed the land system of India.

At the time when they took over, the ruling regime was in decay and disorder; the exactions from the peasantry were extreme and extortionate; but the village community system and

its traditional relationship to the land were still in the main unbroken, and the tribute was still a proportion (normally in kind, optionally in cash) of the year's produce, not a fixed payment on the basis of landholding irrespective of the fluctuations of production.

The extortionate tribute of a period of disorder appeared as the starting-point and customary level to the new conquerors. The evidence of contemporary writers indicates that the assessments of the new rulers tended initially to show an increase, or that more efficient collection made the weight of exaction in practice heavier.

With reference to the district of Dinagapore in Bengal, Dr. Buchanan wrote:

"The natives allege that, although they were often squeezed by the Mogul officers, and on all occasions were treated with the utmost contempt, they preferred suffering these evils to the mode that has been adopted of selling their lands when they fall in arrears, which is a practice they cannot endure. Besides, bribery went a great way on most occasions, and they allege that, bribes included, they did not actually pay one-half of what they do now." (Dr. Francis Buchanan, *Statistical Survey*, Vol. IV, vii, quoted in the Fifth Report of the Select Committee of the House of Commons, 1812.)

Bishop Heber wrote in 1826:

"Neither Native nor European agriculturist, I think, can thrive at the present rate of taxation. Half the gross produce of the soil is demanded by Government." (Bishop Heber, *Memoirs and Correspondence*, 1830, Vol. II, p. 413.)

The total land revenue raised by the Company stood at £4.2 million in 1800-1, and had risen (mainly by increase of territories, but also by increased assessments) to £15.3 million in 1857-58, when the Crown took over. Under the Crown the total rose to £17.5 million by 1900-1, and £20 million by 1911-12. In 1936-37 the figure was £23.9 million.

The later figures of land assessment in modern times show a smaller proportion to total produce (the normal basis of calculation being one-half of net produce or rent—Mukerjee, *Land Problems of India*, p. 202) than the earlier figures of the first period of British rule and of the period immediately preceding,

the extreme violence of which exactions could not be maintained. But by this time other forms of exploitation had come to play a correspondingly greater part, outweighing the role of direct government land revenue, through the development of landlordism and enhanced rents, commercial penetration, additional taxation on articles of consumption and rising indebtedness. The simple direct tribute of the earlier period, buttressed mainly on land revenue, has given place to the network of forms of exploitation of modern finance-capital, with its host of subsidiary parasites in Indian economy.

Even so, the level of the assessments for land revenue have shown a continuous tendency also in the modern period to be raised at each revision, with corresponding increased burdens on the peasantry after each revision, leading to movements of revolt.

Even more important than the actual increase in the burden of the assessments in the initial period was the revolution in the land system effected by the British conquest. The first step in this revolution was in the system of assessments and the registration of the ownership of land, in which English economic and legal conceptions were made to replace, or superimposed on, the entirely different conceptions and institutions of the traditional Indian economy. The previous traditional "king's share" was a proportion of the year's produce, fluctuating with the year's production, and surrendered as tribute or tax by the peasant joint owners or self-governing village community to the ruler. This was now replaced by the system of fixed money payments, assessed on land, regularly due in cash irrespective of the year's production, in good or bad harvest, and whether more or less of the land was cultivated or not, and in the overwhelming majority of settlements fixed on individual land-holders, whether directly cultivators or landlords appointed by the State. This payment was commonly spoken of by the early official administrators, and in the early official documents, as "rent," thus revealing that the peasantry had become in fact tenants, whether directly of the State or of the State-appointed landlords, even though at the same time possessing certain proprietary and traditional rights. The introduction of the English landlord system (for which there was no previous equivalent in India, the new class being built up on the basis of the previous tax-farmers), of individual land-holding, of mortgage and sale of lands, and of a whole apparatus of English

bourgeois legal conceptions alien to Indian economy and administered by an alien bureaucracy which combined in itself legislative, executive and judicial functions, completed the process. By this transformation the British conquerors' State assumed in practice the ultimate possession of the land, making the peasantry the equivalent of tenants, who could be ejected for failure of payment, or alienating the lands to its own nominees as landlords, who held their titles from the State and could equally be ejected for failure of payment. The previous self-governing village community was robbed of its economic functions, as of its administrative role; the great part of the common lands were assigned to individual holders.

In this way the characteristic process of the colonial system was in fact carried out with ruthless completeness in India—the expropriation of the Indian people from their land, even though this process was partially concealed under an ever more complicated maze of legal forms, which after a century and a half has grown into an impenetrable thicket of intermixed systems, tenures, customs and rights. From being owners of the soil, the peasants have become tenants, while simultaneously enjoying the woes of ownership in respect of mortgages and debts, which have now descended on the majority of their holdings; and with the further development of the process, an increasing proportion have in the past century, and especially in the past half-century, become landless laborers or the new class of the agricultural proletariat, now constituting from one-third to one-half of the agricultural population.

The introduction of the English landlord system in a modified form was the first type of land settlement attempted by the Western conquerors. This was the character of the famous Permanent Land Settlement of Lord Cornwallis in 1793 for Bengal, Bihar and Orissa, and later extended to parts of North Madras. The existing Zemindars, who were in reality tax farmers, or officials appointed by the previous rulers to collect land revenue on commission, were constituted landlords in perpetuity, subject to a permanent fixed payment to the Government, which was calculated at the time at the rate of ten-elevenths of the existing total payments of the cultivators, the remaining one-eleventh being left for the share of the landlord. With the fall in the value of money, and the increase in the amount rack-rented from the peasantry, the Government's share in the spoils, which was permanently fixed at

£3 million, became relatively smaller and smaller; while the Zemindars' share became larger and larger. Today the total rents in Bengal under the Permanent Settlement are estimated at about £12 million, of which one-quarter goes to the Government and three-quarters to the Zemindars.*

Since this has become clear, the Permanent Settlement is today universally attacked and condemned, not only by the peasantry and the whole Indian people, except the Zemindars, but also by the imperialists; and there is a strong movement for its revision. The modern apologists of imperialism attempt to offer the explanation that the whole Settlement was an innocent mistake, made through simple ingenuous ignorance of the fact that the Zemindars were not landlords. So Anstey in the standard *Economic Development of India* (p. 98):

"At first the complicated Indian system was a closed book to the servants of the Company. They began the 'search for the landlord.' . . . It subsequently appeared that in most cases these 'zemindars' had not previously been owners of the land at all. . . . At the time they were mistaken for 'landlords' in the English sense."

This fairy tale is plain nonsense. A consultation of the documents of the time makes abundantly clear that Lord Cornwallis and the statesmen concerned were perfectly conscious that they were creating a new class of landlords, and of their purpose in doing it.

The purpose of the permanent Zemindari settlement was to create a new class of landlords after the English model as the social buttress of English rule. It was recognized that, with the small numbers of English holding down a vast population, it was absolutely necessary to establish a social basis for their power through the creation of a new class whose interests, through receiving a subsidiary share in the spoils (one-eleventh, in the original intention), would be bound up with the maintenance of English rule.

Lord William Bentinck, Governor-General of India from 1828 to 1835, in an official speech during his term of office de-

*The method of the Permanent Settlement was not repeated. The subsequent Zemindari settlements were made "temporary"—that is, subject to periodical revision to permit of successive raising of the Government's demand.

scribed with exemplary clearness the purpose of the Permanent Settlement as a bulwark against revolution:

"If security was wanting against extensive popular tumult or revolution, I should say that the Permanent Settlement, though a failure in many other respects and in its most important essentials, has this great advantage at least, of having created a vast body of rich landed proprietors deeply interested in the continuance of the British Dominion and having complete command over the mass of the people." (Lord William Bentinck, speech on November 8, 1829, reprinted in A. B. Keith, *Speeches and Documents on Indian Policy, 1750-1921*, Vol. I, p. 215.)

This alliance of British rule with landlordism in India, created largely by its own act, as its main social basis, continues today, and is today involving British rule in inextricable contradictions which are preparing its downfall along with the downfall of landlordism.

In the period after the Permanent Settlement an alternative method was attempted in a number of other districts, beginning in Madras. The conception was put forward that the Government should make a direct settlement with the cultivators, not permanent, but temporary or subject to periodical re-assessment, and thus avoid the disadvantages of the Permanent Settlement, securing the entire spoils itself without needing to share them with intermediaries. This was the Ryotwari system, associated in its institution with the name of Sir Thomas Munro in Madras, who saw in it a closer approach to Indian institutions.

The Ryotwari system, although it was advocated as a closer approach to Indian institutions, in point of fact, by its making the settlement with individual cultivators, and by its assessment on the basis of land, not on the proportion of the actual produce, broke right across Indian institutions no less than the Zemindari system. Indeed, the Madras Board of Revenue at the time fought a long and losing battle against it, and urged instead a collective settlement with the village communities, known as a Mauzawari settlement.

Today the forms of land tenure in British India are traditionally classified under these three main groupings, all deriving from the British Government, and reflecting in fact its claim to be paramount landlord.

First, the Permanent Zemindari settlements, in Bengal, Bihar and parts of North Madras, cover 19 per cent of the area.

Second, the Temporary Zemindari settlements, extending over most of the United Provinces, the Central Provinces, parts of Bengal and Bombay, and the Punjab (either with individual or group owners, as in the case of the so-called Joint Village settlements tried in the Punjab), cover 30 per cent of the area.

Third, the Ryotwari settlements, prevalent in Bombay, in most of Madras, in Berar, Sind, Assam and other parts, cover 51 per cent of the area.

It should not be supposed from this that landlordism prevails only in the 49 per cent of the area of British India covered by the Zemindari settlements. In practice, through the process of subletting, and through the dispossession of the original cultivators by moneylenders and others securing possession of their land, landlordism has spread extensively and at an increasing pace in the Ryotwari areas; the original intention may have been to make the settlements directly with the actual cultivators, but the relations have by now greatly changed.

This extending chain of landlordism in India, increasing most rapidly in the modern period, is the reflection of the growing dispossession of the peasantry and the invasion of moneyed interests, big and small, which seek investment in this direction, having failed to find effective outlets for investment in productive industry.

3. IMPOVERISHMENT OF THE PEASANTRY

The consequent picture of agrarian relations in India is thus one of sharp and growing differentiation of classes. The following table, based on the Census figures of 1921 and 1931, indicates the division of classes in Indian agriculture:

	1921 millions	1931 millions
Non-cultivating landlords	3.7	4.1
Cultivators (owners or tenants)	74.6	65.5
Agricultural laborers	21.7	33.5

The growth in the numbers of non-cultivating landlords is the reflection of the extending expropriation of the cultivators.

The growth, at the other end of the scale, of the landless

agricultural laborers is even more significant. In 1842 Sir Thomas Munro, as Census Commissioner, reported that there were no landless peasants in India (an undoubtedly incorrect picture, but indicating that the numbers were not considered to require statistical measurement). In 1882 the Census estimated 7½ million "landless day laborers" in agriculture. The 1921 Census returned a total of 21 millions, or one-fifth of those engaged in agriculture. The 1931 Census returned a total of 33 millions, or one-third of those engaged in agriculture. Since then it has been estimated that the real present proportion is nearer one-half.

Descending still farther in the scale, if that were possible, we reach the dark realms of serfdom, forced labor and debt slavery, of landless laborers without wages, existing in all parts of India, about which the statistical returns are silent.

"On the lowest rung of the economic ladder in India stand those permanent agricultural laborers who rarely receive cash and whose conditions vary from absolute to mitigated slavery. Such is the custom of the country in many parts of India that the zemindar, malguzar or ordinary cultivator nearly always contrives to get his servant into his debt, thus obtaining a hold over him which extends even to his posterity." (R. Mukerjee, *Land Problems of India*, 1933, pp. 225-29.)

In many parts these agricultural serfs and debt slaves are representatives of the aboriginal races. But the position of the former free peasant, who has lost his land and become virtually enslaved to his creditor through debt, or who has been reduced to the bondage of share-cropping, is not far removed from legal serfdom.

Akin to these in many respects is the condition of the plantation slaves, or over 1 million laborers on the great tea, coffee and rubber plantations, 90 per cent of which are owned by European companies, which pay high dividends. This labor is recruited from all over India; the workers with their families live on the estates under the complete control of the companies, without the most elementary civil rights; the labor of men, women and children is exploited at low rates; and, although the penal contracts have been formally abolished in recent years and various regulations introduced since the Whitley Report in 1930, the

workers remain effectively tied to their masters for prolonged periods, and even in practice in many cases for life.

The pauperization of the peasantry is shown in the growth of the proportion of landless laborers to one-third or even one-half of the agricultural population. But in fact the situation of the majority of small cultivators on uneconomic holdings, of sub-let tenants and unprotected tenants, is not far removed from that of the agricultural laborers, and the line of distinction between the two is an extremely shadowy one.

How do this preponderant majority below the lowest minimum standard eke out a living? They cannot do it. Inevitably they fall deeper and deeper into debt; they lose their land; they pass into the army of landless laborers.

"The vast majority of peasants," wrote the Simon Report (Vol. I, p. 16), "live in debt to the moneylender."

What lies behind this heavy increase of indebtedness under British rule, and especially in the modern period? The causes of the indebtedness of the Indian peasantry are economic, and are closely linked up with their exploitation through the burdens of land revenue and rent. A system which establishes fixed revenue assessments in cash, at a uniform figure for thirty-year periods at a time, irrespective of harvests or economic changes, may appear convenient to the revenue collector or to the Government statesmen computing their budget; but to the countryman, who has to pay the uniform figure from a wildly fluctuating income, it spells ruin in bad years, and inevitably drives him into the hands of the moneylender. Tardy suspensions or remission in extreme conditions may strive to mitigate, but cannot prevent this process. "I was perfectly satisfied during my visit to Bombay," writes Vaughan Nash in *The Great Famine*, published in 1900, "that the authorities regarded the moneylender as their mainstay for the payment of revenue."

The moneylender and debt are not new phenomena in Indian society. But the role of the moneylender has taken on new proportions and a new significance under capitalist exploitation, and especially in the period of imperialism. Previously, the peasant could only borrow from the moneylender on his personal security, and the trade of the moneylender was hazardous and uncertain; his transactions were in practice subject to the judgment of the village. Under the old laws the creditor could not

seize the land of his debtor. All this was changed under British rule. The British legal system, with the right of distraint on the debtor and the transferability of lands, created a happy hunting-ground for the moneylender, and placed behind him all the power of the police and the law, making him an indispensable pivot in the whole system of capitalist exploitation. For the moneylender not only provides the indispensable medium for the collection of land revenue; he commonly combines in his person the role of grain merchant with that of usurer; he holds the monopolist position for purchasing the crops at harvest-time; he often advances the seeds and implements; and the peasants, usually unable to check his accounts of what they had paid and what was due to them, fall more and more under his sway; he becomes the despot of the village. As the lands fall into his hands, the process is carried farther: the peasants become laborers or share-croppers completely working for him, paying over to him as combined rent and interest the greater part of what they produce; he becomes more and more the small capitalist of Indian village economy, employing the peasants as his workers. The anger of the peasants may in the first place turn against the moneylender as their visible tyrant and the apparent author of their woes; the sporadic cases of the murder of moneylenders even by the peaceful and long-suffering Indian peasants illustrate this process; but they soon find that behind the moneylender stands the whole power of the British Raj. The moneylender is the indispensable lower cog, at the point of production, of the entire mechanism of finance-capitalist exploitation.

As the ravages of the moneylender extend, attempts are made with increasing urgency by the Government, in the interests of exploitation in general, to check him from killing the goose that lays the golden eggs. Volumes of special legislation have been passed for restriction of usurious interest and against the alienation of lands. But the failure of this legislation has had to be admitted (see the section of the Agricultural Commission's Report on *Failure of Legislation*, pp. 436-37, with reference to the experience of this legislation intended to check rural indebtedness), and is further testified by the unchecked and even accelerating growth of indebtedness.

The peasant cultivator, if he has not yet fallen into the ranks of the landless proletariat, thus lives today under a triple burden.

Three devourers of surplus press upon him to extract their shares from the meager returns he is able to obtain with inadequate instruments from his restricted plot or strips of land, even though those returns are already all too small for the barest subsistence needs of himself and his family.

The claims of the Government for land revenue fall upon all, as also for such indirect taxation as is able to reach his scanty purchases.

The claims of the landlord for rent, additional to the Government land revenue, fall on the majority; since, in addition to the half of the total area of British India under the Zemindari system, at least one-third of the holdings in the Ryotwari area are sub-let.

The claims of the moneylender for interest fall on the overwhelming majority, possibly, if the figures of various authoritative inquirers are indicative, as high as four-fifths.

What proportion of the produce of the peasant is thus taken from him? What is left him for his subsistence? No returns are available on this basic question of Indian agriculture. No attempt has even been made to ascertain the total of rent payments additional to land revenue, still less the volume of interest on debt. Failing exact information, the Central Banking Inquiry Committee Minority Report attempted an estimate in the most general terms (pp. 36-37). This estimate would reach a total, if the incidence of the salt tax is included, in the neighborhood of 2,000 million rupees a year, or 20 rupees per agriculturist. Against this we have the estimate of the Central Banking Inquiry Committee Majority Report that "the average income of an agriculturist in British India does not work out at a higher figure than about 42 rupees or a little over £3 a year" (p. 39).

A closer picture of the rate of exploitation is available from the detailed *Study of a South Indian Village* by N. S. Subramanian (Congress Political and Economic Studies, No. 2, 1936). In this study of the economics of this village the exact budget is presented of the total income of its population from all sources, the total outgoings and the balance available for consumption. The budget showed that each inhabitant of this village earns an average of 38 rupees or £2 17s. for the year. After the tax-collector, landlord and moneylender have taken their share, he is left with under 13 rupees or 19s. to live on for the year. He is left with one-third; two-thirds are taken.

"Of the net total income more than two-thirds goes out of the village by way of land revenue and excise taxes, interest charges and rents to non-resident owners." This is the conclusion reached in this detailed study.

Carlyle described the situation of the French peasantry on the eve of the Great Revolution in a famous passage:

"The widow is gathering nettles for her children's dinner; a perfumed seigneur, delicately lounging in the *Oeil de Boeuf*, has an alchemy whereby he will extract from her the third nettle, and name it Rent and Law."

A more mysterious alchemy has been achieved today in British India. One nettle is left for the peasant; two nettles are gathered for the seigneur.

4. TOWARDS AGRARIAN REVOLUTION

On the basis of the foregoing analysis it is possible to summarize the main features of the growth of the agrarian crisis.

The first feature is the overcrowding of agriculture consequent on the colonial position of India. This general situation affects and aggravates all the remaining factors.

The second is the stagnation and deterioration of agriculture, the low yields, the waste of labor, the failure to bring into cultivation the culturable area, the lack of development of the existing cultivated area, and even signs of deterioration of yield, of land passing out of cultivation and of net decrease of the cultivated area.

The third is the increasing land-hunger of the peasantry, the constant diminution in the size of holdings, the spreading of subdivision and fragmentation, and the growth in the proportion of uneconomic holdings until these today constitute the majority of holdings.

The fourth is the extension of landlordism, the multiplication of letting and sub-letting, the rapid growth in the numbers of functionless non-cultivating rent-receivers, and the increasing transfer of land into the hands of these non-cultivating owners.

The fifth is the increasing indebtedness of the cultivators still in possession of their holdings, and the astronomic rise of the total of rural debt in the most recent period.

The sixth is the extension of expropriation of the cultivators,

consequent on the growth of indebtedness, and the resulting transfer of land to the moneylenders and speculators, the outcome of which is reflected in the growth of landlordism and of the landless proletariat.

The seventh is the consequent ever more rapid growth of the agricultural proletariat, increasing in the single decade 1921-31 from one-fifth to one-third of the total number of cultivators, and since then developing further to becoming probably one-half of the total number of cultivators.

The process of deterioration, expropriation and increasing class differentiation has been carried very much farther, and very much more rapidly, forward during the last few years as a consequence of the world economic crisis, the collapse of agricultural prices and the following depression. By 1934-35 the agricultural returns revealed *an absolute drop in the area of cultivated land by over 5 million acres*. In 1933-34 the net area sown with crops was 233.2 million acres. In 1934-35 it was 226.9 million, or a drop of 5,266,000 acres. The drop in the area under food grains was 5,589,000 acres.

The very slight recovery in prices since 1934 has not been able to mitigate the depression or overcome the still continuing effects of the collapse. "Since 1934," writes Anstey (*Economic Development of India*, third edition, 1936), "the sufferings of the people may have become more severe."

The burden of debt was doubled by the halving of the cultivators' income. This inevitably meant an increase of debt, which is now estimated to represent a total double the level of 1931.

In 1921 the total of agricultural debt was estimated at £400 million (see M. L. Darling, *The Punjab Peasant in Prosperity and Debt*).

In 1931 the Central Banking Inquiry Committee Report estimated the total at Rs. 900 crores or £675 million.

In 1937 the first Report of the Agricultural Credit Department of the Reserve Bank of India estimated the total at Rs. 1,800 or £1,350 million.

From £400 million to £675 million in the ten years 1921-31. From £675 to £1,350 million in the six years 1931-37. These figures of the mounting total of the peasants' debts during this period give a very sharp expression of the deepening agrarian crisis.

The Indian peasantry are thus faced with very urgent problems of existence, to which they must imperatively find their solution.

Can a solution be found within the conditions of the existing regime, within the existing land system and the rule of imperialism based upon it?

It is evident and universally admitted that far-reaching changes are essential, reaching to the whole basis of land tenure and the existing distribution of land, no less than to the technique of agricultural production.

Sooner or later, landlordism must go. In India, as we have seen, landlordism is an artificial creation of foreign rule, seeking to transplant Western institutions, and has no roots in the traditions of the people. In consequence, landlordism is here more completely functionless than in any other country, making no pretense even of fulfilling any necessary role of conservation or development of the land, but, on the contrary, intensifying its misuse and deterioration by short-sighted excessive demands. It is a purely parasitic claim on the peasantry, and most commonly takes the form of absentee landlordism in the case of the bigger estates, with the further burden of additional parasitic intermediaries in the case of the sub-landlords. There is no room for these parasitic claims on the already scant produce of the peasantry. Whatever is produced is required, first, for subsistence, second, for social needs, and, third, for the development of agriculture.

The same applies to the moneylender and the mountain of debt. Drastic scaling down and eventual cancellation are inevitable. But this alone would be useless, or only a temporary palliative, unless accompanied by alternative forms of organization to prevent the causes of indebtedness and replace the role of the moneylender. This means, in the first place, the removal of excessive demands on the cultivator and the organization of economic holdings, and, in the second place, the provision of cheap credit, pending collective organization which would finally replace the need of credit.

The essential problem is not only a problem of landlordism, but one of a reorganization of the whole existing land system and distribution of holdings. A redistribution of holdings is long overdue, both to combat the evil of uneconomic holdings and of fragmentation.

Is there any prospect of such a development, or basic tackling,

of the agrarian problem taking place under the conditions of imperialism? To ask the question is to answer it. Such a supposition would be admittedly fantastic. Quite apart from any question of the will of those responsible for the administration of imperialist rule, the interests of imperialism, which are bound up, on the one hand, with the maintenance of landlordism and pseudo-feudal institutions as the indispensable social basis of its rule against the masses, and, on the other hand, with the finance-capitalist exploitation of the Indian people as a backward agricultural colony, prevent any tackling of the agrarian problem.

The vast changes now urgently necessary, and admitted on all sides to be necessary, in Indian agriculture—that is, in the basis of the economy and life of India—can only be achieved by the masses of the people of India themselves under the leadership of a Government of their own choice in which they have confidence and which can enlist the free activity and co-operation of the people themselves.

That is why the achievement of the agricultural reorganization which is now necessary is linked up with the achievement of national liberation and democratic freedom.