INTRODUCTION

Do the peasants tend to disappear/disintegrate under the impact of the penetration of capital into agriculture? Or, do they stabilise under the impact of the demographic factors? These were the questions with which most of the agrarian economists in Russia were preoccupied with during the pre-collectivisation period. There were two diametrically opposite views regarding the future of the peasantry. The early Marxists felt that peasant households tend to disappear under the impact of price factors and technological superiority of large farms and the outcome would be differentiation of the peasantry over time. This process would gradually lead to polarization in the rural society (Lenin, 1972; Kautsky, 1980). Thus, the prime determinants in the Marxist framework are price factors and technological superiority of large farms which can be described as exogenous to the peasant society. On the other hand, the other group, namely the Neo-Populists, argued that the differentiation of peasantry that one observed in the countryside was only demographic and hence a temporary phenomenon. The basic logic of the argument is that peasant farms expand as their family sizes (or consumer-worker ratios) increase and decline as a result of yet another demographic factor namely partitioning1. Thus, the prime determinants of this model are demographic factors which are endogenous to a peasant society. The type of mobility that this group envisages is entirely different from class polarization as expected by the Marxists. While the
peasantry would disappear in the Marxist framework, the same would stabilise in the populist perspective.

This debate², although a century old, has lost neither its relevance nor its force in the Third World countries (such as India) in which peasants still constitute the largest proportion of population. In fact, the existence of peasantry is taken as one of the major structural determinants which make the so-called developing or less developed countries of today what they are. Even in the erstwhile Socialist countries of Eastern Europe peasants constituted a sizeable segment of the population. The specific problems presented by peasantry led to the 'de-collectivization' in some of the Socialist countries such as Peoples' Republic of China³.

The economic backwardness of the poor countries is often attributed to their unresolved agrarian question⁴. As Byres (1988; i-ii) noted "an understanding of economic backwardness requires a firm grasp of what constitutes the agrarian question. A coherent notion of what is involved in the eradication of economic backwardness must derive, in part, from some comprehension of what the resolution of the agrarian question entails". He further urged that "a reading of the nature of the agrarian question, in particular concrete situations, and of the prospects for its resolution ... will depend upon the analysis of a complex variety of influences. Crucial to the reading will be the investigation of one crucial matter relating to the composition of peasantry and whether that composition is changing: the matter of differentiation of peasantry" (emphasis added).
The capitalist mode of production is considered to be progressive, for it allows the development of productive forces. However, peasants and their political apathy are considered as a force which hinders the development of capitalist tendencies in agriculture. Both Lenin and Kautsky emphasised the distinction between the development of capitalism in agriculture and in industry. Lenin drew attention to the fact that "capitalism penetrates into agriculture particularly slowly and in extremely varied forms" (Lenin, 1972; 178). Kautsky cautioned that "agriculture does not develop according to the same process as industry; it follows laws of its own" (Kautsky, 1980; 45).

The mode of production debate in India was concerned precisely with the above question i.e., development of capitalism in agriculture. [Similar debates took place in other Third World countries (de Janvry, 1981: Seddon and Margulies, 1984) also]. But, "neither this debate, looking upon the mode of production in agriculture statically and sectorally, nor the solution sometimes suggested of treating the co-existence of multiple modes of production in agriculture sufficiently focuses upon the process or dynamics of change. It is by now clear that there have been considerable variations in production and exchange relations over time and among regions, so that a reference to the pure categories of modes of production is not adequate to grasp the processes at work" (Bharadwaj, 1985; 333).

Thus, an understanding of the processes of change over time and across regions is very important to answer questions such as what constitute the peasantry and whether its composition is changing over time. In other words, a study on economic mobility
of rural households in a historical perspective becomes essential to understand these questions.

A study of peasant mobility assumes further importance in the context of changes regarding the policies of 'Rural Development' in post-independence India. With a view to develop the countryside, the Indian government is actively pursuing a strategy which contains a number of equity objectives such as reduction of inequalities in income and wealth, rise in employment, increasing access to public goods and services, meeting basic needs and alleviating poverty. This strategy is followed mainly on two fronts; institutional and technical. Institutional changes include land reforms, forming and supporting co-operatives, community and village development, integrated rural development and so on. The technical services include institutional credit, irrigation facilities, modern agricultural inputs like seeds and fertilizers, and extension services. With a view to increase the food production in India, the Green Revolution strategy, based on packages of technical inputs has been introduced. The impact of these programmes on economic mobility of rural households is discussed in chapter 1. However, an examination of macro trends show that the collective impact of these programmes on the peasantry is somewhat 'puzzling'.

First, inequalities in land ownership seem to be declining in post-independence India. Whereas the National Sample Survey (NSS) furnishes data on distribution of land ownership for the fifties and sixties, the World Agricultural Census (WAC) reports give us the data on distribution of operational holdings for the
seventies and eighties. However, a comparison of these two sets of data becomes meaningless as there are substantial conceptual, methodological and coverage differences. Nevertheless, an analysis of the structure of land holdings in India during the post-independence period showed that the share of large farms (15 acres and above) declined both in the total number and area. On the other hand, the small and very small farms are adding to their share in the total number of holdings as well as in the total area (Singh, 1976; 14). The Lorenz Ratio for the distribution of ownership holdings for whole of India marginally declined, thus indicating stability in concentration. A similar picture emerges from the analysis of data on distribution of operational holdings.

More importantly, the proportion of holdings and operated area in the bottom size classes has been increasing during the period 1970/71 to 1980/81. This implies the absence of land transfers from the small to the rich land holders and the survival of the small peasantry.

Lenin also acknowledged the fact that the small peasants can survive in a society where market relations are penetrating (Lenin, 1972; 176-9). The 'size-productivity' debate in India also brings out the fact that small peasants achieved higher productivity on their holdings (Bharadwaj, 1974). The persistence of small holdings is a fact which keeps coming up in the primary surveys (Bhaduri et al., 1987; Rajasekhar, 1988). Thus, these two factors point out the absence of land transfers from the poor to rich, the survival of small peasantry and lack of a clear-cut polarization in the countryside.
On the other hand, the incidence of agricultural labourers has been increasing rapidly in India especially from the Sixties. The frequent changes in concepts and definitions in Indian Censuses do not enable us to compare the trend from the turn of the Century. However, after a careful sifting of data available in the Censuses, NSS Reports and Rural Labour Enquiries, Reddy (1988: 41-72) concluded that the incidence of agricultural labour has been increasing during the period 1960 to 1980. Besides, the commercialization process is also getting intensified.

Thus, while the first two factors lend support to the argument of stability of small peasants, the latter two caution us against such a conclusion. Attempts have earlier been made to explain this seemingly incongruous phenomenon in terms of (1) role of the state (2) role of caste (3) the participation of small peasantry in the process of commercialization and (4) pauperization of the small peasantry. But as yet, there is no systematic study, which tries to incorporate these issues. The Present exercise, which seeks to examine the mobility of rural households in Kurnool district of Andhra Pradesh during the period 1860-1989, is an attempt in that direction.

Objectives of the study

The objectives of the study are the following:

To examine,

(1) the nature of economic mobility in a historical perspective in the specific context of semi-arid Kurnool district of Andhra;
(2) in particular, the role of demographic factors such as changes in composition of family size, partitioning, land-man ratio, labour availability;

(3) the role of the market factors such as fluctuations in commodity prices, trade and availability of credit;

(4) the role of state intervention in the form of land reforms, poverty alleviation programmes, provision of inputs such as credit at subsidised rates; and

(5) the role of famines, droughts, accidents in shaping up of the economic mobility of rural households.

The empirical evidence to answer these questions was collected from Kurnool district. The archival data were used to capture the broad pattern of mobility during the colonial period. To gain further insight into economic mobility, primary data were collected from two infra-structurally different villages in the district.

The choice of the district has been governed by the following reasons: First, the district is situated in the semi-arid tract of Rayalaseema. The specificities of semi-arid zone such as unfavourable weather, high land-man ratio and so on would give us rich insights regarding economic mobility of rural households during the colonial period. Second, some taluks of the district had benefited from the canal irrigation both during the colonial and post-independence periods. As a result, northern and north-eastern taluks are irrigated and developed, while south-western taluks are rain-dependent and backward. One village from each of these regions has been selected for an analysis of economic mobility during the post-independence period. A comparison of economic mobility of rural households across the infra-structurally
different villages should give us rich insights.

Organization of the Study

Chapter 1 critically examines the existing models on peasant mobility and attempts to modify them in the light of theoretical and empirical works related to India. It also provides a brief discussion on the concepts used in the study.

The empirical analysis of economic mobility of rural households in the district is carried out both for the colonial and post-colonial periods. However, the intensity of the analysis differs across the two periods; while it captures a broad pattern of mobility for the colonial period, it is much more detailed for the post-colonial period. Hence, the study is divided into two parts; (i) Economic Mobility in Kurnool District during the period c.1860 to c.1950; and (ii) during the post-independence period.

Rest of the chapters are divided into two parts. The first part, consisting of Chapters 2 to 4, examines the impact of certain historical and conjunctural factors such as the Civil War in the U.S.A and the consequent price rise (Chapter 2), the 1876-78 famine (Chapter 3), differential price trends, the Great Depression of 1930s and World Wars (Chapter 4) on economic mobility. This part, mainly by using archival data, captures economic mobility with the help of an analysis of factor markets and demographic variables such as the trends in size and composition of population, land man ratio and so on.
The second part, consisting of Chapters 5 to 8, depends on mainly the data collected from two infra-structurally different villages in the district. The data on land transfers for the period 1950-89 are analysed to find out the factors determining the economic mobility of rural households. Data on peasants' economic activities for the current period such as participation in lease and labour markets, the development and distortion of the product market, the credit market, peasants' asset position and their participation in the non-agricultural income activities etc. have been analysed.

Chapter 5 documents and analyses the developments in the district during the period 1950-89. Chapters 6 and 7 analyse the factors determining the economic mobility of rural households in the irrigated and dry villages respectively. Chapter 8 concludes the study. This chapter while bringing the empirical discussion on economic mobility during the colonial and post-colonial periods together attempts to relate it to the theoretical issues raised in Chapter 1. It also examines the mutually contradictory hypotheses on stability vs pauperization of the peasantry in these villages.
Notes and References


2. For a summary of this debate see Shanin (1972) and Solomon, (1977).

3. For a discussion on factors which led for the decollectivization in Peoples' China, see Nolan (1983).

4. It is rather difficult to define the term "agrarian question". The notion of agrarian question originated from the writings of Engels. The meaning of the term, which was narrower in the writings of early Marxists, had gradually expanded. For instance, in Russia, during the last quarter of 19th century, the Marxists led by Lenin were particularly interested in the question whether the penetration of capital was necessary for modernization of agriculture? whether capitalism was developing in Russia? Lenin demonstrated that capitalism was developing in Russia and differentiation of peasantry was taking place. In that case, which group of the peasantry was ready to lend an ear to the socialist propaganda (Lenin, 1961). Engels (1970) was also concerned with similar issues. However, after the seizure of power by Bolsheviks, the Russian Marxists were debating whether 'collectivization' of agricultural holdings (and the removal of kulaks from the rural scene) would help quicken the process of capital formation and industrialisation. An interesting discussion on agrarian question and its relevance for poor countries can be found in Byres (1977 and 1988).

5. By the end of 19th century, capitalism was firmly rooted in the manufacturing sector and was fast spreading in agriculture in European countries such as France, Germany and Russia. Though peasantry was differentiated, capitalism had not completely eliminated it. The early Marxists were turning towards the countryside and were pre-occupied with the problem of which section of peasantry was to be approached for the 'class-struggle'. In 1852, Marx (1978) wrote about the peasants and politics, and highlighted the political apathy of French small peasants and their failure to pursue class-for-itself activity. After 40 years, Engels (1970) also stressed the political apathy of the small peasants in France and Germany.

6. This debate is usefully surveyed in Thorner (1982).
7. These two important sources of information on distribution of landholdings are not comparable. When the 1971-72 NSS data on land holdings are compared with Agricultural Census Data for the year 1970-71, conflicting results emerge on the number of holdings and operated area (Laxminarayana and Tyagi, 1976; Sanyal, 1976).

8. Lorenz ratios of distribution of ownership holdings in rural India.

<table>
<thead>
<tr>
<th>Year</th>
<th>Excluding landless households</th>
<th>Including landless households</th>
</tr>
</thead>
<tbody>
<tr>
<td>1953/54</td>
<td>--</td>
<td>0.75</td>
</tr>
<tr>
<td>1961/62</td>
<td>0.73</td>
<td>0.72</td>
</tr>
<tr>
<td>1971/72</td>
<td>0.71</td>
<td>0.77</td>
</tr>
<tr>
<td>1981/82</td>
<td>0.71 --</td>
<td></td>
</tr>
</tbody>
</table>

Source: Computed from relevant NSS reports.

9. In various articles presented at the 36th Annual Conference of Indian Society of Agricultural Economics, November 17-19, 1976, this fact comes out clearly. For details see, Conference Number, Indian Journal of Agricultural Economics, July and September, Vol. 31, No. 3.

10. Distribution of Operational Holdings in India

<table>
<thead>
<tr>
<th>Size class (in ha)</th>
<th>Operational holdings (%)</th>
<th>Area operated (%)</th>
<th>Average size of holdings (1985-86)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Below 1</td>
<td>51.00</td>
<td>56.40</td>
<td>58.10</td>
</tr>
<tr>
<td>1 to 2</td>
<td>18.90</td>
<td>18.10</td>
<td>18.30</td>
</tr>
<tr>
<td>2 to 4</td>
<td>15.00</td>
<td>14.00</td>
<td>13.50</td>
</tr>
<tr>
<td>4 to 10</td>
<td>11.20</td>
<td>10.00</td>
<td>9.10</td>
</tr>
<tr>
<td>10 &amp; above</td>
<td>3.90</td>
<td>3.00</td>
<td>2.40</td>
</tr>
</tbody>
</table>

All classes (millions) (71.01) (81.57) (88.88) (97.73) (162.14) (153.34) (163.8) (163.91)

Source: Rao (1990; 9).

11. Many scholars have critically examined the concepts and definitions underlying the occupational returns of pre and post independence Censuses. Some important studies are Reddy (1988), Thorner (1962), Sinha (1972) and (1982).