CH. VI

INCREASING INTENSITY OF THE FAMINE

THE BEHAVIOURAL PATTERN OF VARIOUS SOCIAL GROUPS, VIZ. THE RENT RECEIVERS, MAHAJANS AND TRADERS AND THEIR MECHANISM OF CONTROL OVER THE SURPLUS GRAIN IN THE DISTRICTS

1. Underlying tensions in rural society heightened during years of crisis.

It has been seen how various anomalies in the peasant economy were accentuated during famines. As the existing pattern of entitlements began to collapse under pressure of the crisis, the superordinate groups in rural society perfected their mechanism of surplus control.

Even in normal times, absenteeism among zamindars and the sub-infeudation of tenures led to various complications in rent-relations. More remarkable were the basic contradictions in the rural economy bound to the moneylenders' credit. The mahajan or money-lender did not belong to any distinct social class. Grain dealers-including dadan merchants also functioned as mahajans, but could not make much headway if they were pure traders without local connections. In Bengal, as has been stated of Madras, "in the countryside the trading connections followed closely those of debt; to most cultivators trade and debt are two sides of the same coin...since the commercial groups found it so difficult to enter the trading and money-lending business in the villages, the rural economy rested firmly in the hands of those few peasants with a surplus from their own lands". Thus, the professional money-lenders were gradually being supplanted by big farmers who might also operate as graindealer-cum-mahajan and, in smaller villages, by anyone with a surplus to lend.

The zamindars, particularly smaller proprietors like the thikadars in Bihar, could also function as money-lenders, and the zamindar-creditor, by virtue of his local standing, was in a stronger position than professional mahajans or even the big farmers. In Nadia, for example, the peasants were seen to have little self-reliance during the crisis in 1896 as many of the zamindars acted in the threefold capacity of landlord, indigo-planter and mahajan. The grain and cash loans were made on the security of crops and land, and, in case of landless labourers, on the basis of share-cropping (usually for half the produce) or in return for bonded labour by the Kamia, Musahar, Jan, etc. Due to the piling up of compound interest the debtor, usually illiterate, continued to pay up indefinitely, the money worth of the Kamia's labour or the interest payment in grain or cash far exceeding the borrowed amount. In fact, interest on loans by mahajans followed no fixed or uniform rate, but depended on their relationship with the debtor and the
creditworthiness of the latter. The aim was usually not to recover the principal with interest, but to keep the debtor in perpetual dependence, perhaps with the ulterior motive of appropriating his land.

The bania or grain dealer, too, was most intent on extracting as large a share of produce as possible from the raiyat, especially in his capacity as mahajan. Indeed, the profits of the middlemen, retail dealers, etc., and the zamindars' levy of tolls over the local hats, as for example, in Nadia, always placed the seller-producer at a distinct disadvantage in relation to the bania. In fact, large parts of Nadia were held by the "shop-keeper" zamindars, who were Sahas, Tambulis or Telis by caste, & acquired land by speculation over three generations(1)

Yet, in normal times a working arrangement was arrived at between the landlord and tenant, the creditor and debtor, and the graindealer and producer.

The zamindar made advances to his tenantry both in grain and cash when the agricultural season commenced; he employed a large number of raiyats and labourers on his lands, the Kamias being provided for throughout the year; he was supposed to repair dams and embankments and the larger irrigation works like the 'ahar' and 'pyne' system in Gaya which could not be managed without his intervention.

The mahajan was even more indispensable in the existing social set-up, for few others would risk giving loans to the cultivator, in view of the severe fluctuations in agricultural seasons. He had an intimate local knowledge of the khatak's (debtor's) background and capacity to pay and did not take recourse to law as long as faith was kept. The creditor did not insist strictly on the letter of the bond to recover his dues and would rather accept Panchayat decisions, for he did not wish to incur the opprobrium of society by defying the Panchayat. The money-lenders' role in the present economy was all the more vital in view of the absence of any other credit agency which could finance agriculture in the way they did. Instances of taquavi advances by zamindars (usually without interest, repayable after the harvest) were becoming increasingly rare. No cooperative credit societies worth the name existed in this period. Government occasionally provided credit, but on conditions too rigid to have been acceptable to peasants. Besides, the sums allotted for the purpose were often inadequate, and official red-tape further marred their effectiveness. (2) Hence the money-lender was essential for the small peasant economy, and in single crop regions like Satkhira and Bagerhat in Khulna, his absence was deeply felt, especially in a crisis year like 1896.

1. LRP April 1900, Branch : Land Revenue, No. 138-39, p.873
2. 'B.B. Chaudhuri, 'Rural Credit Relations in Bengal, 1859 - 85.',
The grain dealer too had his usage, for in remote areas in the interior the peasant could neither sell nor buy the required amount of foodgrain except through the agency of the bania-mahajan, or the 'beparis' or itinerant traders. The absence of traders proper was keenly felt in remote areas like the Palamau district, the Ramnagar-Araraj-Madhuban tract in Champaran, the Kalantar in Nadia, and the Chilka region in Puri in 1896, when the need to import grain was imperative.

With large-scale crop failures as in 1896, however, the activities of these various groups tended to be antagonistic to the small peasant economy.

1. Role of the zamindars in 1896-97

In regard to tenure and rent-relations, the evils of absenteeism and sub-infeudation became evident in crisis years like 1896. For example, in Satkhira the greater portion of the permanently settled area was no longer in the direct possession of the zamindars, but was in the hands of a class of petty tenure and under-tenure holders, such as patnidars, gantidars, lakhirajdars and the like. The gantidars were very numerous in the Satkhira sub-division and owned the greater portion of the country. Their counterparts in north Jessore and in Bagerhat in eastern Khulna were known as the jotdars and hawaladars, respectively. In fact, the Simon Commission pointed out that in some places there were 50 or more intermediate interests between the zamindar at the top, and the cultivator at the bottom.

So far as the lands in the possession of the gantidars were concerned, the zamindars had no interest except in the collection of rent, and did not consider themselves responsible for the welfare of the cultivators residing on their respective properties. The gantidars as a class were too poor to undertake costly works or to relieve the raiyats in crisis years (3). In 1896 Babu Girija Nath Roychaudhuri, zamindar of Satkhira, threw the entire responsibility of supplying seed to cultivators on the gantidars in his estates, which, as the Commissioner pointed out, "illustrates the evil of the tenure intermediate between a zamindar and the cultivators" (4). The repair of dams and embankments in Satkhira were vital for protecting the rice crop from salt water incursions particularly this year, when the rains were too scanty to sweeten the river water. But even rich zamindars like the Satkhira Babus refused to take action in this matter, staunchly maintaining that it was the duty of the gantidar to repair the works, for it was he who dealt directly with the raiyat, and was immediately responsible for his welfare. Mr. B. C. Basu, Assistant Director of Land Records and Agriculture, thus noted the hopelessness of the case: "The minute subdivision of property cannot but be a great evil in a country where

4. Ibid., VIII, p. 291
agriculture would be impossible but for an elaborate system of embankments and dams requiring a comparatively large outlay and constant care". (5) Indeed, due to joint control over property, no party was ready to bear the expenses, and large areas of fertile land reverted to jungle through the apathy of the landlords, most of whom resided in Calcutta and had no knowledge or interest in local problems. For example, two large bils in Mukundapur and Dudhli near Kaliganj, the first containing more than 5,000 bighas of land, had reverted to jungle in the last few years due to the apathy of the zamindars, namely Peary Mohun and Hari Mohun Roy of Calcutta, grandsons of Raja Ram Mohan Roy. A part of the land was held by lakhirajdars who were not willing to share the expenses of embankments with the zamindars. The local people repeatedly appealed to the zamindars to repair the dams in order to save whatever crops were on the ground this year, but to no effect (6).

Government offered advances for the repair of dams in 1896, but the zamindars as a rule did not come forward to take loans; they left it to the tenure-holders and raiyats. The Panchberia bil was an instance in point. It contained some 5,000/6,000 bighas and required embanking; but the managers of the zamindars, the latter being absentees, would not move in the matter though empowered to act in such cases. In fact, Aghor Nath Banerjee, the manager of Babu Kailash Chandra Pal, would not even see the SDO or write to him, though he lived only three miles away from the SDO’s office. (7) The raiyats, on the other hand, did not have a sufficient stake in the land to make the embankments themselves.

Hence, as a result of the apathy of the absentee landlords and the reluctance or inability of under-tenure holders like the gantidars to undertake repairs of the dams and embankments, many of the raiyats were absconding from Satkhira to south-east Khulna, and the newly reclaimed settlements in the Sunderbans. In January 1897 the SDO himself saw numerous deserted abads in Shyamnagar and Paikgacha, which testified to this (8). This abandonment of holdings by tenants threatened the interests, not only of general cultivation, but also of the landlords and mahajans to whom they were indebted for rent and loans. But as government officials pointed out, it served them right for so neglecting their duties towards the tenants.

In the Patna Division, too, violence often erupted over the question of water distribution from irrigation systems running through the properties of several landlords. Naturally, these issues were all the more vital in crisis years like 1896, when irrigation was most required. Similarly, in Malood in the Chilka tract in Puri, nothing was

5. Ibid, III, p. 187
6. Ibid, III, p. 203
7. Ibid, IV, p. 240
8. Ibid, IV, p. 239

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done to excavate tanks, though a terrible water famine was imminent in January 1897, as the estate suffered from all the disadvantages of absentee landlordism (9).

Certain systems of tenure which made the raiyats’ position particularly insecure were all the more disadvantageous in years of extensive crop failure. For example, the utbandi system of tenure in Nadia required one-fourth of the total cultivable area to remain fallow every year. This intensified the problem in north-west Nadia in 1896, as the deficit in total crop outturn had amounted to 86 per cent in the Kalantar and 67 per cent in the surrounding regions this year. Under this system the riyats had no occupancy rights in practice and were at the mercy of the zamindar (10). Due to these conditions land, even lakhiraj, had little value in these parts, for the people did not set much store on occupancy holding. In fact, lakhiraj land was selling here for Rs.3/ Rs. 4 per bigha while elsewhere it would fetch Rs. 50/100. This prevented the raiyats in Nadia from getting loans on the security of land in 1896-97 (11). When the zamindar combined two or more functions in his person, the raiyats’ dependence on him greatly increased. For example, in Nadia the zamindar acting in the threefold capacity of zamindar, indigo-planter and mahajan, left little freedom to the tenant. He even controlled the local hats as at Tehatta and Gotpara. Similarly, the absence of mahajans in Satkhira, Khulna, made the zamindar indispensable and all-powerful in these regions.

The usual advances of grain and cash by the zamindars to their tenants were all but stopped this year. Taqavi loans had long become obsolete and in 1896 landlords refused to make advances even at reasonable rates of interest. In December 1896 Babu Hari Charan Chaudhuri of Kaliganj, Khulna, claimed to have given out some Rs. 45,000 to his tenants in the last few months and refused to issue further loans till the past debts were cleared. His tenants were absconding or selling off cattle and as a result much land was likely to remain fallow next year. Girija Nath Roychaudhuri, who owned the 10-anna Satkhira estate, took up a similar stand with identical results (12). In May 1897 the Collector of Khulna reported that despite personal appeals by him to Girija Nath Roychaudhuri for supplying seedgrain to his tenants, he refused point blank and threw the entire responsibility of supplying seed grains on the gantidars (13). As there were practically no mahajans in Satkhira, the people had to depend almost entirely on their zamindar for advances. It was only in July-August that some zamindars started advancing money. Girijanath Roychaudhuri was said to be issuing loans at the

9. Ibid, IV, p. 421
10. Ibid, III, p. 229
11. Ibid, III, p. 230
13. Ibid, VIII, p. 312

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usurious interest of 6% per rupee per month. From these loans he was also deducting the interest due on previous loans. (14).

The Palchaudhuris of Nadia, too, would not lend grain to their tenants till the agricultural season had commenced, though they held about 55,000 Mds. of grain while half the people in their zamindari were subsisting on half-rations by December 1896. The zamindar of Sonadanga in Nadia, Babu Jatindra Nath Sinha Roy, proclaimed his intention of ceasing advances from January 1897, i.e., precisely the time when the people, due to the extensive failure of the winter rice, would feel the first pangs of hunger (15).

Government tried to issue loans in some cases to the raiyats through and on the security provided by the zamindars, but the Collector of Khulna reported in June 1897 that the gantidars were instigating the raiyats to complain of distress. From the beginning of trouble in Khulna, he had noted that the class of petty rent-receivers were exaggerating the distress, in order that money may come into affected tracts and eventually find its way into their own pockets. The Collector of Nadia reported in June 1897 that a certain zamindar in his district recently applied for a large sum to be divided among the considerable number of his raiyats on their joint security for agricultural purposes, but as he received information that the money was intended principally to enable the raiyats to pay their rents, he declined to make the advances. Indeed, there was always this objection to advancing money to zamindars, or even village Panchayats (16).

As the Presidency Commissioner pointed out, "They (the zamindars) think far more of their own rents than of any starvation among the people" (17). The Satkhira Babus managed to collect 2 annas of rent by April-May 1897. But this figure supplied by their Naib was probably a gross under-estimation. Mr. B. C. Basu, Assistant Director of Land Records & Agriculture, suggested in December 1896 that the revenue be suspended this year in case of resident zamindars in Khulna district, so that they did not have to press their raiyats for rent (18). In Nadia and Jessore rent collection went on as usual in many places. By February Mahendra Roy, Zamindar of Santa in Bongaon, had already collected 12 annas of his rent and hoped to realise the rest by the end of the agricultural year. The same was reported from the Jadabpur cutcherry belonging to Babu Gurudas Das of Jaunbazar, Calcutta. They, along with the tahsildars of a small estate owned by Mathura Nath Pal Natuda, hoped to realise the full rent by the end of the agricultural year. The Dey Choudhuris of Ranaghat greatly pressurised their tenants at Irshaldanga and had

14. Ibid., X, p. 354
15. Ibid., III, p. 228
16. Ibid., IX, p. 349
17. Ibid., IX, p. 351
18. Ibid., III, p. 196
already realised their full dues. Peasants pledged or sold off their ornaments to pay the rent. At Nawadagram the zamindar had recovered every pice of the rent due. The raiyats had to take advances from jaggery dealers for the purpose, but both the yield and the price of jaggery were lower than usual, so that they were unable to repay their loans to their 'beparis'. In Bongaon, zamindars in their eagerness to collect the rent favoured the cultivation of jute, which brought ready cash to the raiyat, and tended to disregard the SDO's order prohibiting the steeping of jute in water intended for drinking purposes. (19). In Azimpur, Amilaish, Dolu, Rupkania, etc. in Chittagong, people were borrowing money at a high rate of interest for paying their rent.

In the Santthal Parganas, government officials appealed to local zamindars not to compel the raiyats to sell grain to pay their rents, as this drained the district of its foodgrain supply. Payment of the 'bhaoli' system of rent as in South Bihar benefited the zamindars, but further depressed the peasants in such a year of crop failure and high foodgrain prices.

In the Chilka region in Puri, which was badly affected this year, the 'Khandait' of Narsingpatna said "the people had to pinch and save to collect the revenue which they would have to pay". In Puri the Assistant Settlement Officer in Kotdesh, thought "no relief operations will be necessary if the mahajans and zamindars are a little generous towards the poor". In the Kanika estate in Cuttack, it was remarkable that out of a total demand of Rs. 60,330 for the 8-anna kist in January, no less a sum than Rs. 51,882 was collected (20).

The smaller zamindars, especially in Bhagalpur and Chota Nagpur could not provide for their kamias this year, who were left to fend for themselves. Some of the zamindars like Rai Kamleshwari Prasad Singh of Monghyr, who owned the Bilputta estate, promised to do much work to employ people in that area, but did nothing in effect (21). In Palamau, however, zamindars were less apathetic, and opened a number of relief works in the district.

1. (ii) Activities of the mahajans during the famine

With large scale crop-failures the activities of the mahajans, like those of the zamindars, tended to be antagonistic to the small-peasant economy. The mahajans were by no means 'rural capitalists' who would finance agriculture under all conditions, as implied by W.W. Hunter. Rather, as soon as the first signs of scarcity became apparent, the mahajans temporarily dissociated themselves from rural credit-transactions. The zamindar-creditor, as noted above, stopped

19. Ibid, V, p. 225
20. Ibid, V, p. 367
21. Ibid, VIII, p. 483

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advances this year. Hence, dependence on the mahajan increased. But in 1896, the mahajans closed their golas all over the Patna, Chota Nagpur and Bhagalpur Divisions. The same story was repeated in Orissa and other parts of Bengal.

In Jalpaiguri and Bogra, raiyats still hoped to get advances from the mahajan against their aus dhan and jute crops in 1897, but the latter refused to lend till January-March next year, when crop prospects could be determined. The few mahajans in Satkhira, for example, stopped lending to their clients since September, when it was realised that the crops would fail for the second time in two years in succession. As a result people sold out their ornaments, cattle and utensils, and even absconded to the south-east of the district (22). In Nadia and Jessore, too, rural credit was paralysed. The smaller creditors went down with their clients as in many parts of Narail and Magura, while the substantial mahajans, mostly big farmers or grain dealers, refused to risk issuing further loans unless past debts were cleared. In Bongaon, where the people were comparatively poor and hence depended more on the mahajans than in Magura or Narail, loans from the mahajans were essential during the slack season from 'Chaitra' to 'Sravan'. This year, however, loans were not granted and the people in distress were selling off their cattle and ploughs. This naturally led to despair and keen resentment among the raiyats. The golas of mahajans who refused to lend grain were often looted, as in Patna at the end of 1896, in Lohardaga in April, and in Rajshahi in June 1897. In Bihar subdivision, Patna, the mahajans were enforcing their claims on the cultivators and demanding their "pound of flesh" (23).

This refusal on the part of mahajans to issue loans was all the more significant, as there were no alternative sources of credit for the raiyats. Taqavi, as already noted, had long become obsolete. There were no cooperative credit societies. Government sometimes issued loans, but the amount was inadequate and the terms too rigid to be of much use to the raiyat. In February the Collector of Khulna complained that many applicants had to be refused loans on account of insufficient security and also for want of money (24). The security taken was always land, property, and general revenue paying estates or gantis. In some cases 'mukarari mukarari jama', in which the applicants had heritable and transferable interest, were accepted. Before the loan was sanctioned it was ascertained that the applicant was not in arrears with his landlord and that the properties were not mortgaged. Few raiyats could fulfill all these terms and conditions. Mahajans and zamindars seldom guaranteed security of the raiyats. Sometimes, when loans were distributed through the local mahajans, they even deducted from this money the sum due to them in debt arrears from their clients. There was also danger in advancing money to gantidars, lest they should become insolvent. In

22. Ibid, III, p. 196  
23. Ibid, IV, p. 22  
24. Ibid, VI, p. 222
Nadia, applications for loans on the security of land were turned down for, due to the utbandi system of tenure, even lakhiraj land had little value in these parts and sold at Rs. 3/4 per bigha, while elsewhere this would fetch Rs. 50/100. Red tape and bickerings among officials often delayed the issue of loans, particularly of seedgrains, which, to be of use, must be granted before the sowing season passed. Further, government loans were to be granted only to those who could not get advances from the mahajans. This distinction was not easy to make. Government officials faced another great problem in issuing loans, for the interference it caused with the operation of private capitalists. To take only one example, Mr. B. C. Basu, Assistant Director of Land Records & Agriculture, was told during his tour in Magura and Narail in January 1897, that in Mamudpur the mere rumour of government being about to give loans to raiyats had caused a temporary lull in private transactions. From all parts of the Damin in the Santhal Parganas, reports came in that the local mahajans had refused to grant any loans on the ground that advances were to be made by government. Mahajans were afraid of lending to those who might again borrow from the government, thus causing a conflict of interests, in which those of the private individual were more likely to suffer (25).

As the aus and aman prospects were assured in 1897, mahajans recommenced their lending operations. In Nadia and Magura-Bongaon in Jessore, small advances were being made by February 1897 in the hope of an average Aus yield this year. Even in April, the loans were being made cautiously and to selected men, as in Bongaon. Most of them were renewing their old bonds only, but were not giving out fresh loans. In Nadia, mahajans were advancing money only to the very few comparatively well-to-do cultivators who could afford to pay for the weeding of their fields (26). Peasants did not gain anything out of the high famine prices of foodgrains in 1896-97, for they hardly had any stock left after repaying the loans, especially of grain, to the mahajans. As the rains set in and the agricultural season commenced with the preparation of the lands for the aman harvest, credit-relations were more or less normalised. But the rates of interest were high and usurious this year. In Hazaribagh and Lohardaga grain loans were made on ruinous terms. In many cases loans were granted on the security of crops, to the distinct disadvantage of the raiyat-producer. For example, the near-approach of the aus and jute harvests in Khulna in August-September 1897 made it possible for the cultivators to borrow money on the crops, though they lost a great deal by selling their jute on the ground and taking part of the price in advance, for such deals inevitably resulted in low prices. (27). Besides, the mahajans were

25. Ibid, III, p. 230; IV, p. 308, 315
26. Ibid, VII, p. 302; IX, p. 353
27. Ibid, IX, p. 420, 423; IX, p. 330

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naturally trying to make use of this opportunity to lend money on the security of land, in the hope of ultimately obtaining possession of it.

The result was seen in the increasing number of mortgages now being registered in all districts this year. Money lenders in the Santhal Parganas had less security for their loans than elsewhere, as the courts would not allow them to attach either cultivated holdings or the crops there. (28).

1. (iii) Response of the grain - dealers to the growing subsistence crisis

The activities of the grain dealers, most of whom combined trade with money and grain lending, were also harmful to the people in many parts of the famine zone in 1896-97. For example, exports from regions with low purchasing power, as from Bihar, especially the northern districts of Patna Division went on unrestricted till early 1897 despite acute local scarcity, sometimes resulting in grain-riots. Similarly, exports from Nadia went on as usual, though the north-western part of the district was most severely affected. Even Garrett, the Collector of Nadia, failed to understand or explain this 'mystery', as he called it. Grain flowed out of Bhagalpur district but did not enter the Madhipura-Supaul area which was in acute distress. In the Chilka tract in Puri, the export-trade was well organised but there were no corresponding imports. Moreover, despite repeated efforts by the government, private traders could not be induced to import grain into remote, affected areas like the Palamau district, Ramnagar-Araraj-Madhuban in Champaran, the Kalantar in Nadia or the Malood and Chilka tracts in Puri. Hoardings by grain dealers as in Barh, Maner, Bihar, Khagole, Phulwari, etc. in Patna, and rigging of the market as at Manatu in Palamau, further intensified the problem. These activities of the grain traders during the crisis will be seen in greater detail when discussing the directions and problems of grain trade in 1896-97.

2. Mechanism of surplus control

Subsistence-requirements, rather than a profit-incentive on the part of the peasants, accounted for most of the surplus controlled and marketed by grain dealers. The peasant's stock of grain did undoubtedly pass into the hands of the grain dealer, but this did not come about through the agency of the price-system. Rather, the money lenders and zamindars, through their demands, were the main agents for extracting the marketable output from the traditional peasant economy, which was thus conditioned more by the rural power-structure, than by secular market forces. The mechanism by which the zamindars, mahajans and banias controlled the surplus grain in the district took several different forms which, however, interacted so closely that they can hardly be split in analysis.

28. Ibid, IX, p. 300
(a) Hypothecation

A sizeable part of the raiyats' produce went to the dadan merchant. By the late 19th century, the system of hypothecation was well-entrenched in the cash-crop sector. The new credit agencies tried to control the production process for, unlike the local money lender practising usury, they were connected with trade organisations and were primarily interested in the secure supply of a certain portion of the peasant's produce. Even in the case of rice cultivation itself, the usual preserve of local moneylenders, the new credit-agency became active, particularly as the rice market tended to expand. After the 1873-74 famine MacDonnell, Collector of Darbhanga, wrote of the Bihar District: "In point of fact, a large portion of the crop — the rice crop particularly — is hypothecated from year to year; advances are made on it and it is exported as soon as reaped'. But this system was not entirely new in grain trade, though it is uncertain as to whether and how far the merchants controlled the production process. In fact, the proceedings of the Grain Department of the Government of Bengal (1794-1801) show that about 25 per cent of the cultivation in some districts depended on dadan. This contradicts the general impression that the role of grain merchants in rural credit and the system of hypothecation against advances were much later developments. In the context of the extremely limited market for peasants' land in this period the crops, apart from small movable assets, were the most important security. This role of the grain merchants was considerably modified at the end of the century, with the growth of the land-market and the emergence of a powerful community of big farmers as intermediaries between them and the actual cultivators.

Yet, part of the grain was still marketed by dadan merchants even in famine years. For example, it was reported during the famine of 1896 that in the Angul district, Orissa, the Mogulbandi dealers stayed all the year round, making advances to cultivators for the produce actually on the ground and taking away large quantities of grain as soon as it was reaped. In the famine tract of Parikud in the Chikla region, crops were "generally forestalled". In Khulna, Jessore and other districts too, this system existed, though this year grain merchants refused to make the usual advances in view of the extremely low credit of the raiyats (29). When the situation improved in August-September 1897, peasants in Khulna were taking advances from the traders and mahajans on the security of the aus crop which was still on the ground (30). In fact, the large scale operations of grain trade in Bengal in this period required a system of secure and steady supplies as the dadan for, like the millers in Burma, the rice-merchants had to honour their 'forward contracts'.

29. Ibid, III, p. 233
30. Ibid, XI, p. 330
Post-harvest sales of grain by the peasants for the payment of cash dues to the mahajan and zamindar accounted for much of the stocks in the hands of the dealer. For example, in the scarcity areas of the Santhal Parganas in December 1896, the peasants repeatedly pressed for 'leisure' from their landlords and mahajans so that instead of selling what grain they had to pay their dues, they could keep it for food. The Rajas of Banelli, Hitampur, Pabia and Gidhour were warned by government officials that nothing would prevent the drain of foodgrains from the Santhal Parganas, unless they stopped compelling their raiyats to sell it to pay their rents, and so helped to keep the food in the country. The Collector of Patna reports in November 1896 that as soon as the rice-crop prospects were assured, cultivators began to sell, calculating the extent of their transaction on the prospect of the paddy or the spring crops. The process would be repeated as soon as rabi prospects were assured, but not in the same degree. Rice being the staple food, they will not part readily with the crop they are now reaping, for the peasants of Bihar had realised in the last quarter of a century, that grain once sent out of the country came back at an enhanced price. Even in December, 1896, they were reported to be holding their stocks and sold only to meet the landlords' or mahajans' demand. In Bogra, Pabna and Rajshahi, however, relatively high prices this year led to a greater volume of post-harvest sales.

Obviously, open-market conditions did not prevail, and the peasant was forced to part with a greater portion of his crops than was necessary to pay his dues. The grain dealer exerted his local influence and took full advantage of the peasant's compulsion to sell, to further lower the rates which were already low during harvest-time. As the peasant could not afford the cost of carriage to town markets, he had to depend for the disposal of his crops on local dealers and itinerant traders (beparis), who naturally kept a margin for themselves. Such itinerant traders were active in the Satkhira and Bagerhat Sub-Divisions of Khulna. Bardal, the largest market in Satkhira, was reported to be well-stocked with rice and paddy in December 1896, brought by a large number of itinerant traders roaming from hat to hat throughout the Sunderbans. In Palamau too, beparis in bullock carts went from village to village, picking up supplies at a cheap rate and then taking them from one bania to another, till they could dispose of it at a small profit. Next, the dealers of Maharajganj bought the paddy in bullock-loads and retained their purchases at a higher rate in the form of rice (31). In Hazaribagh, too, the mahajan and retail dealer made a considerable profit. In fact, even if the peasant gained access to the nearest hat, he could not hope to bypass the middlemen. This was particularly evident at Tehatta, Gotpara and other hats in Nadia, as noted by B.C. Basu, Assistant Director of Land Records & Agriculture,

31. Ibid, IV, p. 335

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during his tour of the district in January 1897. Here the manner of sale was rather novel and was anything but free bargain. At each hat, a middleman (mahaldar) was appointed by the zamindar and paid rent to him for the privilege of collecting a small tax on each bargain. He also functioned as a kayali or licensed measurer who measured every ounce of rice sold, and could alone fix the rates. Kayalis were met with everywhere in Bengal, but it was rather novel for them to determine grain rates, which were often arbitrary, and seldom to the advantage of the seller-producer. (32).

2. (ii) Surplus - control by mahajans, through interest payments in kind:

Besides such sales of grain for paying his cash dues, direct payments in kind to the mahajan formed a very large part of the peasant's total produce. In fact, after paying off the grain loans the peasant had hardly any stock left so that, as local officials pointed out, the exportation of grain was not really in the hands of the raiyat, but in that of the local 'moody' (grain dealer). "The money lender's control over much of the local stock of grain was a direct consequence of his role as a creditor" (33).

The range of variations on the interest rates on grain or 'bijkhad' loans was smaller than on cash loans. According to custom, it was 'bhojer dery bijer dwigun', i.e., 50% on grains lent for food and 100% on seed grains, provided the loan was paid off at the following harvest. The rate of interest rose sharply with the failure of the borrowing peasants to repay the loan at the agreed time. When the loan was a grain-loan merely in form but a cash loan in content, peasants suffered worse, for due to the low post-harvest prices they had to surrender a much larger quantity of grain than they had received. The principal amount of the loan was not the quantity of grain loaned, but its money value at the market price when it was loaned, and the quantity returned was what the principal plus interest brought in the market after the harvest. Besides, an inferior quality of grain was often repaid by a higher-priced variety. The creditor might also use his client's illiteracy to record a greater amount than was actually given out. Moreover, few checks could be kept on the debtor's 'account' with the zamindar-mahajan, who mixed up the banking and rent accounts. He credited receipts to the former and showed the balance due under the head of rent-arrears, for the custom of changing peasant holdings to cover rent arrears had gained legal recognition, unlike landsales to pay debt or interest dues. As crops were harvested, the zamindar-creditor often used coercive methods to carry off his dues before the crops left the field. By these various means, the money-lender managed to control an even greater portion of the produce than was strictly his due. As N.S. Alexander, Commissioner of the Burdwan

32. Ibid, III, p. 231
Division, wrote to the Secretary to the Government of Bengal on April 16th 1888: "a large amount of paddy comes into the mahajan's hand, nearly equivalent in value to the rental of the village."

At Assasuni in Satkhira in mid-December 1896, all the grain golas were reported to be empty except one belonging to a mahajan-cultivator who had grain to last him for 3/6 months. In Suri a mahajan-dealer, Abdul Aziz, had only 100 Mds left out of his reserve of 2,000/3,000 Mds of paddy. Hari Charan Chaudhuri, a zamindar of Satkhira and the largest grain-holder in these parts, is said to have lent Rs. 45,000 to his tenants and his golas were reportedly empty. Zamindars like Girija Nath Roy Chaudhuri of Satkhira, the Palchoudhuri brothers of Nadia and Jatindra Nath Sinha Roy of Sonadanga were said to be in a similar plight. In fact, the mahajans and gantidars or zamindar-creditors in Khulna, Nadia and Jessore unanimously complained of being ruined by the non-payment of debtor raiyats. Yet it seems more than likely that only part of their huge stock was denuded in this way, the rest being hoarded or marketed.

Flow of this grain to the market: hoarding and exportation by the mahajans.

Numerous sale-transactions were noted on the part of mahajans, including zamindar-creditors. In Nadia the Collector reported that many mahajans were induced by high prices to sell their stocks of paddy as well as other foodgrains to outsiders. In late November they still had stocks sufficient for two months' consumption of the whole population of the tract. But they had now stopped advancing or selling paddy in the hope of a further price rise. Traders received stocks from the interior, mainly through local mahajans. In Bongaon, Jessore, raiyats were poorer than in Magura-Narail and so depended more on the mahajans. The lean season when the peasants borrow was from March to July, i.e., till the reaping of the aus which was the main crop here. The mahajans realised all their dues from the last aus harvest (1896) which had been a good one, but refused to make fresh advances from March as this year’s aus prospects were uncertain. Besides, most of them were big raiyats themselves. They, therefore, had a large stock in hand, sometimes consisting even of aus paddy from the 1894 crop, as in case of the Sadgop mahajans in Belta. At Sherpur near Nalta, there was a large stock of paddy in about 13 golas all in the hands of the mahajans. At Garapota, too, the mahajans had plenty of stock. In Samanta, the three principal grain-lenders had sufficient stocks, but were holding them back for obvious reasons. Most of these mahajans in Bongaon were selling off part of their stocks while prices remained high. For example, Srikanta Roy, a wealthy mahajan at Samkur, sold off a large part of his stock. In Irshaldanga there were three mahajans with about 400 Mds of paddy in their hands. The chief grain lenders here were the Biswas family of Sunderpur, whose operations as mahajan and dealer covered a wide area; their local gomasta was told to assess the requirements of Irshaldanga, whereupon the grain would be brought in from their stores elsewhere. At Bibhandrapur the mahajans...
sold their stocks and had none even to lend to their own clients. There were some big mahajans in a neighbouring village, but they refused to lend to outsiders and preferred to sell at high prices. The raiyats asked the government to interfere, which, of course, it would not. (34) In Murshidabad mahajans held grain for sale when prices rose further, and sold out only when they were apprehensive of the safety of their stocks due to repeated fires which occurred in the godowns. Hence in April 1897 the local mahajans like Rani Mena Kumari of Jeagunj and Babu Narpat Singh of Azimganj were selling rice at 10 srs a rupee (35). Exports from Katwa in Burdwan ceased in mid-April, as the mahajans were getting no supplies from the interior. In Satkhira, Khulna, things were similar, for mahajans refused to advance seedgrains to their clients. In parts of Nadia, Khulna and Rajshahi, where there was no organised trade in grain, affluent peasants who controlled a large part of the surplus engaged in petty retail trade.

In November 1896 the mahajans raised prices by exporting large stocks in Pabna, Bogra, the Santhal Parganas, Hazaribagh and Singhbhum while in Cuttack, Puri and in north Bihar many held back in the hope of a further price rise. In the Santhal Parganas in particular they would not reveal the state of their reserves lest they should have to advance to their clients. Many of the substantial brahmin and Rajput raiyats in Bhagalpur had profited from the famine prices (36). In fact, the Collector of Bhagalpur and the Deputy Commissioner of the Santhal Parganas both dilated on the profits made by grain dealers, especially as the terms of credit or sale were entirely dictated by them this year (37). In Chota Nagpur, grain was very unevenly distributed, being held mainly by mahajans. In Lohardaga, the main cause of distress was the failure of mahajans to grant the usual loans owing to the greater and surer profits obtainable from selling at the present high prices. As the bhadoi crop prospects were assured, mahajans in Hazaribagh complained that they could not get rid of their large hoards due to a fall in prices (38).

In January-February 1897, Earle, the Collector of Saran, notes that stocks were sufficient not indeed in the hands of the raiyats, but in those of the mahajans who supply them. (39) Tytler, the Sub-Deputy Opium Agent of Siwan in the Saran district, writes on 28th November 1896 that though nearly all agriculturists would run out of stocks by January 1897, "the banias will always have grain to sell if the people have the money to buy it with". (40) The Famine Report on Saran states: "... the greater part of the stock lay in the hands of two per cent

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34. Fam. Sel. V, p. 233 - 35
35. Ibid VII, p. 324
36. Ibid IV, p. 387
37. Ibid VIII, p. 483
38. Ibid XI, p. 429

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of the population...", some of whom were "professional lenders pure and simple, and others are prosperous agriculturists...", (41). The October grain riots in Patna were triggered off by large-scale hoarding on the part of local banias. In the famine district of Champaran which had no large traders, government favoured importations by the local mahajans. Unlike in Muzaffarpur, where affluent raiyats served as money-lenders, the mahajans in Champaran belonged to a non-resident, non-agriculturist community. (42) They held almost all the surplus grain, due to the general indebtedness and excessive prior hypothecation of crops prevailing in the district. The entire export fund of grain in Champaran between September and November 1896 consisted in fact of the bhadoi crops already in the hands of the dealers. They had, as usual, prior contracts to fulfil, and in any case naturally sought the best markets open to them for the time being. There was, moreover, a good chance of making a double profit by re-importing the same amount when local prices rose to a remunerative level. (43) In Orissa, too, mahajans were in the habit of storing surplus paddy for years together. Due to the high prices offered by exporters this year, a large part of it was sold to outside agents.

Thus most of the produce collected by mahajans against loans and advances ultimately reached the grain dealer: it was either sold to the grain merchant, or retained by the mahajan in his capacity as a dealer in the hope of a further price rise, especially during famine years as in 1896.

2.(iii) Zamindars' control over the surplus through the system of produce rents

Produce rents paid to the landlord (i.e. the zamindar, lakhirajdar, gantidar or mere occupancy-holders renting out their land on barga) were partly marketed as well, though the zamindar had to reserve a greater part of his stock than the raiyat-mahajan for the support of his tenantry and dependants. In Orissa, the 'Amars' or the granaries of the zamindars did not depend on the harvests of one year, but on those of many years. The 'Dhulibhag' system of rent in Parikud and the salt parganas of the Chilka often ensured more than half of the produce for the landlord. In bhaoli areas as in South Bihar, especially under the danabandi system, the zamindar's share was very large, raiyats seldom getting more than 35 to 37.5% of the gross produce. With the rising price of rice, payment in kind at the market rate was favoured by many zamindars where thikadars (farmers) with whom peasants had to directly deal, were also grain dealers. Zamindars fixed on the timing of 'Kists' for revenue payment at harvest time, so that crops would be carried off from the fields of the tenant in order to cover the rental. In view of

42. LRP March 1899, Nos. 14 - 15, p. 351
43. FRFRO, Champaran, 1996-97, by D.J. Macpherson, Magistrate and Collector, II, para 34; Ch. III, para 43.

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the low market prices at the time of harvest, peasants had to surrender a much larger quantity than if they paid later, when prices tended to rise. Again, insistence on a pre-harvest kist in November as at Parikud obliged the peasant to borrow cash, which he paid back in February-March with interest in kind at the rate of two 'gounies' of paddy per rupee of the loan.

**Accumulation of stocks and sale of grain by the Zamindars**

In 1896 the zamindars of Satkhira and Nadia were reported to be generally the largest stock-holders in the area. Even at the end of the lean year 1896 the Pal Chaudhuris of north Nadia held 53,000 Mds. of grain, a considerable part of which was to be sold. As noted earlier, the Roychaudhuris of Satkhira in Khulna, the Dey Chaudhuris of Ranaghat and the zamindars of Santa and Jadapur in the Bongaon Subdivision of Jessore, also held sizeable stocks, most of which would be sold when prices reached the peak. The zamindars were probably eager to make the most of their stocks while prices remained high, which partly accounted for their insistence on quick payment of the rent. In the Santhal Parganas too the zamindars pressed for rent in view of the high market price of rice. In October -November the zamindars' stocks in Orissa were very large despite frequent sales, for they stored the surplus for years together. One of the informants, Raja Baidyanath in Cuttack, himself had paddy worth Rs. 25,000. In Kodhar and Koralo in Orissa, zamindars and mukaddams having a large stock of paddy refused to lend this year (44). In Palamau and Manbhum, in Chotanagpur, the Deputy Commissioner could arrange to open relief works only by borrowing 2,400 mds. of rice for the purpose from leading zamindars. H. Luson, Deputy Commissioner of Manbhum, noted that foodstocks were very unevenly distributed. It was held mainly by the zamindars and substantial cultivators, who would keep most of it for sale outside the district. (45). The zamindar of Untari, who was in possession of a large stock of paddy, was secretly exporting grain to Mirzapur in the NWP, while prices were still high. (46). In Hazaribagh in May 1897 enormous local stores still existed in the golas of the mahajans and land-owners, which would soon be available in the bazars. (47). In Biru Pargana in Lohardaga rice was selling cheaper than elsewhere, as the local zamindars had stopped exporting grain. In March-April 1897, raiyats in Lohardaga had mostly sold their surplus produce, while the zamindars and banias having large stocks still held off in anticipation of a further rise in prices. (48). Though hoarding by zamindars and affluent peasants was common in 'bhaoli' areas like Patna and Jahanabad, a large part of the produce-rent paid to the landlord ultimately found its way to the market.

44. Fam. Sel. VI , p. 404
45. Ibid. IV , p. 373, No. 1356, 19th Jan. 1897.
46. Ibid. V , p. 309
47. Ibid. VIII, p. 400
48. Ibid. VI , pp. 296 , 329

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The extortion of the small peasant was completed by the activities of the grain-dealers. While the zamindar and mahajan siphoned off his meagre surplus into the market, the bania controlled its flow and distribution in such a way as to preclude any possibility of his buying back grain for his own consumption.