Chapter 3

AGRARIAN RELATIONS IN INDIA

Introduction

In a predominantly agrarian country like India where about 70 percent of its population lives in its villages and almost an equal percentage are directly or indirectly linked with agriculture as a means of livelihood, monopolies over land and rural asset ownership continue along with the worst forms of caste discrimination and oppression. The monopoly over land, credit and markets are vested with a few individuals leading to a social formation characterised by a rigid class or status structure linked to land and land relations where the hierarchy of land ownership corresponds to the hierarchy of political power. The specific historical features of India's agrarian development and the reasons for the prevailing conditions in the rural areas under question have to be analysed keeping in mind the specific features of the development trajectories of most of the post-colonial nation-states of the third world. "In their societies the property relations have not yet simplified themselves into those between capitalists and free wage-earners alone, or even between capitalists, landlords and free wage-earners. There are many segments of society with ties between people which are non-contractual in appearance and substance, and cannot be reduced to those simply between unattached buyers and sellers. It will thus be necessary to pay particular attention to pre-capitalist relations of production even when the dominant relations are capitalist in nature."¹

One cannot explain the agricultural backwardness without reference to the dominance of pre-capitalist forms of land holding, social stratification, the impact

¹ Amiya Kumar Bagchi, The Political Economy Of Underdevelopment, Orient Longman, Hyderabad, 1989, p-4
of imperialist colonisation and various other factors. The social background of the peasants and agricultural workers, the forces which gave rise to it and the forces that work behind it in the present day have to be closely studied to arrive at an objective analysis and derive correct conclusions. Hence this study seeks to explain not only what happened in history but also to probe the failure in the progressive unfolding of history using the method of dialectical materialism. A thorough study of the class stratification along with an analysis of the social and economic processes in the countryside is necessary for examining the agrarian problem while situating it in the context of the new conditions created by the neo-liberal economic policies and the present stage of economic development.

The Mode of Production Debate

The basic quest that we have embarked upon leads us to explore the contours of the pre-colonial, colonial and the post-independence phase as part of our preoccupation with the peasantry in the long transition to capitalism. Each of these complex historical epochs is moulded by the dominant mode of production which leaves an unmistakable impact by placing its imprint on the whole society and exerting a major influence in moulding the trend of development. 2 Hence the nature of the dominant mode of production in any social formation has to be accurately identified to grasp the basic structure and dynamics of the society under observation.

"In the social production of their existence, men inevitably enter into definite relations, which are independent of their will, namely relations of production appropriate to a given stage in the development of their material forces of production." 3 What Marx calls 'social production' is a process of production in society comprising two aspects. The productive forces of the society which reflect man's interaction with nature constitutes one of the aspects of 'social production'. The fact

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is that social production is always a social process and is characterised not only by man's relation with nature, but also by the relations which take shape between the people themselves in the process of production, namely, the relations of production. These constitute the other aspect of social production. The production process involves the interaction of three elements with one another. The first element is the 'object of labour', that is, that which is the objective of human activity. It embraces two groups: a) materials directly obtained in natural conditions and converted into a product. It may be land as the universal object of labour, deposits of minerals and oil, ores, fish in natural water reservoirs etc, and b) previously processed materials. These are called raw materials (for instance, yarn in textile production, metals or plastics at an engineering plant, etc. The second element is the 'instruments of labour' or the 'implements of labour', that is, that by means of which man exerts an influence, whether directly or indirectly, on the diverse objects of labour. This includes the simplest instruments like the hammer and the spade, and the most diverse machines, like tractors, excavators, machine-tools, automatic lines and the most complicated assemblies. Among the instruments of labour exerting an indirect influence on the process of production are also the buildings of factories and plants, transport routes, airports and seaports, and storage facilities.

The objects of labour and the instruments of labour, taken together, comprise the means of production. The interaction of these two elements or the means of production with the third element that is, labour itself which involves 'people's conscientious and purposeful activity by which they alter natural objects, adapting them to satisfy their own requirements' taken together characterise the productive power of labour, the productive forces of the society. The relations of production constitute an intricate and highly ramified system covering the relations which people establish with each other in the process of production and distribution of the goods of life.

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They are the social form of production through which people appropriate the objects of nature. Central to the whole system of relations of production are the relations of property in the means of production. These are the relations that determine the existence of the various classes and social groups, their status in the society, and their living conditions.8

The relations of production correspond to a definite stage of development of their material productive forces and hence with different levels of development of the productive forces, different relations of production are observed. Marx points to the productive forces as the basis of all history and states:

Because of the simple fact that every succeeding generation finds itself in possession of the productive forces acquired by the previous generation, and that they serve it as the raw material for new production, a coherence arises in human history, a history of humanity takes shape which becomes all the more a history of humanity the more the productive forces of men and therefore their social relations develop.9

Mode of production implies an ‘integrated complex’ or unity of these two interdependent entities—productive forces or forces of production and social relations of production.10 Following Hindess and Hirst, Byres takes mode of production to mean ‘an articulated combination of relations and forces of production’ although he does not favour the ‘privileging’ of any one over the other, or treating any as dominant in the ensemble as they do by terming it as “structured by the dominance of the relations of production.”11

The rich debate centred around the question whether pre-colonial Asiatic societies can be characterised as feudal, or feudal with Asiatic characteristics, or an exclusive Asiatic mode of production, or by some other mode of production and the one centred around identification of the dominant mode of production in the post-independence phase have come to be known as ‘The Feudalism Debate’ and

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The Mode of Production Debate’ respectively [see Mukhia (Ed), 1999 and Utsa Patnaik Ed, 1990]. Like many other important questions that have evoked intense debate this illuminating debate too was sparked by Marx and his analysis of the mode of production in Asiatic societies. One must not take the term ‘Asiatic’ to mean something related to the Asiatic region or related to the geographical territory of Asia as the Oxford dictionary would explain and should understand it as denoting any type of society outside the classical West European feudalism as Marx originally meant by it. Krader points out:

The prehistory of the theory of the Asiatic mode of production is found in the early capitalist period, as a part of the attempt of the writers and thinkers of that time to grasp their own history and comprehend their society. The initial ideas and observations that contributed to the formation of the theory came from the travellers, merchants, sailors, diplomats, who went to the East in the seventeenth century seeking careers or private gain or commercial advantage for their respective countries. Their writings were reflected on and digested or caricatured by the philosophers, historians, political economists of the eighteenth century, few of whom were concerned with the study of Asia for its own sake, but were rather formulators and agents of policies of their own lands. The speculations about oriental despotism or tyranny, the forms of land ownership in Asia, the oriental society, supported at one time by the advocates of free trade, the East India Company, at another the utilitarians, the liberal interests, and the colonialists throughout.12

Marx himself was influenced by this prehistory that Krader mentions and throughout the three decades over which he developed his concept of the Asiatic mode of production beginning with his early articles as the London correspondent of the New York Tribune—“The British Rule in India” and “The Future Results of the British Rule in India” (June 10 & July 22, 1853)13—culminating in his correspondences and ethnological research towards the last years of his life this influence can be found. Bernier’s thesis that sole proprietorship over land was the source of the ‘oriental despot’s’ power was later taken up by the physiocrats, Adam Smith and Marx himself.

Adam Smith in ‘The Wealth of Nations’ devotes an entire chapter on the agricultural systems, or of those systems of political economy which represent the

produce of land as either the sole or the principal source of the revenue and wealth of every country. Here he refers to China, ancient Egypt and 'Indostan' wherein the sovereigns of those countries naturally had to be attentive to the interests of agriculture, upon the prosperity or declension of which immediately depend the yearly increase or diminution of their own revenue as they have always derived the whole, or by far the most considerable part of their revenue from some sort of land tax or land rent like the tithe in Europe.14 Marx following Hegel's question of the lack of history in the East states "Indian society has no history at all, at least no known history. What we call its history, is but the history of the successive intruders who founded their empires on the passive basis of that unresisting and unchanging society."15 Thereby he classifies the social formation as static and a-historical. He found the answer to this question in the absence of private property in land and noted this point in his correspondence with Engels: "Bernier rightly considers that the basic form of all phenomena in the East - he refers to Turkey, Persia and Hindustan - is to be found in the fact that no private property in land existed (Marx's underlining). This is the real key even to the oriental heaven."16 In addition to the sole proprietorship of the 'oriental despot' over land Marx identified the absence of private property in land and the role of the despotic government in public works as distinctive features of oriental societies or in the Asiatic Mode of Production. Marx thus refutes the existence of a classical Romano-Germanic kind of feudalism by citing community ownership and absence of private property in the Asiatic communities.

According to Osamu Kondo the features based on which Marx made this refutation were: "The lack of serfs, the lack of a sense of the nobility of land, in other words, the ubiquitous 'Boden-Poesie' characteristic of Romano-German


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feudalism, and the lack of patrimonial jurisdiction in civil law.” Marx’s own opinions underwent changes over the three decades, especially reflecting the far-reaching developments and discoveries of the 1870’s. These developments have been identified by Teodor Shanin as the Paris Commune of 1871 which had “altered the terms of establishment of a socialist society and set a new contemporaneous timetable to it”, the discovery of pre-history which extended the stretch of historical time beyond thousands of years enlightening the world about primitive societies by bringing it “within the circle of historical study by combining the study of material remains with that of ethnography”, the logical corollary of this study of pre-history being ‘the extension of knowledge of the rural non-capitalist societies enmeshed in a capitalist world, especially in the works of Maine, Firs and others on India’ and finally the Russian evidence of the rural communes – “archaic yet evidently alive in a world of capitalist triumphs”- and of direct revolutionary experience. Despite the new experiences and evidences Marx showed no inclination to abandon the ‘Asiatic Mode’ and quite certainly deliberately refused to re-classify it as feudal. The new evidences only led him to assume the “global coexistence of potentially progressive social formations and of essentially static ‘a-historical’ ones. The nature of such static societies, of Oriental Despotism, was defined by a combination of environmental and social characteristics: extensive arid lands and hydraulic agriculture necessitating major irrigation schemes, a powerful state, and state monopoly over land and labour, multitudes of self-contained rural communities tributary to the state.” This can also be seen in his correspondence with Engels.

17 Cf. Osamu Kondo, “Feudal Social Formation in Indian History” in K.N.Panikkar et al. (Eds.), The Making of History, Essays Presented to Irfan Habib, Tulika, New Delhi, 2000, p-58.
However, the new discoveries of prehistory and undisputedly more superior information after Marx and the fact that Marx's opinion on Asiatic societies and 'Oriental Despotism' have emerged out of the information of the Orient that he could have access to from the best sources available during his times and, the fact that many of these were seriously flawed and derived out of the considerations that Krader mentioned has also rendered his opinion unacceptable as the last word. The very premise about Indian society being static and lacking history starting from Hegel's interpretation of Indian civilization shows how Marx had to base himself on the accepted information derived from the best writers, thinkers or historians of his time. The fact that he however, did not remain a prisoner of this information and broke free to set it in a totally different analytical framework by revising it to correctly identify that the peculiarities of Indian culture were the consequence of Indian social organization, pre-eminently the village community is of significance.

Later historians and writers who followed the Marxian method question the premise of absence of private property, being equipped with superior information. In fact E.M.S.Namboodirippad in his celebrated *Minute of Dissent to the Kuttikrishna Menon Committee Report on Malabar Tenancy Reforms* way back in 1937 had pointed out that although the right of private property as an economic institution was a modern conception, "what obtained in medieval days was not a legal relationship between one individual and another, but a social relationship of members of a social organism. It follows from this that right to property (either of the *jenmi* or *kanamdar*) was a right on society which had along with it a corresponding obligation to society."21 He identified the fact that by the middle ages Kerala had developed a highly organised system of land relations with the evolution of private property in land which clearly was feudal in nature and devoid of the village community that Marx described. He then goes on to dispute the contention of the Fifth Report, that "the lands in general appear to have constituted a clear private

property, more ancient and probably more perfect than that of England” by rightly identifying the historical time over which a society develops—through the course of centuries—the transformation of property held by social sanction into a legal institution, as we understand it today, under the impact of modern social forces, over a time period being recognised. This probably was the pioneering work as far as the ‘Feudalism Debate’ in India is concerned. Romila Thapar addresses the question of absence of private property in land in her book on Indian history by stating: “there is much evidence to show the existence of private property in land with a variety of categories of land ownership and inheritance laws.”

In his review of Thapar’s book, E.M.S.Namboodirippad stated “one need not look upon the remarks made by Marx on ‘Oriental Despotism’, ‘unchallenging character of Indian society’, ‘absence of private property in land’ and so on as the last word in historical materialism in relation to India.”

If the times that Marx lived in were marked by a poverty of information, the next century has been overwhelmed by the diluvian nature of new evidences that pushed back the pre-history of India into a hitherto unknown terrain and spurred historians to look at the question of feudalism anew. Marc Bloch identifies the existence of ‘a subject peasantry’ as a sine qua non of feudalism and explains “the feudal system meant the rigorous economic subjection of a host of humble folk to a few powerful men…. the land itself (being) valued because it enabled a lord to provide himself with ‘men’…whatever the source of the noble’s income, he always lived on the labour of other men.” In India the agrarian relations as obtained in the medieval period was more often than not conditioned by custom rather than a set of juridical or legal relations. The social relations were conditioned by custom and E.M.S.Namboodirippad in his Minute of Dissent forthrightly states that as in all medieval societies it was custom and not law that ruled the country by quoting

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24 E.M.S.Namboodirippad, “Clearing the Mist of Antiquity”, *Social Scientist*, No.38, New Delhi, 1975, p-68.
William Logan who says “if it were necessary to sum up in one word the law of the country as it stood before...British occupation that would undoubtedly be the word custom.”

Maurice Dobb quotes Dr. Helen Cam who remarked, “the constitutional historian has tended to find the essence of feudalism in the fact that ‘land holding is the essence of political power’, to the lawyer its essence has been that ‘status is determined by tenure’ and to the economic historian ‘the cultivation of land by the exercise of rights over persons’.” Dobb goes on to explain feudalism in his article Transition from Feudalism to Capitalism as primarily a socio-economic system and not as a juridical form or set of legal relations referring to it as “a system under which economic status and authority were associated with land-tenure, and the direct producer (who was himself the holder of some land) was under obligation based on law or customary right to devote a certain quota of his labour or his produce to the benefit of his feudal superior.” Hence, if it is regarded accordingly, as a system of socio-economic relations, it almost concurs with what we generally mean by serfdom; provided that the meaning of serfdom is not confined merely to the performance of direct labour services on the lord’s estate or in his household, but also include in it the provision of tribute or feudal rent in produce or even in money form. Summing it up he cites that the differentiating feature of this type of exploitation is accordingly that the sanction behind it, whereby it is enforced and perpetuated, is so-called ‘extra-economic compulsion’ in some form. In the specific Indian context caste has more often than not been the extra-economic compulsion, which shall be studied in the next section.

DD. Kosambi is clear about the presence of Indian feudalism and identifies two stages termed as feudalism from above and feudalism from below whereby in the

former instance an emperor or powerful king levied tribute from subordinates who ruled the land by direct administration without intermediaries from the land owning stratum and in the latter which is the next stage where a class of landowners developed within the village, between state and peasantry, gradually to wield armed power over the local population and act as an intermediary.\(^{31}\) There is no lack of clarity in his understanding of the main characteristics of European feudalism and the similarities and dissimilarities Indian feudalism had with it. The specific components synonymous with both the European and the Indian varieties of feudalism may be summarised as: a low level of technique or simple reproduction with simple instruments of production which itself was largely individual in character, the division of labour being at a very primitive level of development; self-sufficient subsistence production for the immediate needs of a household or a village community rather than a wider market; unfree labour although not necessarily in the form of labour services, but taking a variety of different forms; extra-economic coercion in the extraction of surplus from the direct producer, political decentralisation and a fusion of economic and political power at the point of production and a localised structure of power wherein judicial or quasi-judicial powers in relation to the dependent population of direct producers is exercised by the landlords.\(^{32}\) Kosambi identified the increase of slavery, absence of guilds, and the lack of an organised church as three notable characteristics distinguishing Indian from European feudalism and found caste as being the symptom and cause of a more primitive form of production in India that replaced the guilds and an organised church which were a distinct characteristic of European feudalism.\(^{33}\)

R.S. Sharma is an equally vociferous exponent of Indian feudalism which he explained as being “characterised by a class of landlords and by a class of subject


peasantry, the two living in a predominantly agrarian economy marked by decline of trade and urbanism and by drastic reduction in metal currency. 34 D.N. Jha identifies land grants as the main factor that paved the way for the growth of feudal societies and takes refuge in the inscriptions which indicate the emergence of serfdom, implying that the peasants were attached to their land even when it was given away. 35 Mukhia’s conclusions in his ‘Was There Feudalism in Indian History?’ gave rise to various responses and criticism forcing a response from him and the ‘Feudalism Debate’ began. Mukhia refuses to categorise pre-colonial India as feudal, although he rejects Asiatic mode of production. 36 Irfan Habib delineates the dominant mode of production in the intervening period between the Ghorian conquests leading to the establishment of the Delhi Sultanate and the decline of the Moghuls as the ‘medieval Indian system’. However, while drawing attention to the unacceptability of feudalism and questionability of Asiatic mode of production he at times betrays an inability to escape from the ‘straitjacket’ of Marx’s analysis and suggests modifications to Marx’s major premises about the Indian economy while simultaneously also hesitating to contest the term ‘Indian feudalism’ stressing however on ‘Indian’ to emphasise that it could be an altogether different formation if it would be unable to establish the form of labour process in agriculture as akin to serfdom. 37

Mukhia seems to agree with the presence of Asian feudalism especially under the Tokugawa regime in Japan. 38 Feudalism in Japan too must inevitably have been with Japanese characteristics as the institution of untouchability and hereditary servitude more or less identical with that in India with surplus appropriation in kind from the peasantry as rent-cum-revenue by the nobility headed by the Shogunate, and the structure of surplus appropriation of Imperial China

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37 Irfan Habib, “Classifying Pre-Colonial India” in Ibid, pp-186-95.
represents an even more developed and politically centralised variant of feudalism, all of which are different from the ‘classical’ West European feudalism. It is however incomprehensible as to why ‘Indian feudalism’ is then rejected in toto without providing any theoretically sound alternative.

Feudalism if conceptualised as Dobb does (see earlier explanation of feudalism) then neither manors nor labour services are a pre-requisite of feudalism. The dominant mode of production in the Asiatic at the advent of British Imperialism can be called feudalism. Like imperialism is not a fixed unchanging and homogeneous entity which advances or recedes, triumphs or loses feudalism also is not a homogeneous entity applicable to all situations. Feudalism- if one is speaking of India- has to be feudalism with irrefutably Indian characteristics. If western feudalism alone is feudalism then the trend of development in the third world can also not be characterised as capitalist as its history is undeniably different from that of western capitalism as we have seen in the first chapter. Feudalism is not a mathematical formulation that can be universally applicable, and we could concur with Baran’s argument that before the colonial period there existed “everywhere a mode of production and a social and political order that are conveniently summarised under the name of feudalism” while simultaneously accepting differences in this order in different areas. He further proposes that the pre-capitalist order, be it in Europe or be it in Asia, had entered at a certain state of its development a period of disintegration and decay.

Feudalism in India too had undergone a period of waxing and waning which can be likened to the ups and downs that capitalism has undergone and at a certain stage of its development had entered into a process of dissolution and decay. Hence we find that the stage of development undergone by feudalism in India beginning with the Gupta dynasty around the fourth century A.D and continuing

waxing nearly unto the twelfth century when it was at its peak\footnote{R.S. Sharma, \textit{Indian Feudalism}, New Delhi, pp-264-65.} and with the establishment of the Delhi Sultanate for political and economic reasons\footnote{B.N.S.Yadava, \textit{Society and Culture in Northern India in the Twelfth Century}, Allahabad, 1973, pp-172-173.} initially waning before being consolidated in what Irfan Habib considers “the true beginning of the medieval period in India”\footnote{Irfan Habib, “The Social Distribution of Landed Property in Pre-British India: A Historical Survey” in Irfan Habib, \textit{Essays in Indian History: Towards a Marxist Perception}, Tulika Publications, New Delhi, 1995, p-80.} and then again further waxing under the Moghuls and waning with the decline of the Moghuls around the middle of the seventeenth century\footnote{Op.Cit, D.D.Kosambi, \textit{An Introduction to the Study of Indian History}, pp- 391-392 and Irfan Habib, \textit{The Agrarian System of Mughal India 1556-1707}, Oxford University Press, New Delhi, 1999, pp-364-405.} before finally getting a new lease of life under the mercantile system during the early British rule.

India too had a history of peasant uprisings with the richest evidence being in the seventeenth century.\footnote{Irfan Habib, “Caste In Indian History” in Op.Cit, Irfan Habib, 1995, p-177.} The oppressed peasants who form the largest social force, largely united unconsciously against exploitation. We say largely united unconsciously because of the lack of class consciousness and any single organised political entity which could rally around the nameless millions and give them correct political-ideological direction. Feudalism declined with the disintegrating effect of commerce and capitalist development. The peasant revolts, the pauperisation of large numbers of peasants and artisans and growing army of labourers, the growth of merchants and artisans, accumulation of capital in the hands of merchants and the landed class, expansion of commodity circulation and the contact with Western technology, provided a powerful impetus to the development of capitalism in India.

However, pre-capitalist remnants were perpetuated to serve as the hand-maiden of British colonial rule. “At the beginning of the century, the colonised and subordinated countries in Asia and Latin America were characterised by feudal or semi-feudal production relations and a predominant share of agriculture in
national output." In a progressive unfolding of history though, feudalism must have been replaced by capitalist mode of production. This situation wherein the semi-feudal production relations are in a prolonged state of suspended animation before completing the metamorphosis into capitalist mode of production is in what we termed a 'chrysalis in hibernation' like stage wherein the synthesis of a higher order from an *ancien régime* has been impeded by various factors. We however do not accept the 'colonial mode of production' formulated by Hamza Alawi and Jairus Banaji and other such variants for the simple reason that it is impossible to delink the processes suggested by them from the intricacies of the capitalist mode of production and this realisation probably made them to abandon this concept and resort to the use of 'colonial capitalism' and 'backward capitalism' later on. Although they termed it as 'colonial mode of production', there is no delineation of any specific class opposition or any defining relation of production and retarded capitalist development that took place in India under colonialism has been explained by Baran and others without the need to delineate it as a separate 'colonial mode of production'.

Capitalist mode of production pre-supposes the existence of two social classes—on the one hand, those who are in possession of the means of production and subsistence, namely the propertied employers or capitalists and on the other hand those who have only their labour power, which they have to sell in order to obtain possession of the means of subsistence, namely the propertyless wage-earning proletarians. Thus labour power itself becomes a commodity, to be sold and

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purchased in the market. Legally free propertyless wage labour is predominantly used by propertied employers or owners of means of production with the purpose of making money profit. Production is predominantly for sale in the markets. The capitalist mode of production is characterised by ‘free-labour’ where the direct producer is free to sell his/her labour power, generalised commodity production wherein production is primarily of commodities to be sold for the value to be realised on the market and labour power itself is a commodity; the basis of exploitation is economic with the separation of economic(class) power and political(state) power within the framework of a bourgeois state, the power of the exploiting class, the bourgeoisie being exercised indirectly, through the state apparatus and subject to the rule of(bourgeois) law and there is an expanded reproduction of capital with the surplus being primarily deployed towards capital accumulation. In fact the accumulation of capital is the driving force behind capitalist development and the very essence of capitalism as we shall see in the next chapter. In India the mode of production in the post-independence scenario although definitely tended towards capitalism, remnants of the feudal past had an overwhelming presence as we shall study in the next chapter. The ‘Mode of Production’ debate in the post-independence era looked into the question of whether or not the existence of generalised commodity production, with labour power itself being a commodity constitutes the necessary and sufficient conditions of existence of the capitalist mode of production. Utsa Patnaik argued that the “capitalist path in India’s agriculture is one dominated by a socially narrowly-based ‘landlord-capitalism’ with the semi-feudal feature of caste subordination of workers, which is capable of raising the level of productive forces only under certain exceptional conditions and which act as a long-run fetter on agricultural growth and hence on the overall growth of the economy.”

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Contradictions are undoubtedly the moving force behind any historical formation or change and cause the transition from an old qualitative state to a new qualitative state of a higher order. All social processes are dynamic and contradictions are inherent in them which lead to continuous change and development. Contradictions are universal and absolute in the sense that it is present in the process of development of all things; permeating it from beginning to end. According to Lenin there exists “contradictory, mutually exclusive, opposite tendencies in all phenomena and processes of nature including mind and society”, and any development is an “onward and upward movement, a transition from an old qualitative state to a new qualitative state, from the simple to the complex, from the lower to the higher which takes place as a disclosure of the contradictions inherent in things... as a struggle of opposite tendencies which operate on the basis of these contradictions.”

Mao in his seminal work on contradictions notes that “changes in society are mainly due to the development of the internal contradictions in society, that is, the contradiction between the productive forces and the relations of production, the contradiction between classes and the contradiction between the old and the new, it is the development of these contradictions that pushes society forward and gives the impetus for the supersession of the old society by new.”

Thus every mode of production which is a 'historically definite and qualitatively peculiar unity' of productive forces and production relations always turns out to be intrinsically contradictory.

It is important to identify the principal contradiction of the society we are analysing. The rural agrarian economy that this study seeks to analyse is also rife with inherent contradictions. A transition from a pre-capitalist society to the

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capitalist society involves a transition from primarily an agrarian society where the most important social classes were the landlords and their unfree tenants- the peasantry to a society producing commodities for exchange in the market, whose principal classes are the capital owning entrepreneurs and the propertyless wage-earning working class. Hence in the pre-colonial era the principal contradiction in the rural countryside was between the landlords and their unfree tenants- the peasantry.\textsuperscript{58}

In the colonial context the principal contradiction was between all the oppressed classes in Indian society, the Indian people as a whole on the one hand and Imperialism and its local allies-the landed aristocracy on the other. In the post-colonial scenario, at independence the principal contradiction in the agrarian economies of the Indian sub-continent has been between the mass of the working peasantry and labourers on the one hand, and on the other hand the minority of land lords, traders and money lenders who monopolised control over land and money capital, thereby exploiting the peasantry through rent, interest and exorbitant traders' margins.\textsuperscript{59} The nature of principal contradiction had changed since Imperialism had been relegated to the background in the context of decolonisation.

While it is essential to identify the principal contradiction of the agrarian economy under analysis and it has to be resolved so that inter-connected secondary economic and social contradictions may also be resolved, an analysis of the class structure, antagonistic class relations and class-caste correlation is also indispensable for arriving at correct conclusions. Of late the nature of the principal contradiction within the agrarian economy of India has shown clear tendencies towards change and there is need for a correct identification of the emerging contradictions. Is there a re-enactment of the principal contradiction that existed under British colonialism- between the Indian people and Imperialism, whether it

\textsuperscript{58} Op. Cit, Vijoo Krishnan, p-1.

is "moving decisively, once more, towards that between farmers as a whole and imperialist globalisation under the dominance of the economic agenda of finance capital"\(^{60}\) is a question this study seeks to investigate.

In such a context when new contradictions are emerging in the rural countryside there is a need to analyse these changes and its implications on Indian agriculture especially the condition of the peasants and agricultural workers. The significance of caste in labour organisation, land tenure and surplus appropriation has also to be addressed properly to bring out the close interlinking of caste and class hierarchies. Within India there have been uneven experiences of land reforms and even under the WB-IMF-WTO regime there are different experiences in different states as far as the condition of the peasantry and agricultural workers is concerned. There however, cannot be any correct understanding without certain concrete comparative analysis, provided of course that the comparison is based on different, and at the same time related or not altogether mutually exclusive realities. Hence a comparative study of the states of Andhra Pradesh and Kerala which followed different trajectories of development is planned to analyse the impact of the policies pursued at the behest of the global trinity on the following aspects:

1. Land Relations and Contradictions.
2. Income level and Rural Class Configuration.
3. Peasantry and Landless Agricultural Workers.
4. Production Conditions in Agriculture.
5. Public Expenditure Policy, Rural Employment and Poverty.
6. Correlation between Glass and Caste.
7. Technology, Export Oriented Agriculture and Food Security.
8. Credit and Indebtedness.

While looking at the implications for the rural political economy the international experience in this sphere will also be taken in to consideration.

The Agrarian Question

A rational contextualist analysis of the agrarian question should commence with an economic analysis of agrarian relations and an investigation of the phenomena in the social life which emerges in different periods. Since, the objective development of the productive forces and production relations primarily determines the historical movement of mankind, the examination of the agrarian problem must begin with the study of the society’s economic structure. “The principal task of a scientific study of the agrarian question, which is encumbered with a countless number of disconnected details, was to present a general picture of the whole of the modern agrarian system in its development.”61 The study will thus have to look into a myriad of intimately inter-linked questions and it is near impossible to treat it in a mutually exclusive manner. It hence cannot but embrace the following four basic elements:

The Land Question- The land question was the very first element in the historical development of society as a sedentary life began with the clearing of land for cultivation, extraction of “life-giving sources of social wealth and material means for the existence and multiplication of the human race”62 leading to the advent of civilisation and the emergence of private property which caused the division of society into antagonistic classes. A question of one of the main sources of livelihood, land as a factor of production, its distribution, concentration and land relations has to be thoroughly analysed.

The Peasant Question- The question of the producers- the peasants who represent the largest social force in the countryside, must be seen in their actual relation with the surplus expropriating classes who exploit them, without which the agrarian question cannot be adequately comprehended. How they pay rent or surrender their surplus must be enquired in any study of the peasant question.

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What is the condition of land holding, the nature of land tenure and tenancy relations is analysed here. The analysis is not restricted merely at the plane of ideas, in abstract terms of the tension between feudalism and capitalism, but takes into cognisance the discontents of millions of oppressed peasants.

**Question of Agriculture** - The production process involving the complex activities of tilling, sowing, and application of technology and harvesting, in short the material and technical conditions of application of scientific principles on land or the activity of agriculture. The peculiarities of agriculture however ensure that capitalist techniques and large scale mechanisation of production will not manifest in agriculture all the features it possesses in industry. However, although “the employment of new methods of production will encounter many difficulties, the employment of new methods will take place..., the advancement of agriculture from the old manufacture stage to modern large-scale production is inevitable.”

This is something we can witness in the Indian countryside.

**The Social Question** - The relationship between different classes, class coalitions, correlation of class and caste, peasants and workers and interface of social change and economic reforms, that includes the relationship between rural producers and urban producers, the antithesis between town and country and industry and agriculture. The social conditions of the peasants and agricultural workers, women and low caste workers, labour relations, wages, standard of living, their interaction with market, credit and various other factors have to be analysed.

In the pre-colonial period the agrarian question was marked by absolute control over land by feudal landlords who were intermediaries who expropriated surplus and forcibly kept the peasantry under a crisis of subsistence through extra-economic coercion, the surplus itself was then transferred as tribute or tax to the state; this was characterised by a subsistence economy.

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The post-colonial scenario witnessed a distorted development of capitalism without the re-distribution of land wherein land, credit and markets were monopolised by the landlords, traders and moneylenders who exploited the majority consisting of peasants and labourers on the one hand and resort to “state-directed or dirigiste industrial development with substantial recourse to protection of domestic agriculture and industry through tariffs and quantitative restrictions” on the other. Although this initially led to favourable terms of trade for agriculture, the failure to implement comprehensive redistributive land reforms led to aggregate demand constraints as the rural market for manufactures was underdeveloped. The new agrarian question arising in the context of Neo-liberal economic policies has a removal of trade barriers, abandoning of planning-for-development and resorting to an export-oriented agriculture, which instead has seen the development of new contradictions in the countryside. These questions will be thoroughly analysed in the course of this study.

The Caste System

The transition to capitalism in India is fraught with unparalleled paradoxes; the continuation of the archaic caste system is undoubtedly the most pronounced. Caste system in India emerged with the division of labour and has been for centuries a coercive mechanism in the hands of the landed elite to enforce an obligatory unwritten contract wherein the peasants would customarily part with the surplus without any remuneration whatsoever except that would maintain their subsistence for ensuring generation and expropriation of surplus.

Louis Dumont considers ‘hierarchy’ derived from the opposition of the pure and the impure as the differentia specifica of caste as evident by the title of his renowned

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65 Ibid, p-xx.
book on the subject. Celestine Bougle has made a precise definition of caste epitomising its major features into three saliences, occupational specialisation on a hereditary basis, hierarchical status gradation, and 'repulsion', that is, separation of each social group from others through commensal and connubial restrictions.

D.D. Kosambi in his "The Culture and Civilisation of Ancient India in Historical Outline" (London, 1965) finds the origin of the institution of caste in the Aryans' transition in later Vedic times from pastoralism to food production, that is as a prelude to agriculture, wherein the aboriginal food-gathering tribes were assimilated into the new food-producing economy as exploited helots, as sudras, with occupational specialisation leading to further proliferation of sub-castes or jatis, within the broader framework of caste-class hierarchy.

Caste has been an overwhelming factor in determining the nature of labour organization, land tenure, surplus appropriation, access to land, inputs, credit and the market. The caste system has been a handy instrument of oppression that the appropriating classes were equipped with—a unique system exclusive to the Indian society—which has down the ages emerged as a mechanism of extra-economic coercion.

The 'chaturvarna' or the occupational delineation on a hereditary basis in India that emerged with the division of labour and specialisation of labour had agriculture as a prelude to it. In this model the duties and rights—the functions and aspirations—of an individual are automatically determined by birth as a member of one of these castes based on the political philosophy of the early Indian 'law-givers' known as the 'varnasrama' norm. The 'Manusmriti' written by Manu who is known in the 'Hindu' dictum as the 'supreme law-giver' enumerated how the four varnas are to be viewed as forming two main classes in society. These two classes into which the varnasrama dharma requires society to be strictly divided are

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69 D.P. Chattopadhyaya, What is Living and What is Dead in Indian Philosophy, People's Publishing House, New Delhi, 1976, p-174.
called 'dvijas' and 'sudras' wherein the brahmin (priests), the kshatriya (nobles) and the vaisyā (farmer-traders) castes are the twice-born (dvija) unlike the sudra who has one birth only. However, “since the priests, nobles and farmer traders taken together can never form more than a small minority of any community visualised and since, more-over, manual labour-far from being expected is expressly prohibited for them by the ‘law-givers’ as far as possible, we have to admit that in the political philosophy of the Indian law-givers the word sudra stands for the vast majority of direct producers.”

It has been pointed out that the varna system was extended to provide the institutional and ideological base for the growth of a wider society and the emergence of Jatis from within the varna system “through fragmentation as well as the incorporation of tribal communities within a structure which regulated hierarchy through marriage rules and endogamy, and privileged heredity or birth in a particular lineage…” has been a case in point which widened the base of the caste system, with the term ‘jati’ indicating membership in a particular community.

An understanding of the nature of the caste system and its manifestations are incomplete without a reading of Manu. Manu goes on further to elaborate that the sudras are not allowed to enjoy anything more than is necessary for keeping them barely alive and the entire surplus produced by them are for the privileged class (the priests, nobles and farmer-traders). He states “one occupation only the Lord prescribed to the sudra- to serve meekly even these three other castes-But a sudra whether bought or unbought, he may be compel to do servile work; for he was created by the self-existent (Swayambhu) to be the slave of the brahmin… A sudra though emancipated by his master, is not released from servitude; since that is innate to him, who can set him free from it?”

The former statement undoubtedly

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70 Ibid pp-174-76.
is in the nature of an anticipatory qualification using divine sanction for the latter explanation.

The hereditary servitude was further reinforced by a system of superstitions and exploitation of credulous beliefs of the people to instill an irrational reverence or a tendency towards 'fetishisation' of the high castes or rather a *gemeinschaft* tendency or 'community of fate' relationship where usually a marked involuntary element as between monarch and subject is prevalent along with a sense of pervasive fatalism arising out of a fatalistic psyche. This emerged as a natural corollary of the oppressive ideology propounded by the Manusmriti, which prohibited access to knowledge and learning by enlisting barbarian punishments for any Sudra who hears, studies or preserves the Vedas.73

However, such a highly contemptuous system of oppression was rejected very early in Indian philosophy and it did not come through unchallenged. The norm of caste-society was rejected from two standpoints—that of materialism and of the dialectical outlook, chronologically speaking much before the Manusmriti was written. “The Lokayatas came out with a scathing criticism of the sheer hypocrisy and the exploitative motivation underlying the norm of caste-society. This is done from the standpoint of outspoken materialism. From the standpoint of dialectical outlook, however, the early Buddhists come out with the devastating judgement on caste-society: it came into being only under definite conditions and hence it is also destined to wither away.”74 Although, the caste-society faced severe criticism from the Lokayatas and the Buddhists, who offered an alternative to the ‘Hindu caste-system’, it neither withered away nor was it replaced by a more progressive system. It has prevailed from the later Vedic age till date. In fact, ironically although Buddhism and Jainism are seen as religions of rebellion against the Hindu caste system, the *Karma* theory that was propagated by these religions inadvertently proved to be the most effective rationalisation of caste system, while their doctrine of *Ahimsa* and condemnation of animal slaughter and meat eating as polluting acts

73 Ibid, p-198.
74 Ibid, p-531.
only strengthened the concept of purity-impurity of castes. Leela Dube puts how the principles of caste inform the nature of sexual asymmetry in Hindu society succinctly, ‘sexual asymmetry is bound up with the maintenance of the hierarchies of caste’ and ‘hierarchies of caste are articulated by gender’ especially the concepts of purity and impurity of castes emerging from similar concepts applicable in Hindu society for women.

Clearly an exploitative system having the capacity to “enrol the best of whatever origin in its own service is far more pernicious and long lasting than one that is closed and static.” Marx delves into the presence of such coercive mechanism in the ‘Asiatic’ region and mentioned how pre-capitalist social formations were characterised by a tendency
to make trades hereditary, either to petrify them into castes, or whenever definite historical conditions beget in the individual a tendency to vary in a manner incompatible with the nature of castes, to ossify them into guilds...when a certain degree of development has been reached, the heredity of castes and the exclusiveness of guilds are ordained as law of the society.

He further goes on to enlist this as one of the hurdles in the transition of Asiatic societies into capitalism. Marx saw in the Indian village community along with common ownership of land two contradictory but well integrated phenomena: on the one hand, there was lack of development of division of labour, resulting in “the domestic union of agricultural and manufacturing pursuits.” On the other hand, there was the establishment of “an unalterable division of labour” at the other extreme being realised through the hereditary occupations and the caste system. He went on to argue that ‘the cause of this imperviousness to change lay within the community’s structure, that is, within those elements of domestic industry and caste-specialisation.’ Thus he says: “the Asiatic form (of community, as against the Roman and Germanic) necessarily survives longest and most stubbornly. This is due to the fundamental principle on which it is based, that is,

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75 Cf, Irfan Habib, “Peasant in Indian History” and “Caste in Indian History” in Irfan Habib, Essays in Indian History: Towards a Marxist Perception, Tulika Publications, New Delhi, 1995, pp-125-26 & p-153.
that the individual does not become independent of the community, that the circle of production is self-sustaining, unity of agriculture and craft-manufacture, etc.\textsuperscript{79}

In our country the appropriating classes were equipped with the coercive nature of the caste system in expropriating surplus. The lower caste and dalits who were in hereditary servitude to the landed family were forbidden to hold land and were employed in agricultural productions and menial jobs and rarely could overcome even the crisis of subsistence. They existed largely as a class of property-less agricultural workers and are a vestige of the pre-capitalist system.\textsuperscript{80}

However, there still exists this obsolete and obscurantist system which developed with the development of productive forces and the division of labour. The caste-system has not merely been a disintegrating remnant of pre-capitalist era, but rather it has been changing with time, adapting itself in a much more subtle and sophisticated form to suit the prevailing material conditions in society. The penetration of exchange relations and capitalist production relations only led to condescending forms of servitude like debt bondage and in the context of the Neo-liberal economic policies the caste realities are only becoming starker. This phenomenon wherein an archaic organic feature of the pre-capitalist era has the least disconcerting nature of existence in a capitalist society can be explained by using Gramsci's analysis

\textit{...at all events the fact that the state conceived as an autonomous force should reflect back its prestige upon the class upon which it is based. This class often as an economic fact might not enjoy any intellectual or moral prestige, that is it might be incapable of establishing it's hegemony, hence of founding a state. Hence the phenomenon whereby the leading personnel of the bourgeois class organised into a state can be constituted by elements of old feudal classes, who have been dispossessed of their traditional economic predominance (Junkers and lords) but who have found new forms of economic power in industry and in the banks, and who have not fused with the bourgeoisie, but have remained united to their traditional social group.}\textsuperscript{81}

The British colonial cultural hegemony and political hegemony was enhanced by their discovery of texts and other information about the Indian society which they

\textsuperscript{80}Op.Cit, Utsa Patnaik and Manjari Dingwaney (Eds.), 1985, p.3.
collected and codified. Sir William Jones who put forth his ideas for the “Best Practicable System of Judicature” in India believed that in antiquity in India there had been “legislators” and “law givers” of whom Manu was “not the oldest only but the holiest” and what Manu and others created was “a spirit of sublime devotion, of benevolence to mankind” and wanted to restore to India its laws, which pre-dated the Islamic invasions. 82 The British who had to regulate the vast tracts of India needed ‘laws’ and the building of a colonial consciousness wherein the state of mind of the colonised to suit their colonial designs and hence gave a new lease of life to caste and institutionalised many rigidities associated with it. Policies related to land revenue for instance only made land a marketable commodity which was accessible only to the higher castes endowed with surplus resources. The opportunities created were thus ‘caste-free’ only in theory and in fact reinforced the privileged position of the pre-existing elite castes and classes. Bhadra has brought out clearly as to how unlike under the Moghul rule wherein the sanctions behind the caste system were informal and customary in nature, the British rule saw a veritable process of casteisation of the indigenous social relations. 83 The institutionalisation of Hindu customs and usages by orthodox Hindu scholars recruited for the purpose also ensured an acceptance of caste system and Varna theory of social order. According to Washbrook

Social prescriptions derived from the caste system could interfere with property right: where it could be shown that local customs had denied access to land or trade to members of a particular community, they might find legal as well as practical obstacles placed in their path if they tried to precipitate change. The law also validated (or at least had no competence to invalidate) the inegalitarian conventions of the tax system, which laid differential rates of assessment on the properties of different castes, with obvious implications for the value of property when transferred. 84

William Jones’ perception is only an indication and in fact they found caste to be an instrument that could help them pursue their policy of ‘divide et impera’. The setting up of regiments along caste lines, for instance the Maratha Regiment, Mahar Regiment, Rajput Regiment, Jat Regiment etc and recruiting base being

82 Bernard S.Cohn, Colonialism and its Forms of Knowledge; The British in India, Oxford University Press, New Delhi, 1996, pp-68-72.
from the high caste Hindu peasantry are manifestations of this policy and till date this divide of the working class is the most difficult to surmount.\textsuperscript{85} While colonial rule disengaged caste system from its pre-colonial political contexts, it got a new lease of life whereby it was redefined and revitalised within the new structures of knowledge, institutions and policies.\textsuperscript{86} Writers like Cohn\textsuperscript{87} and Nandy\textsuperscript{88} have taken up the issue in their works and have suggested that Imperialism was a sentiment that could not be identified only with economic gain and political power. Others like Frantz Fanon have also pointed out to the importance of psychological dominance of European culture in the colonies and the psychological and economic degradation inflicted by Imperialism in his \textit{Wretched of the Earth}\textsuperscript{89}, while Sartre in his writings on French colonial rule in Algeria\textsuperscript{90}, and Dirks in his \textit{Castes of Mind}\textsuperscript{91} have also among others addressed related issues. Hence Marx’s assigning of a progressive role for capitalism may actually not apply if one were to delve into the institutionalisation of a rigid caste system at least in the early phase of British rule under the aegis of the East India Company. This was noted by Marx himself in his \textit{Future of British Rule in India}.

The perpetuation of caste-class inequalities along pre-capitalist lines even later on in Indian history can be analysed as a concomitant of the absence of a democratic revolution and the existence of a coalition of the ruling capitalist class with the big land lords. The main beneficiaries were the ruling classes, the feudal landlords who maintained their position by coercion and the landed class invariably also belonging to the dominant or high castes. The economic gains accrued in the form

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\item Cf, Op.Cit, Bernard S. Cohn, 1996.
\end{enumerate}
of larger revenues resulting from inexpensive peasant subsistence ensure that no genuine efforts to annihilate it have ever been made. The correlation between caste and class can be witnessed till date and we shall study it in detail. Caste has thus persisted stubbornly as a distinct institution which till date has no parallel, is an extremely contemptuous system comparable only to apartheid in the severity of its oppression. If caste oppression and apartheid are not the same, they are similar and while apartheid is a recent phenomenon associated with capitalism and its imperialist agenda, the caste system is a 2000 year old phenomenon associated with feudalism in India which continues its least disconcerting nature of existence. However, like in the case of apartheid the legal sanction and rigidity of caste identities were constructed by the British imperialists who through their historians, writers, administrators, military and legal system gave it the respectability and widened the differences as we have seen earlier wherein the principle of non-intervention followed by the British helped in maintaining the pre-existing social order and institutionalised caste hierarchies.

This is a problematique that we have to analyse as it has acted as a deterrent to class based mobilisation. The significance of caste in labour organisation, land tenure and surplus appropriation has also to be addressed properly to bring out the close interlinking of caste and class hierarchies. The caste organisation within rural class structure and close interconnection between caste and class can be better understood by a systematic study.

**Class Stratification In The Countryside:**

The development of the social division of labour and the emergence of private ownership of the means of production, the division of society into propertied and property-less, resulted in the emergence of classes and class antagonisms. Social classes are “large groups of people differing from each other by the place they occupy in a historically determined system of social production, by their relation to the means of production, by their role in the social organisation of labour, and, consequently, by the dimensions of the share of social wealth of which they
dispose and the mode of acquiring it". What basically determines the difference between classes is their relation to the means of production, and the generation and appropriation of surplus.

Analysis of the agrarian classes is of seminal importance for our study. The peasants who form the largest social force or constitutes the "largest single segment of mankind" are the protagonists of our study. The stage of development in which the peasants originate within a society must "naturally arrive only after the pursuit of agriculture is established as a major provider of food." The peasantry as a class arose through the division of labour, the separation of the crafts from farming and antithesis between town and country in antagonistic socio-economic formations.

Under feudalism the peasantry is the main class oppressed and exploited by the owners of the land—feudal lords. Under capitalist development they are exploited by monopoly capital and the rural bourgeoisie and in countries with survivals of feudalism, also by landlords. One can not remain oblivious to the fact that under capitalist development even among peasantry a clear demarcation and stratification of class forces exists and it is not a single homogenous entity. Interests of different class forces vary and the impact of and response to liberalisation also vary from one class to another within the peasantry.

A synthesis Lenin and Mao’s method of analysing agrarian classes is an appropriate mechanism to study the class stratification in the rural countryside that we are analysing. Lenin gave the first scientific description of rural social stratification deriving out of the analysis of precise economic data in the context of the new agrarian relations that emerged in post-reform Russia. This was contrary to the Narodnik claims of homogeneousness and unique character of the peasantry wherein the break up of the peasantry is simply seen as the emergence of property

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93 Irfan Habib, "The Peasant in Indian History", in *Essays in Indian History: Towards a Marxist Perspective*, Tulika Publications, New Delhi, 1995, p-109.
94 Ibid, p-110.
inequality. Lenin recognised the emergence of property inequality as the starting point of the whole process but was clear that its confines extend far beyond and the old peasantry was not only ‘differentiating’ based on property inequality but also in actuality it was “being completely dissolved, ceasing to exit, being ousted by absolutely new types of rural inhabitants—types that are the basis of a society in which commodity economy and capitalist economy prevail.”

Our study thus has a fundamental difference from that of the Narodnik and later variants represented by writers like A.V. Chayanov who believed that “the peasantry is economically undifferentiated” and others like Daniel Thorner who have developed the Chayanovian concept of ‘peasant economy’ against Marx’s modes of production. We determine the class stratification based on one’s relation to the means of production or social relations of production as against merely on inequality of property or the amount of wealth owned and identify the disintegration of the peasantry into separate social classes.

Lenin discusses the following classes in the context of the European capitalist countries in 1920, in the ‘Preliminary Draft Theses on the Agrarian Question’, presented to the second congress of the Comintern.

1) First, the agricultural proletariat, wage-labourers (by the year, season or day) who obtain their livelihood by working for hire at capitalist agricultural enterprises.

2) Second, the semi-proletarians or peasants who till tiny plots of land, i.e., those who obtain their livelihood partly as wage-labourers and partly by working their own or rented plots of land, which provide their families only with part of their means of subsistence.

3) Third, the small peasantry, i.e., the small-scale tillers who, either as owners or tenants, hold small plots of land which enable them to satisfy the needs of their families and their farms, and do not hire outside labour.

4) In the economic sense, one should understand by ‘middle peasants’ those small farmers who, (1) either as owners or tenants hold plots of land that are also small but, under capitalism, are sufficient not only to provide, as a general rule, a meagre subsistence for the family and the bare minimum needed to maintain the farm but also produce a certain surplus which may, in good years at least, be converted into capital; (2) quite frequently... resort to the employment of hired labour.

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97 V.I. Lenin, The Development of Capitalism in Russia, Progress Publishers, Moscow, 1977, p.177.
5) The big peasants (Grossbauern) are capitalist entrepreneurs in agriculture, who as a rule employ several hired labourers and are connected with the "peasantry" only in their cultural level, habits of life, and the manual labour they themselves perform on their farms.

6) The big landowners, who, in capitalist countries - directly or through their tenant farmers - systematically exploit wage-labour and the neighbouring small (and, not infrequently, part of the middle) peasantry, do not themselves engage in manual labour, and are in the main descended from feudal lords. 99

Mao Tse-tung in his "How to Differentiate the Classes in the Rural Areas" explains the following classes:

1) The Landlord: A landlord is a person who owns land, does not engage in labour himself, or does so only to a very small extent, and lives by exploiting the peasants. The collection of land rent is his main form of exploitation; in addition, he may lend money, hire labour, or engage in industry or commerce. But his exaction of land rent from the peasants is his principal form of exploitation.

2) The Rich Peasant: The rich peasant as a rule owns land. But some rich peasants own only part of their land and rent the remainder. Others have no land of their own at all and rent all their land. The rich peasant generally has rather more and better instruments of production and more liquid capital than the average and engages in labour himself, but always relies on exploitation for part or even the major part of his income. His main form of exploitation is the hiring of labour... A person who owns a fair amount of good land, farms some of it himself without hiring labour, but exploits other peasants by means of land rent, loan interest or in other ways, shall also be treated as rich peasant.

3) The Middle Peasant: Many middle peasants own land. Some own part of their land and rent the rest. Others own no land of their own at all and rent all their land. All of them have a fair number of farm implements. A middle peasant derives his income wholly or mainly from his own labour. As a rule he does not exploit others and in many cases he himself is exploited by others, having to pay a small amount in land rent and in interest on loans. But generally he does not sell his labour power. Some middle peasants (the well-to-do middle peasants) do practice exploitation to a small extent, but this is not their regular or their main source of income.

4) The Poor Peasant: Among the poor peasants some own part of their land and have a few odd farm implements, others own no land at all but only a few odd farm implements. As a rule poor peasants have to rent the land they work on and are subjected to exploitation, having to pay land rent and interest on loans and to hire themselves out to some extent. In general, a middle peasant does not need to sell his labour power, while the poor peasant has to sell part of his labour power. This is the principal criterion for distinguishing between a middle and a poor peasant.

5) The Worker: The worker (including the farm labourer) as a rule owns no land or farm implements, though some do own a very small amount of land and very few farm implements. Workers make their living wholly or mainly by selling their labour power. 100


100 Mao Tse-Tung, "How to Differentiate the Classes in the Rural Areas" October, 1933, in Mao Tse-Tung Reference Archive (marxists.org) in Marxist CD Archive, CSAR, Kharmam, 2000.
The main differences in the characterisation by Lenin or Mao are determined by the level of development of capitalist relations in the respective regions they were analysing and the same applies if we extend this analysis to India. The most common classification is usually made by the farm size or the importance of big farms in terms of acreage. In India too this was the approach of economists like Ashok Rudra, A.Majid B.D.Talib and others, who although acknowledged that acreage may not be enough as a criteria for defining a farm as capitalist resorted to the classification on the mistaken presumption that most capitalist farmers would have at least 20 acres of land. Kautsky had pointed out in his 'Agrarian Question' the significance of distinguishing between the size of land holding and capitalist operation more than a century ago. Lenin had pointed out that the acreage however, is never a direct indication that a farm is really big as an economic enterprise or that it is capitalist in character. The technical changes in agriculture, its intensification, the transition to higher systems of field cropping( multiple cropping or shifts in cropping pattern in favour of commercial crops), increased use of chemical fertilisers, the wider use and improvement of implements and machinery, greater employment of hired labour, etc are not taken into account and such a classification tends to be oversimplified and entirely inadequate in understanding the precise nature of the development of capitalism in agriculture. He hence, called for classification by output, money-value of the product and the frequency and amount of hired labour employed as rational methods of investigation adapted to the technical peculiarities of agriculture.

Whether the landholding is fallow or wetland, i.e., the quality of land, the access to irrigation, the cropping pattern, the data on hired labour and the other aspects mentioned above have a bearing on this sort of a classification. In actual practice, a

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substantial reduction in farm acreage may be accompanied by a substantial increase in capital invested in land and may be a bigger economic enterprise than a farm far bigger in acreage.

Our study also shows in the third chapter that such a delineation based on the size of land holdings alone is untenable. In this respect the data on hired labour are far more indicative and offer better proof of the actual nature of the land holding. The study we have undertaken thus takes into consideration these factors and the possession of means of production (the value of productive assets) and the related criterion of exploitation of labour will determine the economic classes. A thorough analysis of the Indian situation was made by Utsa Patnaik. by applying a synthesis of Lenin and Mao’s analysis and what emerged out of her study based on the labour exploitation and rent exploitation index for empirical classification of households is by far the soundest analysis of the Indian situation. The labour exploitation index seeks to define the class status of a household mainly by looking at the extent of use of outside labour or conversely the extent of working for others, relative to the extent of self-employment. The rent exploitation is something we have come across in our study even till date although capitalist relations have developed. We have in the course of our field work also collected data on the productive assets held including tube-wells, tractors, electric pumps, threshers, and livestock other than the input use, output details, cropping pattern etc. We shall include some of these details in our classification. The interests of different class forces vary and the impact of and response to liberalisation also vary from one class to another within the peasantry. An objective analysis of the political and economical situation of various social classes requires a study of

different classes, investigation into the relationship of different classes and also their caste configuration. The social classes requiring investigation for the study are:

1) **Landlords**: This category consists of big land owners who may be either feudal or capitalist in character. They differ from the other sections of peasantry by the fact that they rely entirely on the labour of others while the family members do not perform manual labour in any major farm operations. Capitalist landlords are those who rely predominantly on direct hired labour over rent extraction, while the feudal landlords are those who predominantly resort to rent-extraction and indirect labour hiring which is at most only as high as rent.

2) **Rich Peasants**: The top stratum of peasants, they are distinguished from landlords by the fact that they perform some manual work in major farm operations. Rich peasants are also an exploiting, surplus appropriating class like the landlords and resort to appropriation of others’ labour directly or indirectly. In cases where labour hiring predominates they may be termed as proto-capitalist and as proto-feudal in the case of rent extraction predominating over labour hiring.

3) **Middle Peasants**: Within this stratum there could be the upper middle peasants who are net exploiters of others’ labour and the lower middle peasants who either do not exploit any labour at all or are themselves exploited to some extent. The upper middle peasants who are net exploiters of labour, (i.e., they hire in labour more than they hire themselves out) generate retainable surpluses out of limited level of exploitation of others’ labour and are able to cross the subsistence barrier. The lower middle peasants are those who do not exploit any labour at all and at times are themselves exploited to a certain extent. They find it difficult to overcome the crisis of subsistence and may be able to fulfil their bare minimum
needs by supplementing the income generated from their own resources with the
income earned from their labour on others' farms.

4) Poor Peasants: Within this stratum there could be the agricultural labourer
operating land and the petty tenant operating land. The condition of the poor
peasants as far as the per capita resource situation is concerned, necessitates that
they also work on others' land directly by hiring out labour or even indirectly by
leasing in land at exorbitant rent. In case of the hiring out of labour being greater
than rent payment, then the poor peasant is basically an agricultural worker
cultivating some land and in case of the rent payment predominates, then the poor
peasant can be classified as a petty tenant. Their consumption standards are
depressed below normal levels.

5) Land-less Agricultural Workers/Rural Proletariat: They are mainly
dependent on hiring out labour for wages to earn their subsistence. Although
some of them may own a small piece of land, they may not be able to cultivate it
for reasons like lack of investible funds, irrigation facility or even the low
productivity which rarely can meet the costs of cultivation even, let alone create an
incentive for further cultivation. There is only hiring out of labour which is the
only source of earning and no leasing in of land is even thinkable. They face very
high levels of uncertainty and even the bare necessities for a decent living are not
within their reach.\(^{105}\)

Our study will also look into the caste configuration of the different sections of
the peasantry to arrive at a correct understanding of the caste-class correlations in
the Indian countryside. Whether caste backgrounds have determined the
exploitation level and are a determinant of the ability to hold land will be analysed.
Another aspect which would be looked into is the condition of the women who
form a large part of the agricultural workers and face a great level of exploitation,

with low level of wages for equal work put in when compared to the men. The following chapter will look into the agrarian scenario in the post-independence period, traversing the path of *dirigiste* development strategy, implementation of Land Reforms and its nature and the New Agricultural Strategy paving the way for development of capitalist relations in Indian agriculture.