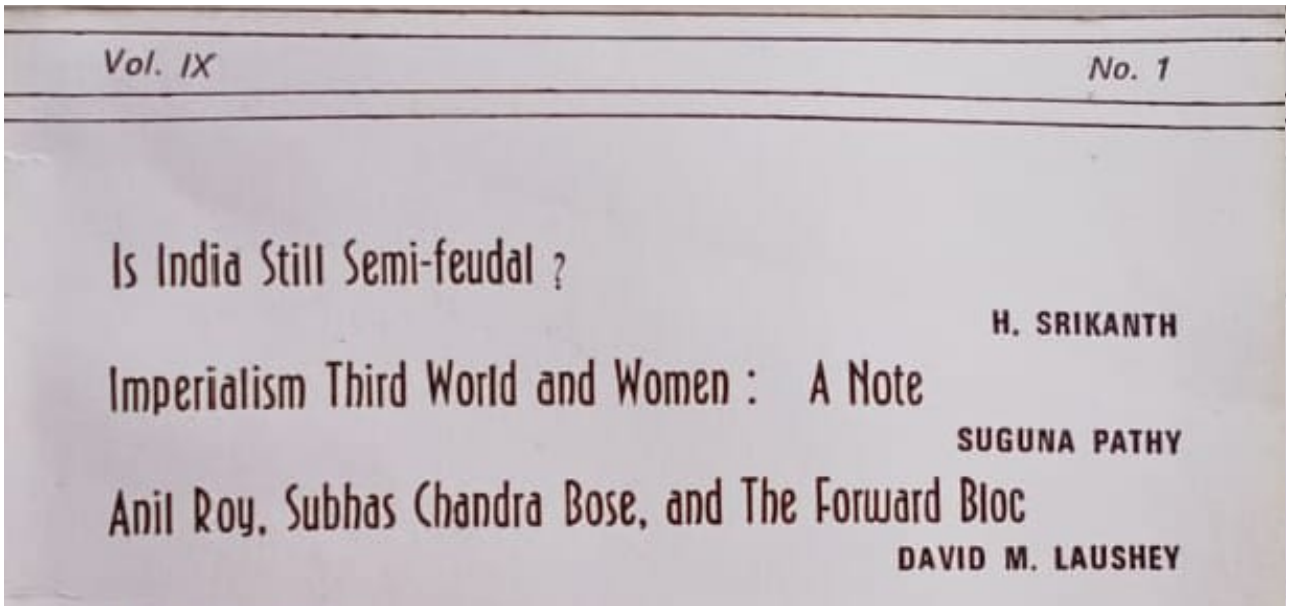


IS INDIA STILL SEMI-FEUDAL? By H. SRIKANTH

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“This essay highlights the ongoing significance of the debate among various Marxist scholars and political parties, particularly the historically uneven progression from pre-capitalist to capitalist relations in India. Any political economy researcher must acknowledge the pioneering contributions of scholars such as D.D. Kosambi, A.R. Desai, C.G. Shah, Tridib Chaudhary, and others who have examined post-colonial class relations in India. They all argued that, although the visible superstructure of modes of production seemed semi-feudal, the colonial state consistently sought to modify the relations of production in agriculture through its administrative, judicial, and land revenue machinery. This modification, while subtle and incremental, resulted in the commodification of agricultural products. Following the loss of its political and military authority, feudalism relegated itself to a

*secondary position.*The challenge of understanding the evolution of capitalism in Indian agriculture and avoiding a mechanical, deterministic perspective led some post-1924 Comintern-influenced communists to advocate for political programmes centred on people's democratic, national, or new democratic revolutions in post-colonial India. S. Srikanth's article, Is India Still Semi-Feudal?, adheres closely to the Marxist methodology of predecessors like D.D. Kosambi, striving to counter the political-economic obfuscation propagated by the official communist parties in the late 1980s. Although the article was written at the dawn of neoliberalism in India, its relevance persists, as neoliberalism has evolved into a more virulent, neo-fascist regime. The older communist parties continue to cling to outdated concepts of semi-feudalism and semi-colonialism."
[*Note By Partha Sarathi Dasgupta, Central Secretariat member of Revolutionary Socialist Party*
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Introduction

Even after four decades of independence, certain communist parties and Marxist scholars in India1 believe that the Indian State still continues to be semi-feudal in character. Features such as predomi- nance of agriculture in the national economy, backwardness of forces of production, existence of tenancy, role of moneylenders and local merchants and slow growth rates are usually cited to prove the exist ence of semi-feudalism in India. While much of their discourses on semi-feudal character of the Indian State revolves around the mode of production debate, in certain studies, predominance of religions and castes in the social life is also highlighted to prove their version of semi-

feudalism in India. Though Marxist dialectical approach is against all kinds of reductionisms, most of these interpretations claiming to be Marxist, virtually reduce the study of State to economy or ideological superstructure. These studies usually overlook the fact that though politics is an inseparable part of the social formation, it is a structure in itself with its own trajectory and independent time scale. It is true that the State as an institution of political structure is influenced by other structures. Yet its essential nature cannot be mechanically reduced to economic development or to ideology. Seen in this sense, it would be wrong to characterize any State as semi-feudal just by citing the presence of pre-capitalist modes of production in the given country. Uneven development is a characteristic feature of the era of imperialism. At times this unevenness gets expressed even in the development of particular structures in the social formation. As a result a particular structure, say the State, can become capitalist, though other structures such as economy or culture have not yet become fully capitalist in nature. It is not the extent of development of economy per se but it is the character of the ruling classes which ultimately deter- mine the nature of the State. It was precisely on this ground, Lenin characterized the Russian State after the February Revolution 1917, as a bourgeois State and gave a call for anti-capitalist socialist revolution, though he was fully aware of the fact that economically Russia was then a backward capitalist country with strong remnants of pre- capitalist modes of production."

It would be mechanical to presuppose that politics should always be a passive reflection of economic base. Changes in economic structure when mediated by human praxis, brings about transformation in social and political structures. But at times, other structures, say politics, may take the determining role within the social formation. Its leading role may take the

form of a particular class or classes attaining political power and replacing the old State with new state machinery. The new ruling classes explore all possibilities for creating and expanding the necessary conditions for promoting their interests. But how far they succeed in achieving their goals depends on many factors such potentia- lities of other competing classes, capabilities of the State elite and many other internal and external conditions. Of all, the emergence of a State of their own is a prior condition for implementing the necessary social, cultural and economic policies conducive to the aggregate inter- ests of the new ruling classes. To put it in concrete terms, emergence of a proletarian State is a precondition for the development of perfect socialist economy and socialist ideology. Similarly, higher stages in the development of capitalism are inconceivable without the bourgeoisie establishing their own State which would subsequently, over a period of time, take up policies essential for capitalist transformation of the society. Many-a-time inability to understand this dialectical relation- ship between the State and society led to vulgar reductionist interpretations were expected to pay fixed rents. But in some places, as in Bengal and other eastern parts, share-cropping was becoming a dominant form of tenure." Zemindars and Jotedars together exploited the peasants and tenants by squeezing considerable parts of their share.

Thomas Munro first introduced the Ryotwari system in Madras Presidency. Later it gradually spread to different areas. In the areas under Ryotwari system, the peasants were directly responsible to the State. The State which collected taxes was expected to look after the needs of the peasants. However, in practice, the British Raj did very little to improve the lot of the peasantry. But, for their own interests they encouraged commercialization of agriculture. As a result. a class of peasants producing goods such as tea,

tobacco and cotton for export market could emerge in different parts of the country. Almost up to the 1940s the Government paid very little attention to the food crops. Except establishing the Departments of Agriculture and various other research institutes at different levels and periodically making many recommendations for improving the fate of agriculture in India, the Government did very little in practice to improve the fate of the rural masses. Due to lack of institutional support, indebtedness of small peasants increased. Moneylenders, local merchants and big landlords began to dominate the village communities. As a result of commodifi- cation, a class of landowners with extensive interest in trading and transport activities emerged. They normally took up self-cultivation by employing the wage-labourers. Even where tenancy existed, the nature of tenancy was undergoing a significant change with the trend showing a marked shift towards share-cropping."

The study of agrarian relations in colonial India would be incomplete without making a few observations on the state of agrarian relations in the Princely States, then surviving under British protection. The social relations in the Princely States which enjoyed considerable autonomy in internal matters, remained basically feudal in content. In many of these States there were big Jagirdrrs who used to control fifty to hundred villages. System of Veth and Begar (forced labour) prevailed in almost all Princely States. In some of the Rajputana States, there were many slave communities whose members could be bought and sold like any other commodities. In addition to personal labour to the immediate lords, the serfs were supposed to supply their bullock carts, fodder and milk-all free of cost. The peasants were subjected to severe exploitation. Almost 50 per cent of the produce was recovered by the feudal lords or the State as rent. In addition to land tax, the peasants were expected to pay a number of other taxes. In view of such intense exploitation the

peasants were not in a position to produce anything for profit.10

This brief survey shows that the agrarian relations during the colonial era did not show any marked uniformity. Whereas different kinds of tenancy existed in zemindari areas, in the places under ryotwari system, self-cultivation with wage-labourers started and share-cropping was becoming the dominant form of tenancy. Social relations in the Princely States, however, remained predominantly feudal. The post- colonial Indian State had to deal with such diversified forms of agrarian relations in order to bring the desired changes in economy.

Post-colonial State and Transformation of Rural Economy

From the moment the Indian national bourgeoisie attained politi- cal power, the old semi-feudal and semi-colonial Indian State started undergoing a gradual transformation to give birth to a modern nation- State. The new State has nothing in common with autocratic Princely States that survived up to 1947 under the British paramountcy. So also the post-colonial Indian State is very different from warlord-bure- aucratic state of pre-revolutionary China. In fact the abolition of zemindari system, the integration of Princely States, the introduction of a liberal constitution and administrative refoms initiated in different branches of the state apparatus-all these measures virtually put an end to feudal political power in India. But the Indian bourgeoisie were conscious of the fact that their political power would continue to be feeble if the newly formed State failed to extend their power-base in village areas. To meet that goal it was necessary for the State to introduce certain changes in rural economy.

At the time of independence, the national bourgeoisie were forced to respond to the demands of the agricultural workers and tenants for radical transformation of the unequal rural economic structure. The Telangana (in A.P) and Tebhagha (in Bengal) revolts were clear indica- tors of popular protests against feudal system. The bourgeoisie under- stood that if they totally ignored the necessity of initiating reforms, they themselves would be thrown out of power. However, the bour geoisie knew that they could not implement radical reforms in view of the truce they made then with the landed aristocrats. Since some of the leading political personalities in the nationalist movement them- selves had rural elite background, the Indian National Congress never preached any open confrontation with landed vested interests. As such, there was lack of political will among the policy makers to resort to any radical steps such as confiscation of land from all landlords and distribution of the same to the tenants and agricultural labourers. Thus, on the eve of independence, the Indian State was confronted with two contradictory pulls-one for total transformation of the rural economy, and the other, for almost total compromise with landed interests. In such a situation there was the necessity of devising an agricultural policy which would satisfy partial social necessities and at the same time protect the interests of the landlords. Over and above these competing interests, the State had the responsibility of augmenting agricultural productivity so that it would become self- reliant in food production. Keeping these objectives in mind the Government initiated many reforms in rural economy.

Along with the integration of Princely States which dispossessed the feudal lords of their hold over land, enactment of zemindari abolition and tenancy reforms Acts immediately after independence strengthened the foundations necessary for the development of capi- talism in Indian agriculture. On the

one hand, it could make lakhs of well-to-do tenants the actual owners of the land, and on the other, by dispossessing the absentee landowners of their monopoly over land but at the same time by adequately compensating them in return for the land taken over dy the Government, the alternative was created for them to switch over to capitalist farming. Lakhs of small tenants thrown out by the landowners to evade tenancy acts joined the rural proletariat. Thus, the very first phase of land reforms created conditions for the development of the capitalist landowners and rural proletariat-the two classes essential for capitalist. agriculture.

Though development of capitalism in Indian agriculture is eco- nomically in the interests of the bourgeoisie, polarization that such process of development initiated is politically dangerous to the system. So increasing proletarianization of tenants and small peasants needed to be checked at some level. Hence, the Indian State introduced land ceiling policy with a promise to distribute the excess land to the rural poor. Necessary laws were introduced in almost all States to fix limits to the possession of land. However, except in States like West Bengal, Kerala and Karnataka, the Government failed to implement the land ceiling acts vigorously. Either by taking advantage of the loopholes in the laws or by collaborating with the bureaucracy, many big landowners could escape land ceilings. Even then, there was some progress in rationalization of land holdings, in the sense that, despite the so-called benami transfers, the era of landed aristocrats who used to own hundreds and sometimes even thousands of acres of land almost came to an end. Some landless labourers and tenants-at-will indeed got benefited by the land redistribution policy. According to recent esti- mates, nearly two million acres of land were distributed among the landless. Though there is a considerable gap between the land declared as surplus and the land

actually taken over by the Government,11 this act of redistribution of land could partially check proletarianization.

Green Revolution

Beyond this level, the Indian State cannot go far in the direction of structural changes. In fact, no bourgeoisie in this era of imperialism can implement the agrarian reforms such as land to the tillers or equitable distribution of land. Yet the State cannot ignore the necessity of positively responding to the food problem. In view of its inability to bring any structural changes beyond a certain level, the Indian State started depending on technological transformation in agriculture. Over the years the Government of India invested subs- tantially in irrigation projects. Allocation for various irrigation projects increased from Rs 456 crores in the First Five Year plan to Rs 10,258 crores in the Sixth plan. Similarly, enough attention is given to provide electricity to rural areas. In 1947, only 1500 villages had electricity supply. But by 1983, more than 3 lakh villages, i. e. about 58 per cent of villages in India are electrified. 12 In the States like Punjab, Haryana, Tamilnadu and Kerala almost all villages are electrified. Likewise the Government invested substantially to establish fertilizer factories within the country. At present 66 per cent of fer- tilizer demand is met by domestic production. In addition many research institutes and laboratories were set up in different parts of the country to carry on research for augmenting agricultural production.

In one sense, all these changes gained momentum in the mid- sixties. As a response to the grim food crisis that adversely affected the Indian economy, the Government of India came out with the strategy of Green Revolution in November 1965. By the end of 1965. The new strategy was put into practice

in 114 villages specially chosen for experimenting Intensive Agriculture Areas Programme (IAAP).

The new strategy calls for combination and concentration of inputs like High Yielding Variety (HYV) seeds, fertilizers and machinery for cultivation. In the course of time, the strategy gradually spread to many other irrigated areas.
Area under HYV use increased from 1.89 million hectares in 1960-61 to 26.52 million hectares in 1982-83.
Fertilizer consumption increased at an average rate of 17.1 per cent.
Consumption of chemical fertilizers increased from 0.69 lakh tonnes in 1950-51 to 55.15 lakh tonnes in 1980-81.
Between 1951-52 and 1981-82 per hectare consumption increased from 0.5 kg to 33.5 kgs.
During the same period the number of tractors in use increased from 9000 to 73 lakhs, that of oil engines from 2000 to 29 lakhs and electric pumps from 26000 to 40 lakhs.
This strategy of Green Revolution was successful in making the nation self-reliant in food production. It can be seen from the fact that foodgrain production increased from 53.4 million tonnes in 1950-51 to 172 million tonnes in 1988-89. In fact after 1977-78, imports of foodgrains virtually came to an end.

Changes in Ownership of Land

The impact of *zamindari* abolition, tenancy reforms, land ceilings and Green Revolution could be understood to an extent by examining the changes that they brought in land holdings.

From the figures given below (Table-1) it can be understood that the number of holdings under marginal and small farmers actually increased from 71.23 per cent in 1953-54 to 89.24 per cent in 1980-81.

Table-1
OPERATIONAL HOLDINGS AND AREA OPERATED BY MAJOR CLASSES
(*Percentage-wise*)

Size Holdings (Hectares)	**Operated Holdings (%)**	**Area Operated (%)**
	1953-54	1980-81
Marginal (0-1)	56.15	69.69
Small (1-2)	15.08	19.55
Semi (2-4)	14.19	8.84
Medium (4-10)	10.36	1.9
Above 10	4.22	0.02
TOTAL	100	100

Sources: NSS Reports & Agriculture Census.

though the area operated by them increased only by 10 per cent. Conversely, the number of medium holdings declined considerably but the area operated by them shows a small increase. The number of size holdings above 10 hectares shows a sharp decline from 4.22 per cent to 0.02 per cent. But they still retain hold over 22.8 per cent of the operated area.

As a result of planned development, in the country as a whole, the number of rural proletariat increased marginally. The agricultural workers account for about 30 per cent of rural working force. In areas where Green Revolution strategy was implemented there was considerable proletarianization. The Government itself is not keen on extending mechanization beyond a particular level since the ruling classes are very well aware of the political consequences of such proletarianization. Hence through its land distribution policy and anti-poverty programmes, the Government sought to check the discontentment of the rural poor by allocating a few acres of land. Notwithstanding the Government's efforts, subsistent marginal farmers accounting for 60.7 per cent of the operational holdings but occupying only 12.12 per cent of the operated area remain as the semi-proletarian strata—the reserve army of the proletariat.

Changing Forms of Tenancy

Those Marxist scholars who concluded India as semi-feudal State based their arguments mainly on their analysis of tenancy in Indian agriculture. Economists like Amit Bhaduri, Pradhan Prasad, Nirmal Chandra and Ranjit Sau who characterized the mode of production in India as semi-feudal, showed the following features which they considered to be essential characteristics of semi-feudalism: existence of tenancy, dominance of usury capital, indebtedness of tenants and small peasants to the landlords or moneylenders, lack of access to organized markets and merciless exploitation of the poor peasants and tenants-at-will. Citing those characteristics, a section of Indian communists also argue that the mode of production in India is akin to the one that existed in China before the 1949 revolution. Since the Indian Marxists borrowed the concept of semi-feudalism from Mao Zedong, one may first

examine what he actually meant by semi-feudalism. When Mao referred to the Chinese society as feudal, he had in mind that China where much of the land was monopolized by the landlords, nobility and the emperor and peasants who had little or no land were forced to work as serfs. For Mao, semi-feudalism is not a separate mode of production but essentially feudal relations of production in its transitory stage to capitalism. By semi-feudalism, he meant, that society where the foundations of self-sufficient natural economy of feudal times have been destroyed but the exploitation of the peasantry by the landlord class which is the basis of the system of feudal exploitation not only remains intact but, linked as it is with the exploitation of comprador and usurer capital.[17] Keeping aside the question of comprador and usurer capital for a moment, can anyone claim that feudal lord-serf relations constitute the dominant feature of mode of production in the post-colonial India? Serfdom is almost absent in India. The so-called bonded labourers, who are normally cited to justify the existence of feudal relations in India, do not constitute even one per cent of the rural labour force. Absentee landlordism is now gradually being replaced by self-cultivation through hired labour.

Again, it is not the existence of tenancy as such, but the nature of tenancy which is fundamental in determining the relations as feudal or capitalist. In India the area under tenant cultivation has come down from 35.7 per cent in 1950-51 to 9.25 per cent in 1971-72. Even if one accepts that there exists *benami* cultivation or unregistered tenancy, its decline over the years is unquestionable. Even where tenancy exists, share-cropping is emerging as the predominant form of tenancy. Bardhan's survey showed that the nature of tenancy in 334 villages he surveyed in northern and eastern India remained predominantly share-cropping on 50:50 share basis.[18] Wherever share-cropping came into practice, the landowners were showing increasing interest

in the improvement of agriculture. Unlike the absentee landlords, the present-day landowners are coming forward to bear a part of financial burden for the purchase of seeds, fertilizers and machinery. A landlord claims his share not only as the owner of land but also as the lender of capital. Both landlords and tenants together make decisions about production and marketing in many of the cases. A considerable part of the produce from these tenanted land is now reaching markets. This is in contradiction with feudal tenancy where production was carried on for self-consumption and not for market. Moreover, the practice of tying the tiller to the land is very negligible. Rudra and Bardhan correctly point out that the so-called attachment or semi-attachment conditions reflect more the employers' concern for a dependable supply of labour at the right time, rather than extra-economic coercion associated with feudal relations.[19] Bardhan also points out that landlords are not the only source of credit to the peasants. Major source of income to landlord comes from cultivation and not by moneylending. Share of non-institutional sector (which includes landlords, moneylenders and borrower's relatives) declined from 95 per cent in 1952 to 60 per cent in 1981-82. Between 1961-71, the share of agricultural moneylenders among non-institutional lenders declined from 47 per cent to 23 per cent. In 1971 professional moneylenders accounted for 14 per cent and landlords for 8.6 per cent of the total credit.[20] Over the years with the emergence of banks as institutional sources of finance, the role of moneylenders declined. Medium and large farmers do not borrow much from the moneylenders. It is only marginal and small farmers who depend more on both moneylenders and institutional sources.[21] However, there is no point in denying the fact that rural indebtedness is on the increase. But indebtedness *per se* is not a sufficient indicator of semi-feudalism. In fact indebtedness can exist even in capitalist countries. The peasants are indebted not only to moneylenders and landlords but also to co-

operatives and commercial banks. Recent agitations in different parts of the country to waive off the bank loans show the intensity of this new contradiction between the peasants and the banks.

Finally, one may point out another new trend emerging in agrarian relations. By the term tenancy, we were referring to the practice of big landowners giving their land—wholly or partly—to the small tenants or tenants-at-will. But in the early ’70s itself P.C. Joshi observed reverse tenancy in Punjab and Haryana where small landowners started renting their land not to poor tenants or landless labourers but to commercial farmers who need large land holdings to use their machinery, profitably.[22] Recent studies on Punjab endorsed the observation beyond doubt. Though there is considerable decline in pure tenant holdings, holdings of the owner-cum-tenants, rose by 97.5 per cent the largest increase being in the case of medium land holdings followed by large ones.[23] Such a tenancy cannot be the indicators of feudalism or semi-feudalism in Indian agriculture.

Now one may look at other aspects of agricultural policy of the Government of India.

Banks and Rural Credit

We have already observed the institutions like banks and co-operatives emerged as important sources of rural credit supply. One may substantiate the claim with necessary figures. From the very beginning the post-colonial State in India was keen on extending banking facilities to the rural areas. It was with that purpose that the State Bank of India came into being replacing the old Imperial Bank. When the Government observed that the commercial

banks failed to extend its branches to rural areas, the State nationalized 14 scheduled commercial banks with a promise to meet the credit requirements of the rural areas. Since then, bank network in the rural areas increased enormously. The number of rural branches of the commercial banks increased from 1832 in 1969 to 30,585 branches in December, 1987 (see Table II). Now rural branches account for 56.2 per cent of the total branches and 14.5 per cent of the total bank personnel. The total number of borrowed accounts increased from a few thousands in 1968 to 210 lakhs in 1984. Aggregate deposits of the rural branches of the commercial banks increased from Rs 14.20 crores in June 1969 to Rs 6776 crores at the end of 1983.[24] Almost 15 per cent of the bank credit flows to meet rural credit requirements. Bank credit to agriculture actually increased from Rs 54 crores in 1969 to Rs 11,127 crores in December 1987.[25] Despite considerable increase in commercial bank network, co-operatives still remain the dominant source of institutional credit.[26] As on June 30, 1986, the total number of primary agricultural co-operatives including farmers' service societies and large-scale multipurpose societies stood at 92,430. Above them, there were 352 District Central Co-operative Banks and 29 State Co-operative Banks. In recent years many Regional Rural Branches (RRBs) were started in many unbanked areas. As on June 30, 1987, 196 RRBs with their 13,067 branches are operating in 362 districts. So far the RRBs mobilized Rs 1,919 crores as deposits and lent Rs 1933 crores for various purposes to small and marginal farmers.[27]

Now almost 55 per cent of advances from co-operative banks and 42 per cent advances from commercial banks go to agriculture sector. When one remembers that in 1951-52 total credit from the Government and co-operatives to agriculture accounts for only 6.4 per cent and that of commercial banks to 0.9 per cent, what the banks have achieved now is

indeed remarkable. (See Table 2).

Establishment of National Bank for Agriculture and Rural Development (NABARD) in 1982 was another recent development in the field of rural credit. NABARD as an apex body pays attention to all

Banks	Period	Rural	Semi-Urban	Urban	Metropolitan	Total
1. State Banks of India	June, 1969	462 (29.4)	796 (50.7)	163 (10.4)	150 (9.5)	1571
	March, 1986	3584 (48.2)	2053 (27.6)	1116 (15.1)	676 (9.7)	7429
2. SBI's Subsidiaries	June, 1969	358 (40.0)	373 (42.0)	86 (9.6)	75 (8.4)	892
	March, 1986	1306 (38.8)	1119 (33.3)	580 (17.2)	358 (10.7)	3363
3. Fourteen Nationalized Banks	June, 1969	703 (16.9)	1465 (35.1)	928 (22.3)	1072 (25.7)	4168
	March, 1986	10157 (47.0)	4436 (20.5)	3966 (18.3)	3064 (14.2)	21623
4. Six Nationalized Banks	June, 1969	—	—	—	—	—
	March, 1986	1461 (41.7)	734 (20.7)	815 (22.9)	523 (14.7)	3553
5. Regional Rural Banks	June, 1969	—	—	—	—	—
	March, 1986	11671 (92.3)	853 (6.7)	121 (1.0)	1 (—)	12646

6. Other Scheduled Commercial Banks	June, 1969	337 (20.0)	708 (41.9)	279 (16.5)	364 (21.6)	1688
	March, 1986	1434 (32.1)	1399 (31.3)	991 (22.2)	647 (14.4)	4471
Total	June, 1969	1860 (22.3)	3344 (40.2)	1456 (17.5)	1661 (20.0)	8321
	March, 1986	29613 (55.8)	10594 (20.0)	7589 (14.3)	5305 (9.9)	53085

Source: *RBI Report on Currency and Finance, 1986–87*

Price Determination And Agricultural Marketing

One of the important tasks undertaken by the Indian State immediately after independence was the creation of a single central national market. Along with territorial integration, the Indian State made all efforts to create market-oriented economy where production would be carried on for profit, not merely for self-consumption. Transport facilities are being widened to link the rural areas with urban centres. According to recent estimates, about 65 per cent of villages with population over 1500, 46 per cent of villages with population between 1000 and 1500 and 21.7 per cent of villages with population less than 1000 peoples were connected by all-weather roads.[28] Likewise, market facilities are being extended to see that agricultural products can easily reach the markets. According to Indradeep Sinha, during the last 30 years virtually the entire rural economy has been drawn into the vortex of money-commodity relationships and almost 100 per cent of commercial crops and 40 per cent to 60 per cent of food crops are being brought into the market and sold as

commodities.[29] At present there are about 24,000 village markets and over 4145 larger markets situated at Tahsil headquarters or in large villages. In addition, there are 2320 principal regulated markets and 3118 regulated sub-markets in India.[30] As a result of development of such well-knit market mechanism, now almost all important agricultural products—whether they be jute of Bengal, tobacco in Andhra, coconut of Kerala and sugarcane in Maharastra—become part of all-India market. Their production, price and profits are not determined by the local conditions alone. Fate of the Indian peasants, especially those who are involved in production of cash crops, has become increasingly dependent on vagaries of national and even international markets into which they themselves are well integrated.

The post-colonial State in India is increasingly interfering in this market mechanisms with a promise to regulate anarchy in the free market.[31] The State now intervenes in agricultural marketing in order to regulation of markets, establishment of warehouses, procurement of foodgrains, state trading in food as well as cash crops and strengthening of public distribution systems. Government organizations like Food Corporation of India, State Trading Corporation, district co-operative marketing societies and different warehousing corporations have now come to decide the fate of millions of Indian peasants. In addition, the Agricultural Price Commission (APC), set up to determine relative price structures of the basic agricultural products, plays a key role in fixing the prices of all major agricultural products.[32] Such a comprehensive intervention of the State in all activities related to rural economy is only a post-colonial phenomenon. At no time in history, the Indian State had taken so many responsibilities to strengthen particular pattern of development of rural economy conducive to the overall interests of the ruling classes in India.

Rich Peasants As Dominant Rural Class

Structural and technological changes initiated by the Indian State succeeded in creating necessary conditions for the development of a homogeneous class of rich peasantry conscious of its class interests. In addition to pure capitalist farmers, this class includes landlords who have subsequently taken up capitalist farming and also rich tenants who acquired considerable land after the *zamindari* abolition and tenancy reforms and took up intensive capitalist farming by using hired labour along with family labour. In a country where fertility of land differs from place to place, size of holdings alone cannot be a sufficient criterion for categorizing rural classes. Hence no attempt is made in our analysis to create any artificial distinction between rich peasants and landlords, merely on the basis of number of acres one owns. What makes us include groups having different origins in one class of rich peasants is the existence of certain characteristics common to all. They are:

1. In the main, all of them involve in self-cultivation through hired labour;
2. Their primary source of income is extraction of surplus value, not family labour or rent;
3. Even where a part of the land is given for tenancy, the owners show increasing interest in production process, bear a part of the expenditure and extract surplus on share basis;
4. All of them use modern technology to the extent their own needs demand and
5. They produce mainly for markets; not for self-consumption alone.[33]

Taking advantage of the infrastructural facilities provided by the State and

Central Governments, the rich peasants appropriated considerable derable assets and outweighed the old absentee landlord class depending wholly on rent for its self-reproduction. Over the years, the rich peasantry which is increasingly becoming conscious of its interests, started organizing itself into powerful pressure groups. For long, they indirectly influenced the decision making at different administrative levels. But after the mid-sixties they openly came out in an organized form at national level to bring pressure upon the State and Central Governments to accede to their demands. Mention may be made here of Narayanaswamy's Tamil Nadu Agriculturists Association (TNAA), *Shetkari Sanghatna* of Sharad Joshi and *Bharatiya Kisan Union*, led by Mahendra Singh Tikait. Having attained dominant positions within the villages, the rich peasants developed capabilities to use such organizations to attract substantial members of the small and middle peasants. Class composition of these organizations made some writers believe that these organizations belonged to middle peasants or bullock capitalists.[34] It may be true that sometimes even the middle peasants and to an extent even small peasants might have got benefits from these movements. But when one looks at their indifference to the problems of tenants and agricultural labourers, their opposition to radical land reform, their basic demands such as higher prices for agricultural commodities, unrestricted inter-state trading and reduction of tariffs on agricultural produce, one can assess the class nature of these organizations. Though the leaders argue that if their income increases they would give sufficient wages, at no point of time did the real wages of the agricultural labourers keep pace with the income of the rich peasants. Higher prices for agricultural commodities benefit those sections which can produce considerable marketable surplus. In India, 18 per cent of the cultivating households own 61.2 per cent of the total operated area and generate over half of the gross output and account for two-thirds of the marketable

surplus.[35] Only those people who can produce considerable marketable surplus can think of inter-state trading. Marginal and small farmers who contribute very little to marketable surplus and even purchase foodgrains at times, will not really get benefited by demands such as higher prices or inter-state trading. Though certain demands like liberal credit facilities, tariff concessions and subsidies on irrigation, fertilizers and electricity are partly useful to the small and middle farmers also, it is the rich peasants who take maximum advantage of such public policies. The failure of the Indian leftist parties to mobilize agricultural labourers, tenants and small farmers and to attract even the middle peasants to their side gave opportunity for the rich peasants to take the lead. Now by creating an ideology of unified peasantry and through slogans such as *Bharat* vs. *India*, the rich peasants could mobilize even those sections whose interests are not compatible with those of rich peasants.[36] Having realized that they have better things to grab from the system, the rich peasantry at times declare unity with other rural classes. However, the general tendency in all parts of the country was that whenever agricultural labourers and small tenants led agitations against them for wage rise or for reduction of rents, the rich peasants did not hesitate to put down such mass protests by using all their might.

Changing Rural Political Scene

All the above mentioned changes in agrarian economy could not have taken place in the absence of certain modifications in the social and political structures of rural India. Development of capitalism in agriculture necessitates existence of political institutions conducive to such development. Being aware of it, Indian planners undertook systematic steps to introduce new administrative and political institutions in place of the old ones. In the traditional village set-ups one or a few families, merely on account of their

caste status and monopoly over land, could exercise absolute powers over the entire village community. But abolition of *zamindari* system, integration of Princely States, implementation of land reforms and introduction of liberal democratic government formed on the basis of universal adult franchise—all these changes could strike at the political power base of the traditional rural elites. The Community Development Programmes laid foundation to modern administrative structures. Following Balwant Rai Mehta's report, almost all States introduced two-tier or three-tier Panchayat Raj systems. Though politicians invoked Mahatma Gandhi's name, Panchayat system that actually came into being had very little to do with utopian Gandhian principles. In the place of simple, self-sufficient, isolated village system that Gandhi dreamt, there developed decentralized village units, well integrated within the centralized administrative and political structures. Appearance of different kinds of co-operatives in the villages and exposure of the villages to national or State level political parties could introduce new practices in rural politics. Formal consent of the people became the basis of new political power structures. With the gradual disappearance of feudal landlords having hundreds and thousands of acres of land under their control, owner-client relationship started disappearing. More social status and possession of land may not always guarantee political power, if they are not accompanied by people's support. In these conditions, group or coalition politics began to acquire new significance in rural political life. In a situation where numbers do matter, castes began to play new role in public life. Though there exists class differentiation within each caste, economically dominant classes of every caste started using casteism as an ideology to mobilize their support base. The momentum created by this power politics politicized all castes. As a result, in place of traditional caste system based on hierarchy, there emerged a new framework where all castes are competing with one another for taking

advantage of opportunities opened to them. In such competition, only those traditional upper castes which could also mobilize support of other castes by using their economic and social status could retain their supremacy in village politics. Many of the backward caste members because of their numerical strength and also because of their acquisition of considerable amount of property, could become decisive actors in village politics. But harijans and tribal people, despite their numerical strength could not make any headway because of lack of social and economic status. Even legal provisions to include the SCs and STs in Panchayats and co-operatives could not enhance their political status. These dialectics of rural power conflict show that without mobilizing the required number of people, mere possession of social and economic status may not bring many to political power. Conversely, mere numbers without required social and economic status will have little bearing on the new village political system.

By making castes or coalition of castes in the villages as their power base, newly emerging rural leadership could make their way into higher political bodies. Since the mid-sixties rural representation in the State legislatures and Parliament is on the increase. All the members of Parliament and Legislative Assemblies who have their political base in the rural areas could successfully pressurize the Governments to take up certain programmes which are beneficial to the village community in general and to their own communities in particular. No political party ignores the fact that majority of the votes are concentrated in rural areas. Hence all Governments take up necessary measures to appease the emerging rural leadership. In fact, all State Governments avoid imposing income tax on agricultural incomes since they do not want to antagonize the rural elites. Even the Central Government gives enough subsidies and introduces many developmental programmes to attract

the masses and leaders in the villages. From the study of all these phenomena one can understand the nature of political changes in rural areas and the extent of integration of the villages into national level politics.

Culture and Values : Rural Society at The Crossroads

Economic and political transformation that has taken place in rural India since independence exercised considerable influence on social and cultural aspects of Indian villages. Establishment of many administrative and quasi-administrative bodies for different developmental and service activities, improvement of educational facilities, development of market mechanisms, influence of mass media and increasing mobility which is made possible by extension of transport facilities—all these have impact on the values and attitudes of the village community. Though casteism is far from disappearing, caste system is losing its rigidity and is increasingly becoming dynamic to meet the new challenges. Rationality of traditional hierarchic caste system is very much questioned and the backward castes started becoming competitive. The very fact that the harijans and tribals, despite their weaker status, began to organize themselves to fight social and economic inequalities clearly indicate that the hegemony of the traditional caste system is now at stake. Similarly the joint family system which was an important feature of traditional village societies is now undergoing a change towards nuclear or small joint family system. Commercialization of agriculture and greater exposure to the city life started injecting competitive and acquisitive values. Profit motive and calculations based on cash nexus permeate economic relations of all the developed villages. In the field of politics, panchayats and co-operatives have given birth to new rural leadership. Recent literature on rural leadership shows that though caste status and ownership of property

continue to have relevance, other determinants such as education, exposure to urban areas and ability to get necessary things done from the higher ups etc. have also become essential for gaining rural leadership. It is also said that unlike the traditional elites, the emerging leaders are middle or young aged, active, better educated, better informed and politically conscious persons. Under their leadership, the so called “idyllic, unchanging, isolated and natural village communities” are gradually getting integrated into the modern bourgeois social system.

However, it should be made very clear that while it is necessary to take note of changes that are taking place in social sphere, one should avoid exaggerating the extent of change. Despite many changes in the forms of caste system, the domination of upper castes continues in most of the Indian villages. Constitutional prescriptions could not completely eradicate the practice of untouchability. Even now, marriages take place within the castes. Religions and superstitions exercise considerable influence on the minds of the rural masses. Traditional *jajmani* system and system of forced labour exist in certain corners. All these show that changes in cultural and ideological spheres have not kept pace with changes in economic and political spheres in Indian society.

Conclusion

In this paper an attempt has been made to examine the characterization of modern India as a semi-feudal state. To strengthen their version of semi-feudalism, certain Marxists usually cite features such as existence of tenancy, backward forces of production, dominance of moneylending and continuing significance of castes and religion in Indian society. Opposing such analyses,

it has been argued that the State is a structure in itself and that it should not be reduced to economy or culture. By distinguishing the State from the civil society, we have argued that the structure of the Indian State underwent a gradual but a total transformation on the eve of independence to meet the needs of the new ruling classes. It was precisely that new State which undertook the responsibility of transforming rural India. A brief discussion of the debate over colonial mode of production in India has been presented to make comparative analysis of the changes that have taken place in agrarian relations. While evaluating the debate on the mode of production, we made it clear that in post-colonial India self-cultivation with hired labour is becoming the dominant feature of Indian agrarian relations. Land under tenancy declined over the years. Bonded labour ceased to be a dominant phenomenon. In the place of feudal tenancy, the method of share-cropping where both landowners and tenants can take personal interests in production process, emerged as the dominant form of tenancy. Productive forces could develop to the extent the system permits. Prices of the basic agricultural commodities are not determined according to local conditions. Credit and marketing facilities were improved considerably and the dominance of moneylenders is gradually declining. A homogeneous class of rich peasantry conscious of its interests started emerging as the most powerful class in rural India.

In the field of politics, it is argued that the abolition of *zemindari* system and integration of Princely States virtually put an end to feudal political power in India. Since nearly 70 per cent of the people live in rural areas, introduction of universal adult franchise enhanced the prestige of the villages. Similarly, panchayats and co-operatives introduced competitive politics in the countryside. In the process of change, caste acquired new role as pressure

groups competing for power and status. A new set of leaders started emerging in rural India. These leaders could effectively integrate the villages with the State level and national level politics.

However, in our analysis of social life of rural India, the limitations of State intervention have to be admitted. Though economic and political policies of the State could bring a certain amount of change in the values and attitudes of the villagers, it has to be admitted that many feudal values and practices continue to influence the lives of the rural masses to this day. Influence of such pre-capitalist ideological structures on modern political structures should be taken into consideration in understanding the social dynamics. But this should not lead to any hasty conclusions about the class character of the State. If existence of feudal social structures and practices were sufficient criterion for characterizing the State as feudal, then many of the advanced capitalist nations and even socialist countries where superstitions, religious dogmas and ethnic problems still persist, should also be called feudal. It should be understood that changes in the ideological sphere will not keep pace with political and economic changes. It is because ideology or culture is relatively independent of politics and economy. Culture has its own dynamics and time-scale. Even if the State creates the conditions for the elimination of the old ideological system, without initiating continuous and conscious popular struggle at cultural and ideological fronts, old values and old practices will not disappear so easily. If feudal culture still dominates Indian social life, it is due to the absence of cultural renaissance at the grass roots levels. Though Indian politicians mobilized people against political rule of the imperialists and feudal lords, they could not involve the masses to fight out the old beliefs and practices. After independence, for their own political reasons, the Indian bourgeoisie finds it beneficial to perpetuate feudal ideology to the extent it

helps in retaining their hold over the toiling masses. This is precisely the reason why superstitions, caste differences and religious domination still persist in independent India. These historic limitations and political expediency should be taken into consideration in the Marxist analysis of the Indian State, though in themselves, they are not sufficient to characterize the Indian State as semi-feudal.

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