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The Indian Oligarchy and Democratic Ideals

Capitalism and Privilege
versus
The British Government
and Indian Labour

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Capitalism and Privilege *versus* The British Government and Indian Labour

“ *The first thing that Great Britain has to make clear is whether India is to be governed for the good of the people of the country or for that of certain interested parties or classes such as I have indicated.*”

MANCHESTER GUARDIAN, March 28, 1918.

These are the words of an Indian lawyer belonging to the small clique of politicians which, under the ægis of Mrs. Besant, is demanding Home Rule for India. The words are intended to convey the imputation that British Rule in India is not directed to the good of the Indian population, but to the benefit of the British officials, merchants and military officers who compose the small European population of India. The words are typical of the disregard of facts which frequently characterizes the statements of the Indian agitator.

A cursory review of the proceedings of the supreme and provincial administrations in India during the last fifty years will supply ample evidence to any impartial enquirers that “the good of the people of the country” has always been the sole object of their executive and legislative activities, and, further, that, in the case of legislation expressly initiated for the benefit of the Indian masses and the Indian industrial and labour population, the Government has frequently encountered violent opposition from representatives of those very classes—the Brahmans, lawyers, and a section of capitalists—who now clamour for Home Rule on the

grounds that the British administration is out of harmony with the wants of the Indian people.

To justify the latter statement, it is only necessary to recall the circumstances attending the two most salient enactments of the Land Legislation in India during the last twenty years, viz. :—The Panjab Land Alienation Act of 1900 and the Bombay Land Revenue Code Amendment Act of 1901. The history of the passage of these two Bills through the Legislative Councils effectually disproves not only the charge levelled by professional Indian politicians against the British administration, but also the claim of those politicians to represent the real interests of the Indian people.

The Panjab Land Alienation Act.

From the earliest days of British Rule in India, the question of the indebtedness of the agricultural classes, who form the vast majority of India's 300 millions, has been the subject of anxious consideration by the Government in India. In 1879, as a result of a special commission of enquiry in the Bombay Deccan, a Relief Act was passed, by which the ordinary civil law was amended in favour of agricultural debtors. Two years later legislation was undertaken for the relief of landholders in certain districts of the Bombay Presidency, and in 1882 for the relief of encumbered estates in the Jhansi division of the North-West Provinces. Between 1886 and 1900 the subject of the relief of the agricultural population was continuously under examination by the Government of India and the provincial administrations, with the result in the latter year of the promulgation of the Panjab Land Alienation Act, which was described by the Viceroy at that date as "the first serious step in a movement which is designed to free the agricultural classes in this country—the bone and sinew of our strength—from an incubus which is slowly and steadily wearing them down."

The main object of the Panjab Act, which imposed definite restrictions on the alienation of land, was to save the agricultural holder from the *money-lender* and

trader, who were rapidly dispossessing him of his hereditary property. Its provisions took into fullest account the popular sentiment in favour of the prior rights of the village community, and recognised the principle of tribal organisation, which is so powerful a factor in the social economy of the Panjab agricultural population.

In commending the Bill to the Legislative Council, the Viceroy, Lord Curzon, remarked :—

“ We cannot afford to see the yeoman farmers of the Panjab—the flower of the population and the backbone of our Native Army—dwindle and become impoverished before our eyes. Neither can we acquiesce in the consummation of a social revolution which is in contradiction both of the traditions of Indian society and of the cardinal precepts of British rule.”

In spite of the manifest need of the Act; in spite of the fact that hundreds of thousands of acres were passing annually into the hands of money-lenders or of persons acting behind them; in spite of sporadic outbursts of lawlessness resulting from the expropriation of the hereditary occupants of the soil; in spite of abundant evidence showing that the money-lending classes were practising the most astonishing trickery upon the illiterate peasantry; in spite of all these facts, the Indian members of the Legislative Council, representing to a large extent those upper classes which now furnish recruits to Mrs. Besant's Home Rule brigade, offered the most sustained and violent opposition to the Bill. They declared that *Government was ignoring the rights of the money-lending classes*, who would, in one way or another, circumvent the provisions of the Act; that the Act would abolish a right (i.e., of alienation) generously conferred by British rule; that the values of land would be greatly depreciated; that the terms of loans advanced by money-lenders to agriculturists would become much more onerous; that the relations between the money-lending and agricultural classes would be gravely disturbed; that British prestige would

be shaken, and that the progress of the Punjab would be retarded for fifty years!

In spite of these interested prophecies and in the face of vociferous opposition and invective from the Indian lawyer and capitalist classes, the Government of India carried the Act for the relief of the peasantry through the Council; not, however, without carefully considering every objection brought forward by their opponents, and in several respects amending the Bill to meet any reasonable objection of the spokesmen of the money-lending interest. The first six years' experience of the actual working of the Act proved the hollowness of the Indian opposition and amply justified the action of Government on behalf of the cultivators. The value of land which naturally depreciated for the moment very rapidly recovered; there are no indications that the peasantry experience any difficulty in obtaining loans for necessary purposes; while the agricultural classes throughout the Panjab regard the Act with full appreciation as a measure which was devised solely for their benefit and protection, and which continues to fulfil the objects with which it was introduced.

Considering the keen opposition of the upper class Indians to the principles and objects of this particular enactment, considering that they represent to a great extent the very classes which now clamour for Home Rule, there can be no doubt that, under any scheme of self-government, divorced from British control, the interests of large masses of Indian workers would frequently be sacrificed to those of the more educated and more vocal classes.

The Bombay Land Revenue Code Amendment Act. The opposition of Indian lawyers and Brahmans, acting in the capitalist interest, to a measure designed to bring relief to the agricultural population was even more pronounced in the case of the Bill, introduced in 1901 in the Bombay Legislative Council, to amend the Bombay Land Revenue Code. Here, as in the Punjab, the Government was faced by the spectacle of a deeply in-

debted peasantry being gradually expropriated and reduced to the level of cultivating serfs by the *Sahukars* or money-lenders of Western India. To such a pitch had the embarrassment of the cultivators extended that large areas of fruitful land had been transferred wholesale to usurious money-lenders, and the payments of the moderate annual assessment due to Government from numerous cultivators were two and three years in arrears. Certain Indian lawyers asserted that the indebtedness of the peasantry of Western India was the result of British methods of administration, but this assertion was disproved by documentary evidence, still existing, which shows that under the rule of the Peshwa agricultural indebtedness was widespread, and was chiefly due to the unchecked oppression of the Native revenue contractors, while the lavish expenditure of the cultivating classes on marriages and other ceremonies was the direct outcome of the general insecurity of property under the régime of the Brahman Peshwa.

In view of the exactions of the money-lenders and the consequent inability of the cultivators to pay their dues to the State, the Bombay Government, with the sole object of saving the land to the real cultivator, decided, as a tentative measure, to exercise their legal rights under the Code and forfeit lands for which revenue was seriously in arrears, giving themselves power at the same time, by an amendment of the Code, *to regrant such lands free from all encumbrance to the cultivating occupants*, subject only to the condition that the right of occupancy would lapse if the lands were subsequently alienated without permission. In doing this the Bombay Government actually relinquished 73 lakhs of revenue (i.e., about £487,000) due to them as arrears, thus lifting an enormous burden from the shoulders of the agriculturist, while, at the same moment, they converted a large proportion of the agricultural classes from the oppressed serfs of money-lenders into occupants enjoying the full fruits of their industry. In brief, the Bill embodying these reforms, which had been under consideration for six years, enabled the cultivators of Western India, who were irretrievably embarrassed, to make a fresh start in life.

The opposition to the Bill manifested by the Indian members of the Council, acting on behalf of the money-lending classes, was virulent and prolonged. Only three Indians of moderate views supported the Bill in the interests of the peasantry—one an Indian land-owner of position, one a Government official with wide experience of the lives of the agricultural classes, and the third a member of the Indian merchant class. Of those who opposed the Bill in the interests of the money-lenders, two were both Brahmans and lawyers, three were Brahmans, the sixth was a lawyer of another sect, and the seventh was by descent a Baghdad Jew, domiciled in Bombay. These seven denounced the proposals of Government in wild and inflammatory speeches, accusing Government of attempting to nationalize forfeited lands, of seeking to obtain valuable land at the cost of two or three years' revenue, and of trying to make all poor agriculturists tenants-at-will. They declared, as did the opponents of the Panjab Act, that the proposal would destroy the agriculturists' credit, and that the right of alienation was a natural right, which could not be curtailed or diminished. They did all in their power by means of misrepresentation and obstruction to block and postpone the passage of the Bill through the Legislative Council, and finally seeing that the Government was firm in its intention to save the peasantry from the clutches of rapacious capitalism they left the Council Hall in a body and allowed the Bill to be passed in their absence.

The Government, which was supported throughout by moderate Indian opinion and by the peasantry themselves (save in certain cases where the latter were deliberately misled by the lawyers and money-lenders), has since been fully justified in its action, and many an agriculturist in Western India to-day has cause to thank the British administration, which, by joining issue on his behalf with the Brahmans, lawyers, and others of the privileged and educated minority, has saved him and his children from ruthless expropriation by extortionate usurers.

These two instances from the Land Legislation of India indicate the extent to which the interests of the Indian working classes would suffer if the authority of the British Government were to pass into the hands of a little oligarchy unrepresentative of the masses and imbued with the spirit of caste.

A further example is to be found in the history of the introduction of the Co-operative Credit Society movement, which was initiated by British officials for the relief of the Indian peasantry whom the greed of native money-lenders and their own extravagant expenditure on social and domestic festivals had saddled with a huge and ever-increasing burden of debt. "One of the many measures," writes Sir Valentine Chirol, in his *Indian Unrest* (pp. 261-263), "passed by Lord Curzon for the benefit of the humble classes in India, *with little or no support from the politicians and often in despite of their vehement opposition, while Nationalist newspapers jeered at 'a scheme for extracting money from wealthy natives in order that Government might make a show of benevolence at other people's expense,'* was an Act giving legal sanction to the operations of a system of co-operative banks and credit societies. It found a healthy basis ready-made in the Indian village system, and, though it would never have succeeded without the informing energy and integrity of 'sundried bureaucrats' and the countenance given to it by Government, it has had the cordial support of many capable native gentlemen." It was the British bureaucracy again which, in regard to Indian industries as well as to Indian agriculture, preached and practised sound "Swadeshi" before the word had ever been brought into vogue by the Indian politician. As India stands to-day, the British element in the Administration with its powers unimpaired, is the only safeguard of the non-Brahmin and labour population against the tyranny and neglect of a small and wholly undemocratic minority of hereditary priests and lawyers, supported by a section of Indian capitalists.