

A STUDY
OF
RURAL ECONOMY OF GUJARAT
CONTAINING
Possibilities of Reconstruction

BY
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INTRODUCTION.

I propose to give in this thesis some idea of the economic conditions of rural Gujarat. The subject of rural economics in India has been largely neglected. Some work was done by Dr. Slater ¹ in South India, Dr. Mann ² and Mr. Keatinge ³ in the Deccan, Mr. Jack ⁴ in Bengal, and Mr. Calvert ⁵ and Mr. Darling ⁶ in the Punjab, but on the whole the study of economic conditions of rural India has received very little attention from Indian writers. The Royal Commission on Indian agriculture gave a strong impetus to the study of economic conditions in India, but there remains a wide scope for the careful study of rural problems of India.

The object of this thesis is not merely to describe the actual conditions of rural Gujarat, but, if possible, to suggest some measures which would improve the existing conditions and lead to increased production and greater material prosperity. The poverty of the Indian ryot has become almost proverbial. Mere talk, however, does not help him, and if any improvement is to be brought about in his economic conditions, it can only be by concerted action on the part of the peasants themselves, the community as a whole and the State. To think that the State by loosening the strings of its purse will solve the problem of the poverty of the Indian ryot is absurd. The only solution of the problem of rural

1 Slater's "South Indian Villages."

2 Mann's "Life and Labour in a Deccan Village."

3 Keatinge's "Rural Economy of the Bombay. Deccan" and "Agricultural Progress in western India."

4 "Economic Life of a Bengal District."

5 "Wealth and welfare of the Punjab."

6 Darling's "The Punjab Peasant in Prosperity and Debt."

poverty in India is a determined effort on the part of the people and the State to improve the economic conditions of Indian peasant and bring about a radical change in the rural economy of India.

It was at Dr. Slater's suggestion that I visited Italy, where I spent about two months. There is a remarkable similarity between some of the economic problems of Italy and India. The problem confronting Italy to-day is a steadily increasing population pressing hard on its limited resources. Italy has to import large quantities of wheat from foreign countries. The problem before the country is increased production which would obviate the necessity of importing foreign wheat.

Emigration, which is one method of relieving the pressure of population in Italy, is getting more and more difficult. Mussolini's policy is to discourage emigration and to concentrate all efforts on increased production with a view to feed the growing population of Italy with food produced at home. As the minister of National economy said recently the demographic, physical and economic conditions of Italy require that the average yield should increase up to the point of making the importation of foreign wheat impossible."¹

The Fascist policy has been, therefore, to encourage agriculture, which had been neglected in the past. The Italian state has closely identified itself with agricultural interests and there has been a series of legislative acts to support agriculture, the most notable one being the "Battaglia del Grano" or the wheat campaign, containing a series of provisions designed to intensify the cultivation of wheat. The popular slogan in Italy to-day is intensification of agriculture. The problem before India is, in many respects, the same. What is required in India is increased agricultural production and that can be obtained only by intensifying the agriculture. Both in India and Italy agricultural production suffers from

¹ International Review of Agricultural Economics, 1926 (Jan.-Mar.) pp. 72 et seq., Published by International Institute of Agriculture, Rome.

want of technical knowledge and inadequate investment of capital. The problem before both the countries is essentially one of knowledge and capital. What is required is a reform in the institutions of agricultural research and agricultural instruction and the creation of facilities for getting capital at a cheaper rate to be used for productive purposes only.

The question of agricultural research has been carefully examined by the Royal Commission on Indian agriculture. I have therefore thought it unnecessary to examine that question here. I have confined myself to the investigation of economic conditions of rural Gujarat and I have tried to find out if the rural conditions in Italy and the experiments made in that country to-day can indicate some measures which might lead to the improvement of the material conditions of rural Gujarat.

Sir Thomas Middleton was kind enough to give me a letter of introduction to the president of the International Institute of Agriculture, Rome. It was through his courtesy that, I came in touch with the agricultural institutions in Italy like the *Cattedre ambulanti del agricoltura** and the *Confederazioni Nazionale Fascista degli Agricoltori* and *Confederazioni Nazionale dei Sindacati Fascisti dell' Agricoltura*. I am grateful to Prof. Fileni the director of "Cattedre Ambulanti" who put me in touch with the travelling lecturers of agriculture throughout Italy. In Italy however I confined my investigations to a small zone between Rome and Naples. I selected the commune of Cassino in the province of Frosinone in Latium. There is very little irrigation in Cassino and the cultivation is largely confined to the growth of cereals. The average holdings are as small as in Gujarat.

In Gujarat I made a close investigation into the economic conditions of two villages in the Surat and Kaira district¹ and some villages in the Baroda State.²

* Travelling lecturers.

1 Wadhwanias, Bodal,

2 I am indebted to the Pragati Adhikari for much of the information about the village of Bhadkad in Petlad taluka of Baroda State.

I have not attempted to make a detailed economic survey of any village in Gujarat. My main idea in this thesis is to show in what directions improvements can be made in the present economic organisation of rural Gujarat. In spite of the neglect of agriculture on the part of the Italian state the agrarian conditions in Italy have distinctly improved during the last fifty years. I asked some of the travelling lecturers for the cause of this progress, and they said that it was due to the industry and tenacity of the Italian peasants, the institution of *cattedre ambulanti* and lastly, as regards Central Italy, the system of *mezzadria* which brings about a harmonious combination between agricultural labour on the one hand and capital and direction on the other. The proprietor provides each family of *metayer* with working cattle, implements, land and house to live in and direction, and the labour is provided by the *mezzadria* and the members of his family. I thought that a system of crop-sharing, if modified on the Italian lines, would bring considerable improvement to Gujarat agriculture and also to the condition of the tenants. I examined the question of the sub-division of land in Italy and lastly the problem of Italian agricultural labour.

I have relied on published material and Government publications, both in Italy and India, to supplement my personal investigations.

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