



' He did not, in fact, make a hobby of any one part of his work, but kept the welfare of the estate as a whole before his eyes. The object most prominent to his mind in the estate was not the azote nor the oxygen in the soil nor the atmosphere, not a particular plough or manure, but the principal agent by means of which the azote and the oxygen and the plough and the manure were all made effectual—that is, the labourer, the peasant. . . . He looked on the peasant not merely as a tool, but also as an end in himself, and as his critic. At first he studied the peasant attentively, trying to understand what he wanted, what he thought good and bad ; and he only made a pretence of making arrangements and giving orders, while he was in reality learning from the peasants their methods and their language and their views of what was good and bad. And it was only when he understood the tastes and impulses of the peasant, when he had learned to speak his speech and to grasp the hidden meaning behind his words, when he felt himself in alliance with him, that he began boldly to direct him ' (Tolstoy, *War and Peace*).

# THE PUNJAB PEASANT in Prosperity and Debt

by

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With a Foreword by

SIR EDWARD MACLAGAN, K.C.S.I., K.C.I.E.

LATE GOVERNOR OF THE PUNJAB

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To  
MY FORMER COLLEAGUES  
IN THE CO-OPERATIVE DEPARTMENT,  
BOTH ENGLISH AND INDIAN,  
WITHOUT WHOSE ASSISTANCE AND ENCOURAGEMENT  
THIS BOOK COULD NOT HAVE  
BEEN WRITTEN



## FOREWORD

To readers interested in Indian economics no introduction seems necessary for so fascinating a subject as 'the Punjab peasant in prosperity and debt', but, as one who has from time to time been engaged in a close study of this subject, I may perhaps be excused if I interpose a few words at the commencement of this book. I do not wish to comment on, or criticize in any way, the subject-matter of the book, and indeed am not in a position to do so, having been prevented by considerations of time and distance from seeing more than the first five chapters, and thus being necessarily unacquainted with the completion of Mr. Darling's picture and the ultimate trend of his conclusions. I have seen enough, however, to realize the comprehensiveness of his study, the care with which he has collected his data, and the sympathy with which he has handled them.

During the first ten or fifteen years of my official life in India, the indebtedness of the Punjab peasant was a subject very keenly debated in official circles. The increase of debt among the peasants, its causes and its effects, were portrayed with dramatic intensity in Mr. Thorburn's volume on *Mussalmans and Money-lenders*. The accuracy of his data was impugned by some, and by others his forebodings were held to be exaggerated, but his propaganda had the desired effect of drawing serious attention to a subject of the highest importance. On one point his supporters and his critics were almost unanimous, namely, on the seriousness of the increasing expropriation of the peasant proprietor by the money-lender. Many, both among the officials and among the public at large, while recognizing the seriousness of the danger, were not prepared to deal with it by any such method as the direct curtailment of the power of alienation on the part of the peasant. Ultimately, however, the question was brought to a head by Sir Denzil Ibbetson, as Secretary to the Government of India. I was behind the scenes myself at the time, and had much to do with the collection of the information upon which Sir Denzil's proposals were based. It was as a result of his proposals, and of the strong support accorded to

them by the Home Member, Sir Charles Rivaz, that the Act of 1900 was passed and the peasant's power of alienating his land was curtailed.

With the passing of the Act the official discussions of the peasants' indebtedness were from one point of view discontinued. The Act was not a complete remedy, but it met with genuine approval from the agricultural tribes whose rights it restricted, and was held by the Government to have achieved the purpose for which it was enacted. So far, therefore, as the expropriation of peasants was concerned, the *fait accompli* was accepted. Criticisms were from time to time put forward, but as a rule on communal, rather than economic, grounds; and the problem of maintaining the connection of the peasant with his ancestral lands was looked on as being settled—so far as such a question could be settled—by the Act of 1900.

The expropriation problem represented one phase only of the general question of peasant indebtedness. It was the phase which had the most direct influence on political conditions, and which called for the most urgent remedy. It had for these reasons to be dealt with independently of the other aspects of the case. These other aspects were not, however, neglected, and various remedies for the economic evils of debt were carefully considered. Of these, the remedy on which the Government placed most reliance was the encouragement of co-operative societies, and—again under the influence of Sir Denzil Ibbetson—an Act was passed with a view to encouraging and regulating the practice of economic co-operation in the country. This measure has met with general approval, and a very successful commencement has been made, since the passing of the Act, in the introduction and extension of co-operative principles, more especially among the peasants of the Punjab.

This in itself constitutes in my opinion the most useful and the most hopeful means of dealing with the problems of agricultural credit. In carrying out this policy the Government has obtained a fair degree of public sympathy and assistance, but it has had mainly to rely on the enthusiasm and driving power of a select body of officers, European and Indian, who have specialized on the subject and have devoted much time to its study both in India and in Europe. These officers—of whom Mr. Darling is one—have not confined their attention to the

technicalities of co-operation, but have extended their researches over the whole range of agricultural economics in the Punjab. They have, from different points of approach, established what may be looked on as a school of economic thought in the province. It is largely with their help and under their influence that the recently constituted Board of Economic Research in the Punjab has started on a series of valuable rural investigations. They have themselves published monographs in the form of books, pamphlets and papers, in which our existing data have been brought together and the economic features of our agriculture have been portrayed in a manner that has attracted the admiration of professional economists in all parts of India. Owing largely to the special researches made at stated intervals by settlement officers under our system of land revenue, we are better furnished with data on agricultural economics than many other countries; and it has been the function of the new school of enquiry to bring the results of these and other data together, and to present us with a general conspectus of the agricultural conditions now prevailing, and of the problems to which they give rise.

Mr. Darling has in this book made a notable contribution to the economic literature of India. He has given us a vivid picture of the peasants' attitude towards the supply and use of capital. At the same time the vividness of his portraiture has not betrayed him into partizanship. Under his guidance we recognize that we are dealing with a very complicated series of problems, and that it is not possible to rely on preconceived generalities in dealing with them. We acknowledge the abuses connected with money-lending in this part of India, but we learn the usefulness, and indeed the necessity, of the money-lender in agricultural economy. We discern that it is not indebtedness that is the evil, but indebtedness for unproductive purposes. We are confronted with not a few of the antinomies or apparent contradictions that underlie economic conditions in India. We observe how in one tract or in one period the agriculturist woos the money-lender for money, while in others the money-lender woos the agriculturist. We are shown how in some conditions poverty, and in others prosperity, is the cause of debt. With these and other complexities the observer is apt to be bewildered, and Mr. Darling will have conferred a great benefit if he has



—as I believe him to have—brought light to bear on these mysteries, and has helped the earnest enquirer to reach a correct and sober judgment on the practical issues at stake. With the increase in the value of agricultural produce, the relation of land to commerce is daily changing, and it is to studies such as his that we look when we wish to adjust our notions and to clear our views. What we want most of all at this time is a full picture of existing conditions among the peasantry, accompanied by a careful and dispassionate examination of the problem to which they give rise, and this is a want that Mr. Darling has attempted to meet in the present book. The Punjab peasant is one of the finest and noblest of his kind, and no one who has the welfare of the Punjab peasant at heart can fail to wish Mr. Darling every success in his attempt.

E. D. MACLAGAN

## PREFACE TO FIRST EDITION

THIS is primarily a study of agricultural debt in the Punjab. But it is also something more, for debt, when as wide-spread as it is in this country, touches the whole of economic life, and to understand the causes of the one we must know something of the conditions of the other. This explains the method and scope of the book, which, in examining the main problem of the Punjab peasantry, seeks to give some idea of the peasant himself in all his varying conditions of heat and cold, drought and flood, river and waste, abundance and want. If I have been over-bold, I would shelter myself behind the words of Malthus, that 'when a man faithfully relates any facts which have come within the scope of his own observation, however confined it may have been, he undoubtedly adds to the sum of general knowledge and confers a benefit on society'. This is indeed the only claim that I can make, that I have endeavoured faithfully to relate the facts which have come to my knowledge, and have set them down with no more comment than seemed necessary to their understanding. If further justification is needed, it is that, though the indebtedness of the Indian cultivator is a fertile theme for politician and journalist, 'the sum of general knowledge' on the subject is small: how small will be seen from the opening pages of the first chapter.

The absence of information has been the greatest difficulty in writing the book. Bricks are proverbially difficult to make without straw, and in this case the straw had to be gathered from innumerable district gazetteers and official reports, written with very little reference to the subject, and from personal enquiries made all over the province from as many reliable sources as possible. A book written in such circumstances and embracing a province larger than Great Britain must be peculiarly open to criticism and error, especially as it has had to be written in such leisure as could be spared from the labour of organizing a new department. Its foundation was laid during the three years that I had the privilege of serving in the Co-operative Department, when I had special opportunities for studying the

economic life of the peasant. It will not, perhaps, have been written in vain if it leads to further enquiry and more accurate knowledge of the peasant and his problems.

That there is need for enquiry can scarcely be disputed. Hardly a week passes without some reference in debate or the Press to the economic disabilities of the cultivator and to his 'poverty and misery', which, as often as not, are set down to the maleficent influence of a foreign Government. It is always difficult to determine the precise influence of Government upon the economic life of a country—both good and evil are commonly exaggerated—but if this book establishes anything, it is that such poverty as exists in the Punjab to-day has little to do with the activities of Government. The proof of this is that in the canal colonies, where these activities have been most marked, there is not only a complete absence of poverty, but a higher standard of rural prosperity than in probably any other country in Asia, not excepting Japan. Similarly, throughout the central Punjab, which with its network of road, rail and canal has felt the influence of the *Pax Britannica* to the full, there has been in the last twenty-five years a remarkable rise in the standard of living; while the only tract where the immemorial poverty of India still survives is the south-west, which has benefited less from British rule than any other part of the province.

But enquiry is needed not only to disprove the palpable fallacies of political prejudice, but still more to assure the welfare of three-fifths of the population of the province. In many ways the Punjab is singularly blessed. Its climate is dry, and, with its extremes of heat and cold, is largely accountable for the sturdy physique of the people. Twenty thousand miles of canals and distributaries, all made within the last sixty years, have secured one-third of the province from famine. The soil on the whole is fertile and produces two crops a year, and wheat, which is a more invigorating diet than rice, is abundant. But its greatest blessing is that it is a land of peasant proprietors. In the West there is a movement, which has grown in strength since the war, to substitute the peasant proprietor for the landlord, in the belief that the welfare of a country is closely linked with this form of agricultural organization. In the Punjab, the problem does not arise, for, except along the outer marches, the peasant proprietor is everywhere predominant. And, what

is more, he constitutes as fine raw material as can be found in any part of India.

Ignorant, no doubt, and unimaginative, and with a mind that is often as empty as the horizon that surrounds him, he has the virtues of a life spent in constant battle with the forces of nature. As tenacious as he is patient, the more he is buffeted, the harder he works, and, when circumstances are too strong for him, he will often join the army or seek his fortune abroad. Africa, Australia and America all know him well, and there is not a port in the Far East where he cannot be found earning a modest, but for him substantial, living as watchman, policeman or trader. Like all who live in primitive surroundings, he is hospitable to strangers, and, if sometimes a quarrelsome neighbour—he dearly loves a case in the courts—he is on the whole faithful to his wife and humane to his kin. Like the winter stream of the river upon which he often lives, he is sluggish in mind, but, like the same river in summer, when roused he will overflow with an energy and force that make him as dangerous to his oppressor in peace as he is to his enemy in war. He will then stick at nothing, and the very spirit that makes him the finest soldier in India renders him also capable of the most desperate crime. Otherwise he is sober enough, with a shrewd, picturesque humour which makes his language a joy to those who delight in vivid expression. He is rarely extravagant (except when he is marrying a child), though he is nearly always improvident; and in his way he is industrious, toiling, if need be, under a sun that would kill the thin-skulled white.

'Tis the life of quiet breath  
'Tis the simple and the true  
Storm nor earthquake shattereth.<sup>1</sup>

So sang a great poet of the peasant proprietor of ancient Greece, and there is something of the same serene simplicity in the peasant of the Punjab which makes it impossible not to love and respect him. To three things he is passionately attached: his religion, his family and his land; and for one thing he cares nothing at all: politics; while there is one person he hates: the money-lender. It is upon the adjustment of these five factors that his future depends.

<sup>1</sup> Euripides, *The Bacchae* (tr. Gilbert Murray).

But the Punjab peasant is not quite what he was ten or twenty years ago. He has been through the great war, and no one who has had that experience is quite the same as he was before. The railway had already brought the modern world to his gates, but the war brought it to his sight. Nearly half a million Punjabis served, and most of them served abroad. The return of these men in their thousands could not fail to have an effect upon the village. Outwardly, the latter is unchanged, and, with its thick cluster of flat-roofed houses made of sun-dried bricks or clods of mud dug from the village pond, it still suggests the ant-heap or the hive rather than the home. But the great wind which has blown across the world since the war, laden with the pollen of new and strange ideas, has passed, ever so lightly, along its narrow, twisting lanes; and in the evening, when the day's toil is done and men gather at the village gate to smoke the hookah and exchange the latest gossip, the talk is no longer entirely of crops, cases and neighbours. The village is, in fact, stirring with a new spirit, which manifests itself in many different ways, some of them disconcerting enough to the administrator, but all inspired by an underlying desire for better conditions of life. At such a time, economic enquiry is essential, for, when an ancient structure is to be renovated or enlarged, the most careful preliminary survey is needed to prevent possible collapse, and thought and skill are required to make the new harmonize with the old. As long as the peasant was content with the conditions of his forefathers, it was sufficient that he had a paternal government to protect him in the satisfaction of his simple needs. But, now that he has tasted the comforts of a higher standard of living, his wants are multiplying, and to satisfy them he will have to look more and more to himself and less and less to Government; the more so that, as Government becomes more partisan and less paternal, opposing interests become more difficult to reconcile, and when this happens those who cannot look after themselves generally suffer. It behoves, therefore, all who have his interests at heart to study his needs, his desires and his resources, in order that he may have a sure and trusty guide along the path of progress.

Till recently, this path was closed to him, for he had neither the ability, nor the inclination to follow it. Dominated by *kismet*, provided he had enough to eat and could marry his children and

was left in possession of his land, he cared little that another should reap the fruits of his toil, that petty officials had to be placated, that his village was insanitary, that he had neither hospital nor school, and that his roads were deeply rutted tracks often impassable after rain; or, if he cared, he felt powerless to prevent it. But now his eyes are slowly opening to his surroundings, and he is beginning to see the world in a new light, as a place in which everything is not inexorably fixed by fate, but in which change may be effected and conditions improved. It would be easy to exaggerate this awakening from the slumber of centuries, but the signs of it, though slight, are unmistakable and of profound import to the future of the province. Meanwhile, the tide of wealth that has been flowing into the Punjab for the last thirty or forty years continues to pass through the hands of the many, who have earned it by their toil, into the hands of the few, who acquire and retain it by their wit; and, as in the days of Sir Thomas Roe, the large fishes continue to eat up the small.<sup>1</sup> The professional money-lender, who, like Vespasian, believes that gold, from whatever quarter, 'never smells', is still a power in the land, and as a fresh thorn in the cultivator's side there has arisen the agriculturist money-lender, who is only less formidable than his rival. In spite of, or rather because of the growing prosperity, debt is increasing, and rates of interest are as high as ever. Marriage absorbs a full year's income, or more, of all but the richest, and the almost incredible fragmentation of land stultifies all talk of agricultural progress. The result is, the wealth, which might be made the basis of a national development as vigorous as that of Japan, threatens to become a disturbing, if not a corrupting, influence in the State. There are districts where its sudden influx has been more a curse than a blessing, and there are others where the weight of debt is so great that large sections of the people are virtually insolvent. An attempt has been made in the following pages to throw some light upon these problems, as well as upon others connected with them; but the field is too large, and the problems too complex, to be dealt with adequately in a single volume or by a single pen.

<sup>1</sup> The people of India 'live as fishes do in the sea—the great ones eat up the little' (Sir Thomas Roe, quoted by W. H. Moreland in *India at the Death of Akbar*, p. 269).

Enquiry, therefore, is needed, and in this enquiry the Muhammadan is more directly concerned than either Sikh or Hindu, for, forming 56 per cent of the rural population, he has necessarily to bear the major part of its debt. No individual can hope for the full development of his powers when heavily involved, and what is true of an individual is equally true of a community. It may well be doubted whether the Muhammadan community will be able to do full justice to itself as long as it is shackled with the chains of debt. And what makes the position worse is, that this debt is almost entirely owed to Hindu and Sikh, a fact which is not calculated to improve the relationship between Hindu and Muhammadan, for prolonged economic disability produces a sense of injury and distrust which makes good feeling impossible. Unfortunately, this communal rivalry is much the greatest obstacle to the development of the Punjab, for a house that is divided against itself cannot stand. This consideration alone shows how important is the subject of rural indebtedness. But the most important consideration of all is that the welfare of the peasant, whether Muhammadan, Sikh, or Hindu, is at stake, and that in India, unlike western Europe, the peasant is still the predominant unit of society.

If this book has been difficult to write, the difficulty would have been much greater but for the appearance, in 1922, of *The Wealth and Welfare of the Punjab*, by Mr. H. Calvert, I.C.S., a book which has throughout been my vade-mecum, and which is indispensable to anyone seeking to understand the economic conditions of the province. But my debt to the author extends beyond his book, for he has been kind enough to read almost everything that follows, and has made many valuable suggestions. I am also indebted to Mr. C. F. Strickland, I.C.S., for looking through several chapters; to Messrs. W. R. Wilson, I.C.S., and J. D. Anderson, I.C.S., for placing their unrivalled knowledge of the south-west Punjab at my disposal; to Sirdar Beant Singh, P.C.S., for reading the two chapters on the central Punjab; to Mr. J. G. Beazley, I.C.S., for reading the chapter on the Canal Colonies; to Mr. D. Milne, I.A.S., and other members of the Agricultural Department, for much useful information; and to the many members of the Co-operative Department, through whom most of my personal enquiries were made. For the maps I have to thank Messrs. B. M. Sullivan, O.B.E.,

and G. E. Francis; and for most of the illustrations Mr. S. M. Nasir, of the Punjab Agricultural College, at Lyallpur. I also acknowledge gratefully the consideration and courtesy consistently shown me by my publishers. It only remains to add that I am solely responsible for any opinion expressed in the book, and that Government has no concern whatever in its publication.





## PREFACE TO SECOND EDITION

THE second edition differs from the first in one material respect. When the latter appeared in 1925, I had only had access to the works of the English and American authorities on rural economics. Since then, owing to the excellent library of the International Institute of Agriculture at Rome which I visited twice in 1925—I cordially acknowledge the courtesy and assistance of the staff—I have been able to consult a considerable number of foreign authorities. This has enabled me to illustrate my theme and fortify my conclusions by frequent reference to the experience of Europe, and has led to the insertion in the concluding chapter of a passage<sup>1</sup> of some length on the conditions governing agricultural progress in India, a problem which the appointment of the Royal Commission on Agriculture has brought prominently forward. In this field, India has more to learn from Continental than from English and American writers, as the peasant, who is the bone and marrow of the country, is of far greater importance and an object of much closer study on the Continent of Europe than in either the United Kingdom or America.

Two other additions may be noted. One amplifies, in the light of recent enquiries, the very brief description previously given of the Northern Punjab,<sup>2</sup> and the other deals with the control of the money-lender by legislation.<sup>3</sup> An abortive attempt to legislate in 1925-26 made this, for the time being, a burning question in the Punjab; and as a further attempt may be made, I have thought it worth while briefly to collate the experience of other countries on the subject and consider its bearing upon the circumstances of the province. Numerous minor additions and changes have also been made, and all figures, so far as possible, brought up-to-date.<sup>4</sup> The most striking of these are those on page 176, where it will be seen that in 1924-25 more was spent upon the protection of the

<sup>1</sup> Pp. 285-98.

<sup>2</sup> Pp. 86-91.

<sup>3</sup> Pp. 228-34.

<sup>4</sup> See more especially pp. 29, 62-3, 177, 196, 227, 274-75, 277-78.

steel industry than upon the development of agriculture, though the one supports less than 300,000 persons and the other 224 millions. The contrast is characteristic of an age unduly pre-occupied with the claims of politics, industry and commerce and too little concerned with the more vital problems of agriculture. Happily, there are signs, notably in the Punjab, of the approach of a new era of agricultural development. The change is a mark of grace but not a guarantee of ultimate blessing, for development and progress (in the real sense of the word) are by no means identical and are sometimes opposed. It must be the aim of all those who cherish the spirit of India, which abides more in the village than the town, to make them one, so that what is good may be preserved and only what is bad eliminated. For this purpose, an indispensable preliminary is the study of the life and mind of the peasant; and it is as a step in this direction that this book was written and has now been revised and reprinted.

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