

Interlinkage of Land, Labour and Credit Relations

An Analysis of Village Survey Data in East India

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This paper presents the results of an intensive and yet fairly large-scale survey, of nearly 275 randomly chosen villages in West Bengal, Bihar and some of the eastern districts of Uttar Pradesh, made in 1975-76, with the primary focus on the terms and conditions of land, labour and credit contracts.

Large-scale studies, such as the present one, of the relevant contractual interrelationships are important not merely for settling pedantic debates on the dominant mode of production, but also for shaping basic directions in agrarian policy and in designing the broad outlines of political programmes for the peasantry.

In a village economy, the terms and conditions of contracts in tenancy, wage labour, and credit transactions are sometimes inter-related, and the imperfections in the relevant factor markets might get reinforced by such interlinkages. The landlord-cum-employer may get underpaid labour services on his own farms by means of his dominance in the land-lease market. The creditor-landlord may rob his tenant of his freedom in decision-making and effectively inflate the rent by realising exorbitant interest on loans at the time of harvest-sharing. The loan-giving employer may get away with cheaper labour as well as various labour-tying arrangements. The large-scale surveys quite often do not capture the intricacies of these inter-relationships. For example, the land holdings surveys by the National Sample Survey do not at all focus on the linkages of land-ownership or land-lease patterns with wage labour or credit contracts; the rural labour enquiries by the NSS do not link up with information on conditions in land or credit markets; the rural credit surveys by the Reserve Bank of India are not sufficiently integrated with data on land and labour markets. The village surveys carried out by the Agro-Economic Research Centres in different parts of India are more intensive, but they do not focus on the inter-relationships of contracts; besides, the villages being purposively chosen (in time as well as in space) do not provide an adequate basis for any generalisation. Some field surveys by individual economists or social anthropologists in a handful of purposively chosen villages have sometimes been quite intensive and useful in terms of their coverage of these inter-related contracts, but their extremely small-scale nature inhibits (as a matter of fact, in the case of the social anthropologic studies they are

not even meant for) wider generalisations.

Yet, at some levels of discussion, generalisability on matters of agrarian relations, despite all its methodological limitations (which the anthropologists never tire of pointing out), is important, not merely for settling pedantic debates on the dominant mode of production, but also in shaping basic directions in agrarian policy and in designing the broad outlines of political programmes

for the peasantry. Pet theories, based on casual empiricism or worse, can be quite harmful in this respect. Take for instance the idea, popular in some radical circles, of 'semi-feudalism' as the prevailing production relation and of usury as the dominant form of exploitation acting as a 'fetter' on agricultural progress in Eastern India, if not in other parts of the country. This idea focuses on a possible type of inter-relationship between usury in the credit

TABLE 1 : DISTRIBUTION OF SAMPLE VILLAGES IN MORE AND LESS ADVANCED AREAS IN THE THREE STATES

Areas	Highly Advanced Areas	Moderately Advanced Areas	Not Advanced Areas	All Areas
States				
West Bengal	40	56	14	110
Bihar	38	32	31	101
East UP	6	36	23	65
East India	84	124	68	276

TABLE 2 : PREVALENCE OF THE USE OF CHEMICAL FERTILISERS AND HYV SEEDS (in villages grouped according to level of development)

Level of Development	States	Percentages of Villages				Total Number of Villages
		Use of Chemical Fertilisers		Use of HYV Seeds		
		Highly Prevalent	Moderately Prevalent	Highly Prevalent	Moderately Prevalent	
Highly Advanced Areas	West Bengal	78	22	62	38	40
	Bihar	79	16	63	32	38
	East UP	—	100	33	67	6
Moderately Advanced Areas	West Bengal	73	25	61	37	84
	Bihar	54	43	28	42	56
	East UP	6	86	29	71	32
Not Advanced Areas	West Bengal	40	56	36	48	124
	Bihar	18	18	8	17	14
	East UP	20	55	10	20	31
All Areas	West Bengal	11	67	5	95	23
	Bihar	59	23	39	37	110
	East UP	58	34	55	31	101
East India	West Bengal	3	92	20	78	65
	Bihar	45	48	39	45	276

relations and the contractual constraints on tenancy and labour, inhibiting innovations on the part of the tenants and creating conditions of bonded labour for the indebted. Recent proponents of this generalisation have, however, provided either no evidence at all (as in the case of Bhaduri) or what amounts to highly inadmissible evidence (as in the case of Prasad). It is precisely because such cavalier generalisations, when empirically unwarranted, may be politically quite misleading, that it is imperative to have a large-scale study of the relevant contractual inter-relationships. Our present paper is based on one such study. As an intensive and yet fairly large-scale survey, of nearly 275 randomly chosen villages in three regions, viz. West

Bengal, Bihar, and some of the Eastern districts of UP, made in 1975-76 with primary focus on the terms and conditions of land, labour and credit contracts, it may have been the first of its kind in India.

In each of these three states, villages were randomly selected, and in each such village four types of questionnaires were canvassed: one to be answered by two (purposively chosen) and if possible, different types of tenants separately; one by two casual labourers separately; one by two permanent farm servants separately; and one general village questionnaire to be filled in on the basis of talking to all these six respondents and cross-checking with other members in the village. Thus, in all, we have tried to get seven schedules

filled in for each village. The tenant and labourer respondents were asked questions not merely about the contracts they themselves have entered into but also about the characteristics of their landlords or employers or creditors and about general features and trends in the village economy and institutions as perceived by them. We did not canvass any questionnaire with the village landlords, employers or moneylenders as such.

The ultimate unit of investigation is the village. Most of the questions relate to the standard type or types of contracts prevailing in the village, and the answers given by one respondent belonging to a particular category (say, tenant) about the prevailing contractual type in the village have been cross-checked with those given by the other respondents in the same category.

Before we discuss the inter-relationships of various contracts, it is interesting to note one general feature of the villages in our sample. Contrary to popular impression, it seems that a majority of the villages in Eastern India show definite signs of technical advance in agriculture. Let us define, for the purpose of this paper, a village as 'advanced' when tubewells and pumps are used and use of chemical fertilisers and HYV seeds are highly prevalent and/or spreading. We define a village as 'moderately advanced' when (a) tubewells and pumps are used or use of (b) chemical fertilisers or (c) HYV seeds is highly prevalent and/or spreading, or a combination of any two of (a), (b) and (c) prevails. We define a village as 'not advanced' or 'backward'

TABLE 3: INCIDENCE OF TENANTS TAKING CONSUMPTION LOANS WITH AND WITHOUT INTEREST

Level of Development	States	Percentage of Tenants	
		Who Take Consumption Loan from the Landlord	Who Take Consumption Loan from the Landlord Without Interest
Highly Advanced Areas	West Bengal	51	21
	Bihar	50	1.5
	East UP	50	8.3
Moderately Advanced Areas	West Bengal	50	13
	Bihar	55	25
	East UP	62	—
Not Advanced Areas	West Bengal	51	—
	Bihar	56	12
	East UP	38	12
All Areas	West Bengal	35	4.3
	Bihar	64	—
	East UP	45	4.8
All Areas	West Bengal	51	23
	Bihar	50	1.7
	East UP	55	1.0
	East India	52	11

TABLE 4: PRINCIPAL OCCUPATION OF LANDLORDS OF TENANTS

Level of Development	States	Percentage of Landlords of Tenants					
		Self-Cultivation as Principal Occupation	True as Principal Occupation	Money Lending as Principal Occupation	Other Activities as Principal Occupation	Using HYV Seeds on Self-Cultivated Land	Using Chemical Fertilisers on Self-Cultivated Land
Highly Advanced Areas	West Bengal	67	5.1	—	23	66	66
	Bihar	93	5.9	—	1.5	88	90
	East UP	75	—	17	8.3	75	83
	East India	79	5.0	1.3	12	75	77
Moderately Advanced Areas	West Bengal	62	11	—	24	60	66
	Bihar	81	12	—	6.9	67	79
	East UP	69	—	14	12	71	68
	East India	69	8.3	3.5	17	65	70
Not Advanced Areas	West Bengal	50	15	—	35	31	31
	Bihar	30	9.7	7.6	26	19	22
	East UP	76	—	9.0	15	58	71
	East India	50	8.1	6.2	25	34	40
All Areas	West Bengal	62	0.9	—	25	59	62
	Bihar	72	9.0	2.0	9.9	63	68
	East UP	72	—	12	2	66	71
	East India	68	7.2	3.4	17	62	66

TABLE 5: IMPORTANCE OF PROFESSIONAL MONEYLENDERS AND MONEYLENDING RICH FARMERS, IMPORTANCE OF LAND-LEASING AMONG PROFESSIONAL MONEYLENDERS AND IMPORTANCE OF CULTIVATION WITH LABOURERS AMONG MONEYLENDING RICH FARMERS

(in villages grouped according to level of development)

Level of Development	States	Percentages of Villages					Total Number of Villages
		With Money-lenders	With Money-lenders Leasing Out Land	With Money-lending Rich Farmers	With Such Farmers Cultivating With Hired Labourers	With Such Farmers Leasing Out Land	
Highly Advanced Areas	West Bengal	20	5	95	94	22	40
	Bihar	42	24	74	74	—	38
	East UP	50	33	83	67	67	6
	East India	32	15	85	83	15	84
Moderately Advanced Areas	West Bengal	36	9	98	98	16	56
	Bihar	72	56	72	72	—	32
	East UP	53	22	83	83	36	36
	East India	50	25	87	87	18	124
Not Advanced Areas	West Bengal	36	21	93	93	—	14
	Bihar	48	29	52	52	—	31
	East UP	65	30	96	96	35	23
	East India	51	28	75	75	12	68
All Areas	West Bengal	30	9	96	96	16	110
	Bihar	53	36	66	66	—	101
	East UP	57	26	88	86	38	65
	East India	45	23	83	83	16	276

TABLE 6: INCIDENCE OF LANDLORD GIVING PRODUCTION LOAN TO TENANTS WITH AND WITHOUT INTEREST

Level of Development	States	Proportion of Tenants Taking Production Loan from Landlords		
		With Interest	Without Interest	Total
Advanced Areas	West Bengal	34	19	53
	Bihar	31	18	49
	UP (East)	17	—	17
Moderately Advanced Areas	East India	31	17	48
	West Bengal	16	30	46
	Bihar	32	14	46
Not Advanced Areas	UP (East)	40	2	42
	East India	26	19	45
	West Bengal	8	4	12
All Areas	Bihar	12	13	25
	UP (East)	49	3	52
	East India	22	7.6	30
	West Bengal	21	23	44
	Bihar	26	15	41
	UP (East)	40	2	42
	East India	27	16	43

TABLE 7(A): PROPORTION OF TENANCY CONTRACTS WITH COST SHARING-STATES

State	Cost Sharing		
	Exists	Does Not Exist	Total
West Bengal	227 (64.12)	127 (35.88)	354 (100.00)
Bihar	116 (52.97)	103 (47.03)	219 (100.00)
UP (East)	73 (57.94)	53 (42.06)	126 (100.00)
East India	416 (59.51)	283 (40.49)	699 (100.00)

where neither (a), nor (b), nor (c) prevails. In our random sample for West Bengal, there are in all 110 villages. Out of these 40 are 'advanced', 58 are 'moderately advanced', and only 14 are 'backward' by our definition (Table 1). In most villages, the big and middle-sized farmers are, obviously, the major users of new inputs. In 59 per cent of West Bengal villages, chemical fertilisers are reported to be used more or less by all big and middle sized farmers, and for HYV seeds this is the case for 39 per cent of West Bengal villages. Out of a sample of 101 villages in Bihar, 38 are 'advanced', 32 are 'moderately advanced', and 31 are 'backward' by our definition. In 58 per cent of Bihar villages, chemical fertilisers are reported to be used more or less by all big and middle farmers, and for HYV seeds it is the case for 55 per cent of Bihar villages. Out of a sample of 65 reporting villages in East UP, 0 are 'advanced', 36 are 'moderately advanced', and 23 are 'backward'. In very few villages in East UP are the new inputs used by all the big and middle farmers (Table 2).

Let us now take the tenancy contract and see how its terms and conditions are affected, if at all, by credit contracts. There is no doubt that the landlord is an important though not the only source of credit to his tenant. In our sample of villages in West Bengal, 51 per cent of tenants' reported taking consumption loans from the landlords. These consumption loans are all repay-

ble in grains from the harvest share of the tenant. In Bihar, on an average, in 50 per cent of the cases the tenants reported taking consumption loans from the landlord. In East UP, in 55 per cent of cases the tenant borrowed from the landlord for consumption purposes (Table 3). But the recent theorists of 'semi-feudalism' would have us believe that in the landlord-tenant relationship, usury dominates as the mode of exploitation and the landlord's considerations of usurious income from the indebted tenant hamper the former's incentive to encourage production and productive investment. Evidence in Eastern India is quite contrary to this hypothesis.

In our survey, we asked the tenants

about the principal occupation of their landlords. In our sample of 109 villages reporting tenancy in West Bengal, lending as the principal occupation of his landlord⁴ Only in 4 out of 95 Bihar villages reporting tenancy, and 13 out of 53 East UP villages reporting tenancy, did any tenant report money-lending as a principal occupation of his landlord. In the majority of cases (82 per cent in West Bengal, 72 per cent in Bihar, and 72 per cent in East UP) the tenant reported self-cultivation as the principal occupation of his landlord (Table 4).

There are no doubt professional moneylenders in some villages. In our sample, professional moneylenders

operate in 30 per cent of West Bengal villages, 53 per cent of Bihar villages, and 57 per cent of East U P villages (Table 5). Only in a small percentage of the sample villages are there professional moneylenders who also lease out land (in West Bengal it is 9.1 per cent, in Bihar it is 36 per cent, and East UP, it is 26 per cent). It is also interesting to note that the majority of villages where professional moneylenders lease out land happen to be villages which may be regarded as technologically advanced. Out of 36 such sample villages in Bihar, 9 are advanced villages, 18 are moderately advanced, and only 9 are backward villages by our earlier definition. Out of 17 such sample villages in East UP, 2 are advanced villages, 8 are moderately advanced, and 7 are backward villages.

Apart from professional moneylenders, there are rich farmers who practice moneylending in most of the villages, but this practice is not mainly confined to backward villages. Out of 106 sample villages in West Bengal where rich farmers indulge in moneylending, 93 villages are advanced or moderately advanced by our definition. Out of 67 sample villages in Bihar, where rich farmers indulge in moneylending, 51 villages are advanced or moderately advanced. Out of 57 sample villages

TABLE 7(B) : PROPORTION OF TENANCY CONTRACTS WITH COST SHARING MORE AND LESS ADVANCED AREAS

Level of Development	Cost Sharing		
	Exists	Does Not Exist	Total
Advanced Areas	164 (71.62)	65 (28.38)	229 (100.00)
Moderately Advanced Areas	175 (53.52)	152 (46.48)	327 (100.00)
Not Advanced Areas	77 (53.85)	66 (46.15)	143 (100.00)
All Areas	416 (59.51)	283 (40.49)	699 (100.00)

TABLE 8 : ASSOCIATION BETWEEN LANDLORDS GIVING PRODUCTION LOANS TO TENANTS AND LANDLORDS SHARING IN THE COST OF CULTIVATION

	Advanced.			Moderately Advanced			Not Advanced		
	Tenant's Share of Cost			Tenant's Share of Cost			Tenant's Share of Cost		
	Less than 100 Per Cent	100 Per Cent	Total	Less than 100 Per Cent	100 Per Cent	Total	Less than 100 Per Cent	100 Per Cent	Total
<i>West Bengal</i>									
Advance Given	62 84.93	11 15.07	73 100.00	63 75.00	21 25.00	84 100.00	3 100.00	—	3 100.00
Advance Not Given	44 69.84	19 30.16	63 100.00	47 44.76	58 55.24	105 100.00	8 100.00	18 69.23	26 100.00
Total	106 77.94	30 22.06	136 100.00	110 58.20	79 41.80	189 100.00	11 37.93	18 62.07	29 100.00
<i>Bihar</i>									
Advance Given	29 69.04	13 30.96	42 100.00	22 78.57	6 21.43	28 100.00	16 72.73	6 27.27	22 100.00
Advance Not Given	19 48.72	20 51.28	39 100.00	7 17.50	32 82.50	39 100.00	47.92	52.08	100.00
Total	48 59.26	33 40.74	81 100.00	29 42.65	39 57.35	68 100.00	39 55.71	31 44.29	70 100.00
<i>Uttar Pradesh (East)</i>									
Advance Given	2 100.00	—	2 100.00	17 53.12	15 46.88	32 100.00	14 56.00	11 44.00	25 100.00
Advance Not Given	8 80.00	2 20.00	10 100.00	18 47.37	20 52.63	38 100.00	13 68.42	38 31.58	76 100.00
Total	10 83.33	2 16.67	12 100.00	35 50.00	35 50.00	70 100.00	27 61.36	17 38.64	44 100.00

Table 9: LANDLORD TAKING PRODUCTION DECISIONS SINCE OR JOINTLY WITH TENANTS

Level of Development	States	Percentage of Tenants	
		Whose Owner Takes Crop Decisions Singly or Jointly with the Tenant	Whose Owner Takes Decisions about Inputs Singly or Jointly with the Tenant
Highly Advanced Areas	West Bengal	77	77
	Bihar	35	40
	East UP	100	83
Moderately Advanced Areas	East India	61	61
	West Bengal	40	38
	Bihar	21	24
Not Advanced Areas	East UP	95	91
	East India	49	49
	West Bengal	54	54
All Areas	Bihar	28	24
	East UP	97	97
	East India	56	54
	West Bengal	56	54
	East UP	96	92
	East India	54	54

Table 10(A): INCIDENCE OF TENANTS RENDERING LABOUR SERVICES TO LANDLORDS (Separately for tilled and landless tenants)

Level of Development	Does Tenant do any Work for Landlords					
	With Land			Without Land		
	Yes	No	Total	Yes	No	Total
Advanced Areas	5	37	42	23	12	35
	11.90	88.10	100.00	65.71	34.29	100.00
Moderately Advanced Areas	4	60	64	20	26	46
	6.25	93.75	100.00	43.48	56.52	100.00
Not Advanced Areas	3	12	15	5	6	11
	20.00	80.00	100.00	45.45	54.55	100.00
All Areas	12	109	121	48	44	92
	9.92	90.08	100.00	52.17	47.83	100.00
Bihar						
Advanced Areas	9	43	52	10	6	16
	17.31	82.69	100.00	62.50	37.50	100.00
Moderately Advanced Areas	7	41	48	6	4	10
	14.58	85.42	100.00	60.00	40.00	100.00
Not Advanced Areas	3	37	40	1	4	5
	7.50	92.50	100.00	20.00	80.00	100.00
All Areas	19	121	140	17	14	31
	13.57	86.43	100.00	54.84	45.16	100.00
Uttar Pradesh (East)						
Advanced Areas	—	8	8	2	2	4
	—	100.00	100.00	50.00	50.00	100.00
Moderately Advanced Areas	3	26	29	10	20	30
	10.34	89.66	100.00	33.33	66.67	100.00
Not Advanced Areas	3	13	16	2	14	16
	18.75	81.25	100.00	12.50	87.50	100.00
All Areas	6	47	53	14	36	50
	11.32	88.68	100.00	28.00	72.00	100.00

in East UP, where rich farmers in dilger in moneylending. 35 villages are advanced or moderately advanced. Needless to say, in the majority of these cases (80 per cent in West Bengal, 66 per cent in Bihar, and 48 per cent in East UP) the main occupation of these moneylending rich farmers is to cultivate land with the help of hired labourers.

Going back to our respondent tenants who take loans from their landlords, we find that, in West Bengal, in 45 per cent of cases of the tenant taking consumption loans from his landlord, the loans do not involve any interest. The cases of interest-free consumption loans from landlord are much less frequent for tenants in Bihar and East UP (Table 3). But what is more important to note for our present purpose is that, in 44 per cent of cases of reporting tenants in West Bengal, the landowner gave advances to the tenant to meet his production needs of seeds, fertilisers, etc. and in 31 per cent cases such advances were given free of interest (Table 6). In 41 per cent of cases of reporting tenants in Bihar the landowner gave advances to the tenant to meet his production needs and 15 per cent cases such advances were given free of interest. In 42 per cent of reporting villages in East UP, the landowner gave advances to the tenant to meet his production needs, and in 2 per cent cases such advances were interest-free. As Table 6 shows, the incidence of production loans by the landlord is obviously much more important in advanced than in backward villages.

Apart from providing production loans, in a majority of the cases the landlord himself bears part of the production costs (seeds, fertilisers, etc.). In 64 per cent of cases in West Bengal, the landlord shares in some costs; in Bihar it is in 53 per cent of cases; and in East UP, it is in 58 per cent of cases (Table 7A). One also observes a strong association between cost sharing and giving of production loans by the landlord (Table 8). Production loans as well as cost-sharing obviously indicate a strong interest on the part of the landlord in productive investment on the tenant farm. It is also observed that, in a majority of cases (in about 58 per cent of the cases in West Bengal, and 66 per cent of the cases in East and 66 per cent of the cases in Bihar), the landowner either himself or jointly with the tenant decides about the use of seeds, fertilisers, etc. on the tenant farm; in Bihar, this is observed

Table 10(B): INCIDENCE OF UNPAID AND UNPAID SERVICES BY TENANTS TO LANDLORDS OUT OF CASES WHERE THE TENANT WORKS FOR THE LANDLORD

West Bengal	(Separately for landed and landless tenants)							
	With Land				Without Land			
	Properly Paid	Under-paid	Unpaid	Total	Properly Paid	Under-paid	Unpaid	Total
Level of Development								
Advanced Areas	5	—	—	8	14	4	5	23
	100.00	—	—	100.00	60.87	17.39	21.74	100.00
Moderately Advanced Areas	3	1	—	4	10	5	5	20
	75.00	25.00	—	100.00	50.00	25.00	25.00	100.00
Not Advanced Areas	3	—	—	3	4	1	—	5
	100.00	—	—	100.00	80.00	20.00	—	100.00
All Areas	11	1	—	12	28	10	10	48
	91.67	8.33	—	100.00	58.34	20.83	20.83	100.00
Bihar								
Advanced Areas	2	3	4	9	10	—	—	10
	22.22	31.33	44.45	100.00	100.00	—	—	100.00
Moderately Advanced Areas	2	2	3	7	3	2	1	6
	28.57	28.57	42.86	100.00	50.00	33.33	16.67	100.00
Not Advanced Areas	—	2	1	3	—	1	—	1
	—	66.67	33.33	100.00	—	100.00	—	100.00
All Areas	4	7	8	19	13	3	1	17
	21.05	36.84	42.11	100.00	76.47	17.65	5.88	100.00
Uttar Pradesh (East)								
Advanced Areas	—	—	—	—	—	2	2	4
	—	—	—	—	—	100.00	100.00	—
Moderately Advanced Areas	—	—	3	3	—	10	10	20
	—	—	100.00	100.00	—	100.00	100.00	—
Not Advanced Areas	—	—	3	3	—	2	2	4
	—	—	100.00	100.00	—	100.00	100.00	—
All Areas	—	—	6	6	—	14	14	28
	—	—	100.00	100.00	—	100.00	100.00	—
East India								
Advanced Areas	7	3	4	14	24	4	7	35
	50.00	21.43	28.57	100.00	68.57	11.43	20.00	100.00
Moderately Advanced Areas	5	3	6	14	13	7	16	36
	35.71	21.43	42.86	100.00	36.11	19.44	44.45	100.00
Not Advanced Areas	3	2	4	9	4	2	2	8
	33.33	22.22	44.45	100.00	50.00	25.00	25.00	100.00
All Areas	15	8	14	37	41	13	25	79
	40.54	21.62	37.84	100.00	51.89	16.46	31.65	100.00

in about 29 per cent of cases (Table 9). This phenomenon is clearly more important in the advanced villages than in the backward villages in our definition.

It is also worth noting that, in 60 to 70 per cent of the cases in West Bengal, Bihar, and East UP, the respondent tenant reported that his landlord uses IFFY seeds and chemical fertilisers on the latter's self-cultivated land (Table

4). All this is a far cry from usurious landlords uninterested in productive investment.

On the inter-relationship between tenancy contracts and obligatory labour on the part of the tenant on the landlord's farm or non-farm activities, we have the following information from the survey (Table 10). Fifty-two per cent of the landless tenants interviewed in

West Bengal reported rendering certain services for the landlord and the percentage for the landed tenants was 9.8. However, among those rendering services 92 per cent of the landed tenants and 58 per cent of the landless tenants reported being 'properly' paid. Corresponding figures for Bihar and East UP may be seen in Table 10. It is clear that rendering unpaid or underpaid services by the tenant for the landlord is far from being the prevalent general pattern. It is, however, interesting to note that such incidence of unpaid or underpaid work for the landlord is not mainly in backward villages.

The tenancy contract may sometimes bind the tenant to a particular landlord (and may in that case make it difficult to distinguish the tenant from an attached labourer). But in our sample of tenants for West Bengal, Bihar, or East UP, there are very few cases where the tenant reports that the tenancy contract prohibits his leasing in land from more than one landlord (Table 11).

Sometimes the tenant's dependence on the landlord is associated with or reinforced by other members of his family working for the same landlord. In the sample villages in West Bengal, 32 per cent of reporting tenants reported some member in his family working as a casual labourer or farm servant for the landlord. The same phenomenon was observed in 32 per cent of cases in Bihar. In East UP, it is much less frequent. It may however, be noted that the overwhelming majority of these cases in West Bengal or Bihar are in advanced or moderately advanced villages (Table 12).

Now, moving away from tenancy contracts, let us note the cases of obligatory labour that credit contracts sometimes impose on casual labourers or farm servants. Let us first discuss the incidence of 'bonded labour' in the sense that a labourer is tied to a particular creditor as a labourer for an indefinite period until some loan taken in the past is repaid. In West Bengal, only 2.4 per cent of cases reported such a case of bonded labour. In Bihar, 14 per cent out of 101 sample villages reported any bonded labour (mostly in the districts of Munghyr, Darbhanga, Bhagalpur and Saharsa). In East UP, 3.8 per cent of the 88 sample villages reported any bonded labour (Table 13). Contrary to the repeated assertions of the theorists of 'semi-feudalism', bonded labour seems to be a relatively unimportant phenomenon in the agrarian

TABLE 11: PROPORTION OF TENANCY CONTRACT WHERE TENANT CAN LEASE IN LAND FROM MORE THAN ONE LANDLORD

States	Advanced Areas	Moderately Advanced Areas	Not Advanced Areas	All Areas
West Bengal	97	95	92	96
Bihar	100	100	93	98
East UP	92	95	100	96
East India	98	96	95	97

TABLE 12: DEPENDENCE OF FAMILY MEMBERS OF TENANTS ON LANDLORDS

Level of Development	States	Percentage of Tenants	
		With Other Members of the Family, Casual Labour or Farm Servant	With Other Members of the Family Working as Casual Labour on Farm Servant for the Landlord
Highly Advanced Areas	West Bengal	53	34
	Bihar	46	25
	East UP	—	—
	East India	46	28
Moderately Advanced Areas	West Bengal	62	34
	Bihar	43	26
	East UP	19	3
	East India	46	24
Not Advanced Areas	West Bengal	46	15
	Bihar	52	11
	East UP	12	6
	East India	38	10
All Areas	West Bengal	57	32
	Bihar	47	22
	East UP	14	4
	East India	44	22

TABLE 13(A): DURATION OF CONTRACT OF ATTACHED LABOURERS (Percentage of Cases)

States	Year	Less than Period One (Debt Year Bondage)	
		Indefinite	2.4
West Bengal	92.0	20.8	2.4
Bihar	81.7	4.2	14.0
East UP	88.5	7.6	3.8
East India	87.3	11.1	7.0

Note: 1 Due to double coding total percentage share has sometimes exceeded 100.

TABLE 13(B): ACTUAL DURATION OF ATTACHMENT OF ATTACHED LABOURERS (Percentage of Cases)

States	One Year	More than 5 Years	
		Up to 5 Years	More than 5 Years
West Bengal	20.0	71.8	8.0
Bihar	11.0	67.0	22.0
East UP	0.7	32.0	67.9
East India	11.1	58.5	30.1

economy of Eastern India. To assert the prevalence of bonded labour on the empirical evidence of any kind of indebtedness in agricultural labour households, as Prasad has done, is highly illegitimate, to say the least.

Indebtedness of the labourer to his employer is, of course, not uncommon. In 68 per cent of cases in West Bengal and 33 per cent of cases in Bihar, the casual labourer takes advances from his employer against future commitment of labour (in East UP, the relevant percentage of villages is very small). In more than 80 per cent of such cases in West Bengal and nearly half of such cases in Bihar, where the casual labourer takes advances from his employer, he works at lower than market wage rate at the time of repayment. The payment of interest thus takes the form of wage cut and the employer also ensures that a steady supply of labour when he needs it. It is worth noting that nearly 90 per cent of the cases of casual labourer taking advances against future commitment of

labour in West Bengal are in advanced or moderately advanced villages; in Bihar nearly 80 per cent of such cases are in advanced or moderately advanced villages (Table 14).

Farm servants taking consumption loans from the employer is, of course, also quite common. In 61 per cent of cases of reporting farm servants in West Bengal, 70 per cent of cases in Bihar and 92 per cent of cases in East UP, farm servants take consumption loans from the employer. More than 85 per cent of such cases of consumption loans in West Bengal are interest-free; in Bihar about one-third cases of such consumption loans for farm servants are interest-free, but in East UP interest-free loans for farm servants are rare (Table 15). Again, the overwhelming majority of the cases of farm servants taking consumption loans from the employer in West Bengal and Bihar are in advanced and moderately advanced villages. It may also be worth noting that, in spite of dependence on the employer for consumption loans, only in 8 per cent of cases in West Bengal the respondent farm servant has been attached to the same employer for more than 5 years; in Bihar, this is in 22 per cent of cases; in East UP it is, however, in a much larger percentage of cases (Table 13B). Apart from credit, sometimes the homestead provided by the employer ties a labourer to him. But cases of the farm servant living in homestead provided by the employer are relatively unimportant in Eastern India (they are observed only in about 20 per cent of cases in our sample for West Bengal and Bihar and almost non-existent in our sample of East UP) (Table 16). Cases of land temporarily allotted to the farm servant by the employer are rare in West Bengal, but are significant in Bihar (41 per cent of cases) and East UP (89 per cent of cases) (Table 17).

For understanding the nature of the employer of farm servants, it is worth noting that his principal occupation is reported (by the farm servant) to be self-cultivation in about 74 per cent of cases in our sample for West Bengal and in about 84 per cent of cases in Bihar. The employer uses HYV seeds in his self-cultivated land in 85 per cent of cases in West Bengal, 83 per cent of cases in East UP, and 74 per cent of cases in Bihar (Table 18). If one takes the set of cases of farm servants attached to the same employer

TABLE 14: INCIDENCE OF CASUAL LABOURERS TAKING LOANS AGAINST FUTURE COMMITMENT OF LABOUR

Level of Development	States	Percentage of Casual Labourers		
		Taking Advance Against Future Commitments of Labour	Working at Lower than Market Wage Rate for Repayment	Rending Other Services to the Employer Against the Advance
Highly Advanced Areas	West Bengal	65	49	—
	Bihar	24	—	10
	East UP	17	17	—
Moderately Advanced Areas	West Bengal	44	31	4.4
	Bihar	73	65	—
	East UP	33	20	3.3
Not Advanced Areas	West Bengal	5.6	5.6	2.8
	Bihar	43	36	1.6
	East UP	57	46	—
All Areas	West Bengal	43	30	8.3
	Bihar	2.1	2.1	—
	East UP	32	24	3.7
All Areas	West Bengal	68	60	—
	Bihar	33	16	7.4
	East UP	5.3	5.3	1.5
	East India	41	31	3.0

TABLE 15: INCIDENCE OF ATTACHED LABOURERS TAKING CONSUMPTION LOANS FROM EMPLOYERS WITH AND WITHOUT INTEREST

Level of Development	States	Percentage of Attached Labourers	
		Taking Consumption Loan from the Employer	Taking Such Loan Without Interest
Highly Advanced Areas	West Bengal	60	55
	Bihar	53	20
	East UP	100	9.1
Moderately Advanced Areas	West Bengal	60	36
	Bihar	70	59
	East UP	90	22
Not Advanced Areas	West Bengal	89	8.5
	Bihar	82	30
	East UP	20	20
All Areas	West Bengal	33	66
	Bihar	95	9.1
	East UP	72	22
All Areas	West Bengal	61	53
	Bihar	70	24
	East UP	97	8.7
	East India	73	30

TABLE 16: INCIDENCE OF ATTACHED LABOURERS LIVING IN HOMESTEAD PROVIDED BY EMPLOYER

States	Advanced Areas	Moderately Advanced Areas	Not Advanced Areas	All Areas
West Bengal	21	21	13	20
Bihar	32	12	5.3	18
East UP	—	1.4	—	0.8
East India	24	11	4.1	14

TABLE 17: PROPORTION OF ATTACHED LABOURERS RECEIVING ALLOTMENT OF LAND FOR CULTIVATION

States	Advanced Areas	Moderately Advanced Areas	Not Advanced Areas	All Areas
West Bengal	1.3	5.5	—	3.1
Bihar	47	48	21	41
East UP	82	94	82	89
East India	27	49	45	41

for more than 5 years, in all of 88 such cases in our sample for East UP, the employer uses HYV seeds and/or chemical fertilisers on his self-cultivated land; in Bihar this is so in 31 out of 36 of such cases. In almost all cases of long-term attachment of the farm servant the employer; this seems to be technologically progressive.

In 54 per cent of the cases in West Bengal casual labourers with some amount of land reported having lost leased land through evictions; the corresponding proportion for Bihar and East UP are 40 and 42, respectively. The corresponding proportions for casual labourers without land are 10, 19 and 51, respectively (Table 19). Eviction of tenants is reported to be increasing in 59 per cent of villages in West Bengal, 51 per cent of villages in East UP, and 34 per cent of villages in Bihar. The overwhelming majority of villages where tenant eviction is reported to be increasing are advanced or highly advanced. Apart from increased profitability of self-cultivation preventive action in the face of protective tenancy legislation has obviously motivated increased tenant eviction on the part of landlords. It is not surprising, therefore, that in our survey the institution of tenancy is reported to be on the decline in 76 per cent of sample villages in West Bengal, 56 per cent of sample villages in Bihar and 66 per cent of sample villages in East UP (Table 20). Of the backward villages 38 per cent in West Bengal, 42 per cent in Bihar, and 77 per cent in East UP, report declining tenancy; of the moderately advanced villages 82 per cent in West Bengal, 68 per cent in Bihar, and 55 per cent in East UP report declining tenancy; of the advanced villages 82 per cent in West Bengal, 58 per cent in Bihar, and 83 per cent in East UP report declining tenancy.

In 88 out of 110 sample villages in West Bengal, 55 out of 101 sample villages in Bihar and in 24 out of 65 sample villages in East UP self-cultivation with the use of casual labourers is on the increase. Employment of farm servants is also reported to be increasing in 45 out of 105 reporting villages in West Bengal, 23 out of 97 reporting villages in Bihar and 39 out of 65 villages in East UP. The overwhelming majority of cases of increasing employment of farm servants is in moderately advanced or advanced villages.

To summarise briefly, the landlord or the employer is an important source of

TABLE 18 : CHARACTERISTICS OF EMPLOYERS OF ATTACHED LABOURERS

Level of Development	States	Percentage of Attached Labourers with Employers			
		Whose Main Occupation Is Self-Cultivation	Whose Main Occupation Is in Other Fields	Using HYV Seeds	Using Chemical Fertilisers
Highly Advanced Areas	West Bengal	74	15	97	100
	Bihar	85	4.5	94	94
	East UP	—	—	100	100
Moderately Advanced	East India	73	9.5	96	97
	West Bengal	71	18	78	93
	Bihar	88	5.0	77	93
Not Advanced Areas	East UP	—	—	86	94
	East India	51	8.1	80	94
	West Bengal	87	13	53	47
All Areas	Bihar	76	24	37	68
	East UP	—	—	73	95
	East India	43	11	56	77
All Areas	West Bengal	74	17	85	92
	Bihar	84	9.1	74	88
	East UP	—	—	83	95
All Areas	East India	57	9.3	80	91

TABLE 19 : INCIDENCE OF CASUAL LABOURERS LOSING LAND THROUGH EVICTION FROM LEASED LAND

States	Areas							
	Advanced		Moderately Advanced		Not Advanced		All	
	With Land	Without Land	With Land	Without Land	With Land	Without Land	With Land	Without Land
West Bengal	23	6	36	13	5	—	64	19
	(56.10)	(15.38)	(56.25)	(27.08)	(35.71)	—	(53.78)	(18.81)
Bihar	16	10	19	4	10	—	45	14
	(50.00)	(28.57)	(50.00)	(17.39)	(23.26)	—	(39.82)	(18.67)
East UP	2	2	13	9	20	24	35	35
	(33.33)	(33.33)	(26.53)	(32.14)	(71.43)	(70.59)	(42.17)	(51.47)
East India	41	18	68	26	35	24	144	68
	(51.90)	(22.50)	(45.03)	(26.26)	(41.18)	(36.92)	(45.71)	(27.87)

TABLE 20 : TRENDS IN EMPLOYMENT OF CASUAL LABOURERS AND FARM SERVANTS AND CULTIVATION BY TENANTS

Level of Development	States	Percentages of Villages where							Total Number of Villages
		Tenancy Is Decreasing	Use of Casual Labour Is Increasing	Use of Farm Servants Is Increasing	Tenancy Decreasing and Casual Labour Increasing	Tenancy Decreasing and Farm Servants Increasing	Casual Labour and Farm Servants Increasing	Tenant Eviction Is Increasing	
Highly Advanced Areas	West Bengal	82	85	59	80	55	58	81	40
	Bihar	58	68	29	58	24	29	44	38
	East UP	83	50	50	33	30	17	50	6
Moderately Advanced Areas	East India	71	75	45	67	40	42	63	84
	West Bengal	82	84	38	71	39	34	52	55
	Bihar	68	69	35	59	31	31	36	32
Not Advanced Areas	East UP	55	39	58	28	31	28	51	36
	East India	71	67	44	56	30	31	48	124
	West Bengal	36	50	—	43	7.1	7.1	19	14
All Areas	Bihar	42	23	—	9.7	—	—	15	31
	East UP	77	30	65	26	52	8.7	52	23
	East India	52	31	26	22	19	4.4	28	68
All Areas	West Bengal	76	80	43	71	35	39	59	110
	Bihar	56	54	23	44	19	21	34	101
	East UP	66	37	60	28	40	20	51	65
All Areas	East India	66	61	40	51	30	28	48	276

credit to the tenant or wage labourer, but the evidence in Eastern India strongly suggests that incidence of usury as the main mode of exploitation or of bonded labour is very rare. The landlord quite often gives production loans to the tenant, shares in costs of seeds, fertilisers, etc., participates in decision-taking about the use of these inputs and in general takes a lot of interest in productive investment on the tenant farm. Consumption loans to tenants and wage labourers are occasionally interest-free; sometimes interest is charged in the form of a wage cut for the casual labourer. But loans taken by the labourer, usually repaid in harvest time in grain and in labour, do not in general lead to long-term bondage relationships. The majority of loan-giving employers are self-cultivators using HYV seeds, chemical fertilisers, pumps and tubewells. Tenancy is on the decline and self-cultivation with the help of casual labourers and sometimes also attached labourers is increasing.

Much too often in the literature on production relations, tenancy or the institution of attached labour has been equated with feudalism and indebtedness by poor peasants to their landlords or employers with debt-bondage. This has been a source of considerable confusion in the recent discussion on agrarian modes of production. The essential features of a feudal mode are associated with the appropriation of surplus in the form of ground rent and unpaid labour services by primarily

non-cultivating landlords through extra-economic coercion or social and legal compulsion. Our survey in Eastern India suggests that the overwhelming majority of tenants and attached labour contracts do not display such feudalistic features. The institution of share-cropping tenancy has been largely adapted to the needs of increasing production and profit by enterprising farmers, both owners and tenants. Unpaid and obligatory service by the tenant for the landlord is rather uncommon. Depredate conditions of poverty and unemployment afflict the peasant in the labour market, but not so much extra-economic coercion. The attached labourer has a longer-duration contract with his employer than the casual labourer, but this does not usually imply serfdom to any significant extent more than the case of tenured and salaried employees in the organised labour markets. The employer's need for job security and the employer's need for a dependable and readily available source of labour supply — and not feudal subordination — provide the major motivation of attached labour contracts. Indebtedness to one's employer does not necessarily make one a bonded labourer, just as an office worker borrowing from his provident fund account is not an unfree labourer, even though he may not be in a position to easily switch jobs for economic reasons. Needless to say, the economic constraints faced by the small share-cropper or the attached labourer are much more severe and they frequently push him into unequal relationships of mutual dependence with the landlord-creditor-employer. But, surely, unequal contracts and economic exploitation are not distinguishing features of feudalism as opposed to other modes of production.

Notes

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- 1 A Bhaduri, 'A Study in Agricultural Backwardness under Semi-feudalism', *Economic Journal*, March 1973.
- 2 P H Prasad, 'Reactionary Role of Usurers' Capital in Rural India', *Economic and Political Weekly*, Special Number, August 1974; 'Production Relations: Achilles Heel of Indian Planning', *Economic and Political Weekly*, May 12, 1973.
- 3 A similar survey in Punjab and West UP has also been completed. The study will be reported in a subsequent article.

- 4 It was decided to take about 100 villages in each state. The villages were allocated to the districts in proportion to the agricultural population of the districts; and, within each district, villages were selected randomly with probability proportional to the village population. The numbers allocated to West Bengal, Bihar and the districts of East UP, were 110, 101 and 68, respectively.
- 5 These and subsequent average percentage figures based on answers of respondents about themselves or about their particular landlord or employer refer to averages over cases of respondents, not exactly villages. When percent-

age figures refer to villages, on the basis of answers on general questions regarding the village, we have explicitly called them village percentages.

- 6 If a tenant has leased in land from more than one landlord, the relevant characteristics reported here (and subsequently) are presumably those of the principal landlord.
- 7 In 20 sample villages in Bihar (mostly in Darbhanga, Gaya, Muzaffarpur and Patna) the farm servant reports repaying consumption loans by doing extra days of work. Of these 20 villages, 12 are advanced and 4 moderately advanced. In West Bengal and East UP, this practice is less frequent.