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*Land, Labour and Credit Relations in a
Peasant Movement Belt*

SOME ATTEMPTS have been made in recent years by social scientists in our country to analyse the various economic institutions in the rural areas in terms of both market and non-market forces.¹ Amit Bhaduri (1973) attempted to examine the influence exerted by the relations of production on the introduction of improved technology into the agriculture of Birbhum district in West Bengal. The study was based on survey data from 26 villages in 1970. Bhaduri observed the following features of Birbhum agriculture: (a) sharecropping (including the system of *Krishani* cultivation) as the dominant form of tenancy, (b) the perpetual indebtedness of the small tenants, (c) convergence of two modes of exploitation, viz, usury and landownership in the hands of the same landowner and (d) lack of accessibility of the small tenants to the market. According to Bhaduri, such a kind of production relations operates as a barrier to the introduction of improved technology and has more in common with classical feudalism of the master-serf type than with industrial capitalism.

P H Prasad (1973, 1974) in his studies on production relations in three districts of Bihar (Purnea, Saharsa and Monghyr) supported the view of Bhaduri regarding the semi-feudal relations of production in agriculture. According to the author, all the semi-proletariat households² (based on data of 11 villages in the districts of Purnea and Saharsa) were forced to take consumption loans from the big landowners, as in most cases they were not able to meet their minimum consumption needs from their earnings. The rates of interest on such loans were so high that they could hardly repay. Thus, as their debts accumulated over the years they were compelled to sell their small parcels of land (if any) to their landlords. In spite of selling their lands, in most cases they were not able to discharge completely their debt obligations. Thus, the landlords could force upon their direct producers in agriculture a system of unequal exchange, thereby deriving enormous economic

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benefits in such forms as cheap and assured labour and better terms for leasing out land. This has resulted in the semi-proletariat of the agricultural sector being gradually deprived of their lands. From these observations, Prasad concluded that "usurer's capital plays a historically reactionary role which is not only responsible for low use of means of production and inimical to net investment in the agricultural sector but is also responsible for widespread poverty, debt slavery and semi-feudal bondage."

Yet another study carried out on this problem is that of T V N Kurup (1976). His study was based on a survey of Trivandrum taluk of rural Kerala. He observed that the non-institutional agencies like professional moneylenders, friends and relatives etc in the villages dominated the rural credit market. The wage-earning class depended heavily on non-institutional sources of credit. Friends and relatives often provided credit to them on terms and conditions similar to those of professional moneylenders. The cost of credit was, however, inversely related to the economic status of the borrowers resulting thereby in the greater attachment of wage-earning class to their respective employers in comparison to the other classes in the agrarian hierarchy.

A fairly large-scale survey in Eastern India³ conducted in 1975-76 provided data about different aspects of various types of labour and tenancy contracts (Bardhan and Rudra). The data showed that the practice of taking consumption loans from the employer was quite common amongst both labourers (daily contracts and annual contracts) and sharecroppers. Loans taken by the labourers were, however, occasionally interest free; sometimes interest was charged by way of paying wages lower than market rates. Tenants taking consumption loans from the landlords was also common, but loans provided to the tenants did not usually imply unpaid and obligatory service by the tenant for the landlord. Moreover, a significant proportion of landlords in the three regions provided interest-free production loan to the tenants and a strong association between cost-sharing and giving of production loans by the landlords could be observed. They thus concluded that the landlord-tenant as well as employer-labour relationships do not necessarily indicate that usury dominates as the mode of exploitation and that the landlord's concern for usurious income from the indebted tenant does not hamper his incentive to encourage productive investment.

Khasnabis and Chakravarty (1982) who undertook a survey on tenurial arrangements in Nadia district of West Bengal did not find any strong interlinkage between tenancy contracts and credit contracts. They observed that the typical landlords did not enter into usury practices with their tenants who nevertheless needed both production and consumption loans. The credit market was found to be dominated by the non-landlord loan-givers (e.g. traders, professional moneylenders etc) and not by the landlords. Thus, the findings of Khasnabis and Chakravarty seem to be consistent with the findings of a large-scale

survey undertaken by Bardhan and Rudra (1978).

We ourselves undertook a survey on tenurial arrangement in Naxalbari, Kharibari and Phansidewa regions of West Bengal (Chattopadhyay and Ghosh, 1983). We, however, found a strong interlinkage between tenancy contracts and credit contracts. We also observed that the existence of an interlinkage between tenancy and credit contracts could be explained more efficiently by the lack of entrepreneurial and innovative role of the landlords.

Most of the studies cited above have viewed the interlinkage approach narrowly, i.e., in terms solely of tenancy and credit contracts. Their analyses in this context rest on the view that sharecropping is a device for extracting a surplus from the peasantry on the basis of two modes of exploitation--exploitation based on the landowner's traditional property in land as well as that based on usury. The essential features of the interlinkage approach however are associated with the appropriation of surplus not only in the form of ground rent and usury, but also in the form of unpaid labour services of the labourers by the landlords through providing loans. This aspect of labour relations has received little importance in the studies described above. Except for Bardhan and Rudra (1978), the empirical relevance of the interlinkage approach has not been examined in a comprehensive manner, i.e., in terms of studying the problem through the terms and conditions of contracts in tenancy, wage-labour and credit transactions. The purpose of the present paper is to examine the interlinkage approach in terms of a comprehensive framework of land, labour and credit relations.

While judging the empirical relevance of such an approach, one should note that the said approach purports to consider the imperfections in the relevant factor markets which might get reinforced by backward production conditions as well as by the political events and social situations of conflict in the countryside.⁴ The movement belt-specific survey which also characterises the backward production conditions can therefore be advantageously utilised for judging the empirical soundness of the interlinkage approach.

Data and Selection Criterion

Our present paper on land, labour and credit relations is based on a socio-economic survey in a frontier region of Siliguri Sub-division (covering Phansidewa, Kharibari and Naxalbari police stations). This region was characterised by large-scale peasant mobilisation and revolt which occurred a decade and a half ago.

In an earlier phase of our survey as we have mentioned in our previous paper (Chattopadhyay and Ghosh 1983) the area under investigation was classified into two broad strata according to the relative presence or absence of the peasant movement in 1967. We found that some villages under these three police stations were influenced greatly by the peasant mobilisation and some villages were relatively or absolutely free

from it. In fact, out of 32 *moujas* (revenue units) consisting of 90 *jotes* (villages) under these three police stations (selected on the basis of a PPS sample),⁵ only six villages could be identified as 'movement villages'. By taking an equal number of matched 'non-movement' villages from our original sample, some comparisons have been made on some aspects of agrarian relations between these two types of villages (Chattopadhyay and Ghosh 1983). For this purpose, we collected data from households of landowners, labourers and tenants.

Since such a methodology of data collection was considered not sufficient for an adequate comprehension of the various rural structures and their relationships in terms of caste, class, ethnicity, ideology etc, as well as their influence on peasant mobilisation, it was felt necessary to conduct a more intensive survey of the movement villages which were also characterised by substantial concentration of all types of agrarian categories. Thus, following this consideration, three *moujas* (one from each police station) consisting in all eight *jotes* were further selected from our original sample of movement and non-movement *moujas*. Although only two were from the movement *moujas*, in effect, the third non-movement *mouja* also subsequently came under the influence of the movement. Hence we have treated it here, to be realistic, as equivalent to a movement *mouja*. All the households belonging to the agrarian as well as non-agrarian categories in these villages (*jotes*) were completely enumerated. Most of the questions in this investigation relate to social, economic and political networks over and above the terms and conditions of land, labour and credit contracts prevailing in the village/*jote*.

Our present paper is based on the data of agricultural households only. A comprehensive study taking all the households (both agricultural and non-agricultural) of these eight villages in the three *moujas* is under way. This paper has covered data which are only related to the terms and conditions of labour contracts, tenurial contracts and credit arrangements reported both by the landlord and by the labourer/tenant.

We have presented our results of analysis on land, labour and credit contracts in the following sections. The results presented cover 231 owner, 69 tenant and 102 labour households in the eight villages of the region under study.

The Landowners

Various classes of landowners (in terms of size-class of ownership holding and operational holding) discussed in this section pertain to the major crop produced in this area, viz, cultivation of early *Kharif* paddy (*Aus*) or jute on highlands and *Kharif* paddy (*Aman*) on lowlands. Incidence of double or multiple cropping on the lands is almost insignificant. Productivity per acre of paddy crop ranges between 12 and 21 maunds.

Table I gives the size distribution of land owned by the households of the villages under study.

TABLE I
DISTRIBUTION OF LANDOWNING HOUSEHOLDS BY SIZE CLASS OF
OWNERSHIP HOLDING (IN ACRE)

<i>Class of landowners by size group of ownership holding (in acre)</i>	<i>No. of households</i>	<i>Cultivated area under possession (in acre)</i>	<i>Average cultivated area per household (in acre)</i>
1	2	3	4
Upto 2.50	135 (58.44)	175.47 (27.11)	1.30
2.51 - 5.00	69 (29.87)	258.03 (39.87)	3.74
5.01 - 7.50	15 (6.49)	88.81 (13.72)	5.92
7.51 & above	12 (5.20)	124.92 (19.30)	10.41
All classes	231 (100.00)	647.23 (100.00)	2.80

NOTE:- Figures in brackets indicate percentage distribution.

We observe that the households reporting land ownership mostly belong to the marginal and small peasant categories. Out of 231 landowning households, only 27 households (i.e., 11.69 per cent of total households) belong to the middle and big peasant categories. These 27 households possess 33.02 per cent of total cultivated area with an average of 7.91 acres per household.

We further observe from Table II that out of 231 landowning households only 59 households enter into the land lease market in terms of either leasing in or leasing out of land. Of these 59 households, 13

TABLE II
DESCRIPTION OF LANDOWNING HOUSEHOLDS IN TERMS OF THEIR
ASSOCIATION WITH LAND LEASE MARKET

<i>Class of land- owners by size group of owner- ship holding (in acre)</i>	<i>No. of households entering into the tenancy market through</i>		<i>No. of households not entering into the tenancy market but identified as</i>			<i>Total</i>
	<i>Letting- out land</i>	<i>Leasing- in land</i>	<i>Pure owners</i>	<i>Owner-cum- others</i>		
				<i>labourers</i>	<i>activities</i>	
(1)	(2)	(3)	(4)	(5)	(6)	(7)
Upto 2.50	0	37	23	55	20	135
2.51 - 5.00	7	6	14	11	3	71
5.01 - 7.50	2	2	6	1	2	13
7.51 & above	4	1	7	0	0	12
All classes	13	46	80	67	25	231

households fully or partly let out their lands (i e, have tenants) and the rest of the households partly lease in land from others (i e, owner-cum-tenant cultivators). Among the remaining 172 landowning households, 80 households are purely owner cultivators (i e, not entering any other market) and the remaining 92 households enter either the labour market through hiring out their labour or do service or petty business in the non-agricultural sector. This indicates that tenancy is not now the predominant feature of the agrarian structure in this region.

An interesting finding that comes out from Table II is that it is the small landowners who lease out land to a larger extent compared to the total land letting out cases, contrary to the popular belief that the incidence of letting out land by the small farmers is negligible. The backward nature of agriculture and the meagre resource base of the majority of small landowning households have sometimes forced them into "distress lease" and made them join the swelling ranks of agricultural labourers. The tenants attached with such type of landowning households naturally do not represent debt-slavery and semi-feudal bondage.

With respect to the involvement of households in the labour market, the households have been divided into three broad categories in terms of hiring-in and hiring-out labour, as may be seen from Table III. There are 63 households (i e, 27.27 per cent of total households) reported to be depending exclusively on family labour-based cultivation and not being hired out, which neither exploit outside labour nor are exploited by others. Thus, these households do not enter the labour market, not because they are indifferent to such employment but because limited opportunities have restricted it. However, our data show that the majority of households (72.73 per cent of total households) enter the labour market either as purely employer (58 cases), or purely employee (90 cases) or both as employer and employee (seven

TABLE III
DESCRIPTION OF LANDOWNING HOUSEHOLDS IN TERMS OF THEIR
ASSOCIATION WITH LABOUR MARKET

Class of land-owners by size group of ownership holding (in acre)	No. of households entering into the labour market through			No hiring in and hiring out	Total including not available
	Hiring in but no hiring out	Hiring out but no hiring in	Both hiring in and hiring out		
(1)	(2)	(3)	(4)	(5)	(6)
Upto 2.50	12	77	3	32	135
2.51 - 5.00	28	13	3	25	69
5.01 - 7.50	11	0	1	2	15
7.51 & above	7	0	0	4	12
All classes	58	90	7	63	231

cases). Interestingly, the purely employer group mainly belongs to the categories of marginal and small peasants. These households were also reported as doing non-agricultural activities and their family size was so small that their cultivation was done mainly by the hired labourers.

From the above findings, it is clear that the labourers may not necessarily be employed by the relatively bigger landowning households of this region. This is, once again, contrary to the findings of conventional analysis.

Now, let us see how the people of different caste/communities have entered into the landowning structure of this region. Presented in Table IV are the results of our analysis.

TABLE IV
DISTRIBUTION OF HOUSEHOLDS ACCORDING TO CASTE/COMMUNITY
AND LANDOWING CLASS

Class of land-owners by size group of owner- ship holding (in acre)	Caste/community affiliation of households					Total
	Scheduled Caste. (Raj- bansi, Biswa- karmakar etc)	Scheduled Tribe (Oraon, Munda etc)	Nepali	Others	Not availa- ble	
(1)	(2)	(3)	(4)	(5)	(6)	(7)
Upto 2.50	94 (69.63)	30 (22.22)	2 (1.48)	7 (5.19)	2 (1.48)	135 (100.00)
2.51 - 5.00	43 (62.32)	18 (20.09)	0	7 (10.15)	1 (1.44)	69 (100.00)
5.01 - 7.50	9 (60.00)	2 (13.33)	1 (6.67)	2 (13.33)	1 (6.67)	15 (100.00)
7.51 & above	9 (75.00)	1 (8.33)	0	2 (16.67)	0	12 (100.00)
All classes	155 (67.10)	51 (22.08)	3 (1.30)	18 (1.79)	4 (1.73)	231 (100.00)

NOTE:- Figures in brackets indicate percentage of total households against each class of landowners.

Table IV shows that the majority of landowning households of all classes belong to the Scheduled Caste community (mainly Rajbansi). Thus, cultivable land markets of this region are largely dominated by the people of certain Scheduled Castes, which is not typical of other places in West Bengal where landowners, particularly larger ones, belong to the high castes and smaller ones by and large belong to the lowest rungs of the social hierarchy (Chattopadhyay, 1982). Thus, the pervasiveness of a community in the land market is a unique feature of this region and the interrelationship of land, labour and credit relations in this region should be comprehended in this perspective also. We may now turn to examine the households belonging to the tenant category

and see how the terms and conditions of tenancy contract are affected, if at all, by credit contracts.

The Tenants

We could trace 46 landed tenants, given in Table II, in the eight villages under study. Apart from the landed tenants, we could identify a number of landless tenants (23 households) from these eight villages. Thus we could trace a total of 69 tenant households who were associated with 54 landowning households. Out of these 54 landowning households, 13 were located in the sampled villages and the rest outside the sampled villages. Since in some cases one landlord employed more than one tenant and similarly one tenant served more than one landlord, we can enumerate 81 cases from which lessor-lessee relationship can be examined.

We observe that the majority of tenants (63 out of 69) are either landless or marginal peasants and they have poor asset base in terms of ownership of landholding. This means that they have poor bargaining power vis-a-vis their landlords who have, in a majority of the cases, superior asset base in terms of their ownership holding. In the absence of superior bargaining power of the majority of tenants, it can be conjectured that the terms and conditions of contract will be in favour of the landlords. Our data presented in Table V corroborate this conjecture.

TABLE V
ASSOCIATION BETWEEN CROP-SHARE AND COST-SHARE

<i>Crop-share (Lessee:Lessor)</i>	<i>Cost borne by the tenant only</i>	<i>Cost by both owner & tenant</i>	<i>Total</i>
(1)	(2)	(3)	(4)
50:50	4	41	45
75:25	31	0	31
Note clear	5	1)	5
Total	40	41	81

Table V shows that a large number of cases (45 out of 81) are associated with the 50:50 crop-sharing arrangement with the existence of tenant's cost-share. We have indicated elsewhere that this kind of sharecropping arrangement is usually highly exploitative.⁶ The 75:25 crop share with costs borne fully by the tenant is considered as the post-reform form of tenancy and indicates a relative freedom of the tenant in production relations. Interestingly, our data indicate that a relatively higher proportion of landed tenants is associated with the 75:25 tenancy type, whereas a relatively higher proportion of landless tenants who have poor bargaining power also, seems to be associated with the exploitative form of tenancy (Table VI). Thus, these two different patterns of tenurial arrangements with respect to

two different classes of tenants suggest that dominance of landlords over the tenants in general, over the landless tenants in particular, is a phenomenon of this region.

TABLE VI
INCIDENCE OF CROP AND COST SHARES AMONG THE TWO TYPES OF TENANTS

<i>Types of tenants</i>	<i>Tenants receiving 50 per cent of crop and bearing full or some costs of cultivation</i>	<i>Tenants receiving 75 per cent of crop and bearing full cost of cultivation</i>	<i>Total number of cases including other types</i>
(1)	(2)	(3)	(4)
Landless	18 (66.66)	7 (25.92)	27 (100.00)
Landed	27 (50.00)	24 (41.44)	51 (100.00)

NOTE: Figures in brackets indicate percentage of total number of cases against each type of tenant.

Let us now try to consider the two patterns of association between landlords and tenants, described above, in terms of their caste/community affiliation.

Table VII shows that in the majority of cases lessor-lessee relations of two tenurial types are circumscribed within the same community. In other places in West Bengal, it has been observed that the lessor-lessee relations are different not only from economic

TABLE VII
RELATIONSHIP BETWEEN TENANT AND LANDLORD IN TERMS OF CASTE/COMMUNITY AND TENURIAL CONTRACTS

<i>Types of contracts</i>	<i>No. of tenants serving the landlords of</i>		<i>Total including v.l</i>
	<i>Same community</i>	<i>Different community</i>	
(1)	(2)	(3)	(4)
Tenant receiving 50% of crop-share by bearing full or some cost of cultivation	25 (55.55)	19 (42.22)	45 (100.00)
Tenant receiving 75% of crop-share by bearing full cost of cultivation	17 (54.84)	12 (38.71)	31 (100.00)
Not clear cases	4 (80.00)	1 (20.00)	5 (100.00)
All types	46 (56.78)	32 (39.50)	81 (100.00)

NOTE: Figures in brackets indicate percentage of total number of cases against each tenancy type.

point of view but also in terms of social hierarchy. The *terai* region of North Bengal is, however, an exception to this.

Coming now to the data on incidence of credit with respect to the types of tenurial contracts described above, it is seen from Table VIII that the majority of tenants belonging to the 50:50 form of tenancy type (24 out of 45, i e, 53 per cent) receive loans from their landlords. The incidence of credit in the cases of tenants belonging to the 75:25 form of tenancy type is exceedingly small (four out of 31, i e, 13 per cent). Thus, our data indicate that the 50:50 crop-sharing arrangement not only assures a better share of the produce for the landowners but also provides them with an opportunity to enter into the credit market for higher profit.

TABLE VIII
SOURCES OF CREDIT FOR VARIOUS TYPES OF TENURIAL CONTRACTS

<i>Types of contracts</i>	<i>Private (landlord)</i>	<i>Institutional</i>	<i>Not getting loan</i>	<i>Total</i>
(1)	(2)	(3)	(4)	(5)
Tenant receiving 50% of crop-share by bearing full or some costs of cultivation	24 (53.33)	0	21 (46.67)	45 (100.00)
Tenant receiving 75% of crop-share by bearing full cost of cultivation	4 (12.90)	0	27 (87.10)	31 (100.00)
Not clear cases	1 (20.00)	0	4 (80.00)	5 (100.00)
All types	29 (35.80)	0	52 (64.20)	81 (100.00)

A class-wise break-up of tenants by the incidence of credit further reveals from Table IX that the incidence of credit is higher among the landless tenants than the categories of landed tenants. Landless people are found to participate more in the credit market obviously not because they are more creditworthy, but their credit requirement is higher compared to the landed tenants for their very economic subsistence. Landlords very often take advantage of their economic position and they frequently push the tenants into unequal relationship of dependence through providing loan. This has been possible particularly due to the negligible role of institutional credit to the landless population.

Coming now to the data on incidence of credit from landlord source with respect to consumption and non-consumption loan separately, presented in the same table, we find that 25 out of 29 tenants have taken consumption loan among whom landless tenants predominate. The corresponding figure for non-consumption loan (i e, loan for expenses on production mainly) is four of which all are those of landed tenants.

TABLE IX
TYPE-WISE BREAK-UP OF CREDIT FROM LANDLORD SOURCE BY
CLASS OF TENANTS

Class of tenants by size-group of owner- ship holding (in acre)	Consumption		Non-consumption		Total no of tenants
	With interest	Without interest	With interest	Without interest	
	(1)	(2)	(3)	(4)	
0	11	4	0	0	15
0.01-2.50	8	2	0	1	11
2.51-5.00	0	0	0	2	2
Above 5.00	0	0	0	1	1
All classes	19	6	0	4	29

This finding is indicative of the presence of productive investment through production or non-consumption loan from the landlords by the landed tenants. However, the relatively higher incidence of consumption loan among a large number of landless tenants indicates that the majority of landowners are not interested in productive investments in agriculture but to extract profit through usury.

The consumption loans taken by the tenants are in most cases not interest free. The rate of interest, as reported by the tenants, is exorbitantly high varying between 50 and 100 per cent per year. The credit market of this region is thus dominated by the class of landowners who in most cases possess large ownership holdings. Thus, our data on tenancy, by and large, support the hypothesis that a land lease contract is linked with a credit contract at least in the case of big landlords residing in the agriculturally backward areas. We may now turn to the analysis of labour contracts prevailing in the villages under study.

The Labourers

A sizable section of labourers (63), as may be expected, reported themselves landless. However, as many as 39 reported holding small parcels of land, and hence they may be termed as landed labourers. Thus, in all we identified 102 labour households consisting of both landless and landed labourers from our sample villages. It is interesting to note that we did not encounter a single case where the labourer was attached for a period of one year to a single employer. Thus, the employer-labour relations considered in this section pertain to such type of labourers who worked on a daily contract basis and served simultaneously more than one employer during the period of one year (known as casual labourers).

Generally, the terms and conditions of employment of casual labourers indicate that they are employed for a day or for a sequence of days and are paid daily wages in both cash and kind for different types of farm and non-farm work in almost all the seasons of an agricultural

year. Since they are offered employment on an *ad hoc* basis, they are free to choose any employer for this purpose. One might expect in such a situation that a casual labourer will serve a large number of employers during an agricultural year. Our data, however, do not corroborate this view as may be seen from the following analysis.

We find from our data, presented in Table X, that the daily contract labourers of this region can be classified into three broad types in terms of their involvement with the number of landlords. There were 48 households who reported that they served less than five employers around the major part of the year. They have been termed as 'semi-attached' labourers—'semi' in the sense that they were not attached fully to a single employer for the whole year, but were also presumably not in a position to go to a large number of employers during the year. From this point of view, it will be misleading to treat them either as purely casual labourers or as purely attached labourers. Table X shows that this is the prevalent type of labourers in the sample.

TABLE X
TYPES OF DAILY CONTRACT LABOURERS IN AGRICULTURE BY LANDOWNERSHIP
AND NUMBER OF EMPLOYERS SERVED

Types of labourers by no of employers served	Number of labourers		
	Landless	Landed	Total
(1)	(2)	(3)	(4)
Type I: Less than 5	42 (56.76)	32 (13.24)	74 (100.00)
Type II: More than 5	21 (75.00)	7 (25.00)	28 (100.00)
All types	63 (61.76)	39 (38.24)	102 (100.00)

NOTE: Figures in brackets indicate percentage of labourers against each type.

As many as 28 labourers generally satisfied the concept of 'casual labourers' and thus they have been termed as 'purely casual labourers'. Interestingly, the landless labourers of all the types predominate the labour market as a whole.

TABLE XI
EMPLOYER-LABOURER CASTE/COMMUNITY AFFILIATION

Types of labourers by no of employers served	Employer-labourer belong to the		Total
	Same community	Different community	
(1)	(2)	(3)	(4)
Type I: Less than 5	120 (74.53)	41 (25.47)	161 (100.00)
Type II: More than 5	2 (16.25)	0	32* (100.00)
All types	122 (63.22)	41 (21.34)	163 (100.00)

*Information on 30 cases is not available.

We had mentioned earlier that labourers in agriculture in different parts of West Bengal generally belong to a community which is different from that of their employers. Thus, distinct caste/community groups are more or less graded according to their economic position. For example, high and middle castes generally own a fair amount of cultivable land, whereas lower castes and tribal people generally belong to the wage-earning and sharecropping occupations. Our North Bengal experience is, however, different from this. Our data, presented in Table XI, show that the two classes—a class of landowners (or employers) and the class of labourers (employees)—exist to a large extent within the same community in this region.

Let us now examine the role of credit in the two types of labour contracts described above. We observed that only seven labourers out of 102 (i.e., about 7 per cent) entered the credit market as receivers of consumption loan. It is reported that no labourer received non-consumption loan (i.e., loan for expenses on production, ceremonial purposes etc) from any source. Out of the seven debtors, only four received loan from their employers (or landowners) among which the labourers belonging to Type II (i.e., purely casual labourers) predominate. The corresponding figure for non-employer source (e.g., moneylenders, traders etc.) is three of which all are those of Type I (i.e., semi-attached labourers).

We further observed that out of four cases of consumption loan, only one labourer mentioned employer as the source of credit charging interest. The corresponding figure in the case of non-employer source is one out of eight. These observations clearly indicate that the indebtedness of the labourer to his employer is uncommon in this region. Non-employer loan givers are also not interested in entering into the usury practices, particularly with the labourers.

It is, however, quite often argued that as the labourers generally do not have any other surety except their labour power to offer against loans, they do not get loans even from their employers. But in order to ensure a steady supply of labour required by the employers, the labourers sometimes are offered wage advances against future commitment of labour. Where the labourer takes advances from his employer, he works at lower than market wage rate as adjustment towards repayment. The payment of interest thus takes the form of wage cut and in this way the employer indirectly enters into usury practices with the labourers. Thus, the employer's need for a dependable and readily available source of labour supply and considerations of usurious income derived from labourers provide the major motivation for such type of labour contracts. Our data presented in Table XII do not however corroborate this view fully.

Table XI shows that of the 102 labourers, 37 were reported to have worked at lower than market wage rate. Out of the 37 reduced wage-receivers, 10 were reported to have secured wage advances from

TABLE XII
INCIDENCE OF DAILY CONTRACT LABOURERS GETTING WAGE LOWER THAN
MARKET RATE

Types of labourers by no. of employers served	Number of labourers	
	Getting wage lower than market rate	Working at lower than market wage rate for repayment of wage advance
(1)	(2)	(3)
Type I: Less than 5	18	6
Type II: More than 5	9	4
All types	27	10

the employers against future commitment of labour. Thus, about 10 per cent of total labourers are in a system of unequal exchanges in the sense that the employers of such labourers enjoy economic benefits in the form of both cheap and assured labour. But in the majority of cases (about 90 per cent), the employers are not interested in investing their capital for usurious income from the indebted labourers. On the contrary, our data indicate that due to the desperate conditions of poverty and unemployment in this region, a significant proportion of labourers (27 out of 102, i.e., about 25 per cent) is bound to do work at lower than market wage rate for their very economic subsistence. In view of the backward nature of agriculture of this region and the greater availability of family labour in the landowning families who have also no social prejudice against doing manual work in agriculture, the demand for hired labour for cultivation is very poor. Therefore, the question of securing labour supply by providing wage advances to the labourers does not apply to any significant extent in this place. Moreover, the relation between the employer and the daily contract labourer is not personalised enough in character. It is, therefore, not a safe proposition for the employers to provide credit to the labourers without any surety. Since most of the labourers are not able to provide surety, they are deprived of much needed credit. For these reasons, it can be said that the labour market in this region is clearly *delinked* from the non-institutional credit market.

Interlinking or Selective Linking

It has been argued that the role of credit in linking labour and tenancy to land and capital leads to a situation of interlocking of the three markets. Thus, the landowner leasing out land to the tenant further reinforces this linkage by providing credit to him. Similarly, given the circumstances, he would like to reinforce the relationship by which the landowner not only is able to maintain an assured labour supply but augments profits through usury. Combined with other cultural elements of the structure we derive a notion of some kind of a feudal structure of dominance and related system of production.

To what extent does this explain the agrarian structure in the *terai* region of North Bengal? If we can argue that the landowner combines in him both the roles of the lessor and the creditor, and that these roles are pervasive enough to include not only his tenants and labourers as debtors but also to include other debtors, then, empirically, the interlinkage model stands undiluted. However, in the North Bengal *terai* we find, from the above analysis, that generally the landowner, when he happens to extend credit, does so only to his own tenants and refrains from extending any credit even to his labourers. Thus while he is extending credit to selective individuals linked with him in the productive process, he is *not* a usurer. Hence the interlinkage model falls short of a satisfactory characterisation of the agrarian structure in the *terai* region. We are inclined to believe that it may be more fruitful to denote this phenomenon as one involving "delinking" or "selective linking" of credit with land and labour. That the situation here seems to be different does not look all that odd when we examine the historicity of the settlement pattern in a non-regulated area composed of distinct ethnic communities, and where inter-class transactions are often circumscribed within the same ethnic community. However, this aspect of the observations requires detailed treatment.

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Some of the noteworthy works are:

- P Bardhan, and A Rulra, "Interlinkage of Land, Labour and Credit Relations: An Analysis of Village Survey Data in East India", *Economic and Political Weekly*, Vol 13, No 6 & 7, February 1978.
- A Bhaduri, "A Study in Agricultural Backwardness under Semi-feudalism", *Economic Journal*, March 1973.
- K Bharadwaj, *Production Conditions in Indian Agriculture: A Study Based on Farm Management Surveys*, London, Cambridge University Press, 1974; *On Some Issues of Method in the Analysis of Social Changes*, Prasanga, University of Mysore, 1980.
- M Chattopadhyay, *Mahalanabis Survey Revisited; Prospects of Agrarian Change in West Bengal*, Calcutta, Indo Overseas Publications, 1982.
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- N Chattopadhyay and A Chatterjee, "Agrarian Relation in a North Bengal Peasant Movement Belt: Historical Evolution and Contemporary Situation", working paper of Sociological Research Unit, Indian Statistical Institute, Calcutta, 1983.
- R Khasnabis and J Chakravarty, "Tenancy, Credit and Agrarian Backwardness: Results of a Field Survey", *Economic and Political Weekly*, Vol 17, No 13, March 1982.
- T V N Kurup, "Price of Rural Credit: An Empirical Analysis of Kerala", *Economic and Political Weekly*, Vol 11, No 27, July 1976.
- P H Prasad, "Reactionary Role of Usurers' Capital in Rural India", *Economic and Political Weekly*, Vol 9, Special Number, August 1974.

- 2 Prasad conceptualised the semi-proletariat households as follows: "The households who cultivate land mainly with the help of their family labour and at the same time supply labour to the other cultivating class. Some of them own some cultivable land; quite a significant number lease in land mostly on crop-sharing basis; sizeable section is landless agricultural labourer."
- 3 The survey covered about 277 randomly chosen villages in West Bengal, Bihar and some of the eastern districts of Uttar Pradesh. The numbers allocated to these three regions were 110, 101 and 66, respectively.
- 4 This point has been emphasised by Bharadwaj (1980) when discussing about the characteristics of the Indian rural situation.
- 5 For further details regarding the sample selection, see Chattopadhyay and Ghosh (1983).
- 6 For a detailed discussion of the point, i.e., how the 50-50 sharecropping system in this region crystallised over a period of time into an *exploitative* type, but not always oppressive variety, see Chattopadhyay and Ghosh, "Tenurial Contracts in a Peasant Movement", *op cit*, and Chattopadhyay and Chatterjee, "Agrarian Relation in a North Bengal Agrarian Movement Belt", *op cit*.