Bengal without Zamindars

On April 15, 1955, on the first of Baisakh, 1362, the Estates Acquisition Act came into force in West Bengal. On that Bengali New Year Day, zamindars and the zamindary system ceased to exist. All their rights and interests in estates, vested in the Government. On that day, when the Bengali businessmen opened new accounts, both the Government and the twelve lakh intermediaries involved opened new ledgers. In the Government's budgetary accounting, "Land Revenue" will remain revenue from the land. But the tenant, and not the zamindar, will pay land revenue direct to the Government.

Those twelve lakh intermediaries also opened new accounts on their New Year Day. Gone are the days of "najaraan". No longer will zamindars receive "rent" from the intermediaries. No longer will the intermediaries receive "payments" from those holding inferior rights up to the raiyat, the man at the bottom of the ladder, who had to pay so that the numerous intermediaries, including the zamindar, could receive more than each and all of them had to pay out, in their turn, to those holding superior rights, and finally, to the Government.

"Peaceful Revolution"

To Dr B C Roy, West Bengal's Chief Minister, to many emotional Bengalis, this is not the main significance of what happened on first of Baisakh, 1362. To the Chief Minister of this State, the change in tenancy rights is an "epoch-making one which can aptly be called a peaceful revolution." To any inhabitant of a raiyatwari State, this would strike as a strange and exaggerated claim. On the first of Baisakh, 1362, West Bengal introduced a system of tenancy rights in land which has been long in existence in all the raiyatwari States. There are, however, ceilings on land holdings, which partly justify Dr B C Roy's description of the event.

To the average Bengali, what has happened is much more eventful. It has been hailed as the end of the 162-year-old zamindary system introduced by Lord Cornwallis when he imposed Permanent Settlement in this province. So, the first of Baisakh, 1362, has been celebrated as the end of feudalism, landlordism and the British-created Permanent Settlement. And the emotional Bengali now takes what little consolation he can for atoning for the sins of some of his ancestors.

If some of his ancestors committed the crime of helping the East India Company to establish British Raj in this country, the average Bengali claims that he and his brothers and sisters have paid the penalty in blood and tears. His claim to have initiated, and suffered in, the struggle for independence, is conceded. If, again, the claim is being made, Bengal was the first province in which Permanent Settlement was introduced, West Bengal is also the first State in which such large-scale abolition of the zamindary system has been effected.

REALITIES

It would be uncharitable not to acknowledge the Bengalis' contribution to the struggle for independence. It would be equally unjust not to admit the significance of the Estates Acquisition Act. But it is also just as necessary, to remind the Bengali of certain cold realities. Certainly, he has contributed richly to the struggle for independence. Admittedly, the Estates Acquisition Act is an achievement. But much remains to be done. Calcutta is not within the scope of the Act. Zamindaris elsewhere may have been abolished. But land reforms have yet to be introduced. And, then, zamindary abolition will not bring in the millennium. When will the average Bengali get over his inclination to self-deception?

PERSPECTIVE

Today, when zamindary abolition is being celebrated, it may not be inappropriate to place Permanent Settlement in its proper perspective. Economic history of northern, western and eastern India has been influenced by three broad developments. West Bengal today is what it is because of Permanent Settlement. Bombay's make-up is tinged with the developments relating to the American Civil War. Former, undivided Punjab's, as well as northern India's, social, economic and political set-up is a direct sequel to, what came to be known as the Punjab group of civilians.

Bombay, developed into an industrial centre as the American Civil War gave her the opportunity to emerge as an exporter of raw cotton. Punjab attracted the attention of the British steel frame as the educated, agitating, Bengali started creating trouble. As Punjab became the recruiting centre for soldiers for British Raj, the economic development of that Province started. Ambitious irrigation projects were introduced. Punjab became one of the most fertile tracts for growing wheat and quality cotton. Without Permanent Settlement, without absentee landlordism, without rack renting, agriculture developed, and the Punjabi agriculturist grew rich.

It happened the other way about in Bengal. In 1793, Lord Cornwallis introduced Permanent Settlement. It has been criticised as a policy of farming-out of land revenue. Lord Cornwallis's friends supported the measure, then and on later occasions, on the argument that it would help create a class of rich, progressive, zamindars who would have the means and the wisdom to ensure agricultural development.
Lord Cornwallis's hopes did not materialise. Terms and conditions of Permanent Settlement were too rigorous. Many old zamindars failed to pay the revenue fixed in perpetuity. Many zamindaris were sold out. A new class of zamindars emerged, who had no interest in agriculture or in land except making money out of it.

This new class of landlords grew rich; But agriculture suffered. It was during this period that the then Government showed more interest in securing the fixed land revenue than in land reforms. Numerous regulations were introduced to strengthen and to consolidate the rights of zamindars at the expense of the raiyats. By then, due to the gradual increase in land values and to general economic improvement, the land revenue fixed under Permanent Settlement helped the zamindars and the intermediaries to grow rich at the cost of the State.

Soon, it became clear that Permanent Settlement was having unintended effects. Many Commissions have since been appointed. Many Acts have since been passed. More treatises have been published on this problem than on any other in Bengal. Under socio-political pressure, the tendency has been progressively toward enlargement of the rights and privileges of the cultivating raiyats. Even the Fland Commission, appointed by the Government in former, undivided, Bengal, which submitted its report in March 1940, came to the conclusion that Permanent Settlement could not be mended, and should be ended. This Commission suggested acquisition of all superior interests in land so that the raiyawiari system could be introduced. This is what Dr B C Roy’s Government has just done. Placing a ceiling on land holdings is the only additional feature of the measure now enforced.

EFFECTS

There are few critics of the Estates Acquisition Act. It will lead to a more equitable distribution of land. Abolition of zamindaris is accepted as an essential pre-condition of land and agricultural reforms. It will, incidentally, help absorption of the surplus staff of the Food and Civil Supplies Department. Some of the redundant staff of the zamindars and intermediaries will also be absorbed. But it is not without dental benefits of Permanent Settlement and the services rendered by zamindars being duly appreciated.

Zamindars and the intermediaries may have fleeced the cultivating raiyats. Permanent Settlement may have caused considerable loss of revenue to the State. It may have been responsible for decaying agriculture. It may have made the Bengali easy-going and ease-loving. But the zamindar’s support and encouragement to art and culture are now being ungrudgingly acknowledged. If the zamindars were connoisseurs and patrons of art and culture, the intermediaries, the upper middle-class strata of society, produced Bengal’s able scientists, doctors, engineers, lawyers and professors.

Those who know Bengal will appreciate the different contributions of zamindars and the superior grades of intermediaries to Bengal’s life, society, culture, politics and economics. One has, in recent days, heard much about the future of the Bengali middle-class. This is a knotty problem. But no tears need be shed for the superior grades of intermediaries who are now being divested of their rights and interests in land. This strata of society has now established itself in the professions. But the lower middle class and the landless labourer continue to suffer. It is this lower middle class whom future industrialisation is likely to benefit. Promised land reforms are expected to solve the problem of the landless proletariat. Will these expectations be fulfilled?
Development of commercial crops in Indonesia, similarly, was made possible at the cost of the growing dependence on food imports, because imported supplies were ensured and arranged by the ruling power. Malaya, though not represented in the conference, provides an illustration of the operation of these sources to the highest degree—its plantations and mining were developed with immigrant labour, foreign capital and imported food. Migration of populations in response to economic needs was channelled in a certain manner because of the then existing political set-up, resulting in the influx of Chettiar money-lenders into Burma and Indo-China, of Chinese traders in many of these countries, of the Bengali clerks, Surti rice traders and Tamil coolies to Burma and so on.

The withdrawal of foreign powers has left a vacuum which has not yet been filled. The foreign trade of all these territories continues to be with countries outside this region and it is still being conducted very largely through the old, established channels—through Holland, Britain and to some extent, even through France. The profits of foreign trade, an important source of capital formation in any economy, flow out of this region. These countries have certainly a payments problem; to what extent it could be solved by organising a payments union was recently discussed at an ECAFE conference. We shall doubtless hear more about it. But much more than a payments problem, these countries have the primary problem of organising their foreign trade and ancillary services—exchange banking, insurance and shipping. In exploratory talks for closer economic relations, this group of problems has necessarily to be given the first priority.

Next comes development of inter-regional trade. Excessive dependence on intra-regional trade exposes all these countries to wide fluctuations of income and imports which all of them find crippling. This retards their development. All these attempts have failed. True, these countries need industrial goods from the West, but the West also cannot do without rubber, jute, tea, pepper, copra and oilseeds. South-East Asia produces 95 per cent of world’s rubber, 96 per cent of jute, 99 per cent of tea, 94 per cent of pepper and 81 per cent of copra, rapeseed and sesame. Collective bargaining is bound to gain for these countries better terms of trade than they have been able to get so far.

Some alleviation may be found by collective action, through agreement with the principal importing countries, but the major solution has to be sought by other means. Diversification of exports on the one hand and greater measure of specialisation on the other, may be some of these means. All these countries have taken up or are on the point of launching on development of their respective economies, based on the pattern of trade established in the past. The lines of development that are contemplated hardly take any note of the change that has come over this part of the world. So Ceylon has set out to achieve self-sufficiency in rice, while Burma and Thailand are threatened with burdensome surpluses.

Burma is taking with the idea of setting up a steel industry, though she has neither coal nor iron ore. Japan is bent on pushing her way in South-East Asia and to recover the trade she had lost, mindful of the hopes and aspirations of these countries to develop their own textile and other light industries.

There can easily be some coordination of their respective plans of development. True, even the basic facts for the study of these economies remain to be collected. For obvious reasons the ECAFE or any of the other existing agencies cannot take up this task or carry it out adequately. Economic maps have to be made for these countries which will take note not only of their natural resources but also of man-power, skilled labour and services with the professions and agreed aim of bringing about an optimal redistribution of resources, both physical and human. If this is done, new vistas will open up, widening scope for economic expansion will suggest itself. Backward Asia and struggling Africa will have hope and realism to guide their aims and aspirations. Emotion and sentiment that have brought these people together, will end up in smoke, until imagination is controlled by knowledge of facts and purposeful action takes the place of vague yearnings.

Aspirations can be easily led into less fruitful channels, a payments union is not difficult to organise, if America is prepared to act as the lender of the last resort, but it will not salvage the members and lift them up from the economic morass in which they are sunk today. An economic counterpart to the SEATO may lead development away from what is most desirable into paths that may promise some immediate gains but prove deceptive in the end.