

Peasant Class Differentiation In Punjab

Harmanender Singh¹

Abstract:

This paper seeks to analyse the impact of commercialization in agriculture in Twenty first century. It addresses the issues of agrarian transition in Punjab, like state driven capitalism, different peasant class formation and their conditions in rural Punjab. Therefor the current paper analyse the Peasant class differentiation on the basis their land holding, land ownership, labor hired in and hired out that is labour exploitation and reverse tenancy in Punjab.

Agriculture and the animal rearing, two of the greatest discoveries of the human race, took place in the second phase of primitive communal mode of production. At that time production relations were Non-Antagonistic in nature. Later on as Marx explained in the conception of Historical Materialism, with the development of production forces, the production relations underwent changes during the course of history. Up to the feudalistic production relations, agriculture has been dominating in production. But with the development of Capitalism, which is also termed as 'Modern Economic Development' in modern economic literature, agriculture is becoming a less important part of economy, (not in absolute term but as a share of GDP and employment).

(Lewis, A.)

In this context Punjab has its own history of development of agriculture. Deliberate imposition of the modern agricultural strategy on the existed mode of production of Punjab agriculture during 1965-70, has been changed the socio-economic relations between the different rural classes. The present case study of a village of Punjab (Dhilwan Kalan, Dist. Faridkot) is an attempt to look for the existing socio-economic relations between the different rural classes.

Objectives:

Followings are the main objectives of this study: -

1. To examine the existing social class structure of agrarian economy.

¹ Assistant Professor of Economics at Dr.Bhim Rao Ambedkar National Law University, Sonipat

2. To examine the production conditions- in which the study of the nature and characteristics of the land ownership, land holding, cropping pattern and cost of cultivation take place.
3. To suggest some policy implications, if required, to improve the socio-economic conditions of the different rural classes.

Literature Review:

Lenin “Preliminary draft thesis on the agrarian question” discusses the following classes in the context of all the capitalist countries in 1920, in the “Preliminary Draft Theses on the Agrarian Question”, presented to the second congress of the Communist International. The working and exploited people of the countryside, whom the urban proletariat must lead into the struggle or, at all events, win over, are represented in all capitalist countries by the following classes:

- 1) **First, The Agricultural Proletariat**, wage-labourers (by the year, season or day) who obtain their livelihood by working for hire at capitalist agricultural enterprises. The organisation of this class independently and separately from other groups of the rural population
- 2) **Second, The Semi-proletarians** or Peasants who till tiny plots of land, I.e., those who obtain their livelihood partly as wage-labourers and partly by working their own or rented plots of land, which provide their families only with part of their means of subsistence.
- 3) **Third, The Small Peasantry**, i.e., the small-scale tillers who, either as owners or tenants, hold small plots of land which enable them to satisfy the needs of their families and their farms, and do not hire outside labour.

Taken together, the three groups enumerated above constitute the majority of the rural population in all capitalist countries. That is why the success of the proletarian revolution is fully assured, not only in the cities but in the countryside as well.

- 4) In the economic sense, one should understand by '**Middle Peasants**' those small farmers who, (1) either as owners or tenants hold plots of land that are also small but, under capitalism, are sufficient not only to provide, as a general rule, a meagre subsistence for the family and the bare minimum needed to maintain the farm but also produce a certain surplus which may, in good years at least, be converted into capital; (2) quite frequently (for example, one farm out of two or three) resort to the employment of hired labour.

5) **The Big Peasants (Grossbauern)** are capitalist entrepreneurs in agriculture, who as a rule employ several hired labourers and are connected with the "peasantry" only in their cultural level, habits of life, and the manual labour they themselves perform on their farms.

6) **The Big Landowners**, who, in capitalist countries- directly or through their tenant farmers- systematically exploit wage-labour and the neighbouring small(and, not infrequently, part of the middle) peasantry, do not themselves engage in manual labour, and are in the main descended from feudal lords.

Mao Tse-Tung "How to differentiate the classes in the rural area" (1933) to rectify the deviations that had occurred in the work of land reform and to provide a correct solution for the land problem. It was adopted by the Workers' and Peasants' Democratic Central Government of that time as establishing the criteria for determining class status in the rural areas. He differentiates the classes in rural area in following 5 ways-

Landlord : A landlord is a person who owns land, does not engage in labour himself, or does so only to a very small extent, and lives by exploiting the peasants. The collection of land rent is his main form of exploitation; in addition, he may lend money, hire labour, or engage in industry or commerce. But his exaction of land rent from the peasants is his principal form of exploitation.

Rich peasant: The rich peasant as a rule owns land. But some rich peasants own only part of their land and rent the remainder. Others have no land of their own at all and rent all their land. The rich peasant generally has rather more and better instruments of production and more liquid capital than the average and engages in labour himself, but always relies on exploitation for part or even the major part of his income. His main form of exploitation is the hiring of labour (long-term labourers). In addition, he may let part of his land and practice exploitation through land rent, or may lend money or engage in industry and commerce. Most rich peasants also engage in the administration of communal land. A person who owns a fair amount of good land, farms some of it himself without hiring labour, but exploits other peasants by means of land rent, loan interest or in other ways, shall also be treated as a rich peasant. Rich peasants regularly practice exploitation and many derive most of their income from this source.

Middle peasant: Many middle peasants own land. Some own only part of their land and rent the rest. Others own no land of their own at all and rent all their land. All of them have a fair number of farm implements. A middle peasant derives his income wholly or mainly from his

own labour. As a rule he does not exploit others and in many cases he himself is exploited by others, having to pay a small amount in land rent and in interest on loans. But generally he does not sell his labour power. Some middle peasants (the well-to-do middle peasants) do practice exploitation to a small extent, but this is not their regular or their main source of income.

Poor Peasant: Among the poor peasants some own part of their land and have a few odd farm implements, others own no land at all but only a few odd farm implements. As a rule poor peasants have to rent the land they work on and are subjected to exploitation, having to pay land rent and interest on loans and to hire themselves out to some extent.

In general, a middle peasant does not need to sell his labour power, while the poor peasant has to sell part of his labour power. This is the principal criterion for distinguishing between a middle and a poor peasant.

Worker: The worker (including the farm labourer) as a rule owns no land or farm implements, though some do own a very small amount of land and very few farm implements. Workers make their living wholly or mainly by selling their labour power.

Ashok rudra, A Majid, B D Talib (1969-70) explain Characteristics of capitalist

farmers,² While there is no rigorous definition of what constitutes a capitalist farmer.

According to the study of Rudra, Majid & Talib the following features may be expected to be observed in capitalist farming, especially in Punjab.

- 1) A capitalist farmer will tend to cultivate his land himself rather than give it out on lease.
- 2) He would tend to use hired labour in a much greater proportion than family labour.
- 3) He would tend to use farm machinery.
- 4) He would be market-oriented, i.e. he would tend to market an important share of his produce.
- 5) He would be profit-minded, i.e. he would tend to so organize his production as to yield a high rate of return on his investment.

²Rudra Ashok a Majid, B D Talib (1969-70), "Big Farmers of Punjab" Book-Agrarian Relations and Accumulation edited by Utsa Patanaik.

Alavi Hamja (Aug 1975)³ “Mode of Production”:

Important issues have been raised by Indian Marxist economists in the debate on the ‘Mode of Production in Indian Agriculture’. That debate is taking place in the context of the far-reaching changes which have taken place in Indian agriculture in recent years- changes that were once celebrated as ‘the green revolution’. The debate revolves around the question whether, in the last 15 or 20 years, there has been a decisive movement in Indian agriculture from a feudal mode of production to a Capitalist mode of production.

Ramachandran, Swaminathan and Rawal (2015)⁴

The Foundation for Agrarian Studies (FAS) Bengaluru has a Project on Agrarian Relation in India (PARI), with the aim of studying village level production, production system, livelihoods and the socio-economic characteristics of different strata of the rural population.

In this, the socioeconomic classification of households is attempted based on a combination of factors, including the level and composition of income, nature of labour deployment on land (including the use of family labour and wage labour), and ownership of means of production. They classified socioeconomic class of a village into four classes based on the value of ownership of means of production.

- Landlords/ big capitalist farmers 1
- Landlords/ big capitalist farmers 2
- Farmers 1
- Farmers 2

In this socio-economic survey author broadly analyses the socio-economic class differentiation of the village, correlation between class and caste, inequality of land, assets and wealth in the different classes of village, as maximum land is in the hand of Jat Sikh community, Cost of Cultivation.

Database and Methodology:

Research Methodology is a systematic process involving logical steps, procedures and methods adopted by the researcher to study and examine the research problem.

³ Hamza Alavi (Aug 1975), “India and Colonial Mode of Production” Book-Agrarian Relations and Accumulation, the ‘Mode of Production Debate’ in India edited by Utsa Patanaik.

⁴ Swami Nathan & Rawal, 2015 Socio-economic survey of two villages in Rajasthan, A Study of Agrarian Relation, Foundation of Agrarian Studies, Tulia Books.

This chapter describes the data source and methodology used to study the present research work. This chapter has been divided into two sections wherein first section covers the database of the present study while second covers the sampling design of the study and makes a stratified sampling design.

Database:

The present research work is a study of Agrarian Relation of a village Dhilwan Kalan of Malwa region of Punjab. There are 22 districts in Punjab which are divided into three main regions that are Majha, Malwa and Doaba. For the present research the Malwa region has been selected where farmer's condition is very bad as compared to other regions. In fact most of the farmers committing suicides in Punjab are from this region. The crops grown in this region are mainly wheat, rice, cotton, mustard. And the problems of this region are crop failure due to White fly, Pink Bollworm etc. Upon the suggestions of few Academicians, Agriculture Activist of Kissan union of the village Dhilwan Kalan of Block Kotkapura of District Faridkot, Punjab was chosen.

Dhillwan Kalan field work is based on cross-sectional primary data pertaining to 170 households and the socioeconomic information of the village. The total households in this village are 1700 and we chose 10% of the total households as a sample for this research work. The sample was taken by stratified sampling technique by filling questionnaire of individual households and getting information of the village by direct dialogues with farmers, personal interviews of agricultural activists of the village.

Sampling Design:

The present research work falls in the domain of stratified sampling design in which the population of village is divided into classes of sampling units. Following the stratified sampling design, the first stage consisted of dividing the total household of village into 2 categories, which are:

(1) Agricultural occupation:

Further the agricultural occupation is classified into 5 categories on the basis of farm size because size of the farm is the best indicator of the economic condition in case of Agriculture.

- 1.Large Farmers
- 2.Medium farmer
- 3.Small farmer

4. Marginal farmer

5. Landless Agriculture labour

(2) Non-Agricultural Occupation:

Non-Agricultural occupation has also been classified into 3 categories, which are as follows:-

1. Casual labour

2. Rent Earner

3. Non agriculture occupation

There are 1700 households in the village. By using stratified sampling, only 10% of total number of households (1700) were taken as a sample, that is, 170. Further, these 170 households sample by taking 10% random samples from each of the categories.

Socio-economic Classes:

In this study, the socio-economic classification of households is based on income from all sources of a family, ownership of all means of production (land, machinery, other property) and assets. Socio-economic classes are divided into two main categories first is agricultural occupation and second is non-agricultural occupation.

A) Agricultural occupation:

Among the households which are belongs to agricultural occupation, five classes are identified, based primarily on all the value of ownership of means of production and assets during the survey of a village.

1. Landlords/ Big Capitalist Farmers:

Households whose total value of means of production is over 4 crore. 12 households among the total respondent households lie in this class. These households have the largest ownership and operational holding of land in the village. They also have all the agricultural machinery which is used in farming. Members of these households participate only in minor operations of the land. They usually use the permanent labour for major operations of land cultivation.

2. Rich Farmers:

Households whose total value of means of production is more than 2 crores but less than 4 crores. Their are 19 respondent households in this class. Rich farmers directly participate in operations of land but they also use casual labour for major work on the land.

3. Poor Farmers:

Households whose total value of means of production and productive assets is more than 1 crore but less than 2 crores. There are 32 respondent households in this class.

4. Very poor Farmers:

Households whose total value of means of production and productive assets is less than 1 crore come under this category. There are 28 respondent households in this class.

5. Agriculture Labour:

Households who do not have any ownership and operational holding of land but are engaged in agricultural occupation by selling their labour power to the owners of the land. There are 14 respondent households in this class. They are permanent workers on the other big farmers' land and get wages both in kind and money

B) Non-agricultural occupation:

Among the households that belong to the category of non-agricultural occupation, three classes have been identified, based primarily on the mode of earning income of that household. The major share of income came from non-agricultural activities such as salaried jobs, rent earners, remittances, pensions, shopkeeper and other business activities.

(1) Casual Labour:

This category comprises households whose major share of income comes from labour work in construction. They also work in agriculture activities but are not permanent workers and thus have been classified in a category different from permanent workers. There are 44 respondent households in this class which is among the major share of household in the village. Majority of the households this class belong to scheduled caste.

(2) Rent Earners:

Households whose major share of income comes from rent of land. These households have ownership of land but do not operate the land by themselves. They give this land to other cultivators on rent. The land of this village is very fertile and thus the rent per acre land is very high that is above 50,000 per acre. This is one of the indicators of capitalist class exploiting the smaller peasants by extracting higher rent.

(3) Other Non-Agricultural Occupations:

In this category, households which are engaged in occupations other than agriculture are included like- salaried jobs, shopkeepers, businessman, self employed, pension, remittances, other transfer earnings etc. Their major share of income come from sources other than agricultural occupation.

Number & Proportion of Respondent Household by Socioeconomic Classes:

There are 170 households randomly chosen from the village that have been considered in the sample. They are divided into two main categories. First one is agricultural occupation and the other is non-agricultural occupation. Agricultural occupation has been further divided into 5 sub-categories and non agricultural occupation into 3 sub categories, as depicted through distribution of households by socioeconomic classes in the following table.

There are total eight categories, out of which the largest class consists of 44 respondent households or 25.68% of all respondent households and belongs to casual labour. They do not have any ownership of means of production and assets or land. They also do not cultivate the land as tenants and nor have any long time contract for work with farmers or other employers. This is the most exploited class of the village, whose economic condition is very poor.

The farmers' class (who have ownership of land or operational holding of land) is classified into four categories comprising of a total of 91 respondent households or 53.53% of all respondent households. Out of this the largest class is of 'Poor Farmers', consisting of thirty-two respondent households or 18.82% of total respondent households. 28 respondent households or 16.50% of total households belong to 'Very Poor Farmers' category. 19 respondent households or 11.17% of total households belong to 'Rich Farmers' category and 12 respondent households or 7.05% of total respondent households belong to 'Big Capitalist Farmers or Landlords' class. They have their own machinery and other equipment which is used for land cultivation. The operational land holding is also very large of this class, so they use hired labour in large numbers. This is the essential exploiter class of the village.

Table 1: NMBER AND PROPORTION OF HOUSEHOLD BY SOCIO-ECONOMIC CLASSES

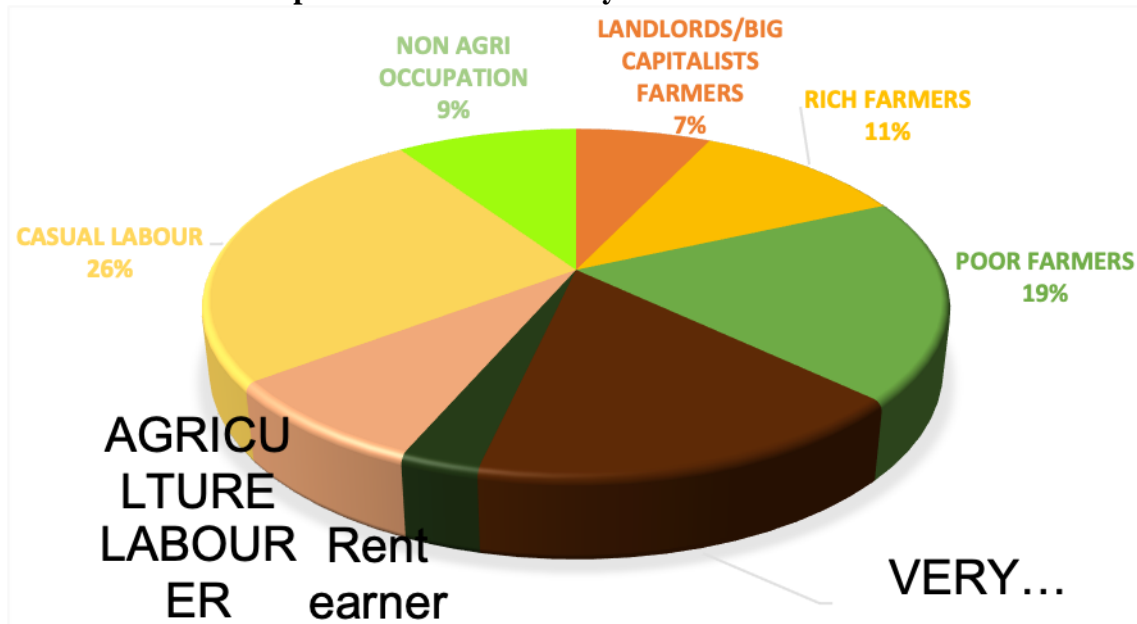
SOCIO-ECONOMIC CLASS	TOTAL NO. OF HOUSEHOLDS	PERCENT OF ALL HOUSEHOLD
BIG CAPITALIST FARMERS	12	7.05%
RICH FARMERS	19	11.17%

POOR FARMERS	32	18.82%
VERY POOR FARMERS	28	16.50%
RENT EARNER	05	2.94%
AGRICULTURE LABOURER	14	8.23%
CASUAL LABOUR	44	25.88%
NON AGRI.-OCCUPATION	16	9.41%
ALL	170	100%

Source: Sample Survey

One more class which is engaged in agriculture activities but doesn't have any ownership of land and operational holding of land is that of 'Agricultural Labourers'. 14 respondent households or 8.23 % of total respondent households belongs to this class, which is one of the major exploited class of the village. They do not have any contract with the landlords for 6 months or for 1 year to be employed in their farm. They perform all the major operations of land for big capitalist farmers the entire day. There is no working hours limit. Sometimes all the family members of these households work on their farm. Many scholars draw an analogy the production relations- between this class and the landlords with feudalistic production relations. According to them the contemporary Agricultural Labourer acts as a 'Serf'- who is permanently bound to a specific piece of land. This however is not the true representation as, after the contract, the labourer becomes free to get employment anywhere. If their family members too work in the fields then they get extra wages in terms of kind or in money.

Proportion of household by socioeconomic classes



Out of total 170 households, 21 respondent households are engaged in non-agricultural occupation like- salaried jobs, shop keeping, business and other activities, are self employed, pension, remittances, other transfer earnings, rent earners etc. They consist of 12.53% of total respondent's household. Out of this, 5 respondent households belong to Rent earners which are only 2.94% of total household. But they too are significant exploiters of peasant class. As the fertility of land is very high of this village, they charge very high rent for this land, that is often more than 50,000 rupees per acre.

Exploitation Ratio of different Socio-economic Classes:

This section begins with an investigation into the relationship between acreage criterion and labour exploitation criterion.

Sometimes, acreage classification alone cannot provide a detailed and accurate account of economic characteristics of classes within the peasantry class. The Exploitation criterion attempts to capture certain qualitative differences in the production activities whereas the acreage classification criterion concerns itself only with the quantitative aspect.

Thus, for obtaining the accurate information of the extent of class differentiation and economic characteristics of the different classes exploitation criterion has been used as a

supplement to the acreage criterion. To calculate the exploitation criteria, the data for use of hired labor and family labor of each individual household has been taken into consideration.

Exploitation ratio⁵(E) is the ratio of net labor hired in(a) and family labor(b).

$$E=a/b$$

Whereas Net labor hired in(a) obtained from subtraction of labor hired out(y) from labor hired in(x).

$$a = x-y$$

In case of this village, net labour hired in and labour hired are same because in case of farmer community the labour hired out (y) is zero. The reason behind zero labour hired out is that Jat community dominates the ownership of land holding, which is one of the most reputed classes of Punjab enjoying a high social status. Due to this high social status they don't allow themselves to sell out their labor power in the market.

Table: Exploitation ratio, socioeconomic class wise

SOCIO-ECONOMIC CLASS	LABOUR HIRED IN P+C (X)	LABOUR HIRED OUT (Y)	NET LABOUR HIRED IN A=(X-Y)	FAMILY LABOUR (B)	EXPLOITATI ON RATIO (E=A/B)
LANDLORDS/BIG CAPITALISTS FARMERS	26 (22+4)	0	26	18	1.44

⁵Patnaik Utsa, September 1976, "Class Differentiation within Peasantry" An Approach to Analysis of Indian Agriculture, Economic & Political Weekly.

RICH FARMERS	11 (10+1)	0	11	24	0.45
POOR FARMERS	3 (0+3)	0	3	44	0.06
VERY POOR FARMERS	0	0	0	36	0

Source:- Sample Survey

P-: Permanent labour

C-: Casual labour

x-: Labour hired in

y-: Labour hired out

a-: Net Labour hired in (Labour hired in-Labour hired out)

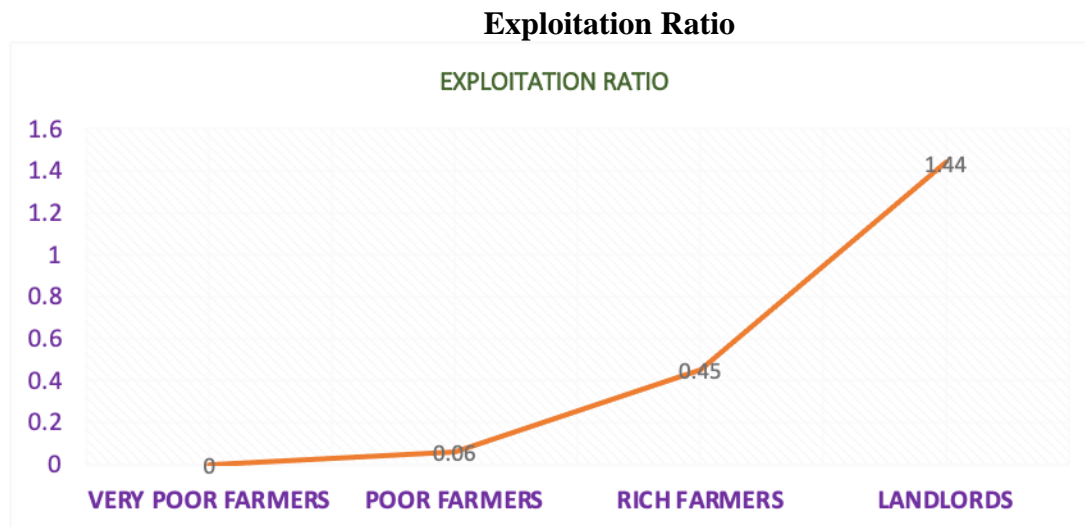
b-: Family Labour

E-: Exploitation Ratio ($E = \text{Net Labour hired in} / \text{Family Labour}$)

Table 2 shows that exploitation ratio of landlords or big capitalist farmer class is 1.44, which is very high as compared to other classes. This is because big capitalist farmer class uses more labour hired in as compare to family labour. There are 26 permanent labourers hired in and 18 family labourers.

Exploitation ratio in case of Rich Farmers is 0.45 which is less than big capitalist farmer class but rich farmer class also exploits the hired in labour. 11 labourers were hired in by rich farmer class and 24 were family labourers.

Poor farmer's exploitation ratio is 0.06 which is very less as compared to big capitalist farmer class. Poor farmers used 44 family labourers and only 3 labourers were hired in.



Very Poor Farmer's exploitation ratio is 0. This is because they didn't hire in any labourer. They used only family labour for their cultivation purpose. The negligible numbers of the exploitation ratio of these classes differentiates the character of Poor Farmers and Very Poor Farmers from Big Farmers in the sense that they use family labour in production process very intensively instead of owning large swathes of land and are not the exploiters. Their economic conditions are similar to the Agricultural Labourers.

The above graph shows that the exploitation ratio and ownership of land positively are correlated with each other. Very Poor and Poor Farmers do not come under the category of Exploiters.

Share of Operational Land Holding of all Socio-economic Classes:

The village of Dhillwan Kalan is characterized by an extremely high unequal distribution of operational land holding and other means of production.

(1) Big capitalist farmers/Landlords:

Firstly, big capitalist farmer class/landlords has 49.23% of operational land holding out of total land holding of the village. There are 12 respondent households in this class having 320-acre land. The average land holding of this class is 26.6 acre, which is very high as compared to the average land holdings of other classes.

(2) Rich farmers:

Share of Rich farmers is 24.31% of total operational land holding of the village. There are 19 respondent households having 158-acre land. The average land holding of this class is 8.31 acre.

(3) Poor Farmers:

Only 18% of operational land holding of the total land is under the poor farming class. There are 32 respondent households in this class and total operational land holding of this class is 117-acre. The average operational land holding of this class is 3.65-acre. Hence all the farmers in this category are marginal farmers.

(4) Very Poor Farmers:

Very Poor Farmers have the least operational holding of land. This class has only 8.46% of operational landholding of the total land. There are 28 respondent households in this class consists of only 55-acres of land, which shows the average land holding per household is very less; only 1.96-acre per household.

Agricultural labor, casual labor, rent earners and other non-agricultural workers did not own any operational land holding. Besides rent earners, other classes also did not have any ownership of land. Only rent earners owned 45 acre of land but were not cultivating this land.

Table: Share of operational land holding of all socioeconomic class.

SOCIO-ECONOMIC CLASS	TOTAL HOUSE HOLDS	TOTAL OPERATIONAL LAND HOLDING (ACRE)	AVG. LAND HOLDING PER HOUSEHOLD (ACRE)	PERCENTAGE OF OPERATIONAL LAND HOLING
BIG CAPITALISTS FARMERS	12	320	26.67	49.23%
RICH FARMERS	19	158	8.31	24.31%
POOR FARMERS	32	117	3.65	18.00%
VERY POOR FARMERS	28	55	1.96	8.46%

AGRICULTURE LABOURER	14	0	0	0%
RENT EARNER	5	0	0	0%
CASUAL LABOUR	44	0	0	0%
NON AGRI.-OCCUPATION	16	0	0	0%
ALL	170	650	3.82	100%

Source: Sample Survey

Here the essential point is that the average size of operational land holding of the Very Poor and Poor Farmers is similar and both the classes fall in the category of marginal farmers. Second point which should be taken into consideration is that the the average size of operational land holding of these two classes is very small as compared to the classes of Big Capitalist and Rich Farmers. So on the basis of operational land holding again it becomes clear that the characteristics of the Poor and Very Poor Farmers are similar to the Agricultural Labourers.

Distribution of land ownership among socioeconomic classes:

Akin to the inequality in operational holding of land, there is huge inequality in the case of ownership of land also. At the topmost level are Landlords/Big Capitalist farmers who own 44.62% of the total land. The average land ownership of landlords/big capitalist class is 24.17 acre. Rich farmer class is second in case of ownership of land. They own 22% of total land. Average ownership of land of the rich farmer class is 7.53 acre.

The Poor farming class owns 18% of total land. Average ownership of land is 3.66 acre. Very poor farmers are on the lowest level in case of average ownership of land. They own 8.46% of total land. Average ownership of land is 1.96 acre. Rent earners own only 6.98% of the total land but the average ownership of land of rent earner class is 9 acres.

Table: Shae of land ownership among socioeconomic classes

Socio-Economic Class	Total households	Total Owned Land (Acre)	Average Land ownership (Acre)	Percent Of Operational Land Holding	Percent Of Total Owned Land
-------------------------	---------------------	----------------------------	----------------------------------------	-------------------------------------------	--------------------------------------

Landlords/Big Capitalists Farmers	12	290	24.17	49.23%	44.62%
Rich Farmers	19	143	7.53	24.31%	22.00%
Poor Farmers	32	117	3.66	18.00%	18.00%
Very Poor Farmer	28	55	1.96	8.46%	8.46%
Agriculture Labour	14	0	0	0%	0%
Rent Earner	5	45	9	0%	6.92%
Casual Labour	44	0	0	0%	0%
Non Agriculture Occupation	16	0	0	0%	0%
All	170	650	3.82	100%	100%

Source: Sample Survey

Agricultural labour, casual labour and non agricultural workers had no ownership of land. They are around 43.52% of the total respondent households but have zero percent of ownership of land, which is the main means of employment in the rural area. This shows high inequality in the village.

The average size of owned land of rent earner class is 9 but the average size of operational holding for rent earners is zero because all land is leased out by rent earners to other big farmers. In case of Poor and very Poor farmers this size is similar because these farmers neither have capacity to lease in land nor have sophisticated machinery which is required to cultivate large size of farm. On the other hand, the Big Capitalist Farmers own all types of means of production and they have the capacity to cultivate more than their own land. When the Big Farmers start to lease in land it shows the trend of reverse tenancy, which is characteristic of capitalism in agriculture.

Land Ownership Category/ Caste wise:

There is almost perfect overlap between category/caste and Socio-Economic Classes. Jat Sikh Caste constituted less than 50% of the total population, but they own and operate on approximately 90% of the land. The other general category casts Sodhi, Khatri, Mahajan,

Brahmin constituted 3.7% of population but they have also high proportion of ownership and operational holding of land.

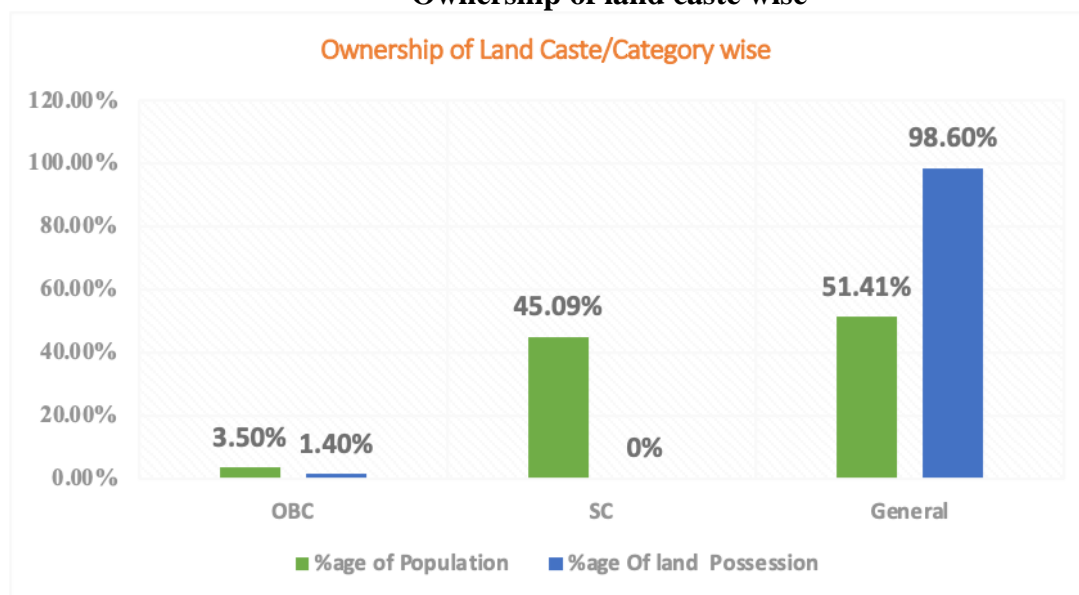
Table9: Land ownership caste wise

SOCIAL GROUP(CASTE)	% POPULATION	% LAND POSSESSION
GENERAL CATEGORY	47.71%	89%
OTHER GENERAL CATEGORY	3.7%	9.6%
SC CATEGORY	45.09%	0%
OBC CATEGORY	3.5%	1.4%
TOTAL	100%	100%

Source: Sample Survey

But on the other side SC and OBC were almost landless. There is only 3.5% of population belonging to OBC category and they owned only for 1.4% of total land. Furthermore, none of the households belonging to SC category possess any land.

Ownership of land caste wise



Distribution of ownership of land, operational holding of land across deciles of households.

The incidence of landless-ness is very high among the respondent households as more than 45 percent of respondent households in the village don't own any agricultural land. The distribution of land is skewed towards the big capitalist farmers. The top 10% of total respondent households accounts for 55.23 % of operational land holding and 51.12

% ownership of land, and the top 30% of the total respondent households accounts for 85.53 % operational land holding and 83.64% ownership total land. Further top 40% of the total respondent households accounts for 93.57% of village operational land holding and 93.07% ownership of land.

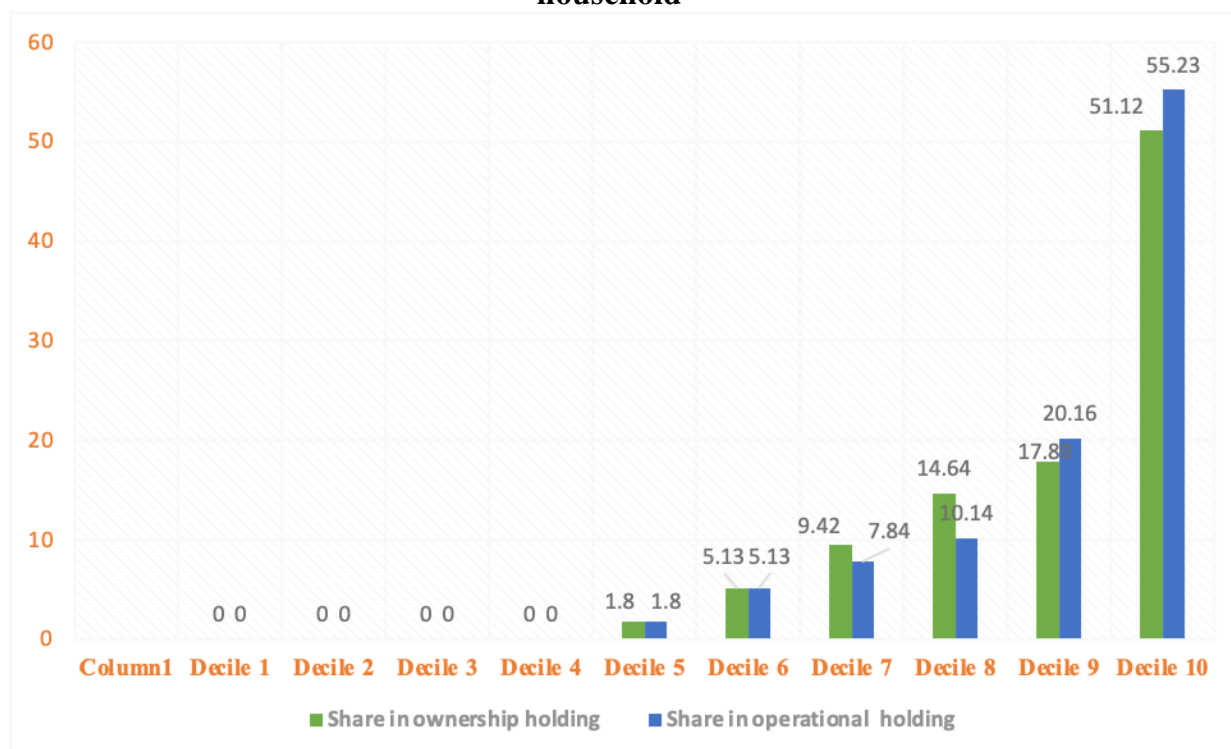
Table: Distribution of ownership of land, operational holding of land across deciles of household

DECILES	SHARE IN OWNERSHIP HOLDING	SHARE IN OPERATIONAL HOLDING
1	0	0
2	0	0
3	0	0
4	0	0
5	1.80%	1.80%
6	5.13%	5.13%
7	9.42%	7.84%
8	14.64%	10.14%
9	17.89%	20.16%
10	51.12%	55.23%
CUMULATIVE	100%	100%

Source: Sample Survey

On the other side, the lowest 45% of the respondent households has 0% of land and lowest 50% of households own only 1.80% of land. Land is the only means of production for employment in the rural area. But there is incidence of very high inequality in ownership of land among the respondent households. The lowest 70% of the total respondent households has only 7.84% of operational holding of land but on the other hand, top 30% has 92.16% of operational holding of land, which again shows very high inequality in operational holding of land.

Distribution of ownership of land, operational holding of land across deciles of household



Irrigation and Croppin Pattern⁶:

Land in village Dhilwan kalan is irrigated by the distributaries of Sirhind canal system. The Sirhind canal system is about 150 years old. The Sirhind canal is a large irrigation canal that carries water from the Sutlej river in Punjab state, India. The canal begins at Ropar headworks near Ropar city in Roopnagar district. The Sirhind Canal which offtakes from Ropar headwork has an authorized capacity of 12620 cusec with a cultivable command area of 13.59 lac hectare. The Sirhind Canal and its distribution network is spread over a length of 3215 km.

Irrigation water from the canal reach to each plot of the land through a network of channels designed to irrigate plots of land one by one on rotation. Each plot of land is entitled to irrigation for a specified duration, in proportion to the area of land. Each plot receives water at a pre-notified time of day or night, a schedule that is changed periodically.

Almost all the land cultivated by households in the village is irrigated by this canal system. But water available from the canal is not sufficient for irrigating the entire operational holdings. Therefore people use private tube-wells to augment the canal irrigation. Inadequacy

⁶(Source: DISTRICT CENSUS HANDBOOK FARIDKOT- CENSUS OF INDIA 2011)

of water supplied by the canal made access to ground water of critical importance mainly in Kharif season. However, limited supply of electricity (8 hours per day) also constrained the extent to which tube-wells can be deployed the water for irrigation. About 75 percent of land in Dhilwan Kalan has some access to irrigation from tubewells as shown in Table 11.

Table: Percentage of total operational holdings irrigated by different sources

SOURCE OF IRRIGATION	EXTENT (HECTARE)	%AGE OF TOTAL OPERATIONAL HOLDING
CANAL	2308	100
TUBE WELL	1732	75
UN-IRRIGATED	0	0
TOTAL OPERATIONAL HOLDING	2308	100

Note: Column 3 doesn't add up to 100 as each plot can have more than one source of irrigation.

Kharif Season:

The cropping pattern of the village is shown in Table no.-6. Rice is the most important cultivated crop of the Kharif season. Rice contributed to 86.6% of the Net sown area during the survey season. Cotton is on second number in cultivation in this season and contributed to 7.6% in Total Net sown area. 3.5% of Net sown area is contributed by fodder crops, which is also the one of the main crop for animals. Some households also cultivate some other Kharif crops during this season and contribute to about 2.3% of the net sown area.

Table: Cropping Pattern

SR. NO.	SEASON	CROP	PERCENTAGE TO NET CROPPED/SOWN AREA
1.	KHARIF	RICE	86.6%
2.	KHARIF	COTTON	7.6%
3.	KHARIF	FODDER CROPS	3.5%
4.	KHARIF	OTHER KHARIF CROPS	2.3%
TOTAL KHARIF CROPS			100%

5.	RABI	WHEAT	83.7%
6.	RABI	MUSTARD	8.9%
7.	RABI	POTATOES	1.6%
8.	RABI	FODDER CROPS	3.3%
9.	RABI	OTHER RABI CROPS	2.5%
TOTAL RABI CROPS			100%

Source: Sample Survey

Rabi Season:

Wheat is the main crop of the Rabi season, which contributes to 83.7% of Net sown area during the season. Mustard is sown on 8.9% of total Net sown area. Potato is also one of the important crops of the Rabi season. In Punjab Potato crop is a controversial crop. Firstly, because of the elasticity of Demand and elasticity of Supply of every agricultural commodity especially: potato is very low. Secondly, there is long gestation period to meet the demand and supply of the agricultural commodity. So, there are high fluctuations in the prices of the agricultural commodity. At the time of shortage of agricultural commodity price touches roof and when there is bumper crop than there is no value for that commodity. So the Farmers are in distress, especially those who cultivate potato crop in Punjab. In this village, potato crop accounted for 1.6% of the Net sown area. Fodder crops in this season accounted for 3.3% of total Net sown area. 2.5% of area is accounted for by some other Rabi crops. It must be noted that the cropping pattern is skewed towards Wheat and Rice because farmers get assured price (MSP) of these crops and these crops are procured by the Govt. Agencies (PUNSUP and FCI) from the grain market. This trend in cropping pattern also indicates that farmers grow the crops for commercial motive and not for subsistence. The farmers sell major part of the output in the market.

Area under different types of Land⁷:

As per the District census handbook for Faridkot (Census of India, 2011), 89.98% of area in the village Dhilwan Kalan is cultivated. Total area of the village is 2565 hectare out of which

⁷Source: DISTRICT CENSUS HANDBOOK FARIDKOT- CENSUS OF INDIA, 2011.

2308-hectare area is cultivated and 257-hectare area was use for non-agricultural purposes which accounts for 10.02% of the total area of village.

As shown in the following table land is put to several uses. But in the village Dhilwan Kalan 10.02% of area is used for Non-agricultural Purposes and 89.98% is used for Agricultural Purposes. There was no other use of land in the village like barren and un-cultivated land, permanent pastures and other grazing land, land under miscellaneous tree crops, cultivable waste land, fallow land other than current fallows and current fallow. These all types of land use other than area under non-agricultural uses and net sown area accounted for zero percent in the village.

Figure: Area under different types of land use in hectares

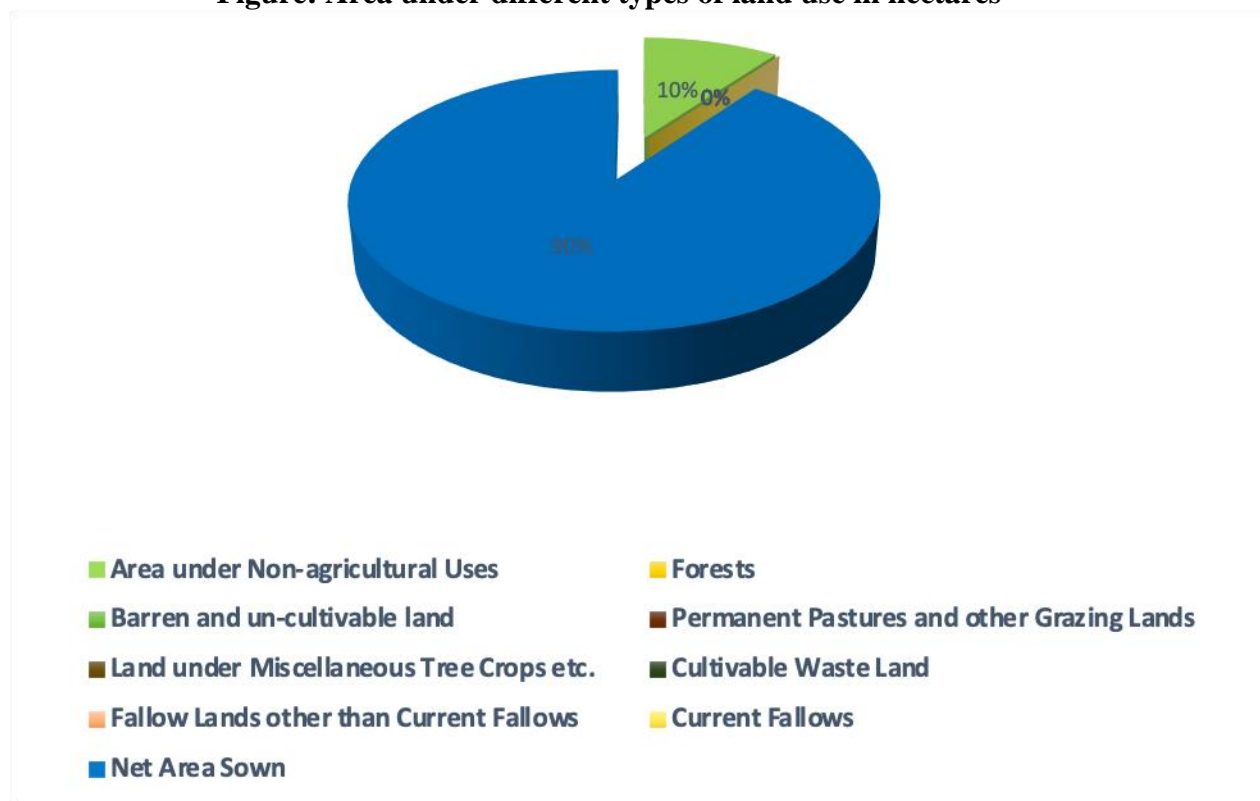


Table: Area under different types of land in hectares

LAND USE TYPE	AREA IN HECTARES	AREA IN % AGE
FORESTS	0	0
AREA UNDER NON-AGRICULTURAL USES	257	10.02
BARREN AND UN-CULTIVABLE LAND	0	0

PERMANENT PASTURES AND OTHER GRAZING LANDS	0	0
LAND UNDER MISCELLANEOUS TREE CROPS ETC.	0	0
CULTIVABLE WASTE LAND	0	0
FALLOW LANDS OTHER THAN CURRENT FALLOWS	0	0
CURRENT FALLOWS	0	0
NET AREA SOWN	2308	89.98
TOTAL IRRIGATED LAND AREA	2308	89.98
TOTAL UN-IRRIGATED LAND AREA	0	0

Source: DISTRICT CENSUS HANDBOOK FARIDKOT- CENSUS OF INDIA, 2011.

Cost of Cultivation:

We calculated the gross value of output and cost of cultivation for dominating crops wheat and rice. The following cost concepts Cost A_1 , Cost A_2 have been taken from Commission on Agriculture Costs and Prices (CACP).

COST A_1 : It Includes

1. Value of Hired Human Labour
2. Value of Hired and Owned Bullock Labour
3. Value of Hired and Owned Machine Labour
4. Value of Seed (Both Farm Seed and Purchased)
5. Value of Manures (Owned and Purchased) And Fertilizers
6. Depreciation^{[1][2]}
7. Irrigation Charges^{[1][2]}
8. Land Revenue^{[1][2]}
9. Interest On Working Capital
10. Miscellaneous Expenses^{[1][2]}

COST A_2 : Cost A_1 + Rent Paid For Leased-In Land

Cost A_1 refers to Paid-out costs. It does not include any imputed value of family labour or any imputed rental value of owned fixed capital (including land). Costs A_2 also does not include any imputed value of family labour or any imputed rental value of owned fixed capital excluding land. Here we include rent paid for lease in land because in all over Punjab (basically in all over India also) it is the only means of production which are mostly rent out as compare to other. Due to geographical constraints there is scarcity of land. Therefore, the supply of land is fixed but the demand for land is not fixed. With continuous increase in population and the imperative to satisfy basic human needs of livelihood, earning and deal with greed, the demand for means of production is increasing and land is one of them. One more reason for increase in demand for land/rental land is that nowadays agriculture becomes profitable as new technology and machinery is introduced. So this requires less labour as compared to earlier scenario wherein manual labour (human and animals both) was solely used for sowing and harvesting we use but nowadays we use machinery (combine, harvester, tractor, rotavator etc.). Therefore, it makes agri-business profitable. So the marginal farmers and small farmers who do not have access to heavy machinery, sell their land or lease out their land to others, basically to the big capitalist farmers. So this process is (marginal/small farmers leasing out their land to big capitalist's farmer) called REVERSE TENANCY which facilitates the capitalist farming in the society.

Therefore, the tenancy and reverse tenancy culture is very popular in Punjab. So as demand for land rises, the rent of land also rises. That's why in Punjab the rent of land is so high. Therefore, lease in rent is considered in the cost A_2 . Rent is the opportunity cost for the owned land for the owner the land. Therefore, rent will also include in A_2 Cost those who cultivate their owned land because they bear the opportunity cost of rent.

To calculate the Cost A_1 we use the cost concept (nearly) given by Commission on Agriculture Costs and Price. We considered every single component of cost as farmers of the village Dhilwan Kalan bore, which is shown in the following table. The total A_1 Cost of Wheat Crop per acre is 10,025 rupees. And if we add rent of land in this cost than it makes the A_2 Cost which is 35,025 rupees. Average rent of land in the village is 50,000 rupees per acre i.e. 25,000 rupees for one crop. The total A_1 Cost of Paddy Crop per acre is 15,425

rupees and total A_2 Cost of Paddy Crop is 40,425 rupees. Therefore, the total A_1 Cost for both Crops is 25,450 rupees per acre and if we add rent of land i.e. minimum 50,000 per acre in the Dhillwan Kalan village then it makes total A_2 Cost for both crop is 75,450 rupees per acre.

The average yield of wheat crop in the village is around 22ql per acre. The total gross value of output of wheat crop is 38,170 (22ql*1735rs.) rupee per acre. The average yield of paddy crop in the village is around 28ql per acre. The total gross value of output of paddy crop is 49,000 (28ql*1750rs.) rupees per acre. The total gross value of output for both crops is 87,170 rupees per acre. Therefore the net income on per acre land if we subtract A_1 Cost of both crops from gross value of output is 61,720 rupees per acre. If we subtract A_2 Cost out of total gross value of output than it is 11,720 rupees per acre.

Table: Average expenditure of different items in cultivation of major crops (rupees per acre)

ITEM	WHEAT	RICE	(WHEAT + RICE)
FUEL CULTIVATION, SOWING	2235	2000	4235
PADDY PLANTATION COST	0	2600	2600
SEED MATERIAL	865	0	865
MANURE	0	0	0
CHEMICAL FERTILIZER	1925	800	2725
PLANT PROTECTION CHEMICALS	1175	1500	2675
IRRIGATION (RENTAL, FUEL COST)	0	5300	5300
CASUAL LABOR	150	300	450
LONG TERM LABOR	0	0	0
MACHINES	1225	1225	2450
DRAUGHT ANIMALS	0	0	0

DEPRECIATION OF CAPITAL	250	250	500
HARVESTING+ FODDER COST	1900	1000	2900
OTHER EXPENSES	300	450	750
COST A1	10,025	15,425	25,450
RENT FOR LEASE IN LAND	25,000	25,000	50,000
COST A2 (A1+RENT)	35,025	40,425	75,450

Source: Sample Survey

Conclusion: As we have seen in the analysis of the socio-economic condition of the village Dhilwan Kalan, there is huge inequality of land and assets between various farmer classes, and is correlated with caste. This implies there is correlation between socio-economic class and caste in the village Dhilwan Kalan. The economic matrix of the village is dominated by 'Big capitalist farmers' and most of them belong to the Jat Sikh community. Along with power of land ownership they have also been able to influence the village socially, economically and politically. They constitute the main exploiters of the landless labourer, marginal and small farmers. They are also the moneylenders in the village and thus again exploit the poor farmers by charging higher interest rate.

India is predominantly an agrarian country with more than 50% of population dependent upon agriculture, directly or indirectly. Of this more than 70 % of people are either marginal farmers or small farmers. The proportion of land holdings with large farmers or extra large farmers is very high as compared to small and marginal farmers. So there is glaring inequality in the rural landscape of India. Previously governments throughout the world have initiated some institutional reforms to reduce the inequality and to abolish the feudalistic system of agriculture like Land Reforms in Japan, erstwhile USSR and China. But in India these land reforms have not been fully successful or we can say that they have only been partially successful as, the condition of marginal and small farmers has not improved significantly. In reality, these reforms have only shifted land power from feudal lords to big capitalist farmers. The erstwhile hegemony of the feudal lords has now been replaced by the capitalist farmers in the village economy.

To solve the real problems of agricultural labourers, small tenants and marginal farmers in India, there should be some concrete institutional changes in the agricultural system. Firstly, there should be a strict execution of land reforms in favour of the deprived sections of the agricultural class and it will be beneficial only when these institutional changes are successfully implemented as in Japan, China and USSR. There should be provisions of redistribution of land from large and extra large farmers/big capitalist farmers to the landless and marginal farmer class of the village. Secondly, there should be a strict rule for ceiling of landholdings. Ceiling of landholding is another tool for redistribution of land among landless labourers and marginal farmers by acquisition of surplus land from big farmers. Thirdly, there should be ceiling on rent too. In case of Punjab, rent should not be more than $1/3^{\text{rd}}$ of the total productivity. Fourthly, there should also be more focus upon innovation, research and development, ICT oriented problem solving in agricultural sector. The new technology, machinery and equipment could also be provided to lower sections of the agricultural class through cooperative societies, to increase both the productivity of crops and the income of the lower strata.

References:

Chattopadhyay Paresh (1972) “On the question of Mode of Production in Indian Agriculture” Book-Agrarian Relations and Accumulation edited by Utsa Patanaik.

Frank Andre Gunder “On feudal Modes, Models and Methods of Escaping Capitalist Reality” Book-Agrarian Relations and Accumulation edited by Utsa Patanaik.

Hamza Alavi (Aug 1975), “India and Colonial Mode of Production” Book-Agrarian Relations and Accumulation, the ‘Mode of Production Debate’ in India edited by Utsa Patanaik.

Lenin V.I. (June,1920) “Preliminary Draft Theses On The Agrarian Question” For The Second Congress Of The Communist International
Source: Lenin’s Collected Works, 4th English Edition, Progress Publishers, Moscow, 1965, Volume 31, pages 152-164
<https://www.marxists.org/archive/lenin/works/1920/jun/x01.htm>

Mao Tse-tung wrote this document in October 1933, to provide a correct solution for the land problem.
<https://www.marxists.org/reference/archive/mao/selected-works/volume-1/>

Sidhu, H. S. (2002). Crisis of agrarian economy in Punjab: Some urgent steps. Economic and Political Weekly, 37(30), 3132–3138

Singh, P. (2011). Economic benefits and ecological cost of green revolution: A case study of Punjab. Journal of Economic and Social Development, 2(1), 64–74.

Singh, P., Tiwana, B. S. (2015). Rise of capitalism in Punjab’s agriculture: An enquiry into the mode of production. In Singh, G. (Ed.), Agriculture performance and rural development in India (pp. 125–148). Publication Bureau, Punjabi University.

Patanaik Utsa (Sep,1971) “Capitalist Development in Agriculture” Book-Agrarian Relations and Accumulation edited by Utsa Patanaik.

Ptanaik utsa (Sep,1976), Class Differentiation within Peasantry an approach to the analysis of Indian agriculture, EPW.

Rao R S, (Dec 1970) “In search of the capitalist farmer” Book-Agrarian Relations and Accumulation edited by Utsa Patanaik.

Rudra Ashok a Majid, B D Talib (1969-70), “Big Farmers of Punjab” Book-Agrarian Relations and Accumulation edited by Utsa Patanaik.

Rudra Ashok (1978) “Class Relation in Indian Agriculture” Book-Agrarian Relations and Accumulation edited by Utsa Patanaik.

Swaminathan Madhura & Rawal (2015) book: “Socio-economic survey of two villages in Rajasthan, A Study of Agrarian Relation” Foundation of Agrarian Studies, Tulia Books.