

## Colonial Legacy and India's Agriculture Development: A Critical Assessment

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### Abstract

*British-induced capitalist growth in agriculture came with a cost, which is still being borne by today's farmers. Extensive canal systems, commercial agriculture, the emergence of private land markets, and interlinkages of localized markets glorify the British government's efforts. But we fail to see the other side of this 'so-called' development which led to forceful commercialization, loss of food security, famine, imposition of global price fluctuations on farmers, the institutionalization of the money-lending system and resultant indebtedness, loss of common resources so as the negotiation power, and degradation of farmers to tenants. The scars of British intervention did not heal right after the independence. Although, the green revolution carried some hope for self-sufficiency in food crop production, soon under the effect of neoliberalism, structural adjustment policies and trade liberalization, India's agricultural production experienced a 'recolonization' situation. Land reforms did not truly work, rather, they reinforced the inequality of the British era. In this regard, inclusive rural development has become a priority. The role of co-operatives, balanced crop production, crop diversification, improved access to microfinance and procurement facilities, and knowledge dissemination are fundamental to rural development policies.*

**Keywords:** British intervention, Criticism, India's agriculture, Post-colonial society

### 1. Introduction

India's agriculture is low-productive compared to the 'developed' West. A common assumption lies in the reluctance of farmers to technological changes, which has led to low-productive subsistence farming practices. Therefore, the blame is on internal factors. This notion is biased as it fails to see external reasons in a post-colonial economy, such as the intervention of Britishers.

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Whether British rule has made India's agriculture more dynamic and prospective is a long-debated question in the literature. This article aims to leap into the debate to see how British intervention has shaped India's agriculture and identify the specific elements that contributed to India's agricultural underdevelopment. Gunnar Myrdal argued that British intervention was one of the reasons for the twentieth-century deterioration of Asian agriculture, and India was no exception (Todaro & Smith, 2015).

The general claim is that India's agriculture was static and less capitalist before the British arrival. The markets were very limited. However, British rule planted the seed of rural capitalism as evident from the rapid commercialization in the 19th and 20th centuries. During this period, crop production was mainly cash-crop-oriented.

A new form of agricultural economy - 'plantation' was introduced. With the development of railways and ports, trade in agricultural commodities significantly scaled up with the remarkable expansion of the agricultural market (Roy, 2020). Such changes apparently infer agricultural development under British rule but fail to see the other side of the story, for instance, the threat to the local food crops and food security, farmers' plight due to market fluctuations, exploitation of farmers by moneylenders, loss of common rights on the land and a shift from independent cultivators to tenants.

The article focuses on the impacts of British intervention and today's Indian agricultural deterioration. British rule infused significant changes into India's rural agricultural economy. Indeed, some policies added dynamism to the static and localized agriculture sector, such as the irrigational development and expansion of the agricultural market. However, we also need to consider the cost of this capitalist development.

## 2. Questionable Developmental Elements in Agriculture in the British Era

Following a capitalist approach, under British rule, India recorded a growth in agriculture as commercialization imparted the scope for capital accumulation. From the mainstream economic perspective, commercial agriculture is more valuable than subsistence farming due to better profit.

However, here lies the question of who all gained. Landlords and the rich peasants benefited from the new agricultural system but created a limited scope for small peasants. Commercialization requires enough resources or cash to undertake risk as these crops are susceptible to price fluctuation in the market. But small peasants lack resources.

Moreover, the poor peasants produced their food without dependence on the market. It did not remain the same in commercialized agriculture. Actual agricultural progress for these small peasants required appropriate training, government support, and incentives before exposing them to market-based agriculture. However, the British failed to realize this human capital (Klein, 2008).

In Epstein's view (Klein, 2008), the cotton cultivators of western India gained much prosperity by reaping the benefit of the global cotton demand during the American Civil War as Manchester lost its raw cotton supply chain from the American South. The cooperative credit helped to get rid of moneylenders. A section of rich peasants emerged out of the new commercial agricultural system. However, the cooperative credit facilities did not reach most farmers (Klein, 2008), who could not bypass moneylenders. Also, the spread of literacy and knowledge was not uniform, depriving small farmers of gains from commercial advancement. Indian agriculture is highly dependent on rainfall. The variability of monsoonal rain poses a threat to Indian farmers. To deal with this situation, crop diversification is the most feasible solution. However, the specialization of cash crops in many provinces did not allow crop diversification to reach a desirable level.

Railways and irrigation - the other widely regarded developmental elements in the agricultural sector complemented the commercialization process. Extensive canal construction took place in the northwestern India. Irrigational progress was beneficial for the dry regions as more lands became arable. However, the motive behind such developmental constructions was to increase productivity and British revenue. Although there is a constraint of data availability, Roy (2020) has argued that an increase in income did not matter much for the farmers as rental value also increased. Rent for the irrigated lands was the highest in the Ryotwari system.

Additionally, these extensive canal systems did not work effectively in the wet regions as they hampered the natural drainage system (Roy, 2020). Railways revolutionized agriculture since the transportation of crops became easy across areas. It was possible to integrate the otherwise localized markets well with the help of improved connectivity. However, this explanation hides the truth of the easy exportation of food grains out of the locality, posing a threat to local food security (Roy, 2020). Britishers displayed irrigation and railways as symbols of development, which benefited only a fraction of the rural population, keeping the agrarian masses entangled with malnutrition, famine, and indebtedness (Klein, 2008).

Thus, agricultural development under British rule is elusive and requires further examination. As observed by Ira Klein, agricultural transformation and the coexistence of poverty question agrarian prosperity. Other aspects of British intervention in the rural economy of India are as follows:

### ***2.1 Threat to the local food crops and food security***

Britishers found a possibility of capitalist gain on Indian soil. They adopted the commercialization policy to benefit from the global demand for cash crops. Local food crops started losing importance because of their lesser economic value in the worldwide market. Previously, agriculture was driven by local needs, but with the onset of British rule, the global market started determining crop production. British linked Indian agriculture with global capitalism, which led to capital accumulation, but this capitalist development came at the cost of food crops in many places.

There was a significant increase in non-food or marketable crops compared to consumable crops (Roy, 2020). There were also many instances of forced commercialization in the British era. Let us understand this with the help of indigo, opium, and jute stories.

Opium was a great source of profit and a much-needed export item for Britain to maintain a balance against imported tea from China. So, they targeted the moist and fertile lands to expand opium cultivation in the eastern Gangetic plain. Although cash-advances in opium cultivation played a significant role in attracting cultivators, in some cases, village headmen employed force. The fertile lands that family farms used for food crop production were forcefully converted to commercial units (Richards, 1981). British policy pushed farmers to depend on the market for food crops, which led to a dependence on cash, making farmers more vulnerable to money lenders.

There was a rising demand for indigo in the 19th century because of the growing textile industry, and there was an expansion of indigo in Bengal, often at the cost of the local food-crop chain. The forced commercialization led to an indigo revolt in the first half of the 19th century, resulting in a decline in Bengal's dominant status as an indigo producer. In contrast, Bihar, which was predominantly a rice producer earlier, replaced Bengal in indigo production (Chaudhuri, 1970).

Jute was known to Indians through ropes, clothes, and bags far before the Britishers arrived. However, in the 19th century, the picture was different as jute production experienced a significant increase due to the growing international trade and demand for gunny bags. In this context, the emergence of the Bengal jute industry was an important phenomenon.

Farmers of North and Eastern floodplains produced jute as a major crop throughout the 19th century. British officials often used to justify that jute never substituted food crops (Saikia, 2015). However, evidence points to the sacrifice of food crops to a greater extent. The attempt at region-specific cash crop production threatened local food security. Although irrigational development benefited grain production, such as rice and wheat, it was not enough to support the British government's investment in local food grains. It is worth mentioning that the acreage and yield grew very rapidly for non-food grains from the 1890s to the 1990s, but the growth rate in food grains was negative (Roy, 2020). It implies that the overall picture of rural development was not that impressive.

The losing focus on the foodgrains and other distorted policies of the British government were responsible for famines in India. Natural factors such as flood and drought were present, but British policies amplified the threat to food security. Amidst commercialization in Indian agriculture, the export of foodgrains from India impacted the local food availability, intensifying the famine during a bad crop year (Roy, 2020). The Bengal famine is one well-known example that occurred due to faulty British policies. The British government could have dealt with the famine better by leveraging railways to distribute food. Instead, they restricted rice imports from Burma as Japan occupied it (Sen, 1983).

## 2.2. *A sudden exposure to market fluctuations*

Britishers linked Indian local markets with the global economy through agricultural trade and commercialization. It is often argued that such linkage made capital accumulation possible in the subsistence agricultural economy. As the market expanded, demand for agricultural commodities rose, creating new profit opportunities. After the 1870s, the price of farming commodities went high and persisted for a substantial period (Roy, 2020). However, farmers were far from the actual beneficiaries. It was the British traders who made windfall profits out of the exploitation of Indian soil and crops that ultimately fueled the British economy.

On the other hand, Indian farmers had to bear the brunt of global price fluctuations because of the sudden transition from subsistence farming to commercial farming. The share of agriculture in GDP increased, and rich peasants did gain. However, smaller and marginal peasants became victims of indebtedness, a volatile global market, and a shortage of food crops (Roy, 2020). Cash crops are more sensitive to price fluctuations than food crops, leading to financial risks for farmers.

## 2.3. *Farmers became easy prey to moneylenders*

British intervention changed the position of moneylenders in an agricultural society. Moneylenders are quite an integral part of the rural economy. They prevailed even before the British rule. However, with the British intervention, their social power increased due to the emergence of the land market. Lands remained no longer a public resource. They turned to private property (Murali, 2010) as an accessible asset to take loans.

On the one hand, land relations were changing, and on the other hand, commercialization was taking place. Farmers needed cash to bear the cost of commercial farming, deal with market fluctuations, and even for basic survival needs as they suddenly shifted away from subsistence farming. Poor farmers with no assets naturally became dependent on moneylenders to meet the growing need for money (Todaro & Smith, 2015).

Moneylenders benefited significantly from the British agricultural and land policies. They took advantage of the monetary needs of farmers. Moneylenders would deliberately fix a very high interest rate so the peasants would fail to repay, and moneylenders could take away lands from the peasants to resell them to the big landlords at a better price. Moneylenders even manipulated farmers to take more loans to tactfully grab land to sell them in the land market (Todaro & Smith, 2015). Many farmers lost their lands and turned to agricultural laborers due to indebtedness. The percentage share of agricultural laborers increased in the British era as small artisans lost their livelihood and small peasants lost their lands (Roy, 2020). Gunnar Myrdal has identified this power rise of the moneylending class as one of the reasons behind the 19th-century deterioration of the agricultural economy.

## ***2.4 From independent cultivators to tenants: The deterioration of farmers' status***

Before the arrival of the Britishers, India had no private property rights on the land. Peasants enjoyed a safety net within the common land regime. The village chief was responsible for providing public services and basic amenities. Farmers could negotiate with the village chief during drought or floods. A redistribution of land was also possible to ensure food safety (Todaro & Smith, 2015). However, with the intervention of the British, the common lands were targeted to enact private property law. Britishers perceived common land as wasteful and unutilized.

They enclosed land under the formal framework of 'permanent settlements' in Bangla, Bihar, and Odisha, and 'Ryotwari settlements' in the Western and southern parts (Whitehead, 2010). In the permanent settlement, the landlords were given private property rights in return for a fixed revenue to the company. The common land rights were abolished, landlords assumed absolute power, and farmers lost their power of negotiation and became tenants (Todaro & Smith, 2015). In the ryotwari settlement, although peasants had land rights, the rate of revenue was very high and not fixed.

### **3. Post-Independence era**

British intervention left a deep scar on the Indian rural economy, as reflected in the immediate period of independence. India lost its self-sufficiency in food crop production, grappling with malnutrition and hunger (Doctor, 2020). By the time India gained independence, the whole economy had become dependent on food imports to a larger extent (Dantwala, 1976). The glorious picture of commercialization, agricultural dynamism, and capital accumulation faded.

After a long period of poor performance in Agriculture, the invention of New Agricultural Technology in the 1960s, known as the Green Revolution, carried some hope, especially, in food crop production. Although in some places, food crops experienced an increase in productivity, overall, India recorded a diversification towards non-food crops starting from the 1980s throughout the 1990s under the effect of neoliberalism (Bhalla & Singh, 2009). India's crop production was once again driven by the global market and not necessarily by local demand. In the view of Utsa Patnaik, today's export-oriented crop production in India can be defined as 'recolonization' with a close tie to global capitalism, serving the Western world.

The structural adjustment policies and liberalization in agriculture further worsened the situation. The continuous fall in coarse grain production posed severe threats to the food security of agricultural laborers and small farmers. Who benefited from the new open policy? Of course, a few capitalist entrepreneurs and metropoles reproduced a similar picture of colonial agriculture (Patnaik, 1996).

Commercial agriculture requires enough resources, a lack of which constrained small farmers in British India. In a neoliberal economy, the burden is again on the small farmers to cope with reduced government investment.

The majority of Indian farmers are small and marginal, and they are unable to take the risk of cash crop production without the government's assistance. Just like British policy did not benefit the mass rural people, the current neo-liberal era has produced the same scenario.

A noteworthy phenomenon in the post-independence period was the land reform program to eradicate the intermediaries by fixing a land ceiling on land and distributing the rest of the land among the landless and marginalized farmers. This program had the larger goal of reducing poverty and inequality. Although the program was able to abolish intermediaries, big landlords managed to bypass the land ceiling (Basu, 2007). Even today, a smaller fraction of people control the larger part of the land in India and receive disproportionate benefits compared to the actual tillers, which has its roots in British land policies.

A superficial understanding of the British introduced modern irrigation and railways paints a rosy picture of India's agriculture. But a careful examination unveils the darker side. For instance, extensive canal-based irrigation made rice cultivation possible in North-West India. However, rice is not a suitable crop to produce in semi-arid northern India, causing environmental issues such as salinization of soil due to overirrigation, decline in the groundwater level, and arsenic contamination (Singh, 2000). These are the 'blessings' of the same glorious irrigational revolution.

#### 4. Conclusion and Policy Implications

The article highlights where Indian agriculture went wrong during the British intervention. For example, commercialization assisted in capital accumulation but not in the hands of the masses. Irrigation expanded arable land but also invited environmental consequences, and change in the land system provided private ownership of land but it remained a powerful tool in a few hands. Most importantly, colonial 'modern' agriculture and land systems have succeeded in making their way to independent India and have shaped the current agricultural scenario.

The inequality in land persisted in the post-independence period, rather, geographical inequality in terms of agricultural capital concentration intensified with the Green Revolution (Dhanagare, 1987). Economic reforms of 1991 and the structural lending program facilitated export-oriented food crop production (often at the cost of local food grains), catering to the global market, particularly the demand of the Global North (Chand, 1998). In the current neo-liberal context, where agriculture is driven by the global market, the following suggestions are fundamental to ensure inclusive rural development.

- a. Export-oriented agriculture has failed to benefit the masses. Crop diversification and including food crops in the crop profile are crucial for small farmers from both livelihood and food security perspectives (Kankwamba et al., 2012). It would be illogical in the neoliberal regime to prescribe restrictions on agricultural trade.

However, there must be a balance between exportable crops and basic grains such as coarse grains, which are the staple food for most small and marginal farmers. A suitable crop diversification policy towards food crops needs to be encouraged by the government. If high-value crops are encouraged to produce, the government must invest in production input.

- b. India-wide proper procurement system must be built to boost food crop production. Except for North India, the rest of the parts lack procurement facilities and need immediate attention (Amir, 2013).
- c. Semi-formal microfinance facilities must be available and accessible to every rural household to improve their investment potential in agriculture.
- d. The government needs to take responsibility for specific development roles, such as providing training to poor producers, conducting new research in agriculture, and disseminating crop-management knowledge at the grassroots level.
- e. In the present-day context, cooperatives have a significant role in agriculture. The scarce resources of small farmers can be put together through cooperatives to produce crops more efficiently. In a neoliberal regime, where government investment has fallen, cooperatives can be a solution to overcome this investment barrier. Cooperatives get loans more easily than individual farmers. Cooperatives have the potential for inclusive rural development (Wedig & Wiegartz, 2018).

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