AGRARIAN CHANGE AND THE ROLE OF THE ENTREPRENEURIAL FARMER *

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ABSTRACT

This paper outlines the role played by entrepreneurial farmers in changing the agrarian structure of a Sinhalese village. The concentration of land and other forms of productive wealth in the hands of a few have led to a skewed distribution of income in the village and to the emergence of two clearly demarcated classes of peasants—the entrepreneurial farmers and the landless wage labourers.

INTRODUCTION

The main objective of this paper is to examine the role played by entrepreneurial farmers in the process of agrarian change with special reference to a Sinhalese village in North-Central Sri Lanka which has changed from a small, relatively isolated subsistence producing peasant hamlet at the turn of this century to a market oriented, clearly stratified agrarian community in the recent years. The changes were induced by a multitude of forces (i.e. historical, political, socio-economic, demographic, etc). But, as mentioned above, I seek to focus attention upon a category of entrepreneurial farmers for their presence in the local milieu which appears to affect the process of agrarian change in general and the distribution of fruits of economic growth in particular.

The following discussion is divided into several sections. First I will attempt to outline the historical background of the region and the village of Niltanne. Secondly, an attempt will be made to examine the recent socio-economic changes in the locality. Finally, I will focus attention on the role of the entrepreneurial farmers mentioned above in the process of agrarian change.

Historical Background of the Region and the Village of Niltanne

When the Europeans first arrived in the country in the 16th century, the North-Central region of Sri Lanka (see Map 1) virtually remained a thick jungle containing some small peasant hamlets dependent on individual village irrigation tanks. This pattern of settlements persisted through the Portuguese and the Dutch periods (from early 16th century to late 18th century). Despite isolated attempts by the British (1796-1948), who were preoccupied with the promotion of commercial plantations in the central and the south-western province, to reconstruct some of the dilapidated tanks and encourage human resettlement in the area, except in the administrative and market centres, the inhabitants in the hinterland perpetuated their old life style in their traditional habitats.

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AGRARIAN CHANGE

The first half of this century however witnessed some changes in the administrative centres and townships, e.g. extension of railways into the area, anti-malaria work, provision of some basic amenities such as schools and dispensaries, which made the hitherto remote region more accessible to outsiders. On the other hand, the population pressure caused particularly by the absorption of peasant land into the newly developed plantations squeezed many peasants out of their traditional villages in the plantation districts. Many of these landless peasants were gradually pushed into the remote north-central province where there were large stretches of unoccupied lands; some migrated permanently with their families and others became itinerant workers migrating seasonally into the area for wage employment.

The implementation of British land and tax policies was responsible for many changes in the native land tenure practices. On the one hand, land laws such as the Crown Lands Encroachment Ordinance imposed restrictions on the use of crown and communal land (Obeyesekere 1967). For instance, it was customary for the peasants to use the bush land surrounding their homesteads for slash and burn or chena cultivation, but when the legislation declared such land as crown property, the peasants were required to obtain official permission to use such land paying a prescribed fee. On the other hand, various taxes, particularly the grain tax, forced the peasants to convert at least a portion of their produce into cash. Those who failed to meet their tax commitments were forced to sell their land either to well-to-do fellow villagers or to absentee landlords. This process brought land into the open market and eventually gave rise to a class of land owners who began to control a substantial proportion of peasant land which still continued to be tilled by poor peasants either as tenants or agricultural labourers.

The country's political independence in 1948 was followed by more changes in the region, particularly due to the special emphasis placed by the independent regimes on the modernisation of peasant agriculture and the establishment of planned human settlements known as "colonization schemes" in this part of the island (Farmer 1957:10). Multi-faceted development programmes sponsored by successive governments involved the provision of further infrastructural facilities such as irrigation, transportation, schools and hospitals. A package of agricultural development aid — supply of high yielding seed varieties, agro-chemicals, agricultural machinery, credit, etc. at subsidised rates and the provision of market facilities and minimum prices for agricultural produce — attracted more and more people into the hitherto sparsely populated dry zone districts. The process of migration brought in people belonging to two broad categories:

1. The poor peasants who lost or did not possess cultivatable land in the plantation districts where peasant land was enclosed continually into large estates of commercial production,

2. Indigenous businessmen who began to treat peasant agriculture as a profitable area of investment of their capital.

The above two groups of people began to play two different roles at their destination. The primary objective of the poor landless peasants was to regain the plots of land they lost in their natal villages. Some of them cleared new land and became small-holding farmers; they did not possess capital and therefore, cleared small plots which could be brought under cultivation with the use of family labour. Some
Map 2
SRI LANKA

REFERENCE
- BUS ROUTE
- RAILWAY
- DISTRICT
- BOUNDARY

DRY ZONE
*(PUL ELIYA)*

GALOYA
NILIANNE
POLONNARUWA

KURUNEGALA
MATALE

KANDY
TERUTENNE

COLOMBO

WET ZONE
*MADAGAMA*
peasants became share-croppers working the land owned by well-to-do villagers or absentee landlords. Those who failed to acquire land, or sufficient land, became agricultural labourers.

The motives of the incoming capitalist entrepreneurs were however different. The purpose of their involvement in peasant agriculture is to produce for the market for profit. Thus, the subsistence and other needs of their families do not set limits for their production. While continuing to expand their farms as the circumstances permit, they helped transform subsistence agriculture into a commercial enterprise oriented toward an outside market. Before attempting to elaborate the way they play their role, I will sketch the historical background of Niltanne (see Map 2).

The recent history of Niltanne conforms broadly to the historical sketch of the region outlined above. The small peasant hamlet which depended entirely on its irrigation tank for the supply of water for cultivation and domestic purposes had been virtually isolated from the centres of administration and mass culture due to physical barriers during the early British period. The available documentary evidence points to the fact that its inhabitants perpetuated a precarious existence in almost isolation (Ivers 1899:40). Around the turn of the century, they, however, began to feel the impact of the outside world. Roads were extended into the area; bureaucratic authority penetrated the remote countryside in the form of revenue collection, enforcement of rules and regulations, maintenance of law and order and so on; traders began to arrive more frequently for both selling and buying goods; villagers began to travel out of their hamlets for religious, official and other purposes; outsiders moved in to buy land from those who were forced to sell their land due to economic hardships thereby giving rise to new land owner/tenant relationships extending well beyond the village boundaries. By the end of the British rule, many peasant hamlets in the area like Niltanne were well integrated into the macro-structure of the national economy, polity and culture.

When the village tank was renovated by the newly established Department of Irrigation under the British in the first decade of the present century, the land area that could be fed by it expanded substantially. But, until the early 1940s, less than half of the cultivatable village land was brought under cultivation. The village population was small (about 12 families around 1940) and those outsiders who bought village land gave it back to local residents on a share-cropping basis. These transactions, therefore, did not lead to a considerable expansion of village fields. In the mid-1940s, this situation began to change.

The process of migration of landless peasants from the commercial plantation regions into the sparsely populated, newly developing non-plantation areas was well under way towards the end of the British rule. In the late 1940s and the early 1950s, landless peasant families migrated in large numbers into the colonization schemes in the dry zone (Farmer 1957:15). Some peasants moved into already existing peasant hamlets which are known as purana gam (lit. ancient villages).

The first wave of new settlers arrived in Niltanne in the early 1940s. Few of them cleared small plots of village land and became small-holding peasants. Most of them became share-croppers to purana villagers and absentee landlords.
As late as the early 20th century, Niltanne was surrounded by the wild animal infested bush land. It was connected with a few similar settlements in the area by foot paths running through the jungle. By mid-1950s, most of such bush land which bordered the village was cleared by new settlers who moved into the two newly established colonization schemes to the north-east of Niltanne. The growth of local population meant increased and diversified economic activity which in turn led to widespread commercial activity. Import of a host of consumer and other items from, and export of agricultural produce to external markets, became a profitable area of investment for the newly arrived entrepreneurs who either possessed or were able to raise finance.

Agrarian Planning and New Opportunities

Successive governments in independent Sri Lanka seemed to have treated the modernisation of peasant agriculture as perhaps the most important element of their overall development strategy. The reasons for this policy have been many. The usual practice of the British was to import food items in large quantities including rice which is the staple food in the country and no specific attempt was made by them to boost local food production. Their main concern was to encourage export crops such as tea and rubber. Even after independence, the import of food items that could be locally produced continued. With the worsening balance of payment problems in the 1960s there was no other viable option but to turn at least to partial import substitution. In order to increase the production of rice and other subsidiary food crops, every government, irrespective of their ideological differences, not only took various steps to facilitate agricultural modernization, i.e. supply of inputs and credit at subsidised rates and introduction of new farming techniques, but also offered numerous incentives e.g. market facilities and guaranteed prices for farm produce.

Growing of food crops thus became a profitable area of investment. Those who owned agricultural land but did not so far take an active interest in it began to evict their tenants and turn their land into commercial holdings. The class of agricultural labourers began to grow partly as a result of the new tenurial arrangements. Those who owned or acquired land and finance began to play a multiple role of providing commodity or cash loans to needy peasants, collecting and transporting agricultural products, hiring out agricultural machinery, farming and shop-keeping.

The changes that have been taking place in the rural economy in response to agrarian planning and the market forces clearly amount to what is popularly called the green revolution. Now I return to Niltanne and attempt to outline such changes as they are taking place there.

Before the first wave of new settlers arrived in Niltanne in the early 1940s, its inhabitants were mere subsistence producers. Population was small and, therefore, only a part of the village land was brought under cultivation. Since crop failures were common due to natural causes such as pests, wild animals and droughts, peasants also relied on the cultivation of secondary crops by slash and burn method. Farming techniques were very simple and less efficient. Land preparation was done by driving pairs of buffaloes on the wet field without using a plough. No effective
measures were taken to control either pests or weeds. Manure, either organic or chemical, was hardly used. In other words, peasants had little to do between sowing and harvesting. They devoted most of their free time for chena cultivation.

Hard environmental conditions in turn encouraged peasants to adopt suitable work sharing arrangements. They could not cope with the natural forces individually. Instead, they had to co-operate in many spheres of life. Their co-operation was expressed in two different forms, namely work sharing and social insurance against starvation of individual peasants.

Niltanne peasants, instead of working on their fields individually, formed work teams in order to exchange their labour. The exchange of labour was based on the principle of mutual help and, therefore, they were not concerned with the accuracy of labour units exchanged. Furthermore, giving material assistance to those who were in need was a highly valued practice among the local peasants. While it was customary for them to store their little surplus production in grain containers belonging to individual families, peasants felt obliged to share it with the others as the need arose.

In the late 1940s, physical and social organisation of production and exchange began to change steadily. With the growth of population due to the influx of new settlers and natural increase, (by the late 1940s, the number of families had risen to 50; in 1976 there were 169 households), more and more land had to be cleared for farming and settlement purposes. Under the influence of the wider market economy, peasants became increasingly market-oriented; they sought to produce more and more by adopting new farming technology. When the peasants ceased to be near subsistence producers, they also began to do away with co-operation in favour of competition.

By early 1960s, the expansion of the village (wetland used for rice cultivation) reached its optimum limits. The scrub which was hitherto used as grazing fields for their cattle was also cleared for rice farming by commercial producers. Some peasants were forced to sell their cattle for want of open land. Others began to keep theirs far away from the village and drive them into the fields when needed.

Despite the fact that there was no more new land to be cleared in the village, the inflow of landless peasants, particularly from the plantation districts continued. Since most land owners had already abandoned share-cropping in favour of commercial farming, the newcomers had no prospect of at least becoming tenants. They had no option but to become wage labourers. Landlessness was further aggravated by the tenurial changes that followed the tenancy legislation enacted by the central government in the late 1950s (cf. Joshi 1974:329). For example, the Paddy Lands Act of 1958 was intended to protect the tenants and safeguard their interests. Land owners reacted negatively to this piece of legislation by evicting their tenants (Peiris 1976:24). They began to cultivate their land either by employing wage labourers or through unofficial tenants on a short-term/seasonal basis. The second mode effectively denied the tenants their rights defined by legislation.
In the early 1960s, Niltanne became segmented into distinct agrarian classes (See Table I). The capitalist entrepreneurs engaged in commercial farming continued to acquire more and more land through diverse means (Hettige 1980). Poor peasants who were dependent on the above entrepreneurs for various needs such as credit and agricultural machinery lost some of their land to the latter either through mortgage or sale. In the mid 1970s three such land owners controlled nearly half of the total area of cultivated village land (See Table II).

**Table I—LAND OWNERSHIP PATTERNS**

<table>
<thead>
<tr>
<th>Size of Holding (acres)</th>
<th>Agricultural Families %</th>
<th>No.</th>
<th>Persons</th>
<th>All Families %</th>
<th>No.</th>
<th>Persons</th>
</tr>
</thead>
<tbody>
<tr>
<td>25 and over</td>
<td>1.7</td>
<td>2</td>
<td>9</td>
<td>1.1</td>
<td>2</td>
<td>9</td>
</tr>
<tr>
<td>10 and over</td>
<td>2.5</td>
<td>3</td>
<td>18</td>
<td>1.7</td>
<td>3</td>
<td>18</td>
</tr>
<tr>
<td>5 and over</td>
<td>11.2</td>
<td>13</td>
<td>101</td>
<td>12.5</td>
<td>21</td>
<td>118</td>
</tr>
<tr>
<td>1 and over</td>
<td>10.3</td>
<td>12</td>
<td>78</td>
<td>8.9</td>
<td>18</td>
<td>92</td>
</tr>
<tr>
<td>Less than 1</td>
<td>59.0</td>
<td>69</td>
<td>370</td>
<td>65.4</td>
<td>110</td>
<td>607</td>
</tr>
<tr>
<td>Total</td>
<td>99.4</td>
<td>116</td>
<td>642</td>
<td>99.7</td>
<td>168</td>
<td>932</td>
</tr>
</tbody>
</table>

**Table II—DISTRIBUTION OF PRODUCTIVE RESOURCES IN NILTANNE**

<table>
<thead>
<tr>
<th></th>
<th>Agricultural Land %</th>
<th>Tractors (4 wheel) %</th>
<th>Tractors (2 wheel) %</th>
<th>Plough cattle %</th>
<th>Pump Sets %</th>
<th>Sprayers %</th>
<th>Rice Mills %</th>
<th>Lories %</th>
<th>Cars of the total agricultural families %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Capitalist</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Land owners</td>
<td>45.5</td>
<td>66.6</td>
<td>33.3</td>
<td>66.6</td>
<td>50</td>
<td>33.3</td>
<td>100</td>
<td>60</td>
<td>2.50</td>
</tr>
<tr>
<td>Rich peasants</td>
<td>34.5</td>
<td>33.3</td>
<td>66.6</td>
<td>55.5</td>
<td>33.3</td>
<td>25</td>
<td>16.6</td>
<td>20</td>
<td>12.93</td>
</tr>
<tr>
<td>Poor peasants</td>
<td>16.0</td>
<td>0</td>
<td>44.5</td>
<td>45.5</td>
<td>0</td>
<td>25</td>
<td>50.0</td>
<td>20</td>
<td>41.37</td>
</tr>
<tr>
<td>Agricultural labourers</td>
<td>0</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Others</td>
<td>6.0</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Since tenants were not treated here as land owners, they have been deliberately excluded from the above Table.

A few peasant families made use of the new opportunities and became well-to-do peasants enjoying better living conditions, but the overwhelming majority of the peasants remained poor struggling to survive in the face of strong competition from the capitalist farmers for more land and more profit. The size of their holdings is becoming smaller day by day through fragmentation in the process of inheritance of property by family members. Some family holdings are too small to be partitioned among its members. Those who do not inherit land often become landless labourers.
The tendency for commercial farming encourages the land owners to do away with share-cropping. When the actual tiller of land is a tenant, the land owner does little or nothing to raise the productivity of his land but receives a fixed share of the production. On the other hand, the tenant has little inducement to increase production because more productivity means more expenditure in terms of costs and land rent. When the owner cultivates his land himself, he controls the entire process of production; for him increased productivity means increased profit.

The traditional practice of share-cropping (ande) was replaced partly by a new land-leasing system. The main feature of the new mode is that it is a short-term commercial transaction between the owner of a parcel of land and its lessee. Unlike the traditional tenant, the new lessee is often a well-to-do villager who could raise sufficient finance not only to pay the land rent in advance but also to meet the cultivation expenses. On the other hand, the new lessor is usually a poor peasant who is either unable to cultivate his land for one reason or the other or in need of a lump sum of money to cope with an emergency. When a peasant surrenders a part or whole of his holding in return for a lump sum of money, the lessee makes use of the land during the prescribed period.

Having done away with share-cropping and co-operative labour, land-owning peasants and capitalist farmers began to rely heavily on agricultural labourers. These entrepreneurs worked entirely by wage labourers: peasants employ workers in varying numbers depending on the extent of additional labour required to run their family farms. Many poor peasants who own small plots employ no paid workers.

As mentioned before, along with the changing tenurial practices and production relations, the physical process of production has also been changing dramatically over the last few decades. Niltanne peasants, largely following the footsteps of the entrepreneurial farmers, have incorporated new methods into the cultivation process. Instead of buffaloes, most of them now use tractors, either four or two wheel, for land preparation. Instead of sowing broadcast, many of them transplant seedlings. Peasants no longer use traditional varieties of seed (see Tables III, IV, V and VI). Unlike in the past fertilizers, pesticides and weedicides are commonly used in the village. All these have helped increase paddy yields to all island record levels. While productivity increases have induced many of these practices, the adoption of some practices is also required to avoid unpleasant consequences of conflicting usages. For instance, when one field is sprayed with pesticide, the adjacent fields are often required to be sprayed in order to avoid the latter being affected by the pests leaving the former. Since the water for all plots are released from the same outlet (sluice) according to a fixed time table, peasants have to carry out their tasks in keeping with the general irrigation schedule.
Table III—WEEDING PRACTICES BY ACREAGE

<table>
<thead>
<tr>
<th></th>
<th>By Hand</th>
<th>Mech. Weeder</th>
<th>Chemicals</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Maha 75/76</td>
<td>...</td>
<td>20</td>
<td>10</td>
<td>90</td>
</tr>
<tr>
<td>Yala 1976</td>
<td>...</td>
<td>15</td>
<td>05</td>
<td>90</td>
</tr>
</tbody>
</table>

Table IV—USE OF HIGH YIELDING VARIETIES BY ACREAGE

<table>
<thead>
<tr>
<th></th>
<th>Modern HYVV Type</th>
<th>Traditional Non-HYVV Type</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>BG 11 3LL BG34/8</td>
<td>BG34/6</td>
<td></td>
</tr>
<tr>
<td>Maha 75/76</td>
<td>140 32</td>
<td>—</td>
<td>172</td>
</tr>
<tr>
<td>Yala 1976</td>
<td>30 130</td>
<td>12</td>
<td>172</td>
</tr>
</tbody>
</table>

Table V—FIELD PREPARATION FOR PADDY BY ACREAGE

<table>
<thead>
<tr>
<th></th>
<th>Buffaloes (ploughing)</th>
<th>Tractors</th>
<th>Mamoty</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Maha 75/76</td>
<td>...</td>
<td>...</td>
<td>30</td>
<td>140</td>
</tr>
<tr>
<td>Yala 1976</td>
<td>...</td>
<td>...</td>
<td>32</td>
<td>140</td>
</tr>
</tbody>
</table>

Table VI—SOWING AND TRANSPLANTING BY ACREAGE

<table>
<thead>
<tr>
<th></th>
<th>Sowing</th>
<th>Transplanting (normal)</th>
<th>Transplanting (in rows)</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Maha 75/76</td>
<td>...</td>
<td>2</td>
<td>162</td>
<td>172</td>
</tr>
<tr>
<td>Yala 1976</td>
<td>...</td>
<td>65</td>
<td>107</td>
<td>172</td>
</tr>
</tbody>
</table>

The adoption of modern farming practices involves substantial cash expenses. Poor peasants whose families subsist on their small parcels of land find it almost impossible to meet these expenses without resorting to financial assistance from either private or institutional sources. Their holdings are uneconomical and, therefore, they produce little surplus which is often not sufficient to settle loans and meet the subsistence requirements of the family. Many of them depend on private money lenders who charge very high interest rates because they are not eligible for institutional credit due to their failure to settle previous loans owing to financial hardships. Most of them derive no income from any other source. Even though they now produce more owing to new farming practices, increased production means very little to them because of higher costs of production and living, and the burden of usury.

Except for a few well-to-do peasants, the capitalist farmers are the only category of farmers who could adopt new farming technology conveniently. Not surprisingly, they are the first to go for latest techniques because they not only could afford them but also could take financial risks. They possess largest farms (see Table VII), agricultural machinery and substantial finance and, therefore, rising charges for equipment work in their favour. In addition to their agro-business, they also make use of almost every other means of economic advancement available in the countryside such as rice

* Figures were available only for 172 acres of village fields. Since this figure is not substantially less than the total given in the registers (188 acres), the distribution of data can be treated as reasonably representative.
+ normal transplanting.
processing, transport, shop-keeping, supply of agricultural equipment and credit, and purchase and distribution of agricultural produce. In short, these rural capitalists who were encouraged by the signs of a coming green revolution now play a leading role in the continuing process of agrarian change. The important fact is that their involvement in the process has been responsible for the direction in which many changes are taking place.

Table VII—FARM SIZES (in acres)

<table>
<thead>
<tr>
<th>Category</th>
<th>Average</th>
<th>Largest</th>
<th>Smallest</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rich peasants</td>
<td>...</td>
<td>4.6</td>
<td>10</td>
</tr>
<tr>
<td>Poor peasants</td>
<td>...</td>
<td>1.1</td>
<td>2.5</td>
</tr>
<tr>
<td>Capitalist land owners</td>
<td>...</td>
<td>29</td>
<td>45</td>
</tr>
<tr>
<td>Tenants</td>
<td>...</td>
<td>1.4</td>
<td>3.5</td>
</tr>
</tbody>
</table>

Their power is substantial so much so that most villagers depend on them in varying degrees for various needs. Most dependent among them are the landless labourers. The entrepreneurial farmers employ the largest number of paid workers at a time because their business activities are diverse. They also employ migrant workers in large numbers for such activities as transplanting of paddy. There is a tendency among the entrepreneurial farmers to prefer itinerant workers for a number of reasons. Migrants stay away from their families and work longer hours for less pay. For instance, they were paid Rs. 4.00 per day as against Rs. 5.00 paid to a village labourer in 1976/77. Since migrants have no routine family involvements and stay in temporary huts in close proximity to the fields, they spend more hours at work. When the seasonal workers are brought in to the village in large numbers, the work available to the local worker is automatically reduced and the latter’s claim, despite rising costs of living, their earnings have been stagnant for many years.

In Niltanne, capitalist farmers have also taken over the cultivation of other subsidiary food crops such as chillies, lentils and other vegetables which fetch higher prices in the outside market. When the nearby bush was cleared for cultivation and settlement purposes the local peasants had to give up chena cultivation and depend entirely on rice farming. Those who want to cultivate these crops have not only to travel far away from the village but also to invest substantial capital. This is feasible only for the well-to-do farmer. They grow these crops in large quantities and transport them to outside markets where they fetch very high prices.

CONCLUSION

So far I have attempted to outline the recent changes in the agrarian structure of a Sinhalese village in the North-Central Sri Lanka. I sought to focus attention upon entrepreneurial farmers who began to occupy a dominant position in the village economy. In short, their role since then has been to transform peasant agriculture which was basically subsistence-oriented into a source of economic power and social dominance. This role is evident in the spheres of physical and social organisation of production and the distribution of fruits of economic growth at the local level.

The increasing participation of entrepreneurial farmers in paddy production and related activities has led to a concentration of land and other productive resources including finance in the hands of a few. This has in turn resulted in a polarisation of the village into distinct agrarian classes based on differential property rela-
tions. The resultant commercialisation of paddy production has helped not only to replace old agricultural practices with modern ones but also to disintegrate traditional relations of production.

The concentration of land and other forms of production wealth in the hands of a few has led to a skewed distribution of income in the village. This is clearly reflected in the patterns of consumption among different segments of the village community. Furthermore, these divergent patterns of consumption have led to the formation of distinct status groups in Niltanne.

The concentration of land in few hands has meant the rapid growth of landlessness among villagers. The rising cost of production and the burden of usury have brought many peasants down to the level of absolute poverty. Apart from a few rich peasants and those who rely on non-agricultural incomes, the villagers in general depend on the few entrepreneurial farmers for various needs such as employment, credit, agricultural machinery. The dependent relationship is so significant that a majority of the villagers whose destinies are now in the hands of the few entrepreneurs forsee no prospect of being independent in the near future.

Notes

1. The entrepreneurial farmers are distinguished from the other categories of peasants in that they (1) do not engage in the process of physical production themselves, and (2) produce solely for an external market. Furthermore, commercial farming is one among many areas of their investment in the rural sector. Their land is worked by wage labourers.

2. Niltanne is a pseudonym for the village under study. This is a tank-based purana village in the Polonnaruwa district.


4. Highest yield recorded in Niltanne is nearly 100 bushels per acre in 1976.

REFERENCES


