British Administration in Agrarian Punjab (1849-1906): order versus transformation

Maham Hameed
British Administration in Agrarian Punjab (1849-1906): order versus transformation

Maham Hameed
Research Fellow
Graduate Institute of Development Studies
Lahore School of Economics

Graduate Institute of Development Studies
Lahore School of Economics
April 2019
Preface

This paper is part of the project of the Lahore School of Economics started in 2017 on “An Economic History of Pakistan in an Historical Perspective”. The aim of this paper is to understand the land tenure system that was put in place in Punjab from 1846 till 1906 keeping in view the conflicting concerns for order and transformation of the colonial government. The paper argues that the colonial government’s somewhat idealistic vision of modernization of the agrarian structures came in constant clash with its need for political stability in the region. When faced with resistance of the well-entrenched landed classes against the ideals of transformation, the colonial rulers had to make significant compromises. Eventually the balance of forces tilted in favour of political stability and the state had to withdraw from its previously interventionist role as far as its land policy was concerned.

This paper is being circulated for comments and discussions which can be addressed to the author (maham.hameed91@gmail.com)

Rashid Amjad
Series Editor
Lahore School of Economics
Contents

Introduction 1
Literature Review 2
Land, Law, and Social Change 4
Punjab after the 18th Century 6
Utilitarian Land Policy and Punjab (1849-1857) 8
Consolidation of British Administration in the Punjab (1849-1857) 10
The First Settlement (1846-1865) 10
‘Aristocratic Reaction’ and the Punjab Tenancy Act of 1868 11
Development of the Canal Colonies 14
Agitation against the Colonization Bill of 1906 16
Conclusion 19
References 20
British Administration in Agrarian Punjab (1849-1906): order versus transformation

Introduction

When the British annexed Punjab in 1849, the empire exposed itself to a unique challenge. The harsh topography of the western doabs\(^1\) and the dangerous political situation of the province made Punjab a difficult region to control and govern. In the formative years of British rule in the province, Punjab was just recovering from a century of turbulence. The political vacuum left by the collapse of Mughal Empire gave way to a long period of in-fighting between various indigenous tribes that resulted in the establishment of a number of petty princely states. Later, the British conquered Punjab through one of these princely states. Ranjit Singh’s Lahore became the British gateway into Punjab.

Control was gained throughout the province through co-opting the ruling elite of Punjab. The British were quick to earn the loyalty of most of the ruling groups by entering into a partnership with them. The erstwhile sovereign of the land were to now serve as an intermediary between the colonial state and people. The alliance consolidated when the Punjabis helped the British during the tumultuous years of the War of Independence of 1857. During these catastrophic years, Punjab became a source of stability for the British. The Punjabi elites proved their loyalty to the colonial rulers and providing the soldiers necessary to regain British control over India (Ali, 1988; Condos, 2017). They continued to cooperate with the British throughout the imperial rule; helping the state expand, consolidate and maintain its rule.

However, stability in Punjab and the allegiance of Punjabis did not come without its costs. Throughout the colonial rule in Punjab, the concern for stability came in constant clash with the British principles of change and modernity. This battle was reflected in many of the administrative reforms the British undertook in Punjab – one of the most tangible and well-recorded one being the settlement of land in Punjab.

\(^{1}\) The land between two rivers.
The clash between the objectives of political stability and modernization resulted in the formation of what the historians have aptly characterized as a ‘janus-faced’ state\(^2\). It is the aim of this paper to highlight how these conflicting objectives were reflected in the land tenure system of Punjab under the British. The two different types of land tenures that eventually emerged in Punjab were the result of two conflicting concerns of the British officials in Punjab. The ideal of modernization or transformation of agrarian practices in Punjab led to the creation of peasant settlements. Later, as the concerns for political stability grew, the British realized the need to enter into an alliance with the ‘landed gentry’. This marked the beginnings of patronage politics in Punjab: landlords were given proprietary rights and laws were passed to protect these rights. Furthermore, due to these conflicting aims, the colonial state had to make significant compromises to its vision of modernization when faced with resistance from the well-entrenched landed classes.

Here it is important to specify what is meant by modernization in the context of this study. Modernization, for the British administrators in Punjab had a two-fold meaning. Firstly, it meant uprooting of the traditional power structures – the power structures controlled by the aristocratic classes. What they imagined was unfettered transformation unencumbered by the social rigidities. Secondly, modernization also meant the tightening of hold of the colonial state over the society and economy. The main purpose of which was the maximization of revenue extraction to feed the accumulation process in the centre. Both these objectives were closely tied together as maximization of revenue for the British could be achieved only once they had rid themselves of the parasitic classes of the large landholders\(^3\).

**Literature Review**

Literature on colonial Punjab can be broadly divided into two categories: records and accounts of colonial officials and the historical and sociological accounts of the various institutional and structural changes implemented by the colonial rule in Punjab. This section

\(^2\) Washbrook (1981) used the term to describe the legal system that the British instituted in Punjab. This “Janus-faced Anglo-Indian legal system” was a result of two contradictory principles of the colonial law. On the one hand, colonial law sought to free individuals from traditional system and entrench market relations in the Indian Society. On the other hand, it institutionalized the traditional systems, such as, caste and religion, as the basis for individual rights.

\(^3\) See Bhattacharya (2012), Calvert (1922), Stokes, (1959), and Metcalf (1962).
provides an overview of such literature, especially relating to the agrarian developments during the colonial rule in Punjab.

The studies on Punjab rely heavily on the manuals, records, and accounts of the colonial officials in Punjab during the 19th and 20th century. The three volume gazetteers compiled by the colonial government provides a contemporaneous record of natural, social, political and economic landscape of the province. Furthermore, published reports such as, Punjab Settlement Manual by Sir James Douie (1930), The Wealth and Welfare of the Punjab by H. Calvert (1922), The Land of the Five Rivers: An Economic History of the Punjab by Hugh Kennedy Trevaskis (1928), and The Punjab Peasant in Prosperity and Debt by Malcolm Lyall Darling (1928) provide important insights into the question of how the process of change unfolded in Punjab. These accounts offer glimpses into the way in which a completely new regime of property, revenue and administration was envisioned and implemented. Furthermore, they reveal the mindsets of colonial rulers and administrators regarding the traditional order and the various agrarian classes of Punjab. Although the official or semi-official status of these documents renders their objectivity questionable, they are nonetheless invaluable sources for gauging the perceptions of the British rulers and administrators.


---

4 These Gazetteers include extensive details of topography, demography, cultural practices, history, agricultural practices, characteristics of labour, resources, industry, and transport system and other public works, legislation and administration, state institutions, and revenue of the various districts of Punjab. The Punjab Gazetteer also provides ample details of the canals and canal colonies. Important information like the cost of canals, profitability of canals, and the basis on which colony land was granted to various groups, and the increase in irrigated land can be found in the gazetteer.
agrarian structures of Punjab. The more recent literature critically analyses the nature of British rule in Punjab, questioning the perceived fixity of the colonial state. For example, Bhattacharya (2012) questions the extent to which the colonial state was able to ‘modernize’ the agrarian spaces. Barrier analyses the logical boundaries of the state’s willingness to assume an interventionist role. He concludes that when the interventions caused too much disruption and became a cause of alarm for the security of British, the colonial state would withdraw from its monolithic position (Barrier, 1967). Similarly, Swamy and Roy explore the limitations of free-market ideal of British in Punjab in the context of land transfers and credit (2016).

The literature on Punjab is generally rich in its details of the events and processes that marked the political and economic landscape of the colonial era. However, what is less common in these accounts is analysis of micro-processes through which the edifice of change or continuity was made possible. Changes in the land tenure system and shifting alliances between the state and various classes tied to land is one such process gaining increasing attention of historians studying Punjab during the period. In the literature on the subject two contrasting trends emerge. The first suggests that the modernizing mission of the British in Punjab favoured the cultivating classes. Whereas the second suggests that due to concerns for political stability, the British supported landlordism in Punjab. This paper argues that the two trends co-existed. Although in the later years of British rule, there was a strong predilection on the part of the government and officials to support the landlords, the administrative reforms in the formative years had accrued power to the cultivating class which made it difficult for the British to completely alter the land settlements.

**Land, Law, and Social Change**

The locus of analysis of this paper is land tenure system and its transformation in the Punjab under the British. The history of agrarian reform in the Punjab provides insights into the governance ideology of the British. Centrality of the land question in any historical or social analysis is little disputed. Matters surrounding land tenure are intricately

---

5 Bhattacharya describes the colonial project in Punjab as that of modernization. For the British modernization meant optimization of resources, reaching the natural and human potential for the greatest common good, stability and predictability (Bhattacharya, 2012).
connected to the socio-political life of a community, society, or a national entity. Not only does land define the way of organizing social and economic life but it can also be an important tool or source of change. Sociologists and economists alike have studied the question of land and property in depth (Blackstone, 1766; Alchian & Demsetz, 1973; Libecap and Barzel, 1989; Carruthers & Ariovich, 2004). In the earliest conception, ownership was taken to be the right to control, govern, and exploit property (Carruther & Ariovich, 2004). Property rights are the social institutions that assign a bundle of rights, including rights of usufruct, exclusivity, and alienability, to individuals in relation to a specific resource or other important aspects of property. Right to property is not limited to the private domain; it permeates through political and social domains as well.

Property rights entail a set of social relations as they form meaning only in relation to people. Ownership is not achieved unless others recognize the ownership right; otherwise it is mere possession (Carruthers & Ariovich, 2004). The right to control, govern and exploit property comes in tandem with the right to control, govern and exploit people. For example, the owner of land can prevent non-owners from using land, or he/she can bestow some rights, such as, tenancy, to those he/she wills, or he/she can hire wage labourers to work on the land, etc. In short, ownership opens up space for a plethora of social relations.

Property is also political; they are dictated and enforced by states (North, 1990). State, that holds the monopoly of legitimate use of coercion, is the entity qualified to enforce all kinds of rules and regulations, including those surrounding property rights (North, 1990). For Adam Smith as well, state is the enforcer of property rights. However, according to him, state also has the right to suspend property rights when it deems necessary (Smith, 1776). Property also determines the formation of classes in a society. This is one of the most important contributions of Marx. He argued that property not only organizes the way the productive forces are used but is also an important determinant of consolidation of power among different classes in a society (Dahrendorf, 1959). The way property is distributed in a society also determines how political power is organized in that society (Dahrendorf, 1959). Owners of property or, in Marx’s terms, ‘means of production’ come to subjugate and exploit the non-owners (Marx and Engels, 1848). For Marx, this relationship defines different epochs in history. For example, under feudalism the ruling class or the class that owns the
means of production was the aristocracy that exploited the peasantry. Under capitalism the ruling class became the bourgeoisie and the proletariat became the subjugated class. Here we can see that for Marx not only is property an important determinant of the way a political economy is organized but is also an important element of social change (Marx and Engels, 1848). However, even if we do not accept the Marxist thesis that ownership of property leads to exploitation of the non-owners, we cannot deny that property is deeply political in that it is a constituent element of formation of different social groups.

The various interests of these social groups and their bargaining power vis-a-vis the state in turn define the political landscape of any political community. The story of colonial Punjab is no different. This paper approaches the history of agrarian Punjab through the lens of different classes tied to land. Specifically, the paper looks at the relationship of the colonial state with the landowners and the cultivating classes to decipher the kind of land tenure and in turn the type of state structure that unfolded in Punjab.

**Punjab after the 18th Century**

Unlike other Mughal territories, Punjab did not experience an orderly transformation from the Mughal rule (Ali, 2004). Following the turbulent events of the eighteenth century, the upper strata of Punjab’s social hierarchy was extensively displaced. The peasants, who had to come under extreme pressures due to the extractive policies of Mughal military-administrative structure, began to disrupt the stability of the ‘universal’ state of the Mughal Empire. Mughal overconsumption, excessive agrarian rents, and the disruptions created by the emergence of a market-economy in agrarian relations led to the exhaustion of the agrarian economy. The peasant landholding lineages responded with an armed struggle against the Mughal elite. The peasant rebellion eventually enervated the Mughal elite and by 1750 Mughal power had been effectively overshadowed in Punjab. These peasant war bands gradually replaced the old regional elites as well (Major, 1991).

However, this new Punjabi elite met the same fate as its antecedents. Once Punjab was subjugated to Sikh monarchical power, headed by Maharaja Ranjit Singh, the power of Punjabi chieftains was substantially subdued: “the Sikh sardars and misldars, Muslim khans and maliks, Hindu rajas and ranas - to the position of vassals” (Major, 1991). Ranjit
Singh took administrative control, reserved for himself the rights of revenue extraction from the territories formerly controlled by the chieftains. In so doing, he finished the process of disruption of the upper echelons of Punjabi society that had started in the eighteenth century with the collapse of Mughal Empire.

However, chieftains continued to hold a significant position in the political landscape of Punjab throughout Ranjit Singh’s rule. By the virtue of their lineage and their position as the heads of their clans, the chieftains retained their local influence. Hence, in order to consolidate his rule, Ranjit Singh needed the loyalty of these chieftains. In the power-sharing arrangement that came about, the chieftains were granted *jagirs*\(^6\), given official responsibilities in the *darbar*\(^7\), appointed to administrative positions and recruited in the army.

Soon it was to become apparent that this arrangement was hard to maintain. Ranjit Singh, well aware of the dangers of the agrarian elites withdrawing their loyalty, created a class of “parvenu” chieftains by giving them similar administrative, political and economic positions as the old chieftains. The ensuing resentment among the old chiefs created factions in the political landscape of the kingdom. When Ranjit Singh died in 1839, the chieftains aligned themselves with one or other claimants to the throne. The infightings reached an inconclusive end when the Sikh army took control of the territory after the first Anglo-Sikh war.

As British interference in the kingdoms politics increased overtime, the chieftains realigned their loyalties. 1840s became a critical period in the history of Punjab as the old chieftains, parvenu chieftains, Sikh army and the British vied for power in the region. The chieftains became especially controversial in the period for their opportunist behaviour. Smyth, a British observer, described chieftains like Dina Nath and Tej Singh as “trifling and deeply intriguing” for they were never connected with any party or with each other and only sought their own private ends. Hence, once the Sikh kingdom fell at the hands of British in 1846, these chieftains quickly aligned themselves with the new imperial authority. The British administration too entered into an amenable alliance with these agrarian

\(^6\) Jagirs under the Mughal revenue system were the territories assigned to nobles (known as mansabdars) (Ali 2003). Instead of receiving salaries from the state treasury, the mansabdars were assigned an area of land that was officially estimated to yield an equivalent amount of revenue and were permitted to collect taxes within the assigned region.

\(^7\) Darbar under the Sikh rule was the court.
elites. British leadership, headed by Henry Lawrence immersed themselves with *darbar* politics and resolving the contention between the various chieftains. At the end of Henry Lawrence's time in Punjab, allegiance of the chieftains had been won and the independent proclivities of the chieftains suppressed (Major, 1991).

**Utilitarian Land Policy and Punjab (1849-1857)**

Once John Lawrence came to Punjab as the officiating Resident at Lahore, the administration underwent a drastic restructuring (Major, 1991). He had his mind set on uprooting the traditional power structures in the province and replacing them with modern institutions. He looked down upon the landed aristocracy of the province which he perceived to be removed from the masses and was exploiting them through extracting exorbitant rents. Furthermore, he viewed them as an impediment to the development of an effective, modern administrative structure (Stokes, 1959). Such a view represented the Utilitarian orthodoxy of the time.

In the late 18th century, Utilitarianism started off as an ethical philosophy advocating maximization of utility for the greatest number. Later, the theory became a guiding principle for various functionaries of the state to institute an effective administrative structure (Stokes, 1959). To the colonial minds in India this equated to the formation of free markets, bureaucracies, and a clear delineation of rights and duties. An important component of the utilitarian theory became the ‘law of rent’.

According to the law, rent was a certain segment of wealth, separate from profits and wages that could be calculated in a precise, scientific manner by subtracting the cost of wages and profit from the gross produce (Stokes, 1959, p. 88). The Utilitarians believed that this rent, which was currently consumed by the ‘parasitic landlords’ could be

---

8 When the British took informal control of Punjab, the leadership and administration of the province was rife with conflicts. Maharaja Ranjit Singh, who continued the Mughal project of elite displacement by creating a new class of chieftains, left Punjab in state disarray with his death in 1835. His death was followed by a double conflict between the various claimants to the throne and between the old and new chieftains. What ensued were a prolonged power struggle, instability, a war, and the eventual takeover of the province by the British. With such a precarious political inheritance, the British had to engage with these politics in order to introduce some stability to the province. The chieftains quickly agreed to collaborate and invited the British help in resolving their conflicts (Major, 1991).

9 The term was coined by Jeremy Bentham.

10 The phenomenon was conceived by James Mill but later refined by David Ricardo.
completely absorbed by the state without affecting the profits, wages, or prices. Hence, for the Utilitarians and the founding members of the Punjab administration, the landed aristocracy had to be removed from the local power structures.

The powerful influence of the Utilitarian land policy of James Mill and the disastrous effects of the Permanent Settlement in Bengal\textsuperscript{11} resulted in coalescing official opinion in favour of a revenue settlement policy based on peasant proprietorship in Punjab (Metcalf, 1962). However, this was not achieved without a long debate. The formative years of Punjab’s administrative system were marked by a battle between two opposing ideas over the land policy to be instituted in Punjab; although they agreed on the need to create private property in land, the two camps were divided over whom to confer the proprietary rights to – peasants or the landed aristocracy. The tension between the two camps stemmed from two different considerations. These opposing ideas of administration represented the clash between the two different goals of the colonial state - accumulation and order. Peasant proprietorship represented the desire to erect a financially sound and efficient revenue system without the interference of local intermediaries. Whereas the argument for retaining and maintaining the power of the landed elites was that they were a potentially powerful source of political and social support that the British could utilize to establish indirect control in the province (Javid, Stokes, 1959).

Although a revenue system following principles of peasant proprietorship was established in Punjab, the British officials, especially John Lawrence, was unable to realize their dream of curtailing the influence of landed aristocracy in the province. Considerable concessions to the landed elite had to be made for political reasons. For example, the colonial state rewarded the Muslim Chiefs in Punjab who aided the British in the Anglo-Sikh wars of 1856-46 and 1848-49 with large tracts of land (Javid, 2012). Furthermore, the ambitious plan of John Lawrence to abolish the jagir grants could not be realized immediately. He quickly realized that it had to be a slow social

\textsuperscript{11} In Bengal, as part of the Permanent Settlement of 1793, zamindars, instead of the actual cultivators were granted proprietary rights. The impact of permanent settlement was not what the British had expected; it led to absentee landlordism and increased exploitation of the peasantry (Guha, 1996).
revolution lest the nascent state incurred a resistance from the powerful jagirdars (Javid, 2012).

Consolidation of British Administration in the Punjab (1849-1857)

Within eight years of annexation, administrative system in Punjab was institutionalized. By 1857, a modern bureaucracy was set up, a revenue system was established, land was recorded in great detail, and ownership rights began to be allocated to the occupancy tenants (Javid, 2012). The British administrators had three duties as far as land revenue system was concerned: record land rights, assessment of land, and collection of land revenue (Imperial Gazetteer of India, 1908). In most cases the cultivators, instead of intermediaries, were given ownership rights. The owners were now made individually responsible for paying the revenue to be collected by lambardars
12. The institutional framework that unfolded in Punjab was essentially a reproduction and solidification of the existing traditional agrarian structures. The colonial administration conferred ownership rights to the agricultural castes that had traditionally held certain hereditary rights in relation to land. However, occasionally ownership rights were given to the aristocracy in case there were no claims made by the occupancy tenants (Javid, 2012).

The First Settlement (1846-1865)

Land, in the Punjab, was settled as a part and parcel of this agrarian extension. As the British began to assume formal powers of government and develop ‘principles of state-craft’ in the middle of the eighteenth century, they embarked on an ambitious programme of revolutionizing the institutional structure of the agrarian economy of India (Washbrook, 1981). Relevant for our analysis is the Permanent Settlement of 1793 that clearly delineated private rights – especially property rights. The act guaranteed the legal subject a bundle of rights (use, alienation, transfer, etc.) for his/her possessions free from violations from other subjects.

The British officials also prided themselves in their just governance on the basis that the British lifted a heavy burden off the shoulders of Indian peasantry by substantially cutting down on land revenue demands (Imperial Gazetteer of India, 1908) in order to make the settlement of land a reality (Trevaskis, 1928).

---

12 Officially appointed representative of a village community (Zafar, 2017).
Trevaskis, in his account of ‘The Punjab under the British’, claimed that prior to the British rule, conception of land as a freely alienable property did not exist in Punjab (1928). The little rights over land that were recognized came with a set of burdens. The British, he stated, not only introduced the concept of property, but also made it effective by limiting the land revenue demands of the state. Instead of appropriating the entire net income, the British government levied a tax worth only a proportion of that net income.

In order to define permanent property rights in land, the British government first had to decide to whom these rights should be given. In provinces like Bengal and North Western Provinces, potential holders of property rights were not hard to identify since possession in these provinces was clearly attributable to individuals. In Punjab, however, land tenures were more complex. Proprietary rights were divided into two or more individuals who held titles but did not enjoy full ownership. In Punjab, the first settlement extended from 1846 to 1865 (Hambly, 1964). In this phase, actual assessment of revenue was secondary to the goal of recording rights. In account of the variety and complexity of land tenures in Punjab, Settlement Officers were given exclusive jurisdiction over establishing proprietary rights. Naturally, the rights then varied according to the individual subjectivities of the settlement officers. However, as Trevaskis and Hambly argue, these individual notions conformed to the tradition of peasant proprietorship (Trevaskis, 1928; Hambly, 1964) The proprietary rights were accorded to the actual cultivators of land who were then made liable for the revenue as well (Trevaskis, 1928).

‘Aristocratic Reaction13’ and the Punjab Tenancy Act of 1868

However, the decision to maintain the existing proprietorships was not as simple and straightforward. The Mutiny revealed a deep cleavage in the British government in India regarding land revenue administration (Hambly, 1964). The British administration it seemed was divided into two camps: ‘Punjab Tradition14’ and ‘Aristocratic Reaction’. The former

---

13 The ‘Aristocratic Reaction’ refers to those principles of Indian administration which advocated both the retention of traditional nobility and the extension of landlords throughout India as a backbone of British rule (Hambly, 1964).

14 Punjab school was a strand of revenue administration that developed in Punjab. Led by John Lawrence and Richard Temple, Punjab school of governance upheld the principles of protecting the village body and giving ownership rights to the actual cultivators (Murhy, 2012).
supported the ideals of peasant-proprietorship and the latter pushed for the retention and extension of powers of landlords. Aristocratic reaction emerged post-Mutiny as the government felt they needed sources of support from members of the local population. To turn to princes and landlords, who historically enjoyed power positions among the Indian society, seemed like an obvious choice to this section of the British administration. Hence, they advocated for the extension of the power of landlords throughout India (Hambly, 1964).

Metcalf argues that the post-Mutiny ideological shift of the British administration had a profound impact on land tenure of the Punjab (1961). Despite the relative calm in Punjab during the uproar of the Mutiny, the event initiated a long debate regarding the British administration’s stance on landed aristocracy in Punjab as well. Even though the support of peasant proprietors in Punjab had proved to be immensely beneficial to the colonial state, experiences in other provinces like North-Western Provinces let the British administration in Punjab to reconsider its basic tenants of land tenure. Many administrators now began to argue for co-opting a class of landed aristocracy in order to have more firm sources of support.

Various measures were taken to strengthen bonds with the landed elites. Firstly, magisterial powers were given to select landed elites. In February 1860, Lord Canning began his efforts of creating a class of ‘independent gentlemen of property and influence’ (Metcalf, 1961; p. 160). To this end, he built up landed gentry and appointed them powers of local administration. In Punjab he gave favours to the sirdar¹⁵ class: he gave them magisterial powers and united their lands. Through these measures he hoped to transform a dangerous and unproductive aristocracy into a reliable and flourishing class.

However, Lord Canning’s efforts did not come without resistance. The radical reformers like John Lawrence who had fought for peasant proprietorship throughout their tenure in the Punjab found Lord Canning’s policy to be against the demands of social justice. The real threat to his policies came from the legacy of peasant settlement in the

---

¹⁵ Army officers
Punjab. In the Punjab, unlike in other provinces like Oudh\textsuperscript{16}, Canning found that peasant proprietorship had survived the ‘Mutiny’ and the landed class had been systematically destroyed in the decade preceding the war (Metcalf, 1961).

Secondly, majority of the claims of occupancy tenants were revoked. Revision of settlements began soon after the ‘Mutiny’ (Hambly, 1964). Edward Prinsep, after his appointment as a settlement officer in 1863 was put in charge of revising settlements in Sialkot and supervising settlement officers in Lahore, Gujrat and Gujranwala. Prinsep, one of the most prominent figure of the post-Mutiny ‘Aristocratic Reaction’ criticized developments of the first settlement on the basis that the proprietary families had been dispossessed and the actual occupants of soil disproportionately favoured. As a result, he cancelled claims of a large number of occupancy-tenants and compensated them by granting them long leases and relaxing their revenue burden.

Lastly, local power groups who had collaborated with the British during the Mutiny were also given grants of land (Javid, 2012). In Multan, for example, the British garnered the support of the sajīdā nashīns\textsuperscript{17} by providing them with large tracts of land and economic resources to maintain their influence in the region (Javid, 2012). The British also favoured the Tiwanas\textsuperscript{18} of Shahpur during this period (Talbot, 2007).

These radical changes were met with resistance from the proponents of ‘Punjab School’ who had done a lifetime’s work to achieve what Prinsep was trying to undo. This caused uproar in the administrative structure.

It was in this background that the Punjab Tenancy Act of 1868 was drafted. The act merely confirmed the occupancy rights given to the cultivators in the first settlement. The act protected the tenants against eviction (as long as they paid rents) and against extortionary rents. The reaction against the bill in India and in England was harsh. The landlords

\textsuperscript{16} In Oudh, the peasantry joined hands with the taluqārs (an influential member of the rural society appointed as a revenue officer (Zafar, 2017)) in a struggle against the colonial rulers. This called the peasant-friendly policy of the British administrators in India into question for the first time. For in Oudh, the British saw the peasantry not only rebel against them but also revert back to their old ways and offer allegiance to their old masters – the taluqārs. This reversal in alliance effected a quick disintegration of the peasant settlements that the British masters had ardently espoused and facilitated (Metcalf 1961 & 1962).

\textsuperscript{17} Caretakers of a Sufi shrine.

\textsuperscript{18} A prominent landholding family of Shahpur.
in Punjab came forward with demands of restoring their position. The opponents attached their hopes in the secretary of state’s right to veto the Bill. However, the Bill was turned into Act XVIII of 1868 nonetheless (Hambly, 1964).

In the end, the upholders of ‘Punjab Tradition’ were victorious. The resolution put an end to a bitter controversy that was beginning to threaten stability in the province. However, what really happened was a tie between both the forces since the landed aristocracy was also given huge favours during this period. Even the Tenancy Act of 1868, which was in its outlook absolutely progressive, had certain regressive elements. For example, even though the act safeguarded the existing rights of the occupancy tenants, it prohibited the settlement officers from conferring ownership titles to occupancy tenants in case in case claims to land by the landed aristocracy were made.

Another major turning point in the history of land administration in the Punjab occurred in 1880s with the development of canal colonies. By the 1880s the colonial state in India had begun its biggest project of social engineering (Bhattacharya, 2012). Driven by the need to maximize revenue returns and the desire to modernize agrarian spaces, the British officials imagined canal colonies as the emblems of unconstrained transformation. In the existing villages, the British officials had to navigate through the prevailing social structures, customs and various ecological variations to implement their vision of change. Resultantly, they had to repeatedly alter or completely give up their ideals and think of policies that were possible within the given context (Bhattacharya, 2012).

**Development of the Canal Colonies**

It was amidst this conundrum that the idea of canal colonies was born. Colonizers searched for open spaces that would allow for a model agrarian colony to exist. The interfluvial planes between the Indus and Sutlej were identified. The vast stretches of scrubland populated only by semi-nomadic pastoralists where denser settlements were not possible due the lack of monsoon rain seemed like an ideal place for setting up the model agrarian community that the British officers had envisioned (Bhattacharya, 2012).

---

19 Used interchangeably with the term ‘Punjab School’. 
Nine major canals were constructed with a colony attached to each one of them, adding ten million acres of irrigated area in Punjab (Ali, 1987). In the Punjab Gazetteer, the canal colonies are repeatedly praised as a success story by the British officials for their profitability, increasing productivity, and providing employment (Imperial Gazetteer of India, 1908). The British officials asserted that the canal colonies had proved to be “remunerative investment(s)”. For example, the Bari Doab in 1903-4 reaped a net profit of 12.68 percent on its capital outlay (Imperial Gazetteer of India, 1908: p. 208). Furthermore, they argued that the area under cultivation in Punjab extended due to the construction of perennial and inundation canals. According to ‘Report of the Indian Irrigation Commission, 1901-03’ the average annual area irrigated through perennial canals increased “from around 943,000 acres in the five years ending 1985-86, to 4,123,500 acres by the end of the century” (Bhattacharya, 2012: p. 2). Lastly, they were celebrated for providing employment in form of owner-cultivation, tenancy, and wage labour (Imperial Gazetteer of India, 1908). Colonists, as described in the Gazetteer, were mainly of three types: capitalists, peasants and yeomen (Imperial Gazetteer of India, 1908). A major percentage of land (reaching up to three-quarters of total land) was given out as smallholdings (Ali, 1987). These holdings, officially known as “peasant grants” were assigned to the peasant population of the Punjab. Such a policy not only relieved some pressure off the overpopulated tracts in other regions of the province, but also opened avenues for the Punjabi peasantry to produce for the market (Ali, 1987).

However, despite its achievements, canal colonies had an adverse impact on the social structure of Punjab. The nature of distribution of canal colony land had the effect of deepening stratification in Punjab. Although as much as a third of the colony of land was granted to cultivators, this did not have a levelling effect on the agrarian structures of Punjab for the grants were mostly made to the existing agrarian classes of Punjab. In practice, this dynamic manifested through the official decree that gave the right of occupancy in the canal colonies only to the agricultural castes of Punjab. Those sections of the Punjabi rural community that did not enjoy access to land, such as the village poor, labourers, and those who belonged to the subordinate castes were de facto excluded from occupying colony land. The best that they could manage was horizontal mobility and never social mobility (Ali, 1987).
With bestowing such favours on the landowning classes of Punjab, the British government won their allegiance. However, this came with a price of sacrificing the ideals of social change and progress. The colonists were no passive individuals and the British realized this when they began to react to the paternalistic attitude of the State.

**Agitation against the Colonization Bill of 1906**

Disruptions in the idyllic situation of the canal colonies appeared 1902 onwards with the arrival of second generation colonists. After three decades of unchecked prosperity, the Irrigation Department\(^{20}\) began to face problems as it had run out of prime land and had to distribute land that did not have access to canal branches (Barrier, 1967). Secondly, opposition of the State’s regulatory efforts\(^{21}\) had begun to take shape. The colonists agitated by the coercive nature of these demands and vexed by the inordinate fines imposed on defaulters, had begun to question the interventionist role of the state (Bhattacharya, 2012). The friction climaxed in 1906 when the Punjab Government prepared the Colonization Bill (Barrier, 1967).

The colonists perceived their problems to be rooted in their status as state tenants which legitimized the control of state over their activities (Ali, 1987). From the beginning, the state enjoyed a strong hold over the canal colonies and the grantees. In order to materialize the government’s vision of modern, orderly agrarian spaces, everything, including rights and duties had to be coded. The confusion regarding the nature of tenancy rights of the colonists could not be tolerated. Hence, the Government Tenants Punjab (Punjab) Act III was passed in 1893 to specify lease agreements of government wastelands (Zafar, 2017). With the act, a new class of tenants, known as the Crown tenants, was created. All the peasant grantees now became the tenants of the state who could never acquire proprietary rights. This made it easy for the state to control the activities of the grantees in relation to

---

\(^{20}\) The Irrigation department was responsible for the construction of canals and allocation of water (Barrier, 1967).

\(^{21}\) According to the tenurial conditions of the grants, the state had required the colonists to fulfill certain stipulations regarding place of residence, inheritance, sanitation, and alienation of land (Ali, 1979). If the tenants were unable to meet these conditions, punitive measures were imposed. The financial strain on the colonists was made worse by the corrupt tendencies of the native bureaucrats made responsible for collecting these fines.
land (Zafar, 2017). Stipulations regarding land alienation\(^ {22}\), movement\(^ {23}\), and residence\(^ {24}\) of the colonists are some examples of how state controlled the society in these newly developed lands (Bhattacharya, 2012). However, colony lands became a site of resistance from the very start. The colonists refused to live in the abadis\(^ {25}\), built homes within the farmland, disappeared for long periods and transferred their land according to the customary practices of older settlements (Bhattacharya, 2012). Although the colonisation officers were initially able to frighten the colonists by imposing informal fines and confiscating their property, they could not sustain such a coercive situation for long (Barrier, 1967). As penalties grew, several colonists appealed to the civil courts and in most cases, gained victory. The influx of legal cases and the subsequent victory of the colonists questioned the ability of the colonial state to discipline the colonies. Confounded by this development, the Punjab Government decided to formalize the fine system by introducing the Colonization Bill in 1906 (Barrier, 1967 & Gilmartin, 2015). The Bill strictly prohibited civil courts from intervening in matters of the colonies. More importantly, the application of regular and customary laws of primogeniture was severely limited\(^ {26}\).

The bill was passed at a point when the colonists had acquired political awareness and the tools to resist through legal discourse (Bhattacharya, 2012). For long, the British officials underscored the need for fixed rules and codified laws to attain security, stability and rational order in society. Now, colonists who perceived the Bill as a betrayal of the British promises warned the government of going against their very own ideals. They argued that the Bill was effectively a breach of contract. For them, the verbal and formally codified assurances that the colonists had received were for all intents and purposes contracts. They reminded the British officials the meaning of a contract which stipulates that a contract cannot be modified without the consent of both parties involved.

\(^{22}\) By retaining ownership rights of the peasant grants, the State effectively curtailed the power of peasant grantees to alienate land and prohibited the grantee from transferring property rights without the approval of the government (Ali, 1979 & Barrier, 1967).

\(^{23}\) The colonists were prevented from being away from their lands for long periods (Bhattacharya, 2012).

\(^{24}\) The colonists were obligated to live in abadis (residential settlement) and not in their farms (Bhattacharya, 2012).

\(^{25}\) Residential settlements in the colonies.

\(^{26}\) The Government perceived customary laws of inheritance as a hindrance to their ideal of modernization agrarian spaces. More specifically, fragmentation of land resulting from these inheritance laws led to inefficient use of land and resources (especially water) (Gilmartin, 2015).
Hence, they questioned the ability of the Government to unilaterally alter the terms of settlement (Bhattacharya, 2012).

The perceived breach of confidence had aggrieved a large section of the rural population – the population that the Raj had always relied upon for allegiance. Several rural collectives announced protest against the bill and organized mass demonstrations (Barrier, 1967). The agitation quickly spread in the ranks of Indian army, ex-government servants, and educated Punjabis\(^27\) living in the colonies. After five months of agitation, the Governor General eventually vetoed the bill on May 26\(^{th}\) (Barrier, 1967).

Soon after the abrogation, a commission was set up to inquire into the grievances of the colonists and to recommend a more acceptable form of legislation (Ali, 1987). The result was the adoption of Colonization of Government Lands Act of 1912\(^28\). The act largely favoured the colonists and indicated a retreat of the state from its interventionist role.

The resistance had eventually led to a victory for the colonists. The status of peasant grantees was changed from tenants (of the state) to that of proprietors. The proprietary titles could be attained after the cultivators had served a period of time as occupancy tenants. Not only did this elevate their status but it also freed them from the various obligations that the state had previously imposed on them, especially important was state’s retreat from matters pertaining to inheritance of the lands and residence of the colonists (Ali, 1987).

Once again, political expediency trumped the goal of modernization. The interventionist position of the state had allowed it to achieve its objectives of modernization and rationalization. By regulating inheritance, the state was able to prevent the fragmentation of land. Furthermore, by retaining the proprietary title of land, the state had been able to curb the problem of absentee landlordism. Once the state gave up this position, it could no longer ‘rationalize’ agriculture and ensure economic development and

\(^{27}\) Apart from granting land to agriculturalist castes and military men, colony land was also granted to educated, professional classes to experiment with capitalist farming (Ali, 1988).

\(^{28}\) The Colonization Act marked a major withdrawal of the state from society (Ali, 1987). The Act granted the peasant grantees the right to acquire proprietary title given that they had served as occupancy tenants for a certain number of years. This change not only upgraded their status but also freed them up from the various obligations and regulations that the state had imposed on them. Most importantly, restrictions on inheritance of the grants and residence of the colonists were lifted (Ali, 1987).
social transformation the way it had initially hoped. The fate of agrarian change now rested in the hands of the agrarian elite who had time and again proved to be resistant to any real change.

**Conclusion**

One of the greatest puzzles for the historians studying Punjab has been the resilience of the landowning class of Punjab against all efforts of the ruling elites to displace, eliminate, and sometimes recreate this class. The answer, as this study indicates, is to be found not just in the policies and objectives of the state but also in how the agrarian elites have been able to organize themselves into a force that is either reckoned with or is seen as a body that is essential for the very existence of the state.

It was this very strength and resilience of the agrarian elite of Punjab that recurrently forced the state to sacrifice its objective of modernization in order to ensure political stability in the region. The longstanding friction affected various circles of administration; land tenure system was one them. This study showed that the land tenure system that eventually took shape in Punjab was a mix of peasant-proprietorship and large landholdings and that this phenomenon reflects the clash between the contrasting objectives of the state. More importantly, the colonial state had to make significant compromises to its vision of modernization when faced with resistance from the well-entrenched landed classes.

The first phase of British administration in the Punjab was driven by the ideological current of the time. What came to be known as the ‘Punjab Tradition’ was a school of thought that favoured peasant-proprietorship against the formation of aristocratic power centres. This ideological leaning was revealed through the Punjab Tenancy Act of 1868 that confirmed the occupancy rights of the cultivators of land. Later, the main concern became that of creating a landowning class loyal to the Raj. The next turning point in the history of the Punjab administration was the creation of canal colonies. The structure of the canal colonies accrued power to the landowning classes of Punjab. Once the landowning class of the Punjab acquired power they made sure that the British government did not act against its interests. They proved to be a strong force against the colonial state once they began to agitate against the interventionist policies of the state. The organized power of the landowning classes led to the abrogation of the Colonization Bill of 1906 – a bill that largely limited the freedoms of the colonists.
References


Pakistan Economic History since the Mughals (1520-2020)
Working Paper Series

The Lahore School of Economics, which received its charter as a degree awarding institution in 1997, is a leading nationally and internationally recognized teaching and research degree granting institution specializing in economics, finance, business administration and related disciplines. Its mission includes the production of world-class research through emphasis on intellectual rigor, creativity and critical thinking which utilizes advanced theories, principles and analytical techniques to address key issues in economics, business and public policy.

To further its research agenda and to help fill the void recognized by earlier scholars of the dearth of historical economic accounts and data on the areas that now comprise Pakistan the Lahore School of Economics launched in 2017 a research program on Pakistan’s Economic History since the Mughals (1520-2020). An important aim of this research is to document and analyze the structural changes the region witnessed as well as to identify factors that may have shaped for it a different trajectory of economic growth than the rest of South Asia. The research program will also build up an economic data base as well as an archive centre containing original documents, official reports and historical accounts of the region.

The Lahore School of Economics welcomes students and research scholars to contribute to this research program from both within and outside Pakistan including through contributing to its Working Papers and Monographs series as well as to books to be published as part of its research agenda.

Graduate Institute of Development Studies
Lahore School of Economics
104-C-2, Gulberg III, Lahore - 54660, Pakistan
Tel: 042-35771545
email: amjadr@lahoreschool.edu.pk
www.lahoreschoolofeconomics.edu.pk