

Production Relations and Classes in a Kandyan Village*

NEWTON GUNASINGHE

"The specific economic form in which unpaid surplus-labour is pumped out of direct producers, determines the relationship of rulers and ruled, as it grows directly out of production itself and in turn, reacts upon it as a determining element. Upon this however, is founded the entire formation of the economic community which grows up out of the production relations, thereby simultaneously its specific political form." (Marx; 1962:772).

I

Studies on social stratification in Sri Lanka have hitherto concentrated exclusively on caste structure. Ryan refers to class in a rather impressionistic way in his study of caste in Sri Lanka.¹ Yalman refers almost exclusively to caste stratification. Even those instances where class dominates social relations appear to him merely as instances of the flexibility of caste principles.² Tambiah, in an essay on savings has attempted to identify class in rural and urban sectors.³ But as this paper is mainly devoted to a study of saving potential, the remarks on class take the form of a back-

* This article is based on research carried out in the Kandyan Village, Delumgoda, during 1975-1976.

1. In the urban context Ryan identifies two major classes; "English educated, shoe and trouser wearing white collar and professional upper class and the saronged, barefooted, vernacular speaking labour class." (Ryan; 1953 : 308). Then he proceeds to differentiate "the trouser wearing clerical workers" from "the elite" or "the urban upper classes" (Ryan; 1953 : 312-313). As Ryan deals with caste structure it is perhaps improper to expect a detailed discussion of class in his work. However, it should be pointed out that Ryan takes appearance to be the essence, a common fault with many an empiricist sociologist.
2. Yalman cites the case of a wealthy man from blacksmith caste who owns ten acres of paddy land worked by Goigama (cultivator caste) labourers and observes: "Subtle problems of etiquette arise here. The high caste Goigama labourers treat their blacksmith landlord as if he were of higher caste than themselves. In his presence, they make place for him to sit while they stand. This is the reverse of the traditional custom." (Yalman; 1962 : 85). From this Yalman arrives at the conclusion that the principles underlying the caste structure are flexible. However, the structure has become flexible not due to an inner dynamism of its own, but due to the emergence of a parallel mode of stratification, which competes with and often dominates it. The labourers do not treat the landlord "as if he were of higher caste;" they treat him as one who belongs to a higher class.
3. Tambiah identifies three classes in the urban sector; (i) upper middle class or "the elite" (ii) lower middle class "composed primarily of government and mercantile clerks, lower grade teachers and supervisory workers, which is essentially a product of urban mercantile employment" and (iii) working class differentiated "from the peasant and middle classes by the nature of its work, income, residence and housing" (Tambiah; 1963 ; 62). He presents no such clear cut division in relation to the rural sector. Having observed that westernizing influences have disrupted the traditional order he concludes that caste still persists in particular avenues of economic activity and proceeds to intermix two different modes of stratification, i. e. caste and class. The discussion on class in rural sector ends with an attitude survey of occupational prestige, which has very little to do with class as an objective phenomenon.

ground briefing, rather than that of a sustained study. As class is acquiring the position of the dominant mode of stratification, to leave out the objectively existing class structure from social analysis amounts to losing sight of social reality.

This curious refusal to deal with class structure is partially related to the social anthropological concern with what is disappearing rather than with what is emerging. This essay is a contribution to the clarification of some aspects of the problem primarily in relation to a Kandyan village (Delumgoda in Udunuwara). But class, unlike caste, cannot be discussed in relation to a village community; class, by definition, is a macro phenomenon that transcends the limited realm of the village 'microcosm'. Hence to sustain the analysis, data that pertain to Kandy district as a whole will have to be presented.

Class is here taken as an objective phenomenon arising from diverse production and exchange relations people have with the elements of the economic formation. It concentrates on the relations that groups of people have with the means of production and distribution, which express themselves as ownership/control of these means or lack of such ownership/control. In the pre-capitalist modes of production as well as in the pre-capitalist elements within capitalist formations, such ownership/control is often mediated by various degrees of possession rights. In the actual process of production, whenever the actual producer confronts the non-producer as one devoid of ownership/control of the means of production, the crucial problem of surplus extraction arises. It may be objected that in the case of small holding peasantry (where they own the primary means of production i. e. land) the problem of surplus extraction does not arise. But they do not control the means of exchange; here surplus is realised in labour but is extracted through exchange. Marx, commenting on petty production has pointed out: "The need for exchange and for the transformation of the product into a pure exchange value progresses in step with the division of labour i. e. with the increasing social character of production. But as the latter grows, so grows the power of money, i. e. the exchange relation establishes itself as a power external to and independent of the producers" (Marx; 1973 : 146). Moreover, the small holding peasants in question are not isolated individuals but are a social group located in a general network of bourgeois exchange and dominated by it. Of such a small holding peasantry Lenin remarked; "...the peasant is completely subordinated to the market, on which he is dependent as regards both his personal consumption and his farming, not to mention the payment of taxes" (Lenin; 1960 : 172)

The concept of class formed an organic part of Marx's conceptual apparatus from the very beginning. Indeed, it is difficult to point out a single work of Marx which does not take the existence and struggle of classes as the

point of departure in analysis. However, he never precisely laid down his concept of classes. An attempt to do so is found in the last chapter of *Capital* Vol. III entitled 'Classes'. But after five brief passages it comes to an abrupt end and we read Engels' comment "Here the manuscript breaks off." Hence, it is necessary to follow the *method* of Marx and reconstruct his concept of class from the numerous specific applications where it has been used.

Marx took the bourgeoisie and the proletariat as the major classes of capitalist society. Nothing would be further from the truth than the assertion that Marx took account only of these two classes; these classes were major in the sense that only the revolution and the overcoming of the antagonistic contradiction between these two classes provided the basis for the formation of a socialist society. In *Revolution and Counter Revolution in Germany* Marx enumerates eight classes; the feudal groups, the bourgeoisie, the petty bourgeoisie, the big and medium farmers, the small peasants, the serfs, the agricultural workers and the industrial workers. In *Class Struggles in France* he identifies seven classes; the financial bourgeoisie, the industrial bourgeoisie, the mercantile bourgeoisie, the petty bourgeoisie, the peasants, the proletariat and the lumpen proletariat. Thus in the mid-nineteenth century the German bourgeoisie formed an internally cohesive class, whereas the French bourgeoisie of the same period were divided into three factions, financial, industrial and commercial. The emergent German bourgeoisie still engaged in a struggle against feudalism formed a cohesive class in comparison to their French brethren who had already overcome feudal fetters. Thus class structure is determined by the production and exchange relations which constitute a region in the wider continent of the mode of production. As each historical period as well as every national development lays its peculiar stamp on the formation of classes and their contradictions, each specific instance should be concretely grasped in order to comprehend the different classes at war. In the analysis of classes one should ascend from the concrete to the abstract, from actuality to theory. Definite groups of individuals who are productively active in a certain way enter in to definite social and political relations. In every single instance concrete observation must demonstrate the relations between political structure and production and exchange without any speculation or mystification.

In an analysis of this sort it is essential to clearly identify and grasp those means of production and exchange dominant in a social formation. This raises a crucial problem and takes us to the choppy waters where many reefs lie hidden, i. e. the intricate realm of the mode of production. It is impossible to speak of production and exchange relations as if they were abstract categories. A production relation is always a relation located in and determined by a particular mode of production. Devoid of the mode, the relation has no meaning. I will examine the form and content of the production and exchange relations found in the area under study and will work towards a formulation of the basic traits of the mode of production.

Some production relations in Kandyan rural areas are pre-capitalist, some are petty capitalist. Take the crucial area of paddy production; five different forms of surplus extraction are found here.

(i) Labour rent

This is a primitive feudal form of surplus extraction. Surplus labour is extracted as labour without being converted into any other form. "If we consider ground-rent in its simplest form, that of *labour rent* where the direct producer, using instruments of labour (ploughs, cattle, etc.) which actually or legally belongs to him, cultivates soil actually owned by him during part of the week, and works during the remaining days upon the estate of the feudal lord, the situation here is quite clear, for in this case rent and surplus value are identical" (Marx; 1962 : 770). Labour rent is based on the separation of the plot belonging to the landlord from the plot possessed by the cultivator. The same principle could be extended to cover other services where the tenant enjoys the fruits of a particular plot of land and performs services demanded from him. In the Kandy district, the allocation of temple land to cultivators who are obliged to perform various duties to the temple (*rajakariya*) is an instance of labour rent. The duty of a *nilakaraya* (a duty bound tenant) who enjoys the fruits of a *nila panguwa* (plot associated with service) may be the cultivation of *mutetiwe* (temple portion) and render its total product to the temple, without obtaining any payment. Other *nilakarayas* may hold land subjected to the performance of various services; dancing at the annual procession of the temple, taking part in the musical ritual performed at the temple, clearing the temple premises etc. Whatever the form it takes here the surplus is always extracted as labour.

(ii) Produce rent

In this form of surplus extraction the exploited labour does not appear as such, but as labour already converted into produce. The separation of the lord's domain from the tenant's plot no longer exists. The tenant cultivates the whole plot and renders the surplus to the landlord. Various types of share-cropping (*ande*) relations present in Kandyan rural areas come under this category. The widespread pattern, irrespective of the Paddy Lands Act and subsequent legal revisions is as follows. The landlord gives seed paddy, fertilizer and insecticides to the cultivator. The cultivator works the land and on certain occasions may employ labour to meet labour requirements. When the harvest is reaped, the cost of the fertilizer and insecticides is converted into paddy using the current market prices as the norm. An interest of 50% is charged on the seed paddy. The landlord removes from the total product, what is due to him for the inputs he has advanced as the first step in the division of the product. The remainder is divided into two equal halves, one portion going to the landlord and the tenant getting the other. As the cost of inputs has increased nearly threefold during the last three years, the share going to the tiller

has declined. In a few instances, well-to-do tenant cultivators have successfully challenged the landlords and have implemented the law with the help of Productivity Committees. Here only 25% of the product goes to the landlord as surplus, but in such instances the landlord does not supply the inputs needed. However it should be stressed that the overwhelming number of landlords in the Kandy district do not observe the law and continue the old pattern of extraction. Produce rent assumes a certain level of complexity in agrarian relations. Marx observed; "Rent in kind presupposes a higher stage of civilization for the direct producer, i.e. a higher level of development of his labour and of society in general" (Marx; 1962 : 775). The fact that produce rent implies a higher productivity of labour in comparison to labour rent has indeed not been missed by some landlords. Thus in certain temples, *muttettuwa* and *nila panguwas* have been combined and all the *nilakarayas* associated with those plots have been converted into share-croppers (*ande karayas*).

(iii) Money rent

The surplus is extracted here as labour converted into money; the tenant pays his rent in monetary form. Money rent implies the existence of commodity exchange as well as monetary circulation. Commodity exchange cannot exist without land itself being converted into a commodity which is sold in the market. Thus money rent attaches itself to agrarian relations necessarily at a time when the feudal formation is in a period of dissolution. However, Marx was careful enough to distinguish money rent from industrial ground rent. "By money-rent as distinct from industrial and commercial ground-rent based upon the capitalist mode of production which is but an excess over average profit - we here mean the ground rent which arises from a change in form of rent in kind, just as the latter in turn is but a modification of labour rent" (Marx; 1962 : 777). Money rent in agriculture, with the exception of those parts of the surplus extracted in inputs and commodity exchange when the tenant sells a part of his produce in the market, is equivalent to the total surplus extracted. Industrial ground-rent is different as it is paid by the capitalist to the landlord as the sum that is above the average level of profit. Thus industrial ground-rent is only a part of the surplus. Money-rent is the full surplus, subject to the qualification we introduced above. In the rural areas of the Kandy district, a number of forms which could be indentified as money rent exist. Leasing of land to actual producers for a stipulated period of time for a given amount of money is the predominant form. Sometimes money rent may replace certain forms of labour rent. "A" holds land from a temple subjected to dancing at the annual procession. He may pay a stipulated sum of money to the temple or may employ another to perform the service. If he pays money it has to be taken as a structural change from labour rent to money rent. If he employs another, it is labour rent in form but actually money rent in content. A few instances in share-cropping relations where rent is paid in money, can also be cited as belonging to this

category. The important tendency in money-rent is the fact that it is a transitional form. It points towards two directions - to owner - cultivation or to capitalist farms-both of which equally assume the dissolution of pre-capitalist tenancy. Marx has pointed out: "In its further development money rent must lead aside from all intermediate forms e. g. the small peasant tenant farmer - either to the transformation of land into peasant freehold, or to the form corresponding to the capitalist mode of production, that is, to rent paid by the capitalist tenant farmer" (Marx; 1962 : 778).

(iv) Small peasant proprietorship

The cultivation of small plots by peasant owners comes into existence on the basis of commodity production and the predominance of bourgeois exchange relations. It assumes the dissolution of large feudal estates. Radical agrarian reforms accompanying bourgeois revolutions often create peasant proprietors as the most numerous segment in rural society.⁴ In Kandyan rural areas the peasant often has legal title to the plot of land. He is not subjected to surplus-extraction by a landlord who sits upon him. But as he sells a part of his produce in the market, he is subjected to surplus extraction in the process of exchange. He is also exploited when he purchases agrarian inputs. This type of ownership, when it is predominant in countryside generates petty individualism and also works in the direction of confusing the consciousness of the rural workers by positing to them the idea of owning a plot of land as desirable. It also prevents the rationalisation of agriculture. "Proprietorship of land parcels by its very nature, excludes the development of social productive forces of labour, social forms of labour, social concentration of capital, large scale cattle raising and the progressive application of science." (Marx; 1962 : 787)

(v) Wage labour

Here the actual producer is completely alienated from the means of production. Unlike in the previous forms which ties the tiller to the soil, wage labour alienates the tiller from the soil. The labourer confronts the means and instruments of production as one devoid of ownership/control. In Kandyan rural areas wage labour links itself with a number of different production relations. A tenant cultivator may employ labourers to supplement the labour of his family in weeding or harvesting which require quite a number of workers. An owner cultivator may do the same. In addition to this there is a non-cultivating petty bourgeois stratum who cultivate their paddy fields exclusively on the basis of wage labour. The complex character of the agencies that employ labour has to be stressed, as wage labour can exist in the rural scene with small farms, intermediary tenancies and a very low level of development of the large capitalist farm. But once wage labour is introduced it has a tendency to disrupt all the pre-

4. "After the first revolution had transformed the peasants from semi-villeins into freeholders, Napoleon confirmed and regulated the conditions under which they could exploit undisturbed the soil of France." (Marx & Engels; 1962 : 336)

capitalist patriarchal forms of social relations in the countryside. It is not necessary to assume the large scale capitalist farm as a *sine qua non* for the generation of wage labour in the rural sector. The presence of money rent is quite sufficient for such a development. "The transformation of rent in kind into money rent is furthermore not only inevitably accompanied but even anticipated, by the formation of a class of property-less day-labourers who hire themselves out for money" (Marx; 1962 : 779.)

In all modes of production, where the actual producer is in possession of the means of production, the surplus could only be extracted by non-economic pressure. Hence the importance of the political superstructure and power relations in these formations. Labour rent and produce rent are clearly pre-capitalist extractive relations. Money rent is a transitional form. Small peasant proprietorship and wage labour necessarily assume a certain degree of capitalist development. In the concrete formation all these contradictory extractive relations coexist forming a unity of opposites. Marx defined actuality as the unity of the diverse. "The concrete is concrete because it is the concentration of many determinations, hence unity of the diverse" (Marx; 1973 : 101).

In paddy agriculture pre-capitalist forms of surplus extraction such as labour rent and produce rent continue to exist. They are supplemented by other parallel relations in crafts — the produce being divided between the labourer and owner of the instruments of production. In service and exchange too, this form occurs. A man hires out his car, the chauffeur does not receive a wage; but 1/3 of the earnings (excess over expenditure). These relations I will call *semi feudal*. The word feudal testifies to the fact that here the actual producer is in possession of the primary means of production and is not alienated from them. It further refers to the method of surplus extraction which has to use non-economic pressure. Indeed, herein lies the peculiarity of the feudal form of exploitation. The adjective 'semi' applied in front of the word 'feudal' clarifies the specific situation present in the Kandyan rural areas. Though some of these production relations are feudal in form they are located in a general structure which is bourgeois in content. This lacks the 'purity' of a feudal production relation located in a feudal general structure. Moreover, the presence of commodity exchange, monetary circulation etc. has subjected the very basis of feudalism, land itself, to market forces. Hence, these relations taken in general context, are not feudal but semi-feudal.

But as I pointed out earlier, these semi-feudal relations do not exhaust the totality of production relations even in the limited sphere of paddy production. Owner cultivation and employment of wage labour are present here. These two are not antithetical forms; most often they supplement each other. The small owner cultivator as well as the tenant employ labour, especially in those instances where pre-capitalist systems of labour mobilisation such as *attam* (exchange labour) have disintegrated. The owner

cultivator himself may become a partial wage labourer in order to supplement his income. In addition to these changes taking place among the peasantry, the passing of land into the hands of the petty bourgeoisie has accentuated the spreading of bourgeois relations of production.

The cultivation of paddy fields by the employment of wage labour, where the actual producer is not in possession of land, where the relations between the landlord and the tiller is reduced to a cash nexus, undoubtedly contains an element of a bourgeois relation. But the landlord exercises extra-economic pressure on the wage labourer, thus introducing a semi-feudal element in to the structure. The free movement of labour, though present, exists only to a certain degree. Even where concentration of land ownership exists, the landlord most often gives it to the cultivators on a share cropping basis. Here concentration of ownership and dispersion of cultivation units result. The capital employed in this crucial sector is rather limited. Kandyan villages do not give an indication of moving in the direction of the large capitalist farm, where mechanised agriculture will be combined with mass employment of wage labour. The development of capitalism in agriculture is slow and protracted "...because agriculture in general and the peasantry in particular are weighed down most heavily by the traditions of patriarchal life, as a consequence of which the transformative effects of capitalism (the development of the productive forces, the changing of all social relations etc.) manifest themselves here most slowly and gradually" (Lenin; 1960 : 173).

But still, the petty bourgeois form occurs, persists and expands; three acres owned by a shop keeper, five acres owned by a school teacher, where production proceeds exclusively on wage labour. In the crafts this form is still more developed, where the master craftsman who has accumulated enough capital to purchase instruments of production employs labour. It is therefore necessary to identify the salient elements of petty-capitalism and understand them in terms of concepts.

(i) Capital that comes to the petty capitalist, though like all capital finally rests on surplus value, is often extracted in exchange and bears the character of merchant capital. This is the case of the shop keeper or usurer who converts his monetary capital into the means of production.

(ii) It is petty production; capital employed in production is limited; concentration of workers in the place of work does not assume a mass character. Though the production is mainly geared to the market, the output is low.

(iii) Capital is privately owned, and the relation of the owner to capital is of a personal nature. Unlike the dominant form in industrial capital, it is not mediated through stock holding companies. Nevertheless, the direct ownership is not blunted by a series of intermediary possession rights as in the case of feudal properties.

(iv) There is an absence of productive activity on the part of the petty capitalist or at least the limitation of these activities to a supervisory level. Employment of workers for a wage is the dominant form of surplus extraction. It is the introducer, expander and perpetuator of wage labour in the rural economy.

In the Kandyan rural areas, along with elements of semi-feudalism, there are elements of *petty - bourgeois production*. They stand in contradiction to each other, penetrate each other and determine each other. These two elements exercise a control over social relations in rural society with the petty bourgeois element being the dominant one. This implies a high degree of development of bourgeois exchange relations not necessarily supplemented by bourgeois production techniques.

The mode of production in the Kandyan areas is neither a feudal nor a bourgeois one. It is a semi feudal - petty bourgeois mode of production. This characterisation takes into account the content of production relations present *inside* the Kandyan village. However, this characterisation is insufficient as it takes the village as a 'thing-in-itself' and fails to locate it in the complex network of national and international relations, which exercise a dominant influence over it. What are the major elements of this extra-rural dominance.

(i) the tea and rubber plantations primarily controlled by the state and which are organised on the basis of capital concentration and mass employment of wage labour exert an influence. A certain stratum of villagers have been provided avenues of employment in smaller private holdings as well as in plantations taken over by the government. The urban centres which arose in response to plantation agriculture exercise an influence over the villagers. Some people resident in the village work in the town commuting daily for work. Agricultural produce goes to the markets in the town. The expansion of the transport network which covers many rural areas in the Kandy district has brought the town closer to the village.

(ii) The control exercised by the metropolis in the supply of inputs to agriculture also acquires decisive importance. The widespread use of new varieties of paddy and vegetable plants has necessitated the application of chemical fertilizer and insecticides. This indeed has become a new method of extraction of surplus which is exported to the imperialist metropolis. As I pointed out earlier, in share-cropping as well as in wage labour, the landlords have succeeded in transferring this burden to the actual producers by reducing the portion going to the share-cropper or keeping the real wages depressed. In the field of commodity exchange too, agricultural and handicraft production has come under the dominance of extra-rural agencies such as the bureaucratic co-operatives and the privately owned trading organisations.

(iii) Extra-rural influences are also dominant in the field of rural consumption. The rural dwellers are heavily dependent on a large array of manufactured products coming to the village from urban centres, such as clothes, footwear, baby food and certain food items. Lenin has demonstrated very convincingly how the pauperisation of the peasantry is logically related to the expansion of a domestic market. It is a process invariably connected with transforming the independent peasant into a consumer related to the mass market.

What is the character of this extra-rural dominant mode of production? It is a dependent bourgeois mode of production, a system of production dominated and determined by the imperialist centres. I will avoid the temptation to embark on a long voyage on definitional problems and state that it is an under-developed bourgeois mode of production. Needless to say, imperialism which sucks the economy dry is the cause of this continuing underdevelopment.

Thus in defining the mode of production in Kandyan rural area one must take into account three levels—the village level which is semi-feudal-petty bourgeois, the national level which is under-developed bourgeois and the international level where countries such as Sri Lanka are subjected to exploitation by imperialism.

There is nothing unusual in the village being semi-feudal-petty bourgeois while the national mode is underdeveloped bourgeois. Marx has pointed out: "...since bourgeois society is itself only a contradictory form of development, relations derived from earlier forms will often be found within it only in an entirely stunted form, or even travestied" (Marx; 1973 : 106). Such is the case of labour rent and produce rent which continue to exist in rural society. I have spoken of three levels or instances in the general economic formation. But in the determination of the content of social relations they are not of equivalent importance. They maintain relations of dominance and subordination. It is the nationally dominant structure which determines the character of the rural economic structure. "In all forms of society there is one specific kind of production which predominates over the rest, whose relations thus assign rank and influence to the others. It is a general illumination which bathes all the other colours and modifies their particularity. It is a particular ether which determines the specific gravity of every being which has materialised within it." (Marx; 1973 : 106 : 107). In Sri Lanka this dominant "kind of production" is the underdeveloped bourgeois economy which has plantation agriculture as its primary base. To use a metaphor the mode of production in Kandyan rural areas has a triangular character. Two contradictory elements at the village level, semi-feudal-petty bourgeois, determined by the nationally hegemonic structure, the underdeveloped bourgeois economy which is in turn dominated by imperialism. All these elements maintain contradictory relations, but yet they function as a unity of opposites.

After this characterisation of the main traits of the mode of production it is possible to identify the major elements constituting the means of production and exchange in Kandyan rural society.

(A) **Land:** Ownership and control of land continues to play the major role in economic dominance in countryside. In Kandyan rural areas, land *outlying* the village is occupied by State Corporations which maintain tea or rubber plantations⁵ owned directly by the government or is held by semi-feudal interests. The land located in the village can be classified into three broad groups; (i) paddy land (ii) high land and (iii) home gardens with the last two combining in many instances. In terms of productivity in relation to the extent, paddy land acquires predominance. Highland may also be valuable especially if different varieties of spices are grown there. Slash and burn cultivation is not practised in Uduuwara area. The land located within the village is owned by the following agents; (i) temples, (ii) ancestral feudal families, a non-cultivating rentier group, (iii) other petty bourgeois non-cultivators, such as shop keepers, teachers, salaried employees etc. and (iv) small holding peasants.

(B) **Instruments of production:** There are two types of production instruments, a traditional set which assumes little or no capital accumulation and a modern set that does. As far as agricultural implements are concerned the traditional set includes ploughs, buffaloes, sickles, etc. The modern set includes tractors, water pumps, mills, etc. Mechanisation of agriculture, that is, a shift to the latter area in the realm of instruments of production invariably presumes accentuation of the process of class differentiation among the peasantry.

In villages where crafts predominate, the ownership of the instruments of production acquires a decisive importance, somewhat akin to the ownership of land in agrarian communities. As the instruments are not equitably distributed among small craftsmen, those who do not own them are compelled to work for those who do, either for a share or a wage.

(C) **Industry:** Kandyan rural areas are not devoid of medium scale factories and workshops mainly owned by the government; handloom workshops and power loom factories come under this category. As the development of state capitalism is of decisive importance to the economy in general and to class formation in particular, it is necessary to discuss its impact on the village. Such enterprises have a tendency to draw away a certain portion of the surplus labour from subsistence agriculture. But the workers relate to these factories as non-owners of the means of production

5. It is too simplistic to characterise village-estate relationship as one between two autonomous regions, as it is done in the 'dual economy' theory. The village and the estate maintain manifold relations and both are located in the underdeveloped bourgeois economy.

and as people who have no control over the working of the enterprise. This is organically related to the expansion of the power of bureaucracy which invariably accompanies the development of state capitalism.

In addition to state owned workshops there are privately owned petty industries in the countryside, brick and tile manufacturing, granite quarrying, *beedi* manufacturing, etc. Out of these, *beedi* manufacturing has suffered a setback due to the scarcity of raw materials and the expansion of the state monopoly. Brick and tile manufacturing now relates to the state through the Building Materials Corporation. Here the Corporation buys finished products from the petty capitalist and supplies him with a ready market. Traditional crafts also could be taken as a form of small scale industry; I will return to this theme later in the analysis of empirical data.

(D) *Means of exchange:* These are of decisive importance in the study of class differentiation. The means of exchange in Kandyan rural areas are controlled by three different agencies; (i) state enterprises, (ii) co-operatives and (iii) private entrepreneurs. The state agencies and co-operatives do not necessarily function in opposition to the entrepreneurs as it is often erroneously assumed. They complement and assist the entrepreneur. The state agencies, rural banks, marketing department etc. are large bureaucratic organisations over which the peasant enjoys no form of control. The co-operative in village society does not mean any more an association of small producers and consumers who collectively own and control its destiny. It appears to them as a governmental force introduced from above with which they come into contact as alien beings. The high degree of bureaucratization prevalent in co-operatives, with the controlling levers held by the affluent has demolished the dynamic potential of the co-operative as a free association of small producers and consumers. In an economy of commodity scarcity, this opens many avenues for corruption, speculation and the siphoning off of commodities to the black market which further alienates the small producer and the consumer (this is the bulk of the population) from the co-operative. Thus the increasing importance of the control exercised by co-operatives in the sphere of exchange in rural society can in no way be regarded as having a fundamental impact on the relations of exploitation existing in the countryside.

Moreover, co-operatives do not tend to eliminate the entrepreneur from the scene. It is true that in those times when the agricultural prices prevailing in the market approximated the guaranteed price offered by the government, the bulk of the surplus grain produced in the market eventually reached the co-operatives or the Paddy Marketing Board. But this is not what is at issue. The problem is whether the price paid for the grain reaches the poor and the middle peasant. There are many instances where the shop keeper has become the intermediary between the producer and the co-operative, the peasant obtaining much less than the guaranteed price. Here the co-operatives have supplemented the entrepreneur rather

than demolishing or even discouraging him. Many scarce commodities which only the co-operatives should be in a position to supply can be obtained from privately owned shops, which clearly indicates the siphoning off of commodities to the entrepreneurs. These facts have a bearing on class structure as they necessarily tend to strengthen the petty bourgeoisie by introducing a new form of expropriation of the surplus of the peasantry. The co-operatives have definitely failed in getting rid of the exploitation to which the small producer and the consumer have been subjected. On the contrary the co-operative has become a bureaucratic organisation that has complemented the existing patterns of exploitation. Far from wiping out the exploitative petty-bourgeoisie, it has strengthened it. In the sphere of exchange it has merely added a dominant new element to the existing exploitative structure.

II

The foregoing consideration of the basic traits in the mode of production and the constituent elements of the means of production and exchange permits us to proceed to an investigation of the empirical data, those of Delumgoda in particular and those of the area in general.

The total paddy acreage of Delumgoda is 43; out of this 19 acres (45%) are owned by a single aristocratic family who are absentee lords. Only 1 1/2 acres of this are cultivated by wage labourers. The rest is divided among a number of share-croppers who generally cultivate plots of half an acre. Immediately below the absentee lords, ranks a stratum owning 1-3 acres of paddy consisting of owner-cultivators as well as non-cultivating salaried employees. Then come the small holders who own less than one acre. In fact many of them cluster around less than half an acre category. In certain cases ownership is shared, as in *tattumaru*. Here one partner may cultivate the plot in a specific season leaving this right to the other in the next season. In addition to owners, there are a number of non-owner cultivators who have different rights to land as *ande* cultivators and temple tenants. It is necessary to stress that no less than 55% of the heads of households in Delumgoda do not own a single inch of paddy land.

TABLE I
Distribution of Paddy Land Located in Delumgoda.

| Extent in acres | No. of Owners |
|-----------------|---------------|
| Over 5.00 | 2 |
| 4.01-5.00 | 1 |
| 3.01-4.00 | 0 |
| 2.01-3.00 | 2 |
| 1.01-2.00 | 3 |
| .76-1.00 | 2 |
| .51-.75 | 6 |
| .26-.50 | 11 |
| .01-.25 | 18 |
| TOTAL | 45 |

TABLE II
Land owned by the Heads of Households
Resident in Delumgoda

| Extent in acres | No. of Households owning | | |
|-------------------------|--------------------------|------------|------------------|
| | Paddy land | Highland | House and garden |
| 5.01-6.00 | 0 | 1 | 0 |
| 4.01-5.00 | 0 | 0 | 0 |
| 3.01-4.00 | 0 | 2 | 0 |
| 2.01-3.00 | 0 | 2 | 1 |
| 1.01-2.00 | 7 | 7 | 9 |
| .76-1.00 | 5 | 5 | 6 |
| .51- .75 | 6 | 5 | 6 |
| .26- .50 | 14 | 7 | 24 |
| .01- .25 | 18 | 6 | 45 |
| None | 63 | 78 | 22 |
| Total no. of Households | <u>113</u> | <u>113</u> | <u>113</u> |

The information contained in Tables I and II is not exactly comparable as they refer to two different sets of data. Table I supplies information relating to paddy land located in Delumgoda, whereas Table II refers to land owned by residents. The major landlords of Delumgoda are not resident in the village and the residents tend to own land outside the village.

The distribution of highland is not less uneven. Here highland is defined negatively as land that is not a part of home garden. The aforementioned aristocratic family owns more than 50 acres of highland located in the village. Immediately below this come those who own 2-4 acres of highland who turn out to be more or less the same group of people who own 1-3 acres of paddy. The rest of the highland is unevenly distributed among small cultivators. 69% of the heads of households in the village do not own any highland.

The ownership of houses and home gardens is widespread among the villagers. Indeed only 19% of the heads of households are living on land not directly owned by them. A substantial number of them are squatters on government land on which they have built huts. The fact that more than 80% of the householders reside on land belonging to them should however, not lead to a false sense of equality prevailing in this sector. Houses vary from *Walauwis* (Manor houses) to mud huts. The land occupied by most of these households (61%) is less than 1/2 acre in extent. In such instances, land is not primarily a means of production, but an element in consumption.

An important institution around which land is concentrated does not emerge adequately in the analysis of empirical data pertaining to Delumgoda. Though the historic temple of Lankatilaka stands within the village boundaries it does not own much land in the village. The principal temple villages

surround the temple from other directions. The temple controls no less than 518 acres of land consisting of 148 acres of paddy and 370 acres of highland. It is the major landlord in Udunuwara area.

The commission on the Tenure of Lands of Viharagam, Devalagam and Nindagam compiled information pertaining to the land owned by temples in various districts in 1956. As land reform has not affected temple land it is safe to assume that the following table compiled in 1956 is still valid.

TABLE III
Land controlled by the Principal Temples in Various Districts.⁶

| District | Viharagam | | Devalagam | |
|--------------|------------|------------------------|------------|------------------------|
| | No. | Extent am.- pl.-ku. | No. | Extent am.- pl.-ku. |
| Kandy | 226 | 1817-3-6 | 58 | 989-2-3 |
| Matale | 54 | 1830-1-4 | 9 | 276-0-5 |
| Nuwaraeliya | 9 | 157-3-9 | 23 | 476-3-2 |
| Badulla | 29 | 179-3-4 | 144 | 1325-3-1 |
| Ratnapura | 12 | 1361-0-9 | 46 | 4378-0-0 |
| Kegalle | 35 | 74-3-2 | 80 | 2296-1-6 |
| Kurunegala | 132 | 3235-1-9 | 152 | 2970-3-4 |
| Anuradhapura | 46 | 229-0-3 | 5 | 16-2-5 |
| Polonnaruwa | 2 | 70-3-5 | nil | nil |
| Matara | 1 | 55-2-3 | nil | nil |
| TOTAL | 546 | 9655-0-4 | 517 | 12730-0-6 |

(6) am. = amuna, pl. = pela, ku. = kurini. The generally accepted equivalents are; amuna = 2 acres, pela = 1/2 acre, kurini = 1/20 acre.

The information compiled in Table III gives information regarding the land held by temples from the days of the Sinhalese Kingdom. Here the land is occupied by tenants who are service bound to the temple. In addition to this, there is land purchased by the temples in the modern period, which do not count as Viharagam and Devalagam.

No less than 44,760 acres are owned by temples, with service bound tenants, in ten districts. Most of this land is cultivated by tillers who perform various prescribed duties to the temple; the surplus as I pointed out earlier is extracted directly in terms of labour. The income of these temples due to land rent as well as offerings can be enormous. According to the Administration Report of the Public Trustee, Sri Padasthanaya (Adam's Peak) earned Rs. 196,405.00, Kolawenigana Raja Maha Viharaya, Rs. 109,555.00, Ratnapura Saman Devalaya, Rs. 105,232.00, Kiriella Nedun Viharaya Rs. 63,934.00, Peradeniya Rajapavanceramaya Rs. 59,740.00, and Kelani Raja Maha Viharaya Rs. 50,384.00 in the year 1972 (A.R.P.T. : 1973). Some major temples have failed to submit their accounts to the Public Trustee before the report was published. As a big land-lord and a receiver of valuable offerings, the Kandyan temple constitutes a major centre of surplus expropriation. But in the analysis of class, it is not the institution that counts, but the people who control it. I will return to this theme later.

As far as traditional instruments of production are concerned, even agrarian labourers in Delumgoda own knives, sickles, ploughs etc. but not buffaloes. But devoid of access to land they count for nothing, and they do not constitute interest bearing capital as they cannot be rented out for money. Buffaloes whom I would include in the same set are different as they constitute interest bearing capital whenever they are rented out. But the village has only 8 buffaloes who are primarily held by affluent peasant families. Thus traditional instruments except buffaloes are more or less equitably distributed among the population.

The modern instruments of production are quite different from the former set. Firstly, they assume a certain degree of capital concentration in the hands of the owner. Secondly they constitute interest bearing capital as they can be rented out. Due to the fragmentation of cultivation units (though the ownership is concentrated) mechanisation of agriculture is almost absent in Delumgoda and surrounding villages. There are only two hand tractors for five adjoining villages. These are used primarily for conveyance and not for cultivation. The only mechanical device related to agriculture available in the village is a threshing mill owned jointly by a shop keeper and an absentee land lord. Though isolated instances of using tractors are undoubtedly present, the Kandyan area as a whole presents an extreme underutilisation of machines in agriculture.

Delumgoda has no community of craftsmen. But the adjoining villages boast of communities engaged in crafts from the days of the Kandyan kings. The nationalist interest in the Kandyan crafts on the part of urban affluent classes and the thirst of the tourists for Kandyan crafts have resulted in a substantial expansion of the market for these products. The increasing demand has caused a rapid increase in money flowing into the hands of the master craftsmen and some of this has been successfully converted into capital. Among the wood carvers and brass workers, mechanical saws, lathes, mechanical devices for polishing etc. have come into use. In the field of craft production ownership of these instruments is decisive. These communities of craftsmen who were relatively undifferentiated only two or three decades ago are now dividing into layers, those who own means of production and those who do not. In many instances the master craftsman employs his "assistants" for a wage.

In a discussion of exchange it is necessary to get rid of simplistic notions which categorise agricultural output into mutually exclusive slots such as subsistence crops and commercial crops. Rice, the subsistence staple *par excellence* is a major commercial crop at the same time. Vegetables when produced are consumed as well as sold. Certain varieties of spices and tea grown in small highland plots are the only crops grown exclusively for the market. However, the role of these crops is not decisive in many villages.

Delumgoda is located quarter of a mile away from a road junction where a bazaar of shops is located. The trade here is monopolised by Muslim shopkeepers from adjoining villages. Apart from a single person from Delumgoda who operates a furniture shop there, no one from the village has any hold over means of exchange in the bazaar. Within the limits of the village itself there is another small shopping centre over which the villagers exercise a greater control. Infrequently the villagers also travel to Kandy and Peradeniya both for selling and buying.

Exercising control over means of exchange in the village context is based on a number of necessary conditions: (i) possession of a place of business preferably located in a shopping centre, (ii) possession of monetary capital to be used in buying and lending, (iii) control over means of transport—carts, lorries, vans, cars, etc. It is erroneous to assume that those who control means of exchange are exclusively active in this sphere. Having based themselves on exchange they extend their activities to other spheres of exploitation. A shop keeper whose major economic activity centres around exchange (i. e. buying and selling) may be a money lender and a landowner at the same time.

III

It is possible to classify the population of Delumgoda into following classes in terms of their relations to the means of production and exchange. In the classification, *nuclear families were taken as units of analysis* and the production relations maintained by the head of the household were given emphasis.

TABLE IV

| Classes in Delumgoda | | |
|---------------------------------------|-----------------|---------------|
| | No. of families | % |
| i. Non-resident semi-feudal landlords | 3 | 2.59 |
| ii. Middle bourgeoisie | 0 | 0 |
| iii. Petty bourgeoisie | 15 | 12.93 |
| iv. Middle peasants | 19 | 16.38 |
| v. Poor Peasants | 34 | 29.31 |
| vi. Urban workers | 14 | 12.07 |
| vii. Rural labourers | 31 | 26.72 |
| TOTAL | <u>116</u> | <u>100.00</u> |

(i) **Semi-feudal landowners:** Some of these families hail from the days of the Kandyan Kingdom. Their ancestors were state officials who manned the feudal state bureaucracy. It is true that most of these families will not be able to trace their ancestry to a Kandyan noble and the scene is largely dominated by 'new comers' who acquired prominence during the British period. However the myth of continuity prevails and it is of importance.

The British annexed the Kandyan Kingdom in 1815 with the support of leading Kandyan nobles. The British undertook to preserve and maintain the privileges of the nobles. Though the rebellion of 1818 signalled

a breach in this compromise, it by no means indicates the alienation of the Kandyan aristocracy *en bloc* from the British administration. By the mid nineteenth century (the days of the plebian insurrection of 1848) the Kandyan aristocracy had already become an accomplice of British colonialism. They continued to be state officials. True, they were not allowed to retain the senior provincial administration positions they used to occupy. The Government Agent who replaced the *Disawa* (senior provincial administrator) was an English civil servant almost till 1940's, but the *Rate Mahatmaya* (middle level provincial administrator) system permitted the individuals from feudal families to occupy a series of positions one stratum lower down. The Government Agent governed the population and dealt with the petty officials through the *Rate Mahatmaya*. To the peasant the system appeared as a continuation of the old *status quo*. Many *Rate Mahatmayas*, accordingly were addressed as '*Disa Hamuduruwo*', the title of a district administrator of the Kandyan Kingdom.

Though the King sometimes granted land to his favourite nobles 'in perpetuity', land in the Kandyan Kingdom were primarily associated with bureaucratic office. During the British period land became a commodity sold in the market. Though the nobles who participated in the 1818 rebellion lost their land, this cannot be taken as a general trend applicable to the class as a whole. The British period also witnessed the expansion of the land held by some feudal families.

The control exercised by the Kandyan aristocracy over the crucial means of production in rural areas, i. e. land, has been reduced to a certain extent by the recent land reform legislations. But it has not radically altered the social relations existing in the village. The land ceiling is too high as far as land located *within* the village is concerned. In many villages it is redundant. Moreover, the privileged position of the land held by the temples, which are exempted from land reform, tend to perpetuate the power of the semi-feudals in countryside.

It is erroneous to take temple land as being controlled by the temple, as if the temple were an isolated institution. The temples in Kandy district are primarily controlled by the semi-feudals. As far as *Viharagam* (villages owned by Buddhist temples) are concerned, they are directly under the control of the chief priest. He can nominate his successor. What happens is a sort of a matrilineal transfer of property. It is possible for the chief priest to ordain his sister's son as a novice and pave the way for his eventual succession. *Devalagam* (villages owned by temples of deities) are controlled by lay trustees who are elected by limited electoral colleges; here the semi-feudals have a greater tendency to be appointed.

Direct or indirect control of land remains the major source of economic strength of the Kandyan semi-feudals. This source of strength is supplemented by their occupation of bureaucratic positions. The develop-

ment of state capitalism which inevitably expands the bureaucracy has created ample opportunities for those interested in such a career. Very few semi-feudals however, have become successful entrepreneurs.

It should be stressed that the sense of class solidarity is high among the semi-feudals. Non-economic elements too tend to unite this class. It is a class of people bound to each other by kinship ties. The incidence of in-group marriage is high. These forces work to give cohesion to this class.

As stories of the decline of aristocracy are current, it is important to emphasize that no such general decline is proved by the data in our possession. Nor have the semi-feudals become totally bourgeoisified. In the village they perpetuate semi-feudal forms of exploitation such as share-cropping and labour rent; in the city where many of them are resident, they hold bureaucratic positions. In the sphere of production relations, they combine two forms of exploitation, semi-feudal and bourgeois.

(ii) **Middle bourgeoisie:**—The middle bourgeoisie in the Kandyan areas primarily rest on non-industrial ventures. This class controls land, bourgeois instruments of production, means of exchange and occasionally small industrial enterprises. In those instances when they own paddy land they too resort to pre-capitalist forms of surplus extraction such as share cropping. However, the tendency to move in the direction of wage labour is most pronounced in this class and it is possible that the legal protection given to the share-croppers has retarded the speed of such a development. They also own middle level tea and rubber plantations often exceeding hundred acres (land reform legislation permits the landlords to retain 50 acres per adult child). The production in these plantations is exclusively based on the employment of wage labour.

This class also controls instruments of production and means of transport, such as tractors, mills, trucks and cars. These constitute productive as well as interest bearing capital. This class is also in possession of substantial amounts of monetary capital, which is used in buying commodities, lending and undertaking government contracts, etc.

The village of Delumgoda has no family that could be classified as middle bourgeois. But in Udunuwara area there are a number of families who possess enough capital to be assigned to this class. For instance, the entrepreneurs engaged in manufacturing tea by domestic methods could be cited. They buy the 'left overs' from large tea factories, mix it with the tea grown in smaller plantations and do a thriving business. They own shops, trucks and cars.

The middle bourgeoisie lacks the internal homogeneity and cohesiveness that is present in the aristocracy. They may come from any caste or for that matter from any ethnic group. They do not form a social bloc

related to each other by kinship. Most of the members of this class have grown wealthy in the recent past. Hence they still maintain social relations with the masses.

The middle bourgeoisie are frequently active in parliamentary politics. The powerful individuals who surround the representatives to the National State Assembly mainly come from this class. It is a politically divided class. But their party loyalty is not strong, and they tend to support those who are in power.

(iii) **Petty-bourgeoisie:** The petty-bourgeoisie bases itself upon petty production and exchange in agriculture, crafts and commerce. As petty production and exchange is the dominant form in our rural economy, members of this class are numerous. A substantial number of them earn salaries, which they combine with the surplus that comes from the ownership of the means of production and exchange.

Take a school teacher who owns two acres of paddy land and three acres of highland. He may either give his land to a share-cropper or may employ wage labour. Though his basic sources of income may be the salary that he derives from teaching, the ownership of land and the fact that he confronts real producers as an exploiter makes him a member of this class.

As I pointed out earlier, the expansion of the market for traditional crafts disrupts the pre-capitalist relations and creates an additional breeding ground for the petty-bourgeoisie.

It is the most vocal class in rural society. They are the people who are treated as being the so called 'rural leaders'. The bureaucrats in charge of rural development projects, community programmes etc. come in to contact with the members of this class. To put in a nutshell, it is they who represent the village to the town in the present social system.

The petty-bourgeoisie is essentially a class that controls petty production and exchange. On the one hand they are suppressed by the semi-feudals. On the other hand they are exploited by the middle bourgeoisie. They are also confronted by the poor peasants and rural workers. It is a vacillating class. In the realm of agrarian relations they support the land reform laws, but oppose the Paddy Lands Act. Their ambition is to rise to the middle bourgeoisie, but the hard facts of economic reality thwart these attempts. It is a heterogeneous class. Like a lobster it has many limbs and claws which it extends in to various spheres of rural economic activity. There is neither internal unity nor cohesiveness. These are the small time exploiters, in turn exploited by the big.

Various conceptual problems inevitably arise in a discussion of class differentiation among the peasants. It is impossible to arbitrarily set statistical limits to the extent of land owned and divide the middle peasants

from the poor peasants. As I pointed out earlier, class is an objective phenomenon that exists in society. What is important here is to identify those classes that really exist rather than to impose a subjectivist and mechanical divisions on the populace. Hence what is crucial is not the extent of land owned, but the nature of the production relations.

Though the production relations in Kandyan rural areas are diverse, three basic types could be identified.

- i. Those who do not work, but exploit the labour of others;
- ii. Those who do not work and refrain from exploiting others; and
- iii. Those who work and are exploited by others.

In fact many sub-varieties could be indentified such as those who work and exploit others. But in the analysis of class differentiation among the peasantry, I will take these three basic types as the point of departure. They grasp at the root three different ways in which labour is mobilised in the rural economy.

Rural society consists of many types of real producers who spend their labour in production—small holding peasants, share croppers, rural workers, service bound tenants, master craftsmen, etc. Each of these groups consists of people who are identically located in economic activity. But should these groups be taken as classes? Could one, for instance, speak of a *class* of share croppers? If one could, then one is logically led to speak of a class of small holding peasants, a class of service bound tenants etc. But such an approach certainly reduces the concept of class to an economic relation *per se*. Though class bases itself on production relations one must not reduce the former to the latter. In other words, one must distinguish production relations from classes. Thus class is the *concentrated expression* of various production relations which are identically located in the social formation.

In discussing various patterns of exploitation, we identified a class of non-working (or at least those limiting 'work' to supervision) owners of the means of petty-production.

In the Kandyan areas, a class of rich peasants as distinct from the petty-bourgeoisie do not exist as an objective phenomenon. Though there are a few rich peasants who may work in their fields, they always exploit the labour of others. This implies that the rich peasants have successfully elevated them to the petty-bourgeoisie. The affluent master craftsmen too belong to the same class. The crucial aspect in this group is not the fact that they spend their labour but that they exploit others.

(iv) **Middle peasants:**— The basic production relation in this class is that the middle peasants spend their labour or the labour of their nuclear families without exploiting others. Craftsmen who engage in production relying on family labour also belong to the middle peasantry. Middle

peasants however are not compelled to sell their labour to supplement their income. Though the archetype is the small holding peasant, those share-croppers and service bound tenants who are not compelled to enter the labour market are also middle peasants. Middle peasants own the traditional instruments of production. In those villages where the buffalo population is high they also own buffaloes. As petty producers who own or possess instruments of production, they are subjected to exploitation in the exchange network. In the case of sharecroppers and service bound tenants, they are also subjected to direct exploitation by the landlords. The slogan 'land to the tiller' mainly emerges from this class. They attempt to preserve their plot of land and continue the petty production they are used to. They are not in agreement with the principle of collective ownership. An economic situation where every peasant would own the land that he could cultivate with his family labour appears to them as the ideal. On the one hand they are suppressed and exploited by the semi-feudals. On the other hand they live in continuous fear of losing their land to the petty or the middle bourgeoisie. At the same time they are conscious of their distinct position which separates them from the poor peasants and rural labourers. Some of them are related by kinship to the members of the petty bourgeoisie. It is a class that is numerous and their position in rural society drives them inevitably against the semi-feudals and the middle bourgeoisie. They are living under a continuous threat of being pressed down to the poor peasant class. A drought, a decline in prices for agricultural produce, an unexpected turn of events in family life, in short any disruption of their socio-economic activity will press them down to the level of the poor peasantry.

(v) **Poor peasants:** The poor peasants own or possess land; in this way they are not different from the middle peasants. They are not alienated from all means of production. But the land they own or possess is absolutely insufficient for them to keep their body and soul together. Hence, they are compelled to sell their labour. In this sense they are semi-proletarians. They are also oriented towards obtaining a plot of land that would satisfy their requirements. They are petty producers who own or possess a small plot of land, and their world view arises from this base. They hope that they will get land from land reform, village expansion or colonisation schemes. The poor peasant wages an uninterrupted fight to preserve his plot of land and not to become a rural worker. As he is tied to a plot of land his geographical mobility is limited. In those situations where work is available their income is actually lower than that of the rural workers. As Lenin pointed out, "The existence of a small peasantry in every capitalist society is due not to the technical superiority of small production in agriculture, but to the fact that the small peasants reduce the level of their requirements below that of the wage workers and tax their energies far more than the latter do . . ." (Lenin: 1960; 27). Poor peasants are subjected to semi-feudal and bourgeois exploitation. The contradiction between the

poor peasant on one hand and the semi-feudals and the middle and petty bourgeoisie on the other is intensifying. The poor peasants are in support of a basic structural change.

(vi) **Rural workers:** The basic trend in rural society in Kandy district is the uninterrupted and inevitable expansion of the number and proportion of rural workers. Though petty production is the basic characteristic of the rural economy, along with it wage labour grows and increasingly assumes a decisive role. All the rural workers are totally alienated from all the means of production. They do not even have rights of possession such as share-cropping rights. Their living standard in general is not different from that of the poor peasants. A male earns around Rs. 6.00-Rs. 7.00 per day if he finds work. But the rural worker spends most of his time looking for work. If more work had been available in Kandyan rural areas he would definitely earn more than a poor peasant. But the chronic unemployment that exists in the rural areas works against this. Though they are alienated from the means of production their situation is by no means identical to that of the urban workers. The urban workers are engaged in work centres where workers are concentrated. Their employment has a regular character. The rural worker often finds himself in a situation where he is the only employee as for instance when he is asked to pick coconuts in a small garden. His work generally has no regular character. He goes where he can find work. He has no guarantee of regular employment or a periodic wage. Unlike the urban workers they are not organised. Their class consciousness, which is still at an embryonic stage, is related to these objective conditions. The rural workers in the recent past have achieved a degree of geographical mobility. In the dry zone where mass scale paddy cultivation takes place, a need to import labour from other areas arises due to the lower population density. Some rural workers of Kandy district who are not bound to the soil, migrate to the dry zone during the peak demand period. Though the middle and poor peasants tend to limit their economic activity to the village, the rural workers increasingly tend to liberate themselves from this narrow context. The rural workers are subjected to a bourgeois form of exploitation. In other words they have nothing but their labour to sell. They are exploited by all the exploitative classes in rural society. If there is a basic structural change this class stands to gain more than any other class in rural society.

(vii) **Urban workers resident in villages:** In comparison to many other under-developed countries Sri Lanka ranks high in the availability of public transport. The fare is sufficiently low, so that a person with a monthly wage is in a position to commute daily for work. As a result the place of residence is sometimes 20 to 25 miles away from the place of work in the case of an increasing number of workers. The transport network cushions the contradiction between the urban and rural areas.

A large number of workers are actually resident in the villages that surround major cities. Their income is high by village standards. They earn more than the rural workers or poor peasants. They are a link that unites the urban worker's movements with the village folk. Most of these workers resident in the village are not people devoid of property. They live in the village primarily because they hold property there. They are subjected to exploitation not in the rural context, but in the national context. Though a certain limitation to the growth of class consciousness is set by property ownership, this cannot be cited as a major set back.

Outlining the production relations and classes in a district, with an emphasis on the rural areas, does not amount to outlining these relations and classes in a country. Thus, some forms of production relations (worker-management relationship in the large factories) and some classes (the upper bourgeoisie or the plantation workers) did not figure in the present analysis.

However, it is important to point out some general trends in the structure as a concluding remark. In the current period of monopoly and state capitalism, it is impossible for the middle bourgeoisie to accumulate enough capital and advance to the upper bourgeoisie. The petty bourgeoisie gains from the land reform legislations and strengthens itself, but is incapable of advancing to the middle bourgeoisie. On the contrary, many younger members of this class whose socio-economic position depends on their fathers holding salaried white collar employment are threatened. If they could not find white collar employment, (which many of them will not) they would turn out to be a large mass of *declassé* elements in rural society. The middle peasants and the poor peasants are faced with the danger of losing their land. All this could work only in one direction—an inevitable expansion of the proportion of rural workers who would increasingly depend on selling their labour for sustenance.