

C H A P T E R - II

Immigration In Darjeeling Hill Areas And Early Growth of Agriculture

Identification of the Area:

Darjeeling District being the smallest district of West Bengal is situated in the Eastern Himalayas. Three fourth of its area is in the hills. It is bounded by Nepal on the West, Sikkim on the North and Bhutan on the East. The southern part of the district descend to the plains of Duars and Terai.

The morphological characteristics of the hill sections are determined by a net-work of ridges and spurs which are separated from each other by deeply curved valleys. For the most part the ridges stretch from north to south and the courses of the principal rivers in the same direction.

The district consists of four sub-divisions, namely Darjeeling Sadar, Kurseong and Kalimpong in the hills and Siliguri in the foothills.

The district of Darjeeling was originally a part of kingdom of the Rajah of Sikkim. On the 1st Feb. 1836, through a transfer of deed, the present Darjeeling was given to the East India Company for making use of this site for a health resort to the Britishers. Since then this territory belongs to a part of India. Kalimpong sub-division was annexed to Darjeeling in the year 1865. At the early stage about 100 people belonging mostly to Lepchas

were the inhabitants of this area who started living in huts clustered around the Buddhist Monastery on observatory Hill. With the passage of time due to immigrants from Nepal population increased by leaps and bounds (1).

While making use of Darjeeling as a hill station by the Britishers and with the introduction of plantation, the population pattern in Darjeeling hill area underwent a change. The district which was mostly uninhabited attracted immigrants after British formed a district. The growth of population in the hill areas can be understood (2) from the Table (2.1).

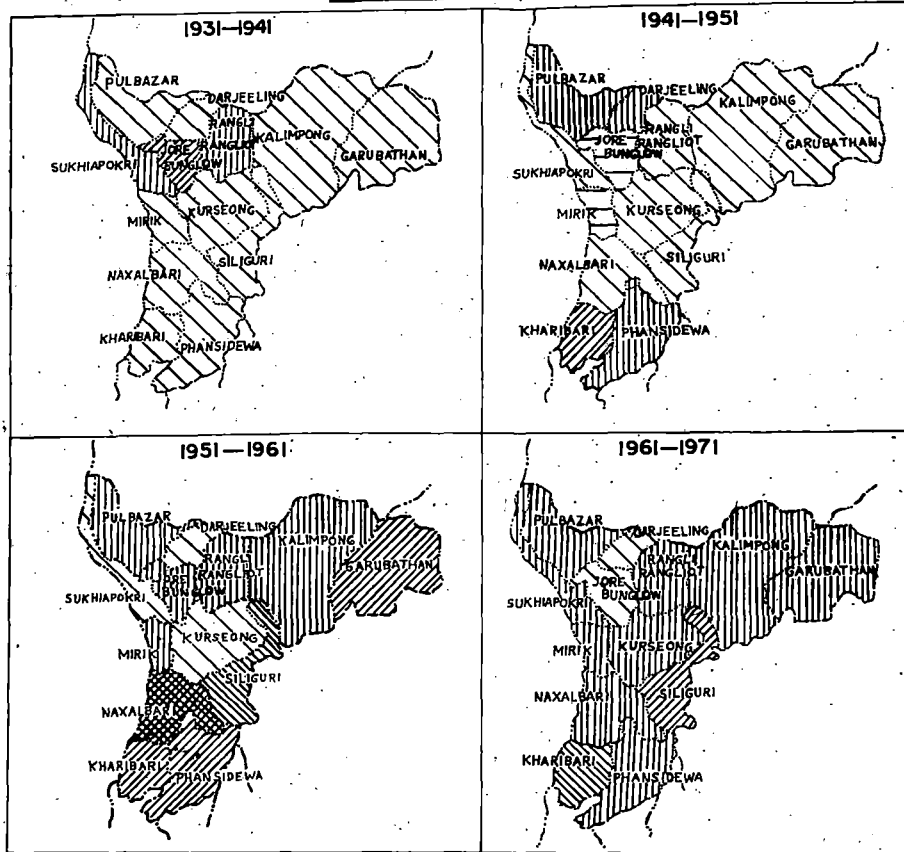
Table - 2.1

Growth of Population in Darjeeling Hill Areas.

Year	Population	Source
1850	10,000	Dr. Campbell
1860	22,000	Dr. Hooker
1881	92,141	First Census
1891	150311	Second Census
1901	173342	Third Census
1911	199767	Fourth Census
1921	200361	Fifth Census
1931	239377	Sixth Census
1941	290355	Seventh Census
1951	323765	Eighth Census
1961	401732	Ninth Census
1971	470378	Tenth Census

DARJEELING DISTRICT PERCENTAGE VARIATIONS OF POPULATION (1931-1971)

0 5 0 10 20 Km



L E G E N D

Percentage Increase(+) Or Decrease(-)

<p>+ Above 80</p> <p>+ 60 — 79.9</p> <p>+ 40 — 59.9</p>	<p>+ 20 — 39.9</p> <p>+ 0 — 19.9</p> <p>Less than 19.9</p>	<p>International Boundary</p> <p>State -do-</p> <p>District -do-</p> <p>Police Station -do-</p>
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Fig. 3

Map showing Percentage variations of population (1931-71)
of Darjeeling District.

Table - 2.2

Index of Population Growth in Darjeeling Hill Areas
(1931 - 71)

Year	1931	1941	1951	1961	1971
Darjeeling Hill Area	100	100	157	160	200

(3)

Such growth was not endogenous by nature and it was practically exogenous. As a matter of fact, when the tract was first taken over, it was almost entirely composed of forests and few Lepchas and Bhutias in the hill valleys. It was almost impossible for these people to give forth such a vast population within such a short time. That is why the growth of population was not endogenous product of the district of Darjeeling but it was exogenous by nature and it was the result of a large scale immigration from Nepal (4).

The most important part of the population growth shows that almost all the immigrants were of Nepalese origin. Actually in the Census of 1961, we find that most of the people was of Nepalese origin and "one third had been born in Nepal". Another noteworthy feature is that bulk of Nepali immigrants belonged to the "tribal groups" and very few belonged to upper caste Hindus. One important thing should be noted. Among the tribal immigrants the Kiratis (Bha, Limbu and Subba) were the majority and in 1901 they were about 33% among the hill people. There are, of course, other tribal groups like Tamangs, Gurungs, Magars etc. but the Kiratis

are the majority in the hill areas (3).

The question naturally arises namely why did the tribal groups leave Nepal and come to Darjeeling? The decision to immigrate is not to be taken lightly. It means entering ties with the land and motherland. Immigrants are likely to face great difficulties in an unknown land. Therefore, the fact of immigration is the result of some compulsions. The groups which immigrated to Darjeeling were perhaps victims of economic and political uncertainties created by the Hindu Raja of Nepal. The Kiratis who used to live in the eastern part of Nepal were the first immigrants to Darjeeling as far as the existing records of the labourers in the tea gardens show (3).

Table - 2.3

Variation of Density in Darjeeling District (per Sq.Km)
(1901 - 71)

Year	Total
1901	31.08
1911	33.13
1921	50.30
1931	101.05
1941	127.32
1951	140.40
1961	202.12
1971	251.50

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The problem of immigration can but be explained if we make a careful study of the "Limbis". Together with the Rais the Limbus are considered to be descendants of Kiratis. They normally inhabit the mid-region of East Nepal i.e. between Dudh Kosi and Sona rivers. The Limbus enjoyed considerable amount of freedom in the matter of administration of their "own area". In the eighteenth century eastern Nepal was divided into a number of small principalities each ruled by chieftains. From the period 1773, the course of events took a different turn. From this period, Nepal divided into small semi-independent states was "unified" by the Shah rulers. The growth of Shah power started in a small kingdom called "Gorkha". It is in the west of Nepal where large number of high caste Hindus migrated from northern India. About 1768, the Shah king took advantage of the dis-unity among Nepal chiefs. By 1773, Prithvi Narayan Shah conquered the valley of Kathmandu. He then started his eastern offensive and the Kirat country came under his rule. In 1815 he reached the bank of the river Teesta in Sikkim. The British had to intervene and in 1817 Nepal's eastern boundary was put back to Rapti river where it has remained since (3).

Before the establishment of Shah kingdom all tribal groups in Nepal held land under customary form of tenure. The system was known as "Khas" land tenure system. Briefly, under this form of tenure an individual obtains right to hold land by

virtue of his membership in one particular "kin" group of tribal society. The land was joint property of all people of the tribal group. Apart from Kingi system of tenure, there was another system prevalent in Nepal known as "Raikar". This system is known as "land-lordship". Under this system an individual had the right to hold and transfer the land and the right was recognised by the state so long as the taxes are paid (3).

After the establishment of Shah dynasty, the rulers wanted to consolidate their political position by introducing "Raikar" system in place of "Kingi" all over Nepal. The Hindu Nepali authority tried to "buy" all tribal land and wanted to settle land questions by bringing it under a uniform system of tenure, akin to freehold which is Raikar. By this process the tribal groups were rendered landless and powerless. Moreover, the legal and social sciences encouraged by the Hindu kings favoured the interests of the upper caste Hindu immigrants against the tribal population. The problem of land alienation from the tribal groups to upper Caste Hindus started.

In such of the tribal territory rights to occupy particular areas of land under Kingi tenure derived not from direct royal grants but by virtue of being "first settlers". So the tribes who had cleared the jungle first and brought it under cultivation could claim the land as their own "Kingi". The legitimization by the royal decree of these claims to land by tribes came much later, sometimes generation after fact. The lineage is the core of and to

a large extent synonymous with the tax paying unit. Kinat taxes were levied without reference to the amount of land owned or cultivated. A member paid tax as members of a Kinat owning group provided he had homestead and established his right to a plot of the group's land. Taxes were paid to government or to headman. The headman in this part was called "Sabha" (13).

The Hindu king of Nepal wanted to unscramble this system in order to extend their control all over Nepal. The Hindu kings encouraged the upper caste Hindus to go into these parts which were the exclusive preserves of the different tribes for centuries. Some of the Hindus went in these areas as the officials of the Kathmandu government. Some went there in search of land, money and future.

In the early stage, the land was abundant. Hence the problem was not that acute. Gradually, the Kinat holders were forced to confer land grants called "Dangal" on the immigrants who were mostly upper caste Hindus. Recipients of these holdings gave away sub-holdings to the Hindu immigrants out of lands which they could not cultivate. The Kathmandu government introduced a series of legislation which in effect allowed the upper caste Hindu settlers to convert "Dangal land" into "Naikar land". These conversions were regarded by the Kathmandu government as irrevocable. Once registered as "Naikar" land formerly held under "Kinat" tenure could not be converted to "Kinat" again.

On several occasions the original inhabitants protested. There were skirmishes in many places. But all these requests and protests were turned aside by the authorities of Kathmandu government who would entertain no reversal of King-into-Rajput trend they initiated. Moreover, the traditional tax collectors or village sabbas were asked to register themselves by paying a "initiation fee" — much beyond the capacity of many sabbas. Gradually the sabbas were replaced by upper caste Hindus in the areas where the sabbas were the traditional leaders. The Kathmandu Government started to insist on "documentary evidence" of King land. A failure to produce documentary evidence was deemed tantamount to an admission that the King owner had encroached on Rajput land. This led to further losses of land by the tribal groups since documentary evidence was either totally lacking or at best vague or open to conflicting interpretations. The officials of the Kathmandu government acted against the interests of the King owners. They tended to interpret the laws in such a manner as to go against the interests of the King owners. Further, the upper caste Hindus found a good friend in judges of the law courts. In many cases the courts ordered the confiscation of the King land on grounds of non-payment of taxation or concealment of the homesteads. Gradually the rate of conversions of "King lands" to "Rajput land" reached an alarming proportion (11).

* The tribal population was gradually ousted from land and consequently they were pauperized. They had to rely on upper

caste Hindu for the bulk of credit. The Kathmandu government quickly passed a law requiring the creditors to share in the tax burdens of the "Kipat owners" whose lands they had taken under pledge. Shortly after the laws were passed, the Kipat owners began complaining that money lenders were attempting to claim ownership of the land on the grounds of having paid the required tax-share. The Kathmandu government did nothing to protect the interests of Kipat owners. Literacy is a factor which worked to the advantage of the upper caste Hindus. Sanskritized Nepali written in Darmarajia script became the official language of the Kathmandu government. The Brachmins were noted for their learning and they picked up Darmarajia script and Sanskritized Nepali quickly. But the tribal groups had their own languages. In consequence they were required at the time of property divisions, land transactions, and land disputes to rely on the Brachmins or the upper caste Hindus. Literacy helped the Brachmins to occupy most of the important administrative and judicial posts. Further the literates could easily deceive the simple folks in the matter of transferring the land from the "Kipat" to "Kaltar". (12).

In a number of ways, the upper caste Hindus managed to acquire land previously belonged to Kipat holders. They became economically dominant sector of the population and as such the chief source of credit to simple villagers. The economic foundation of the tribal society crumbled (13).

Land shortage affected the definition and structure of kin groups as well. The criterion for lineage membership became more stringently defined in order to limit the numbers with Kinat. Patrilineal descent became the sole charter of obtaining such rights and the tribal "outsiders" who had been previously accustomed in the tribal settlements no longer found themselves welcome. Household competition too had been affected by land pressure. A common interest in land kept a group of brothers together. But as household estates became smaller and smaller the tendency had been for the brother to press for partition. Thus as the rate of fragmentation increased, the Kinat owners were unable to get their livelihood from the land. The people had insufficient land on which to live in the villages. There was no industry to be employed on, no opportunity for being absorbed in government services, no scope for taking up any commercial vocation and no secondary means to fall back upon for carrying a livelihood. They were forced by economic realities to search land and occupation.

At that time Darjeeling offered them an opportunity which was absent in Nepal. The Nepalese decided to cross border. Further, in order to increase the British influence the government encouraged the immigration of Nepali population to this area. In the Nepali immigration the British found a group of loyal subjects whose allegiance would lie to the British and not to Dalai Lama of Tibet. A large number of immigrants were enlisted in the British army (14)

In order to encourage the Nepalese to settle in Darjeeling hill areas the British introduced a "progressive" land tenure system which was not adopted in other parts of India. Under the "new" system government was considered as the direct proprietors of the estate. There were no landlords, no zamindars, no intermediaries between government and ryots. The land laws which were introduced by the British in other parts of India were not applicable to the hill areas. It was almost impossible for the upper caste hindu money lenders to buy land from the Nepalis. The laws regarding the transfer of land from the Nepalis to the hindus coming from plains was almost impossible or at least was very stringent. The Nepalis were given opportunity to spend their time and energy in the lands without any fear of alienation to the rich upper caste money lenders. The provisions were very lucrative for the Nepali immigrants and they decided to cross the border.

Growth of Agriculture in Darjeeling Hill Area.

In the early stages of Darjeeling hill areas there was a good deal of spare land. Some of it was held by lessors under the Waste Land Rules and a great portion is made up of forests which was either private property or under the administration and supervision of the Forest Department. The forests were in many cases full of wild beasts, whose ravages caused much of the surrounding land to lie waste although otherwise fit for cultivation (15).

Darjeeling hill area was divided into five District Revenue tracts.

(1) The old hill territory stretching from Sikkim frontier to the foot of the hills below Pakharbari an irregular strip of land about twentyfour miles long and from five to six miles wide consisted nearly 138 sq. miles.

(2) The tract granted to Chahi Lama and his family situated in the north-west of the district and contained 115 sq. miles. This was annexed in 1850, in consequence of the treatment received by Dr. Campbell and Hooker from the Sikkim Barber.

(3) The two strips of hill land, one lying to the west of hill territory and extending to Nepal territory and the other extending to the Teentsu, have about 253 sq. miles; both of these tracts were also annexed in 1850.

(4) The Terai area was also annexed in 1850 and had an area of more than 271 sq. miles.

(5) The tract of the east of Tista formerly known as the Daling Sub-division (now Kalingpong sub-division) had an area of 405 sq. miles. This was taken from Bhutan after the war of 1864.

It appears from a report of Dr. Campbell, Superintendent of Darjeeling that previous to 1850, he had not found it practicable to take any revenue from the farmers. In 1850, he tried the experiment of settling defined tracts for periods of three or five years and he states in the letter that he had settled the whole of territory. In a subsequent letter dated 24th December 1850, Dr.

Campbell (16) returned a list of these settlements showing twelve leases, ten of which were for three and two for five years. The total rent from all leases was returned Rs - 358 - 04. No area was given but a schedule of boundary was attached to each lease.

When they were first granted, there was hardly any demand for land at Darjeeling and the chief object was to attract native cultivators to settle under the lease holders, who were bound not to take a higher rent of Rs. 2/- from each household cultivator. The problem of Kallimpong area was somewhat different. In order to understand the nature of the problem of this area, it is necessary to quote the original report of Edgar. "At the conclusion of the war with Britain in 1814, the hill tract to the east of Teesta which formed part of the annexed territory was formed into sub-division called Laling-cot and placed under the Deputy Commissioner of the Western Bura. It was, however, transferred to Darjeeling District in Oct. 1833. The sub-division has apparently never been formally abolished, but there has been no establishment maintained since 1859. When first created, the population consisted almost entirely of Bhutias, who paid a poll tax in lieu of land revenue. The amount of this tax in 1865 was 964 which sum was collected by 19 mandals or village head-men, who soon to have held a similar post under British government. In 1872-73, the number of Mandals had increased to 26 who collected from 832 households a revenue of Rs 221 - 15s - 04. The population has very much increased during the year 1873-74 and consequently, the collection from poll

tax ought to have increased in proportion. But a custom has been allowed to grow up under which settlers are not taxed for the first year. Very much of the land has been brought under cultivation and the use of plough is not uncommon where situation allows of it. The homesteads are substantial and comfortable looking and in many other respects there are indications that the people are advancing beyond the semi-nomadic state which made a capitation tax the only practicable means of getting any revenue from them. But while I am anxious to make a settlement with the cultivators for the lands held by them, I am quite certain that any such settlement made without careful preliminary inquiry and some kind of survey and demarcation would be very mischievous thing. There has been topographical survey of the tract, but no attempt was then made to show the area of the cultivated holdings or even their situation, except in a very rare instances. In some parts these holdings are situated close together and nearly unbroken sheets of cultivation and clearances stretch for miles along the crests and sides of the hills; but many holdings are surrounded by Jungles. There is much forest of value and some land which might be suitable for cultivation. Besides this, there is a struggle going on between the Bhutanese and Nepalis in the tract which would require very careful attention when a settlement is being made. The Bhutias and Lepchas who were the early inhabitants of this tract, resent what they think the intrusion of the Nepalis, who have for sometime been settling in great numbers and unless care is taken, the latter who are much the stronger race will drive the former out. At the same time, it is most undesirable

that any precaution, taken for protection of the Bhatias and Lepchas, should have the effect of discouraging the colonization of the country by Nepalis." (17) (Baker)

But it should be remembered that before Kalimpong was added to the British Empire in 1834, tea gardens had already been started in the area. Almost all the tea gardens were started on the West of Teesta and because the east of Teesta came late under British control, the area was not taken up for cultivation of tea.

By 1870, there was a great scramble for land - land for settlement of the immigrants, land for growth of Tea gardens and land for cultivation. The immigration from Nepal changed the whole pattern of cultivation. Nepali system of cultivation was decidedly better than of these Lepchas and Bhatias. The Nepalese started rice cultivation. The extension of rice cultivation is due not to the substitution of that crop for inferior cereals but to the clearing and reclamation of jungle land. It was written in 1871, "It appears probable that as available jungle land for this massive method of tillage (by Lepchas and Bhatias) become more and more scarce, the aboriginal tribes will gradually learn the use of plough from the Nepalis and will adopt the higher system of cultivation practised by that class of community i.e. Nepalis" (18). The Deputy Commissioner of Darjeeling wrote in 1871 - "land cultivated by a Nepali husbandman will yield as large as outcrop as the best lands in other hills." Dash writes, "When the District was first taken over by the British administration the hill portion was almost entirely under forest.

The only cultivation was that of Jhuming or burning down the forests in the interior of the hills by Shabdas and Lepchas etc. Expansion of cultivation was rapid in the middle of the last century. Jhum cultivation has now entirely disappeared owing to forest reservation, appropriation of land for tea cultivation and extension of plough cultivation to the remaining land. The last is a far more efficient method of cultivation than Jhuming but requires the application of considerable hard labour both to render the land suitable for the kind of cultivation (i.e. by terracing, weeding and irrigating it) and in the performance of various operations in agriculture. The Khasis were far more assiduous and skilful in this superior method and consequently displaced and speedily outnumbered the original inhabitants." (19)

A distinctive feature of the Khasiyas' agriculture is the terracing of the mountain slopes for rice cultivation. On steep slopes the labour of weeding the narrow terraces with stones is very great; "but as the site of a rice field is always selected so that it can be irrigated from some stream, the crop is a certain one and amply repays the labour expended" (Bell) (20). But Bell also noted in 1831 that sometimes the terraces are too narrow to admit the use of plough and these are cultivated with a hoe. "The nomadic method of Jhum was still prevalent. But Jhum was on the way out as most of the forests were declared as reserves. Plough cultivation was widely seen, and tribes (Sopehas and Shobias) have taken to plough cultivation. But these tribes used Kural or Baa for all their

operation."(21) At that time Bell pointed out that the Lepchas and Bhutias would be defeated in competition and he suggested measures that are necessary to protect the indigenous Lepchas from being ousted by the Nepalis.

A salient feature of the government policy in the administration of the district from the early days had been the emphasis on safeguarding the interests of the hillmen. Transfer of holdings in the hill Khaspahal from the hillmen to plainmen was not permitted and except for special reasons transfer from Bhutias and Lepchas was not allowed in Kalimpong Khaspahal. In the Khaspahal, excepting Darjeeling Town Khaspahal, the area is divided for fiscal purpose into "blocks" which are nearly equivalent to villoges, as defined in the Bengal Tenancy Act 1885 with the difference that the areas have not been defined as villoges, since the B.A. act was not enforced there. Each of these blocks was under a "khaddai" who collected rent from the tenants of his block on a commission basis.

One thing should be mentioned. Before the British, the land of the hill areas was in primitive condition and was termed by the British as "Waste Land". At the beginning, these waste lands were settled under the waste land Sales of 1830, 1850 and 1862 under very favourable terms and conditions to attract people for settlement and agriculture. The most significant feature in this region was no private landlord between government and the ryot who was usually the tiller of the soil. Under the Rent Act of 1850, a

tenant got a heritable right to occupancy in any land held by him for twelve years or more. Tenants had no right to transfer or sublet without the permission of the Deputy Commissioners. Transfer or subletting by hillmen to plainmen were not usually permitted by the Deputy Commissioners (22).

The early settlement of revenue were with individual farmers who were made responsible for the revenue fixed in lump on the block or blocks leased to each of them. The first regular settlement appears to have been made in 1894. The system then adopted has come to be known as the joint Rayatwari system by which settlement was made jointly with the mandals and tenants of each block. This 1894 settlement was for a term of 10 years. Under it blocks were divided into three classes with different rates of revenue. Ryots had nominal right to occupancy but in fact they were entirely at the mercy of mandals who could oust them with pleasure. While this system proved successful as far as the collection of rent was concerned, it was otherwise unsatisfactory because mandals realized as much as they could from the ryots and looked to their own interest. In the next settlement of 1904, the joint Rayatwari system was given up. Blocks were now divided into three classes according to the quality of the soil predominating in each and settlement was made direct with each ryot who was given separate lease for holding. Persons found to have been in occupation for 12 years or more were recorded as ryots having rights of occupancy. Subletting was forbidden and ryots found holding under mandals

were recorded as under government. As in earlier settlement, the land revenue commission was fixed at 10 per cent of the gross demand but the power of granting new settlements was taken away from him. A third settlement was made in 1907-08 and a fourth in 1929-32. In the third settlement, government ordered replacement of the block rates by soil rates. In the fourth settlement, the system of soil classification was made more elaborate and several new classes were added. Ryots no longer hold any land rent-free and their commission was fixed at 10 per cent not on gross demand but on gross collection. Gradually the institution of ryotwari was abolished. (23)

The Ryotwari System or Village House Tenants.

The basis of the finance of trade and agriculture is unfortunately the improvidence of the small producer and consumer, his lack of capital and his readiness to borrow or receive on credit. Crops are sold in advance by growers and goods are sold on credit to labourers on tea gardens and to cultivators outside them. Owing to his carelessness and improvident disposition, the hillman always places himself at a disadvantage in these transactions. He practically never accumulates capital, usually gets hopelessly into debt and becomes something like a slave of his creditor. On the tea gardens the "Ryotwari" recovers his debt from coolies on pay day. He does not charge interest on outstanding dues but his prices on goods for sale are always fixed so as to provide a margin of interest. Tea garden labour and gardeners often take part in lending

money to coolies. "This borrowing or indebtedness is in no way productive and it is probably correct to say that the indebtedness of coolies interferes with their efficiency and loyalty. It is the same with hillmen in the Khas Jhals outside tea gardens. Their crops are brought in advance and goods are supplied on credit at prices which are unfavourable to them. Here again these operations do not benefit or assist agriculture but merely stimulate improvidence, gambling and showy display. Even when hillmen make a life's business out of building, road or timber contracting or in driving motor cars or lorries for hire, they rarely save capital and always seem to remain dependent on Khasari financiers for the means of carrying on their business." (24)

The Khasaris dominate completely in the money lending. An early report on the Khasari money lenders would highlight some of the issues. "With the advent of the Khasari traders who started large scale buying of cardamoms and the impetus derived from the larger demand for agricultural products, with increased pressure on land caused by an influx of Nepali cultivators after the tract became ceded to British India and with the introduction by the Nepalese of new methods of intensive cultivation by means of plough, the need arose for agricultural capital and the Khasari was ready to provide it. In the beginning this was more in kind than in cash, the loan in kind being invariably computed in money value to the advantage of the lender. Gradually the system developed into regular money-lending in cash at definite rates of interest." (25)

Dach writes in this context, "The Khurwaris in the hills played a very useful and important part in the pioneer work of developing the District. He still plays a most important part in the economic life of the District and his dominating position is due to his efficiency, hardiness and assiduity. The fact that his position is due to his good qualities should not imply that it is not dangerous. Apart from the irrigation profused in the hillman's minds by the Khurwaris superior business astuteness, the relation between the hillman and the Khurvari perpetuates the irresponsibility of the former and thus prevent him becoming fit to take the part he should in the economic life of the district."(25)

In the early stages of development of this area, the rural credit was almost exclusively supplied by village Mahajan. This Mahajan system is usually absent in a hatter system. In the still earlier period, when Jum cultivation was practiced in this area, there was hardly any Mahajan or Village money lender. In the Jum system all the land belongs to the community. But with the advent of the British Jum cultivation was replaced by private property on land. With the beginning of private property and extensive use of money as a medium of exchange, the land became purchasable commodity. With the growth of the system of private property, the village Mahajans became very important in the rural life.

In Darjooling hill area, the money lending was done

not mainly by the Nopalis but by the rising people who came along with the spread of British administration. The problem can best be understood by a long quotation from the book of Dash.

"The finance of trade and agriculture in the District is mainly in the hands of those who control trading i.e. Nopalis and to a much smaller extent Bhargis. The tea industry is financed and controlled from Calcutta but the local movement of funds required for the working of the industry is handled by the various commercial banks as well as by tea garden Kayabs whose main ostensible function is the supply of commodities. The commercial banks include the Imperial Bank of India, Lloyds Bank Ltd., the Bank of India, the Central Bank of India, the River Bank and the Aryen Bank. Although they have branches in many trade centres, these banks are more concerned with the movement of funds in a general way than with the detailed financing of trade and agricultural business. Some, however, lend money on stocks needed although at exorbitant interest and not to the extent demanded. In fact the borrower finds the private lender a good help in need. At the same time the combination of money lending and shop keeping in the same establishment has been disastrous to the borrower's capacity to bargain disappears when he buys goods on credit." (27)

During the British period, the problem of supplying rural credit was attempted to be solved by a Act, known as Money Lenders Act. The Act, no doubt, had done much to check

excessive interest and abuse of credit sales but it has been by no means entirely successful partly because the hillman does not want to break away from his gahain partly because neither party wishes to take recourse to law and partly because methods of evasion by means of a kind of barter which are practised.

Hence, the poverty of the farmers in the hill area continued and most of the people, engaged in agricultural works are extremely poor. The productivity of land in this hilly terrain is low. But whatever do they produce is taken at a low price by the village Janjans who were mostly people from the plains. The British could not solve this dualistic pattern in the hill areas. There was no worthwhile institution to supply credit during the pre-independence period. North-hill attempts to solve the credit problem was only undertaken after independence.

Summary.

In this chapter we have tried to point out some of the problems of rural credit in the early stage of economic development in Darjeeling hill area. Darjeeling hill area was sparsely populated before the British came. The migration from neighbouring country Nepal started after British adopted developmental policy in this region. Most of the groups which migrated from Nepal are tribal groups. The tribal groups had to migrate to Darjeeling hill area due to certain economic compulsions. After the introduction of Chak dynasty in Nepal the tribal groups lost their community

land in Nepal. The upper caste hindus under the royal patronage of the Shah rulers became ascendant in the administration of Nepal. The tribal groups lost their "Kipat" land and was gradually ousted from land. At that time Darjeeling hill area offered them an opportunity which was absent in Nepal. Further, the British, themselves encouraged this migration. In the Nepali immigration the British found a group of loyal subjects whose allegiance would lie to the British and not to Dalai Lama of Tibet.

In order to encourage the Nepalese to settle in Darjeeling hill areas the British introduced a "progressive" land tenure system. Under the new system government was considered as the direct proprietors of the estate. There were no landlords, no zamindars, no intermediaries but everything was between the government and the ryots. The land laws which were introduced by the British in other parts of India were not applicable to the hill areas. It was almost impossible for the upper caste to hindu money lenders to buy land.

Though the land revenue system was "progressive" the British did not introduce any system for supplying rural credit to the farmers. The Mahajani system flourished in this area and there was a nexus between money lending and shopkeeping. In the beginning this was more in kind than in cash, the loan in kind being invariably computed in money value to the advantage of the lender. The combination of money lending and shopkeeping in the

some establishment had been disastrous to the hillmen : his capacity to bargain disappears when he buys goods on credit.

N O T E S:

1. For early political history of Darjeeling - Gazetteers of the Darjeeling District (1907) is very important. This is very often known as O'Malley's Report. The early transfer of Darjeeling by Sikhia Raj was effected on 1st Feb. 1835. The deed runs as follows:

"The Governor General, having expressed his desire for the possession of the hill of Darjeeling on account of its coal climate, for the purpose of enabling the servants of his Government, suffering from sickness, to avail themselves of its advantages, I, the Sikhia Putee Rajah, out of friendship for the said Governor General, hereby present Darjeeling to the East Indian Company, this is, all the Land South of Great Rangit River, East of the Station, Khabail and Little Rangit Rivers, and West of Rangpo and Mahanadi Rivers".

- 2 - 5. The Table 2.1 and Table 2.2 regarding growth of population in Darjeeling Hill Area is taken from the study of N. Dasgupta, on "Socio-Economic Study of the Hill Areas of Darjeeling District" (Cycle) North Bengal University 1970, p.3-5.
6. About the migration of Nepalis to Darjeeling hill areas in the 19th century the study of N. Dasgupta and A. Senad has been used. I have taken the help of the findings of the article "Nepal's Land Revenue System and Demographic changes in Darjeeling hill areas", North Bengal University Review, Vol.1, 1980, pp. 67-77, written by N. Dasgupta and A. Senad.
7. The figures of Table (3) are taken from the study of N. Dasgupta on "Socio-Economic Study of the Hill areas of Darjeeling District", North Bengal University, p. 17-18.
- 8 - 13. About the early land revenue system in Nepal under the Hindu Kings the studies of Lionel Caplan and Mahesh Chand Bagai are very important. In order to reconstruct the early history of Nepal I have taken the help of the following books.
 - 1) L. Caplan : Land and Social changes in East Nepal, London Routledge and Kegan Paul 1970.

- 11) H. Regal : Land ownership in Nepal, Berkeley University of California Press 1978.
 - 111) H. Regal : Land Tenure and Expropriation in Nepal, Kathmandu Asianist Books Bhadrap 1978.
 14. The policy of British India regarding Nepali migration to Darjeeling hill area could be found in O'Halley's District Gazetteer (1907). See also in this context H. Dasgupta's study "A Socio-Economic Study of the Hill Areas of Darjeeling District" (1978) Ch. 1 and 2.
 15. The early history of the growth of Agriculture in Darjeeling will be available from H. V. Hunter -- A Statistical Account of Bengal (Vol. 20) originally published by Trubner and Co., London, 1876, subsequently reprinted D. K. Publishing House (Delhi) 1974, pp. 92-97 and 104-120.
 16. Dr. Campbell's original report is not available. But a short typed version of the report is available in the District Commissioner's Library, Darjeeling. The original attempt of Dr. Campbell has been given in detail by Hunter in pp. 119-121. We have used the typed letters of Dr. Campbell as available in Darjeeling Commissioner's Library.
 17. Edger's original report is not available. But Hunter quotes extensively from Edger and this quotation is from Hunter's book, 'A Statistical Account of Bengal', pp. 120-121.
 18. Report is quoted in L.S.S. O'Halley - Bengal District Gazetteers 1907, p. 66.
 19. quoted from A. J. Dash's District Gazetteers (1943), District Commissioner's Library pp. 62-64.
 - 20 - 31. W. Hall's report (1831) is available from Darjeeling District Commissioner's Library, pp. 17-19.
 22. See A. M. Sago's Report 1972. Hall submitted a typed report on Bondal's system. The typed version is available in Darjeeling Commissioner's Library.
 - 23 - 27. See Dash's District Gazetteer of Darjeeling. All the quotations are taken from Pages 145 - 150.
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