

CHAPTER THREE

The Initial Years 1902-1926

The Formative Years

AFTER EMANCIPATION in 1848, a new labour supply was needed in Guyana since a large proportion of the African population had left the sugar plantations to set up free villages.¹ An Ordinance in 1843 introduced state controlled immigration of indentured labourers, and until 1917, East Indians were brought into Guyana to service the plantocracy.

Indenture required every individual to labour for five-years on sugar estates. After continuous residence in the colony for ten years, every immigrant was entitled to return passage to India. In 1894, a Return Passages Committee investigated the possibility of allocating land grants to Indians in lieu of back passages and land was selected on which they could settle.² This policy originated because the government had a large liability in relation to the return passages; because the plantations still required a labour force even if it were a free one,³ and because labourers had indicated interest in freehold land.⁴ Rajgahr as a village owes its existence directly to this government policy.

In 1898, the government gave Plantation Rajgahr to the Return Passages Committee⁵ and the work of surveying and drainage began.⁶ Allotments were commenced in July 1900,⁷ and according to immigration records,⁸ these appear to have

¹ It was only after Emancipation in 1833 and the "apprenticeship" period in 1838 that Guyana for the first time, had a free population large enough to provide the impetus for the formation of villages. The village movement had two major effects: a labour shortage on the estates, and the need to decide how to administer the newly formed villages (Young, 1958: 1-23).

² Report of the Immigration Agent General, 1894-1895.

³ Young: 152.

⁴ Report of the Immigration Agent General, 1894-1895.

⁵ According to the Polder Ordinance of 1880, the government was permitted to purchase any estate sold at execution sale (Young: 103). In this way, the government obtained the estates to hand over to the Return Passages Committee.

⁶ Report of the Immigration Agent General, 1898-1899.

⁷ Report of the Immigration Agent General, 1899-1900.

⁸ The colonial government recorded an indenture number for each immigrant as well as basic background information. Immigrants who were subsequently granted Rajgahr land can be characterized according to age; sex; caste; ship on which he/she arrived; and the plantation where the indenture period was served (Appendix VI). Totals, however, are based on the total allottees since the information on who actually settled in Rajgahr is impossible to obtain.

been made to a relatively heterogeneous group of persons none of whom was "indigenous" to the plantation.⁹

Specifically, 1275 allottees are recorded, yet only 623 residents, including children born in the settled village, are noted in the 1911 census. This low proportion of settlers (49.6%) possibly came about because many allottees were from Bath Estate (Appendix VI). They planted their Rajgahr land but did not take up residence. They either could not afford the move or preferred this arrangement. Since Bath was the estate which provided the highest number of allottees, it is probable that the original Rajgahr occupants came from a large number of different plantations. Further, the fact that the allottees came to Guyana on different ships precluded the possible growth of fictive kinship ties noted in other studies.¹⁰ Nor was there uniformity of caste, although caste groups probably were mutated in function and importance long before settlement in Rajgahr.¹¹ Finally, the districts of origin in India were varied. It is, therefore, likely that the original Rajgahr population had few pre-existing social ties and that social organization lacked bases for interpersonal or group cohesion.

Within this social context, the economy was characterized by a cyclical process which was to persist for several decades. The first factor contributing to the process was the establishment of rice cultivation as the economic base. Although rice was a subsistence crop, attempts were made to realize a surplus which could be sold for cash in order to pay rents and rates, and to purchase secondary foodstuffs. The second relevant factor was the introduction of dual or multiple occupations. Rajgahr, like all East Indian Settlements, was located near sugar estates so that the plantations had a settled labour force nearby. This location was rationalized on the grounds that settlers could use the wage labour opportunities to augment their farming income. After the original "digging-stick" technology was replaced by oxen, ploughing was done by the men who then left to work on Bath Estate while the women did the planting. The men were absent for two weeks at a time, returning to the village every third week. This concept of dual or multiple occupations for family groups,

9 It is difficult to piece together the history of the village prior to 1899. The village area was probably a waste area of an adjacent plantation, possibly Armadale, with only a dozen or so residents living at subsistence. (Letter from W. S. Turner, Chief Commissary, to Charles Bruce, Government Secretary, March 15, 1886). These settlers disappear when the estate was handed over to the Return Passages Committee in 1898, the plantation having been bought by government at execution sale.*

* Information obtained from Professor Lesley Potter, Geography Department, University of Guyana.

10 Speckman notes that "immigrants who arrived in Surinam in the same vessel look upon themselves as 'ship brothers' and hence as kin. To the original immigrants this... relationship could constitute an impediment to marriage" (1965: 69).

11 The attenuation of caste and its associated cultural features is dealt with in Schwartz, 1967. The consensus on the Guyanese situation reached by Jayawardena, Smith, and Singer is what has been accepted here.

noted elsewhere in the Caribbean (Comitas 1964), was embedded in the economic organization of the village from its inception.

The third critical factor developed from the method of surplus disposal. Yields varied from between twenty to forty bags of padi per acre with the average family planting one to three acres. After the average family met its annual consumption requirement of twenty-four bags, it sold the surplus either to rice merchants buying for Georgetown companies on a commission or to rice millers who bought and milled the padi and then made their profits on the sale of rice. This latter option became available after a mill was built in the village in 1905. However, cultivators preferred to sell directly to merchants since competition between them generated slightly higher prices while neither miller nor merchant offered credit facilities as an added incentive in the transaction.

This latter point is indicative of a fourth major factor: the shortage of capital for agricultural expansion and a shortage of cash in times of crop failure. The rice merchants had no capital to lend nor did they advance credit since their commission was paid on goods delivered. Neither did the original rice miller extend credit. Hence, the only credit source was the moneylender whose interest rates might be as high as eight cents per week for every dollar borrowed, or 416 percent per annum.¹²

This problem of crop failure and limited expansion was related to a fifth factor, drainage and irrigation problems. Because the colonial government thought expenditure for water control premature, the Rajgahr settlers were flooded out every few rainy seasons. In dry seasons, they stood in long queues for pails of drinking water supplied by the nearby sugar estates. On the possible provision of an irrigation scheme, the Governor declared:

...It is not until all the land which can be planted has been fully appropriated and utilized for rice, that it becomes expedient to encourage such an outlay and considerable works. Such outlay is only justified when there is a large unemployed population able and anxious to grow more rice.¹³

The view that irrigation should be used to increase production only when the maximum unirrigated level had been reached, ignored two basic problems. First, more allottees would not settle in Rajgahr until rice production was rationalized. Second, an irrigation scheme might have induced farmers to become full-time cultivators since they would have had two crops per year which would have increased production and served as a cushion against the failure of one. Without irrigation the dual occupational pattern for insurance and greater returns was reinforced. In any case, the estates needed labour and the East Indians were supposed to provide it.

12 Report of the Superintendent of East Indian Settlements, 1903.

13 Meeting of the Combined Court, July 22, 1902. Extract from a speech by Sir James Sweetenham, Governor.

A further factor was that the allotted acreage could not support full-time cultivation. With the advent of oxen, a family could plant fifteen acres yet the allotment was a maximum of only three to four acres. During years of good climatic conditions, a family could grow sufficient rice for both consumption and sale while in a year of drought or flood, the entire crop could be wiped out. Since one year's crop could never buy seed padi, pay for ploughing, plant the next crop, and support a family over two years, there was a further incentive to maintain multi-occupations. Additionally, there was a need for credit facilities such that anyone who could or would advance credit or cash found a ready clientele. Finally, ordinary settlers could not afford the capital improvements required to cultivate new land which had to be reclaimed with levees and trenches. Therefore, villages such as Rajgahr presented this paradox: vast potential tracts of land; land a scarce commodity.

All these factors contributed to the development of a cyclical process in the economic sphere. Crop uncertainty and failure, intensified by the monocrop pattern, limited individual capital accumulation and thus prevented farmers from expanding their acreage and introducing irrigation since the colonial government refused to do this. The lack of affordable water control created crop uncertainty, limited the acreage cultivated, led to individual indebtedness and to the need for dual occupations which, by preventing settlers from putting all their labour and capital into rice cultivation, started the cycle over again.

Village government and the exercise of local authority were originally the direct responsibility of a Superintendent responsible to the Immigration Agent General.¹⁴ The Superintendent's duties were to force the immigrants "to co-operate" with each other¹⁵ since "it had been proved that the settlers will not co-operate and themselves do the public work of their settlement."¹⁶ In 1905, however, Rajgahr Settlement was given a new status as Country District¹⁷ governed by a local council consisting of "seven members appointed by the Local Government Board".¹⁸ Informal criteria for appointment to the council became the practice with the result that appointments tended to fall to members of the prominent village families. This was because the low English literacy rate among villagers ran counter to the colonial government's preferences when making appointments. Further, actual administration in English

14 These jurisdictional powers are described in the Public Health Ordinances of 1878.

15 Report of the Immigration Agent General, 1899-1900.

16 Report of the Immigration Agent General, 1899-1900.

17 Report of the Immigration Agent General, 1889-1900.

18 Regulations for the management of the Indian settlements were set out in 1901 and established two types of village administration—one for East Indian Settlements, one for other villages in the colony. In 1905, with the government planning new ordinances for village administration, the dual system of village control was ended and all East Indian Settlements were declared Country Sanitary Districts (Young: 158).

19 The Local Government Board "was born from the union of Village and Public Health Administration" according to Ordinance 13, 1907, (Young: 124).

limited the exercise of council power to those who had been formally educated. Given this situation and a social organization with few pre-existing ties which could provide a focal point for unity, local political organization was alienated from the village mass.

The rice miller who moved into the village in 1905 took as a common-law and second wife, Rajpati Maraj, sister of Manraj Maraj, an appointee to the first Rajgahr Village Council. The Maraj family had been converted to Christianity and had, therefore, received an English education at the Canadian Mission School before leaving Bath Estate in 1905. Also on the council at the time was the Reverend Cropper, the former Superintendent of East Indian Settlements and Head of the Canadian Mission Church in the colony. A major alliance was formed which crosscut the economic, political and social spheres.

Consolidation of Familial Elitism

In the next two decades, similar alliances were consolidated and a local elite group formed which was to control the economic and factional political system until the early 1940's. How did the resource structure contribute to this consolidation?

Rice cultivation formed the productive base, linked with a cyclical economic process. Politically, the method of local government favoured a select few, and initial alliances with great potential were formed. Subsequent economic change, technological innovations, new actors, and purposeful political and economic strategizing all contributed to the development of a definite type of socio-economic stratification, familial elitism.

Returns from rice continued to be uncertain. The only constant was the crop fluctuation from year to year¹⁹ due to climate, poor water supply and drainage, and poor farming practices such as the use of impure seed padi.²⁰ Since poor water control allowed only one crop per year, losses could not soon be recouped, and the

19 Between 1907 and 1909, acreage and production were increasing (Report of the Immigration Agent General, 1908-1909). The following year drought lowered returns; prices decreased twenty-five percent below previous market rates; and acreage was reduced 20 percent (Ibid.: 1909-1910). In 1910, there was another low-yielding crop in Berbice (Ibid.: 1910-1911) and for the next three years, drought affected returns (Ibid.: 1911-1912 and 1912-1913) particularly in areas dependent on rainfall (Ibid.: 1913-1914). Between 1914 and 1918, however, there was a boom (Ibid.: 1916 and 1918) as the increased export market offered by French and Dutch Guiana and other West Indian islands, forced by the war to use more rice for subsistence, inflated the price (Ibid.: 1916). In the last year of the war, however, there was again a crop failure in Berbice (Ibid.: 1917) followed by two good years, only to have, in 1921, the reaping of a potentially bumpercrop halted by heavy rainfall and flooding (Ibid.: 1921). By 1922, there was a depression in the rice industry caused by the previous year's losses; the low prices being paid for padi; the high rents being charged for rice land by proprietors; and the uncertainty of the market (Ibid.: 1922).

20 The government was supplying free seed padi to improve the quality of rice. Report of the Immigration Agent General, 1922.

villagers had to find other employment. As the records show, there was an inverse relationship between the success of the rice crop in any given year and the desire for employment on sugar estates. In 1911 "villagers were still dependent on the estates for supplementary earnings".²¹ In 1913

there was a cutback in labour on the estates. In East Berbice, villagers came to the Immigration Agent General's office and complained that there was no work available on the estates and that the crop had failed because of lack of rainfall. Similar complaints were echoed in West Coast Berbice where the estates would not supply labour to non-resident villagers except during the crop season.²²

On the other hand,

by 1917, although wage rates were increasing, there was a shortage of labour on the estates. These had lost one quarter of their labourers due to the succession of good rice crops, the high prices paid for rice, and the entry of East Indians into other occupations, all of which distracted potential workers from the estates.²³

This balancing of options was complicated by technological changes introduced by an American firm, the Abary Company, which bought, in 1908, 9,000 acres of crown land lying between the Abary Creek and Blairmont Estate.²⁴ By 1910, the company's cultivation of rice on a large scale was declared successful.²⁵ For Rajgahr villagers, this had three major effects. First, the water control problem was heightened because the company, in 1909, drained their land which was adjacent to village lands on the southwest. Prior to this, villagers had an informal method for irrigation by diverting rainwater, which collected during the rainy seasons, into the Rajgahr fields when needed. After the Abary Company developed their land, the village was left without this reserve. Second, because the company proved the feasibility of large-scale rice production, Rajgahr villagers, locked into their small holdings, saw that the bases of production could be profitably expanded. Third, according to one informant, "the Abary Company revolutionized rice production in the area because of the technology which they introduced". The original cultivation method had been to replant rice seedlings into holes made with a digging stick. Even with the later introduction of an oxen-pulled wood plough, grain was still hand-planted and one man was able to plant only a maximum of three beds of two-and one-half acres. The Abary Company introduced four major technological changes: (1) Steel ploughs

21 Report of the Immigration Agent General, 1911-1912.

22 Report of the Immigration Agent General, 1913 and 1914.

23 Report of the Immigration Agent General, 1917 and 1918.

24 Minutes of the Combined Court, Special Session, November 5, 1908.

25 Address of the Governor to the members of the Combined Court, Annual Session, February 7, 1910.

which provided greater speed and efficiency. (2) Harrowing as a step between ploughing and planting in order to further soften the ground and provide a greater turnover of earth. (3) The broadcasting of seed padi instead of the replanting of seedlings. Called "shying", the method enabled a man to plant approximately ten times more acreage. (4) A rice mill which became available for village use when the firm left the country at the beginning of World War I. The mill was sold to Easter Jaikarran, a resident of Plantation Armadale and local moneylender; he moved the machinery to Rajgahr and sold it to a villager.²⁶

The feasibility of large-scale rice production and the introduction of the necessary technology provided the villagers with the incentive to expand their acreage. This became possible with new Crown Land Regulations in 1919 based on a report of a 1917 Land Committee which concluded that "good cause had been shown for making land grants" to small cultivators (Ramsahoye, 1966: 42). The subsequent regulations laid down the conditions by which persons could obtain land. These were well within the reach of the majority of Rajgahr villagers.²⁷ Simultaneously, land surveys were being completed on the left bank of the Abary Creek.

As a result of the survey and the Ordinance, a movement of villagers to the Abary Creek area began in 1920. The majority of families, however, decided not to relocate. The strategy of each family took into account several features associated with the economic situation at the time. First, the distance between the village proper and the left bank was seven miles. With the lack of efficient transport and with dams becoming impassable in the rainy season, families could not have continued to augment their rice income with wages from estate labour. Second, considerable capital was required for land development—for proper drainage and for high ground for cattle—since the surveyed area had less efficient drainage than did the village, while irrigation was nonexistent. These problems were heightened by the low level of the land and the flooding which took place every rainy season—crops could be destroyed and cattle drowned. In addition, an investment had to be made in housing since the journey could not be made daily. Dual residence had to be established, so that

26 The company also introduced mechanized rice production through the use of steam engines to pull ploughs and harrows. Because of the cost and the fact that the engines bogged down in muddy fields during the wet season, the innovation was not accepted by villagers. Awareness of the viability of mechanized production, however, probably enhanced the speed with which tractors and combines were adopted thirty-five years later.

27 Under the new ordinance, a grant was limited to ten acres with the right to purchase an additional ten in the rear of the purchase during the first five years, provided that within two years, one-fifth of the original land was cultivated or beneficially occupied. The total cost to the individual was \$36.00 for filling and survey fees. Leases could also be taken out for ninety-nine years with a right of renewal. Small cultivators were limited to ten acres with the stipulation that after two years, one-fifth of the land had to be beneficially occupied. The total cost to the individual was \$14.50.*

* Ramsahoye: 142-143 and Report of the Immigration Agent General, 1918.

the family could live in the Abary area during the rice seasons and return to the village in the interim.

The above difficulties were countered by the availability of the traditional option whereby a family combined small-scale cultivation with estate labour. This strategy was made more attractive by a new drainage and irrigation scheme (the Varey Scheme) which was to open up the New and Jib Lands. A family's acreage near the village would be expanded, and the pattern of rice cultivation combined with wage labour unaffected. However, the Varey Scheme²⁸ never functioned properly. There were two problems. First, the cost of pumping was too high for the village to accommodate. Second, the pump and nearby trenches had been built on pegass soil which was too porous for effective pumping. The pumping station was soon abandoned. The village authority could never pay to recondition the works and the village was removed from the declared drainage and irrigation areas, to revert wholly to dependence on rainfall and gravitation. The consequences of the scheme were thus less far reaching than had been anticipated. Its major effects were the deepening of the outlet channels thereby facilitating drainage, and the opening of over 1,000 acres for rice cultivation. This was sufficient to induce many villagers to continue the traditional strategy of dual occupations.

These economic conditions, however, combined with the entrance of new actors into Rajgahr to provide the conditions which allowed for elite consolidation. The first actor was Jacob Panchar, a successful rum-shop owner at Ogle, East Coast Demerara. He was a Presbyterian whose marriage to Shirley, the daughter of Manraj Maraj, was arranged by the Reverend Cropper. This tie was further strengthened when Panchar's brother was married to Etwaria Maraj, a first cousin to Shirley, in 1923.

With Panchar's arrival, a major economic resource was introduced: Panchar took over and successfully ran one of the two rice mills in the village. It has been noted that the Abary Company had sold a mill to Easter Jaikarran who had it moved to Section D of Rajgahr. The mill was bought in 1915 by a villager, Premniranjan, while Jaikarran held the mortgage. Premniranjan, illiterate in English and often engaged in wage labour outside the village, could not run the mill successfully. He

28 (1) Combined Court #21. First Special Session. Report on the Condition of the Colony of British Guiana during the Great European War and on the Chief Problems Awaiting Solution, p. 68. (2) Address of the Governor to the members of the Combined Court, Annual Session, 1910, February 7, 1910, paragraph 4. (3) Combined Court Paper #820. Further Correspondence Relating to Drainage and Irrigation of Estates from Lovely Lass to Hopetown relating more particularly to Rajgahr: Letter from the Local Government Board to the Government Secretary; Letter from J. B. Cropper to the Government Secretary; Letter from the Chairman, Local Government Board to the Government Secretary, August 2, 1914; Letter from the Irrigation Engineer to the Director of Public Works, October 6, 1914; (4) Combined Court #811, Annual Session, Continuation of Sessional Paper #820: Modified Scheme for the Irrigation of Certain Lands in Rajgahr Country District.

became indebted to Jaikarran who foreclosed on the mortgage. Jacob Panchar bought the mill. It is open to speculation as to whether the foreclosure was based on purely economic grounds since Jaikarran was related to the Maraj family (cf. Appendix VII) who may have used their relationship to set up Panchar in a lucrative business.

A. B. Ramprashad arrived in West Berbice in 1919 and settled in Hopetown. The following year, the Georgetown firm of Sandbach Parker appointed him a padi buying agent, working on commission, for the East and West coasts of Berbice. Sandbach Parker had other interests in Rajgahr as well. The owner of the first rice mill had borrowed money from the company and had not repaid before dying intestate. His wife in Mahaica was heavily indebted and the company would not extend more loans. Sandbach Parker foreclosed on the mill and made Ramprashad manager. A few years later, Ramprashad bought the mill while continuing to be a buying agent. Then Bookers Company also offered him the position of agent. By the early twenties, Ramprashad was a mill owner and a padi agent for two major British companies. His other economic interests included 120 houselots which he had taken over as part of the assets of the mill, and an Abary ranch of six square miles, leased from government, on which he raised pigs and cattle.

The fact that Ramprashad remained a representative for the companies was the crux of another of his economic activities, moneylending. This was facilitated by a new arrangement with the companies, in effect after 1925, by which Ramprashad was no longer merely a padi agent on commission. Instead, before the reaping season in October, the companies and Ramprashad agreed upon the price which would be paid for padi and upon the amount of padi which each company wanted to buy. He was given the necessary cash to pay labourers and farmers. Ramprashad received no commission; rather, all the profits which the companies made in reselling the rice were divided fifty-fifty. Any loss incurred if the rice were resold at prices lower than estimated was borne wholly by the companies. With this system, Ramprashad received an income both from the resale of rice and from money which had not been used to pay farmers for padi. It was to his benefit on two accounts to keep padi prices as low as possible. Meanwhile the extra cash enabled him to enter the lucrative moneylending profession. The Panchar milling family, whose livelihood depended on undercutting the Ramprashad mill, also began to extend credit and make loans.

This by-product of the milling activities facilitated control over a crucial element in the cyclical economic process, particularly in the light of recent developments. The draining of the Abary Company's land increased the water control problem. The Varey Scheme, although a failure, had opened up new land for rice as had the Land Ordinances and the surveying of the Abary area. In a village committed to rice production, villagers took up the new lands and cultivated them with a new technology which enabled large-scale production. This required, however, capital

and/or credit with which to develop the land and to provide protection for the years of crop loss given the increased scale and intensity of water control problems. Changes in the economic structure thus intensified the cyclical process and made more crucial the services now being provided by the new millers. In turn, their ability to control a critical element of the cycle, and to generate large profits with a corresponding control over villagers, created an elite group based on familial ties.

In their capacity as credit agents, however, both millers, Ramprashad and Panchar, were in competition with Easter Jaikarran and with the Co-operative Credit Banks which the government had established in 1914 to undercut the interest rates of moneylenders on the grounds that their exorbitant rates were interfering with the development of the rice industry.²⁹ The Jaikarran hegemony was undercut by the millers who simply lowered their interest rates to twelve percent per annum. This was possible since the millers had other sources of income, notably, returns from the milling of rice, from their own cultivation, etc.

The Credit Banks were more difficult to undercut, but this too was accomplished. Since the Banks' liabilities were limited to the amount of share capital, they could only make loans to members with adequate security. The interest rate was twelve percent.³⁰ However, after an initial growth of share capital and membership in the early years between 1916 and 1920, the banks reached a plateau (Tables VIII. I and VIII. 2). This stabilization was a result of the difficulties which the banks were experiencing. By 1921, "the banks had restricted their business and were merely trying to collect outstanding loans".³¹ A crop loss in 1921 slowed this collection³² while in 1922, business again was stagnant for the same reason and with the same result.³³ These facts are reflected in the minimal amount of money loaned out during these latter years (Table VIII. 3) for credit demands which at the very least had remained constant.

It appears that the credit facilities of the banks were subject to the same vagaries that required people to turn to the banks for loans in the first place. The banks gave loans in the "good years" when people were repaying debts; in the "bad years", the banks did not have enough capital to accommodate demands for credit. In addition, the banks required that a borrower be a member by investing share capital and that he put up security for loans.

In contrast, the millers required no initial investment. Further, their interest rates were competitive and their services more extensive: the millers helped people

29 Combined Court Minutes, Sessional Paper #563, 1910.

Report of the Immigration Agent General, 1908-1909.

30 Report of the Committee of the Combined Court, Special Session, 1911.

31 Report of the Banks Committee of the Local Government Board and the Co-operative Credit Banks Established in the Colony for the year 1921.

32 *Ibid.*, 1921.

33 *Ibid.*, 1922.

build homes, buy land, and marry off daughters. What made this system so viable was its intimate mesh with the village economy and seasonal cycle. A farmer would bring his padi into the mill, obtain a receipt from the miller and pick up rice for home consumption. The remaining padi was credited to the farmer's account from which was deducted expenses the farmer had incurred during the year, for example, the money borrowed or the grocery bills the miller had paid for him. If any padi remained, the farmer could receive cash or have his account credited.

The components of the cyclical economic process, the changes which increased the need for credit facilities, and the ability of two families to exploit this situation, created a resource structure which was to remain intact for almost two decades.