

**A NOTE ON
THE RISE OF THE PLANTATIONS AND THE
GENESIS OF INDIAN LABOUR IMMIGRATION TO SRI LANKA**

by

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The emergence of the plantation system and the commencement of a steady migration of Indian workers to Sri Lanka are two of the most important features of that country's economic history in the first half of the nineteenth century. One of these features cast the economy of the Island into a commercial mould and impressed upon it a form from which it has still not shaken free; and the other led to the growth of a community of "strangers" destined, in the nineteenth century, to create a social problem which dwarfed all others,¹ and, in the twentieth century, to become a political bone of contention between their former motherland and the country of their adoption.

That the rise of the plantations and the origins of Indian labour migration are closely interwoven is now an accepted fact of Sri Lanka's history. Yet, it is true that while each of these subjects has been examined in detail,² similar treatment has not been accorded to the vital link between their mutual early beginnings. It is with this early relationship that this paper is concerned.

The third decade of British rule had almost run its course before the term "plantation agriculture" became really meaningful in Sri Lanka. For this particular deployment of the factors of production to take root and flourish, an attitude to economic activity was needed, which early Governors either did not possess or else found difficult to translate into practice. Some were content to confine themselves to the mere collection of revenue; while others admitted the possibility of a prosperous commercial agriculture, yet did little that was positive to encourage its growth. The one man who thought the plantation was assured of a brilliant development in the hands of private enterprise, found himself thwarted by forces over which he had no control.³

This man was Sir Edward Barnes, Governor from 1820 to 1822 and from 1824 to 1831. From his first arrival in the colony, Barnes sought, by both official and personal influence, to demonstrate the advantages that might be gained from attention to the growth of coffee, cotton and pepper, particularly coffee which, he thought, could be produced profitably and in large quantities. Itinerant middlemen had for some years collected a few hundred-weight of that crop from trees that grew along the roadsides and around the peasant's homes in the hill country and it was said to be "superior in quality to the coffee of Java, and . . . near to that of Arabia".⁴ All that was needed to promote this crop was a favourable economic climate, and its creation became the goal toward which Governor Barnes worked throughout his term of office.

In 1820, Gov. Barnes abolished the export duty of 5% hitherto charged on home-grown coffee.⁵ Four years later, he exempted coffee land from the payment of the land-tax of one-tenth the produce.⁶ In 1829, he repealed the duties charged on the import of agricultural and manufacturing implements, and allowed all those employed in coffee-growing or in any related manufacture, to refrain from performing the annual compulsory public service required from all Sri Lanka inhabitants.⁷ However, all these measures were in vain.

One obstacle still stood between Barnes and the fruition of his dream, an impediment which was beyond his power to remove. This was the West India interest whose influence was such that they had secured for themselves a privileged rate of customs duty on the import of coffee from their slave-worked plantations. As things then stood, West Indian coffee, under which the Sri Lanka product was classified, was called upon to pay a further 3d.⁸ The additional duty of 50% was sufficient to make the difference between the failure and success of plantation coffee culture in Sri Lanka. Barnes appealed strenuously against it, but with no success.⁹ The Lords of the Committee of Trade in the Privy Council were not disposed to make the smallest concessions, dismissing the request with the observation that "the present state of West India concerns were such" that they were not prepared to recommend any alteration in the duty on coffee.¹⁰

The perpetuation of the discriminatory tariff effectively nullified what had already been done to encourage the growth of a virile plantation agriculture. Until it was removed, coffee in Sri Lanka could be nothing more than a minor crop, haphazardly grown, unscientifically collected and productive of little profit.

Though Barnes was not destined to see Sri Lanka emerge a prosperous planting colony, the consummation of his purpose was not long deferred. Barely four years after his term of office had ended, several events occurring in quick succession swept aside the barriers to plantation development and held out to the Island the promise of an opulent future. The first of these had to do with the fiscal charges on Sri Lankan and East Indian coffee. By 1835, the West India interest had so declined in influence that it was no longer powerful enough to ensure the continuance of a favourable differential tariff. In that year, duties on both categories were equalised and the Sri Lankan product entered England on the payment of 6d. per lb.

Of almost equal importance was the steep rise in the demand for coffee, apparent not only in Britain but over a great part of Western Europe, especially Belgium and France. In Britain alone, the per capita consumption of coffee, which in 1801 stood at 1 oz. per annum moved up, in 1841, to 1 lb. 5 ½ oz.¹¹ An increasing proportion of this rising world demand came to be diverted by circumstance in Sri Lanka's direction. The abolition of slavery in 1834 in Jamaica, Dominica and Guiana — Sri Lanka's most formidable rivals — destroyed the very basis on which the coffee industry in these areas had rested. The output of West Indian coffee thus began to fall off at a time when the market for the commodity was fast expanding. An upward surge of prices and a search for other centres of supply was the inevitable outcome. Under these circumstances, the door was thrown open to the establishment of plantation coffee in Sri Lanka.

The expanding market, dwindling competition and rising prices engendered an immediate interest in large-scale coffee-culture. A stream of investors from abroad poured into the Island and, by 1840, the tide had reached proportions large enough for contemporaries to bestow upon it the title of "coffee mania."¹²

Imports of Coffee into the United Kingdom¹³

Year	West Indies (lb)	Sri Lanka (lb)
1827	29,419,598	1,792,448
1837	15,577,888	7,756,848
1847	5,259,449	19,475,904

Coffee Prices ¹⁴			
Year	Per Bushel (sh. d.)	Year	Per Bushel (sh. d.)
1834	15. 3.	1839	25. 0.
1835	15. 3	1840	32. 2.
1836	22. 6	1841	36. 0.
1837	22. 3.	1842	45. 0.
1838	30. 8.		

It was in the demand for land that the activities of the new planting community found its first expression. The soil and climate best suited to their needs lay in the hilly central regions of the colony; and, with the crown land going cheap at 5sh. per acre,¹⁵ a large acreage changed hands in a comparatively short space of time.

Land Sales ¹⁶			
Year	Acres	Year	Acres
1835	434	1840	45,582
1836	3,920	1841	78,686
1837	3,662	1842	48,535
1838	10,401	1843	59,800
1839	9,570		
		Total	257,589 Acres

Coincident with the demand for land was the need for labour. Thousands of workers were required to clear the forests, prepare the estates for planting, tend the seedlings and gather in the crop. That such a workforce could be mustered locally was the expectation of the early plantation owners; but it soon became apparent that, for a variety of reasons, adequate supplies of indigenous labour were not to be had, and that a "labour problem" had to be overcome if the plant-

ing enterprise was to entertain any hope of success.

It was in the very nature of things that a traditional economy could not of itself loosen the tie which bound the agriculturist to the soil, in order to oblige the coffee planters with the supply of labour they so sorely needed. The traditional system of service labour had been abolished in 1833,¹⁷ but the expected "free market" had not immediately taken its place. The legal change was merely imposed from above, and was neither the outcome nor the reflection of any stresses within the economy.

A small number of the local population, it is true, were prepared to undertake the clearing of the forests¹⁸ – a necessary first step in the establishment of a plantation; but the overwhelming bulk of the peasantry continued to cultivate their little holdings and turned a deaf ear to the offer of wages. "This was an unanticipated reaction, for the British officials assumed that the Sinhalese would offer their services for money wages in order to better themselves. But this was an assumption based on experience of human behaviour in an individualistic society. In traditional Ceylon, . . . the basic structure of the social fabric and the constitution of its ethos were such, that there was no inducement for individuals to exert themselves in accumulating wealth."¹⁹ With wants severely limited by the narrowness of their economic horizons, the peasantry in general set little value on the mere possession of money. "For what should they do with more than food and raiment?"²⁰

That this attitude had a firm socio-economic base does not appear to have occurred to those who first encountered it. They had yet to learn that receptiveness to the notion of "wage labour" presupposes the possession of abstract conceptions which are largely non-existent in a traditional structure. At a loss to account for this strange phenomenon, some hastily concluded that the Sinhalese were innately prone to idleness, "the only luxury on which a native of India sets any value."²¹ "There is not an inhabitant in this Island", observed Governor Maitland, "that would not sit down and starve the year out under the shade of two or three coconut trees, the whole of his property and the whole of his subsistence, rather than increase his income by his manual labour."²²

Others, however, were somewhat closer to the mark, being discerning enough to identify several characteristics of the existing socio-economic system which strengthened the antipathy to working for wages. The first of these had to do with caste. It was discovered early that a high proportion of the potential working-class were for social reasons averse to hiring themselves out as labourers. The agent of an administrative district in the planting area once declared that he would prefer to hire labour for government work "if the Kandyans would receive it without injury to their feelings." But though the government had let it be understood that payment would be made ". . . to this suggestion the natives would not listen."²³

A second consideration which went far to nullify the efforts of would-be employers was the wide-spread possession of land. "They have, as a general rule, their own fruit gardens; and the tending and managing of these occupy all their attention. Their wants are few and easily supplied, and . . . they really have no inducement to work on the coffee plantations."²⁴ There was thus little "landlessness" among the people. True, these holdings were small, yet they sufficed to provide their owners with a considerable degree of economic independence since ". . . the merest strip of irrigated land yielded enough rice to raise the tiller above the necessity of toiling for hire under a master."²⁵

Conditions in Sri Lanka were thus very different to those in rural areas of England from which most of the new investing class had come. There, the second Enclosure movement had given rise to a rural proletariat obliged to accept badly paid employment as an alternative to ending in the work house. "In England the study of Statesmen is to find employment for the poor, while in Ceylon the difficulty is to find poor to employ."²⁶ Since the bulk of the population had not yet been reduced to such straits as to be forced to sell their labour in order to keep the wolf from the door, an exasperated British planter could well complain in a letter home, of an "unhealthy state of independence" enjoyed by the peasants. "You would really be surprised to know the extraordinary state of independence in which these people live. I can assure . . . that almost two-thirds of the population snap their fingers at the English (so little dependent are they upon them)."²⁷

Quite apart from the desire for independence, it is relevant also that the mechanics of rice cultivation—the main occupation of the peasantry—required that a considerable portion of the year be spent in the fields. The Sinhalese, even if so disposed, would, therefore, have been unable to undertake the sort of sustained labour which work on the plantations involved. The likelihood of their taking employment any distance away from their villages was consequently altogether remote, and was a further obstacle to the fluidity of labour. This was acknowledged by government officials, one of whom, having drawn attention to "the objection that the people have to quitting their districts" observed that no money would "tempt them to remain long from their own country and their homes."²⁸

The emergence of that cash nexus which was a prerequisite to the break up of the old economy had clearly to await further the development of the plantation system, and the planter was consequently obliged to look elsewhere for his labour. It was his good fortune that cheap labour in almost unlimited quantities was available in the great neighboring country of India where objections to working for wages had long since been broken down.

This difference in attitude was essentially the product of historical conditions. Disruptive forces had so eroded traditional South Indian society on both its agricultural and industrial sides, that the old structure had been substantially worn

away by the opening of the nineteenth century. Some of these forces, no doubt, were of a purely local order, but there were others which were both general and far-reaching in their effects. Agriculture, for instance, had for centuries past depended on artificial irrigation. But the tanks and channels upon which early Indian rulers had lavished jealous care had fallen into decay in the period following the collapse of the Mogul Empire, and deterioration had continued during the rule of the East India Company whose short-sighted policy of neglect "omitted not only to initiate improvements, but even to keep in repair the old works upon which the revenue depended."²⁹

The inevitable outcome of this policy was a rapid diminution in the quantity of land available for cultivation. And this, too, at a time when the establishment of peaceful conditions, among a people used to war, had brought a quickening in the rate of population growth. With less land to go around and more mouths to feed, the pressure on the soil was so intensified that a catastrophic fall in living standards became unavoidable.

The distress was accentuated by the numerous experiments in land tenure initiated by the Company after the middle of the eighteenth century. "In Bengal the land tax was fixed at over 90% and in North India at over 80% of the rental between 1793 and 1822. In Madras the tax imposed was half the gross produce of the land and the Permanent Settlement with the Southern Polygars in Tinnevely, Ramnad, etc. stipulated for exorbitant demands varying from 41% to 51% of the gross rental."³⁰ The crushing weight of the new fiscal burdens oppressed both landlord and tenant alike and rural India, already poor, soon stood at the gates of absolute penury.

To the problems touching agriculture were added those created in the industrial sphere. The industrial Revolution and British rule had succeeded, by 1800, in decimating the markets for domestic manufacturers which India had built up in Asia and Europe in the seventeenth and eighteenth centuries. Weavers and other industrial workers discovered, to their dismay, that prohibitions and differential tariffs were eating with deadly effect into the volume of overseas exports, and that even the internal market, hitherto their exclusive preserve, was fast contracting under the impact of an insidious excise duty.³¹

To the hapless domestic manufacturer, a return to the land appeared to be the only avenue that spelled survival. But the land could not rescue him. There were already too many people upon it. Redemption, if one could call it that, lay in quite another direction — emigration to those parts of the British Empire where labour was in short supply. This was a lifeline which the unemployed artisans and under-employed peasants were not slow to grasp. Their desperate search for a subsistence had, by now, swept away the traditional objections to working for payment and accelerated their acceptance of the concept of wage-labour. So, to the

colonies they went, to the West Indies, Mauritius, Fiji, Malaysia, South Africa and Sri Lanka. This massive emigration marked that great movement which ultimately led to the planting of Indian communities far beyond the borders of their motherland.

Thus, the spur of necessity created a "free" labour market in India, long before the plantation era began in Sri Lanka; and India became the main supplier of labour to estate-owners in the farthest corners of the British Empire. Directing part of the outward flow toward Sri Lanka's plantation sector required only the provision of some positive inducements; and this the planters supplied in the shape of a wage-rate which at 15sh. per month was twice as much as unskilled labour could hope to earn in India, when they were fortunate enough to find employment.³²

From the standpoint of Sri Lanka's economic history, the influx of immigrant labour was an important and significant event. Its coming made possible the economic revolution which plantation development engendered, and, in this way, did fundamental changes in one country contribute to similar changes in another. Moreover, with its arrival, there appeared for the first time a landless working-class proper; a class tied to its employers by the cash nexus alone, dependent on the sale of labour-power for their sustenance.

Not only was this class relationship something original, it had certain other novel characteristics as well. Since the new bearing of labour to capital did not initially touch any consequential proportion of the indigenous population, the young working-class was composed entirely of immigrants and opposed to a class of employers as alien as itself. Their settlement, too, took place in particular districts, i.e. those in which estates were situated, and they lived there in separate concentrated groups which the provision of 'line' accomodation forced upon them. There occurred, as it were, a wholesale transference of a little bit of India, with its customs, religious beliefs and other social relationships.

The earliest immigrants came with the very definite intention of returning home after a period of time; but, with the passing years, many decided to make Sri Lanka their permanent habitat and, as a result, the Indian Tamil community numbered well over 200,000 persons at the end of the coffee era in 1885. Nearly a million strong today, they comprise the second largest racial unit in the Island; and, initially employed largely on the plantations, they continue to play the role for which they were first intended.

FOOTNOTES

¹K. M. de Silva, *Social Policy and Missionary Organisations in Ceylon, 1840-1855*, p.270.

²On coffee and the plantations see I. H. Vanden - Driesen, "Coffee Cultivation in Ceylon", Parts I and II, in *The Ceylon Historical Journal*, July 1953 and October 1953 respectively; on Indian immigrant labour, see K. M. de Silva, op. cit., pp. 233-281, and M. Roberts, "Indian Estate Labour in Ceylon during the Coffee Period", *The Indian Economic and Social History Review*, Vol. III, No. 1, March 1966, pp.1-52.

³See I. H. Vanden-Driesen, op. cit., Part I, *The Ceylon Historical Journal*, July 1953, pp. 31-61.

⁴*Asiatic Journal*, Vol. XII, p. 444, Memoir of M. Burnand.

⁵C.O.54. 77. 8th April 1820. Regulation 6 of 1820.

⁶C.O.54. 118. 25th August 1831.

⁷C.O.54. 105. 4th November 1829. Regulation 4 of 1829. Until 1832 all inhabitants of the Island were obliged to work without payment on the roads and bridges in the districts in which they lived. This was the compulsory service known as Rajakariya.

⁸C.O.54. 105. 15th July 1829; Tennent op.cit., p.230; L.A. Mills, *Ceylon Under British Rule*, p.226.

⁹C.O.54. 105. 15th July 1829.

¹⁰C.O.54. 96. 2nd August 1826; C.O.54. 98. 24th July 1828; C.O.54. 105. 15th July 1829; C.O.54. 106. 23rd January 1829; C.O.54. 106. 19th March 1829; C.O.54. 107. 2nd September 1830; C.O.54. 109. 8th February 1830; C.O.54. 109. 21st December 1830; C.O. 54. 113. 27th July 1831; C.O.54. 114. 10th December 1831; C.O.55. 72. 1st February 1829; C.O.55. 72. 21st February 1829; C.O.55. 72. 1st January 1831.

¹¹Tennent, op.cit., Vol. II, pp.228-229.

¹²C.O.54. 130. 2nd November 1833; C.O.54. 171. 16th July 1839; C.O.54. 179. 9th April 1840; C.O.54. 189. 9th August 1841; C.O.54. 190. 22nd November 1841; C.O.54. 199. 18th November, 1842; C.O.54. 203. 23rd March 1843. For the financing of plantation agriculture see I.H. Vanden-Driesen, "Some Aspects of the Financing of Commercial Enterprise in 19th Century Ceylon", in *The University of Ceylon Review*, July-October 1960.

¹³Tennent, *ibid*, Danson, J.T., *Economic and Statistical Studies*, pp. 205-206.

¹⁴*Blue Books*, 1835-42. Prices listed are the *highest* paid in Sri Lanka.

¹⁵In June 1844 the upset price was raised to 20sh. the acre. C.O.55 85. 27th April 1844.

¹⁶C.O.57. 28., and *Blue Books*

¹⁷G.C. Mendis, *The Colebrooke-Cameron Papers*, Vol. 1, pp. XXIII-XXX; C.R. de Silva, *Ceylon under the British Occupation 1796-1833*, Vol. II, pp. 385-413.

¹⁸J.E. Tennent, *Ceylon*, Vol. II, p. 235.

¹⁹Pieris, R., "Society and Ideology in Ceylon during a Time of Troubles 1795-1850", *University of Ceylon Review*, IX (July 1951) p. 177.

²⁰Knox, quoted by Pieris, op.cit.

²¹C.O.416.2.A.I.

²²C.O.54. 20. 28th February 1806. See also C.R. de Silva, op.cit., p.345, and pp. 404-405.

²³C.O.416.2. Questions 28-30, Agent of the Seven Korales.

²⁴Wm. Boyd, "Ceylon and its Pioneers", in *The Ceylon Literary Register*, No. 32, Vol. II, 24th February 1888, p. 249.

²⁵C.O.54. 235. 21st April 1847.

²⁶J. Steuart, *Notes on Ceylon*, p.73.

²⁷R. Pieris, op.cit., *University of Ceylon Review*, IX (July 1951) p.177. J.E. Tennent makes a similar observation in *Ceylon*, Vol. II, p.233.

²⁸C.O.416.20.G.25. Eden to Board of Commissioners, 28th December 1829, p.73. C.O.54. 235. 21st April 1847.

²⁹Sir A. Cotton, *Public Works in India*, p.272; R.M. Martin, *The Indian Empire*; and G. Thompson, *India and the Colonies*, express a similar view.

³⁰Kondapi, *Indians Overseas 1838-1949*, pp. 3-4; I.M. Cumpston, *Indians Overseas in British Territories 1834-54*, p.6.

³¹Kondapi, op. cit. pp. 1-3; Cumpston, op. cit., pp. 6-7.

³²C.O. 54.235. 21st April 1847.