

# TRIBAL STUDIES IN INDIA: INTERDISCIPLINARY PERSPECTIVES AND APPROACHES

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**Lecture05**

## **Lecture 05: Understanding Tribes in India: Tribal Economy**

Thank you. Good morning and welcome back to the lecture series on Tribal Studies in India. Today, we are going to discuss understanding the tribes in India with respect to our central discussion on tribal economy. We will understand how the tribal economy operates, how it has functioned traditionally, and how it has transformed with modernization. Over decades and centuries through exposure to non-tribal institutions, non-tribal economies, and the way economies function outside the tribal cosmos or the tribal ecosystem.



Now, the economic transformation of tribal societies has been shaped by historical as well as contemporary forces. Many external determinants—those that are non-tribal or outside the tribal ecosystem—have changed the tribal economy. Before colonial interventions, tribal economies functioned independently. The tribal economy was, by and large, an autonomous system. The state often positions economic transformation as progress.

Whenever a new economic prism, policy, or experiment is imposed on tribal systems, the state, national bodies, and policymakers view these transformations differently. They see them as progress or something beneficial for the tribal groups. However, the consequences for tribals have largely been negative due to such external interventions. While some state policies aim to integrate tribals into the broader economy, they frequently impose external economic systems that disregard indigenous knowledge and practices. Prior to colonial interventions,

**Introduction**

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- The state often positions economic transformation as progress, but the consequences for tribals have largely been negative. While some policies aim to integrate tribals into the broader economy, they frequently impose external economic systems that disregard Indigenous knowledge and practices (Kunhaman, 1985).



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Tribal economies functioned on subsistence, agriculture, and barter systems, which fostered a sense of self-sufficiency. And so these tribal groups, like I was saying, be it a clan or a village as a unit, would by and large be autonomous in nature. Communal land ownership ensured equitable resource distribution and which limited class divisions. The people within a given group had symmetrical access to resources.

Now, what happens is that with colonial interference, we see that there is forced inclusion of the tribals in market economies. So within the larger scheme of the market, these smaller autonomous tribal systems are included without much of their consent or consultation, which weakens their traditional institutions. And these colonial interferences actually go on to create a dependency on external trade and state-controlled policies. So now the tribal groups are tied to market economies, to larger economic systems.

But they are not fair stakeholders or equal stakeholders within that system. They merely become dependent on external trade. This, in a way, takes away the agency of the tribal groups. The introduction of the concept of private land ownership created class differences. And we see that post-colonial policies continue these trends even beyond the legacy of colonial rule.

### Historical Economic Structures

- Prior to colonial interventions, tribal economies functioned on subsistence agriculture and barter systems, fostering self-sufficiency. Communal land ownership ensured equitable resource distribution, limiting class divisions.
- Colonial interferences led to forced the tribal's inclusion in market economies, which weakened their traditional institutions, and created dependency on external trade and state-controlled policies (Kunhaman, 1985).
- Introduction of the concept of private land ownership created class differences. And post-colonial policies continued these trends by promoting commercial farming, which led to the loss of autonomy and increasing reliance on external economic forces.



The post-colonial policies, the post-colonial bodies that deal with tribal economies tend to maintain the colonial perspective. They promote commercial farming, which leads to the loss of autonomy and increasing reliance on external economic forces. Industrial and commercial agricultural expansion leads to large-scale land dispossession of tribal groups, intensifying their economic vulnerabilities. Protective land laws fail in execution, allowing systematic alienation of tribal lands. Development projects often displace tribal populations without providing adequate alternative rehabilitation, reinforcing cycles of poverty and marginalization.

The commodification of tribal lands through external intervention has led to severe economic and structural consequences. Over time, these structural changes were furthered by interactions between tribal communities and outsiders, who are essentially non-tribals. This dialogue and interaction caused significant changes in landholding patterns as well as in the tribal economy itself. Shifting cultivation, practiced by many tribal communities, was systematically discouraged by the state and replaced by settled agriculture, which was promoted by the state.

The state has traditionally opposed shifting cultivation, a common practice among tribal groups. Instead, the state emphasizes settled agriculture. The consequence of this shift in agricultural patterns is land fragmentation, soil degradation, and declining agricultural productivity. Tribals across the country were often forced to adopt unfamiliar farming techniques without adequate support in terms of

### Agricultural Transformations

- Shifting cultivation, practised by many tribal communities, was systematically discouraged by the state, and in its place settled agriculture was promoted by the state. This often led to land fragmentation, soil degradation, and declining agricultural productivity (Kunhaman, 1985).
- Tribals across the country were often forced to adopt unfamiliar farming techniques without adequate support in terms of finance, technology and resources, which make them vulnerable to food insecurity and economic instability.
- The shift to commercial cash crops increased tribal incomes, but also made them dependent on volatile global markets. Many tribals lost their land to corporations, reducing them to low-paid labourers (Kunhaman, 1985).



Finance, technology, and resources are provided to them by the government, which further makes them vulnerable to food insecurity and economic instability. So what happens is that their traditional farming methods are taken away from them, and new methods are introduced. However, the infrastructure, technology, or resources required to support that kind of unfamiliar farming are not provided to the tribals. So that actually destabilizes the tribal economy. The shift to commercial cash crops increased tribal incomes, but at the same time, it also made them dependent on volatile global markets.

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So for a long time, the autonomous society, small-scale, you know, the microcosmic economic stability that they used to enjoy—the economic stability within their own tribal microcosm, which they used to enjoy—was actually replaced by their dependency on a volatile global market. So, many tribals as a result, lost their land to corporations, which reduced them to low-paid laborers. So from an agro-based economy or forest-based economy, these tribals are reduced to low-paid laborers who are working for corporations or in factories.

In India, the growing cases of exploitation of tribal people, their loss of land, and their perpetual, endless indebtedness have all significantly contributed to transforming tribals from peasants, from agriculturalists, into laborers—low-paid wage workers. Government agricultural schemes often fail to consider or understand the socio-economic realities of tribal farmers, and loan-based initiatives lead to further triggering their debt cycles. So when a loan is given to them in the form of an initiative or to encourage a kind of startup initiative, it actually triggers a debt cycle rather than, you know, promoting sustainable farming. Access to irrigation, modern equipment, and training is uneven, and it further reinforces disparities, thereby disadvantaging the tribal population and the tribal economy.

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So, we have to understand at this point that the tribals are largely dependent on the forest economy. However, colonial and post-colonial rule has significantly changed their relationship with forests by curbing and limiting their rights to forests and forest produce. Tribals have traditionally depended on forests for various reasons. Water for agricultural purposes, fodder to feed the cattle, bamboo as well as other wood for constructing and repairing their houses, fuelwood as well as forest produce for domestic consumption. Now, modern states' interference in forest affairs disrupts tribal economies that are related to forests, that are dependent on forest produce.

Despite the existence of several legislations by the state to secure tribal rights over forests, in reality, one sees that the uniform implementation of such measures is yet to be achieved. The tribal regions are targeted for large-scale industrial projects in the name of national development. Land acquisition laws favored corporations, thereby causing forced displacements with poor compensation and a loss of organic or natural livelihoods.

So when these corporations, these industrial projects proliferate, are kind of expanded in the tribal areas,

those projects are materialized only through displacement of the tribal population from their original or ancestral land. And what they get as a substitute is many times deemed as inadequate or poor substitutes, and the compensatory or substitute life costs them their organic or natural livelihoods. So, environmental degradation as a result of industrial activities has severely impacted tribal economies. Deforestation, water pollution, and soil erosion have reduced agricultural productivity and tribal access to forest resources.

Resistance movements against corporate encroachment have emerged in various tribal regions where the tribals actually come out voicing their protests against these corporate bodies that are encroaching, that are expanding their reach into tribal lands and increasingly disadvantaging tribal lives as a result. However, these efforts, these movements, these protest movements face state repression. The tribal voice is often suppressed by the state apparatus. Demands for land rights and environmental protections are often met with legal action, violence, and at times arrests of tribal leaders or tribal activists. Plantation and construction jobs provide employment, however, lacking stability, thereby making seasonal migration a survival strategy for the tribal population.

**Industrialisation and Resource Extraction**

- Tribal regions are targeted for large-scale industrial projects in the name of national development. Land acquisition laws favour corporations, causing forced displacements with poor compensation and loss of organic livelihoods (Singh, 1982).
- Environmental degradation due to industrial activities has severely impacted tribal economies. Deforestation, water pollution, and soil erosion have reduced agricultural productivity and tribal access to forest resources.
- Resistance movements against corporate encroachment have emerged in various tribal regions, but these efforts face state repression. Demand for land rights and environmental protections is often met with legal action, violence, and arrests.



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So, these plantation and construction jobs that are built in their original areas cannot be a perennial or stable source of income. So, seasonal migration for cultivation or for other odd jobs as wage workers tends to become a survival strategy for the tribals. They move to other parts of India looking for alternate jobs, often as laborers, as coolies. So many tribals leave their native regions searching for jobs and often face social and cultural dislocation without any sense of long-term security.

**Tribal Labor, Exploitation and Access to Credit**

- Plantation and construction jobs provide employment but lack stability, making seasonal migration a survival strategy. Many tribals leave their native regions searching for work, and face social and cultural dislocation without any long-term security.
- Unorganised sector absorbs a large number of tribal workers, but it lacks job security, social benefits, and fair wages. Absence of strong trade unions among tribal populations limits their ability to demand better working conditions.
- Debts and bondage force tribals to borrow money from landlords and employers at high interest, trapping them in servitude. Exploitative contracts and weak legal protections make them particularly vulnerable.



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The unorganized sector absorbs a large number of tribal workers but lacks job security and social benefits, and the question of fair wages, the question of getting a fair wage, is a far cry. The absence of strong trade unions among the tribal populations limits their ability or agency to demand better working conditions. So they are not stakeholders or amply heard voices as far as equitable working conditions and wages are concerned.

So, debts and bondage force the tribals to borrow money from landlords and employers at a very high interest. And this has been a traditional case where, in a lot of tribal literature, we hear of people being exploited by the landlords and the moneylenders. These are the two categories of non-tribal people living in tribal areas who have, traditionally and historically, very strategically, exploited this population—this already marginalized population. So, what happens is that the tribals tend to borrow from the landlords and employers at a very high interest, which traps them in a perpetual situation of servitude.

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Exploitative contracts and weak legal protections further make them vulnerable and expose them to an inequitable and unfair system. Tribals remain one of the most

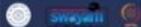
financially excluded communities in India, with limited access to formal banking services as well as credit institutions. Traditional moneylenders, therefore, come into the scene very often, exploiting this gap—this gap of knowledge or this gap of access to banking, to credit institutions—and they offer high-interest loans, which trap the tribals in cycles of debt and bonded labor. So, financial inclusion programs have had limited success due to a lack of awareness, geographic isolation, and stringent eligibility criteria.

So, all these things tend to act counterproductively or work against the advantage or general well-being of the tribal people. Alternative financial models, such as community savings groups as well as tribal cooperative banks, have shown promise in improving credit accessibility. With policy support, these models can actually reduce the dependence on exploitative lenders and promote economic sustainability. So, with policy support, these models can reduce dependence on exploitative lenders and promote economic sustainability. In the post-independence period, we see that the various aspects of the fifth and sixth five-year plans, which are largely known as or presented as a ladder of tribal development, have in reality pushed the tribals into dependency.

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- Tribals remain one of the most financially excluded communities, with limited access to formal banking services and credit institutions. Traditional moneylenders exploit this gap, offering high-interest loans that trap tribals in cycles of debt and bonded labour.
- Financial inclusion programs have had limited success due to lack of awareness, geographic isolation, and stringent eligibility criteria.
- Alternative financial models, such as community savings groups and tribal cooperative banks, have shown promise in improving credit accessibility (Singh, 1982). With policy support, these models can reduce dependence on exploitative lenders and promote economic sustainability.



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So, while the national, the formal version has it that the fifth and the sixth five-year plans have, you know, have enabled tribal development, have facilitated tribal development, in reality, according to the, you know, according to the tribal narrative, it has further pushed the tribals into dependency. Bureaucratic inefficiencies as well as corruption have caused the tribal welfare programs to become ineffective. Funds allocated for tribal development are often misused and the benefits are limited to certain privileged sections' hands. These benefits really reach out to the intended recipients who are mostly at the bottom-most rung of this ladder of hierarchy.

Programs such as the tribal sub-plan which are meant to address socio-economic disadvantages have often been poorly implemented with little to no accountability and minimal community participation. So, these, you know, tribal sub plans, they are implemented, but not to much success. Several government-led programs to integrate the tribals into mainstream economy and development include the fully subsidized education, housing, health facilities, allotment of surplus land, as well as subsidies for agricultural development. Despite such policies and efforts of the government, the socio-economic indicators such as literacy, average area of land per household, the degree of market participation, wage rate and other such factors are on the decline among the scheduled tribal groups or the scheduled tribes. While affirmative or positive action policies such as reservation in education and employment have to some extent benefited the tribals or a section of tribals, these measures have been insufficient in the long run to address the systemic economic marginalization and exclusion of the tribal population.

So, as a way of concluding our lecture today, we would see that the economic transformation of tribal societies has been primarily shaped through external forces which prioritize the national development over the tribal communities' general welfare. So, the priorities of these external, you know, bodies or external policies are mainly the development of the nation rather than the upliftment of the tribal people themselves. Government policies often claim to support economic upliftment. However, in practice, they have led to further marginalization, further economic, you know, disadvantaging of the tribes.

So, there is this requirement for structural reforms in economic policies. Otherwise, these policies will end up continuing to serve only certain dominant interests rather than uplifting marginalized communities. The benefits of these policies will just be restricted to the hands of a privileged few. Finally, we can say that future policy interventions must be community-driven, focusing on self-sustaining economic models rather than forced assimilation or a drive for forced assimilation coming from outside tribal groups. The role of the state should be to empower and not to displace tribal communities.



So, with this, we come to the end of our lecture today. Let us meet with a new discussion in our next lecture. Thank you.