

Unit - III

Farm Size of Productivity :

Some economists argued that there exists inverse relationship between farm size and productivity. While some other economists feel that no such relationship even exists. Thus, there was no clear cut conclusion on this issue.

Economists like A.K. Sen, Khushuabao, Banerji etc observed that with the increase in size of holding, productivity declines & thus the productivity was more on small farms in comparison to large farms.

Arguments in favour of Inverse relationship between farm size & productivity :

- * Quality based Explanation : This explanation argued that.
- i. Fertility of lands is higher on small farms than that of large farms (Khushuab, Sen, Rao, Bhargava etc).
 - ii. Smaller farms normally use relatively superior technique and they are not efficiently managed.
 - iii. In a small farm, indivisible factors have a higher impact in comparison to larger farms.

* Intensity Based Explanation :

- i. Application of agricultural inputs is more intense in the small farms as the small farmers are under compulsion to provide for themselves & for their families.

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ii. Intensity of Irrigation in smaller farms is quite higher than the larger farms.

However, Ashok Rudra argued that such inverse relationship betⁿ farm size and productivity may hold good in certain areas but this cannot be taken universal phenomenon and thus cannot be said to operate in all different parts of the country. Thus the continuous debate on the relationship between farm size and productivity makes the picture is totally confusing.

The general conclusion to ~~emerge~~ ^{emerge} is the diversity of Indian agriculture, regarding the existence of the negative relⁿ betⁿ size & productivity, the negative relⁿ may hold at all times. It appears that even when the inverse relⁿ is more frequently confirmed, then rejected, it would be mistake to take it to be an empirical generalisation for Indian agriculture as a whole.

Policy Implication of farm size and productivity.
From the analysis of farm size and productivity, two policy implications emerge.

i) Imposition of land ceiling retains its justifications on efficiency considerations (since the inverse relⁿ ship betⁿ farm size & productivity still holds).

On the basis of equity considerations, justifications for land ceiling has become stronger.

ii) Not only inequality in land ownership should be redeemed through appropriate policy instruments, but efforts should be made to remedy unequal distribution of farm inputs which are responsible for growing

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income inequalities betⁿ small & large farms.

Causes for small size or sub-division or fragmentation of holdings in India.

With every increase in population land gets divided & sub-divided among a large no. of people and as a result size of holdings goes on diminishing.

Growing population coupled the system of inheritance has been responsible for the small sized holdings in the country.

i. // The decline of joint family system: Under the impact of industrialisations and growth of towns and also because of the western culture promoting individualism, joint families have broken down. This has led to division and sub-division of holdings.

ii. // The decline of handicrafts and village industries: Owing to the competition from machine made goods, the artisans were forced to leave their ancestral occupations and fall back on agriculture. This further increased sub-division & fragmentation.

Problem of fragmentations of holdings:

The continuous sub-division and fragmentation of agricultural holdings has been resulting in serious problems such as:

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1) The growing sub division and fragmentation of holding makes the adoption of modernised methods in agricultural operations quite difficult.

2) Due to sub division of holding a good amount of land (about 3 to 5%) is being wasted for drawing boundaries and hedges.

3) It creates difficulties to the farmers to manage the agricultural operations smoothly.

4) Smaller size of holdings cannot provide full time job. Thus, disguised unemployment started to occur in rural areas.

Remedies for sub division and fragmentation.

1) Creation of Economic holdings: It requires the following policy:-

a. Fixation of ceiling on land holding and distribute the surplus land to those farmers having uneconomic holdings.

b. Inducing those farmers having tiny holding give up their lands and shift them to other occupations.

ii) Consolidations of holding: It implies the bringing together in one compact blocks in all plots of lands of a farmers which are scattered all over the village. This is achieved by pulling all lands in the village into one compact block.

b. Dividing it into compact blocks among all the farmers in a village.

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m) Co-operative farming : By the term cooperative farming we mean a kind of farming operations where agricultural practices were conducted by individuals on their own holdings with certain common agencies on their behalf for the collection and purchase of agricultural inputs and also for the sale of their agricultural produce.

Features of Co-operative farming —

- i) farmers join the system voluntarily and not through compulsion.
- ii) farmers retain their right to land.
- iii) farmers plough their land, give stock and other implements.
- iv) The entire farm is managed as a single unit and the management is elected by all the members.
- v) Each and every member earns a share of the total produce in accordance with their land contribution and labour performed.

Causes of low agricultural productivity in India :

Factors which are responsible for the backwardness or low agricultural productivity in Indian Agriculture are —

- i) General factors.
- ii) Institutional factors.
- iii) Technological factors.

General factors

i) Overcrowding in Agriculture : Overcrowding in

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agricultural land has resulted gradual subdivision and fragmentation of land. This has also declined the area of cultivated land per cultivator. All these results in low agricultural productivity.

ii) Socio-Economic factors : Various socio-economic factors like ignorance, illiteracy, conservative outlook etc stand in the way of adoption of modern technology.

iii) Natural factors : Natural calamities such as hail, hailstorm, frost or attacked by insects, gamble of monsoons etc. always go against the Indian farmers in stepping up their agricultural productivity.

iv) Lack of Educated finance is another important reason for the backwardness of industrial Agriculture.

Institutional factors :

i) Small size of holdings : The average size of agricultural holdings in India is very small and uneconomic and are also fragmental too. These have resulted low yield in industrial agriculture.

ii) Defective pattern of Land Tenure : Land tenure system is totally defective. The cultivator has to pay high rent to the landlords and are subject to frequent engagement by the landlord further there delay in implementation of land reforms and uncertainty about the rights of the farmers on land.

Technological factors :

i) Traditional Method of Cultivation : Farmers have been adopting orthodox & inefficient method & technique of

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cultivation.

i) The supply of high yielding seeds is also minimum in the country.

ii) The use of both chemical pesticides and even farm yard dung manure, is totally inadequate.

iii) Indian agriculture is still suffering from lack of assured and controlled water supply through artificial irrigation facilities.

iv) Agriculture research in India is still very poor in comparison to its requirements.

Remedial Measures to raise Agricultural Productivity

i) Consolidation of holdings should be done immediately by enacting proper legislation, forming cooperatives & Co-operative farming societies.

ii) Proper steps should be undertaken to overcome various problems resulted from natural factors. These include extensive flood control measures, creation of adequate education facilities, supplying adequate pesticides & insecticides.

iii) Apply modern techniques of cultivation by utilising modern implements applying fertilisers and HYVs & adopting scientific rotation of crops. Moreover, Agricultural research should be carefully intensified.

iv) Economic measures must be adopted which include the improvement of farm organisation and land management, establishment of agrobased industries, provision for adequate credit & marketing facilities etc.

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v) The quality of farmers should be improved and they should be imparted with adequate general & technical education.

Land Reform : Meaning, Need & Significance of land reforms
The need for Land Reform : There is a great need for land reform in a country like India. Where majority of its populations is still depending on agriculture. Land reform aims to make more rational use of the scarce land resource by affecting the conditions of holdings, imposing ceilings and floors on holdings so that cultivation can be done in the most economical manner.

Land reform is also a means of re-distributing agricultural land in favour of the less privileged classes, and of improving the terms & conditions on which land is held for cultivation by the actual tillers with a view to ending exploitation.

Scope of Land Reforms :

The scope of land reforms entails :

- i) Abolition of Intermediaries.
- ii) Tenancy reforms, i.e. regulations of rent, security of tenure for tenants and conferment of ownership on them and floors on land holdings.
- iii) Agrarian re-organisation including consolidation of holdings.
- iv) Ceiling & floors on land holdings.
- v) Organisation of co-operative farms.

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Role of Land Reform at alleviating Rural Poverty.

Land reform measures aimed at alleviating Rural Poverty in the following manner:

- i) By distributing land among the landless by taking possession of surplus land from large land holders.
- ii) By providing security of tenure and ownership rights to tenants & share croppers & by regulating rent payable by them to the landlords.
- iii) By protecting the interests of tribals in land and preventing non tribals to encroach upon tribal lands.
- iv) By promoting consolidation of holdings to improve the size of operational holdings thereby paving the way to raise productivity.
- v) By providing access to land and other productive assets.

Objectives of Land Reforms:

The basic objective of the land reforms, has been to make the agrarian structure growth oriented. This objective, indeed, is linked to the realization of the following two objectives:

- i) To remove such motivational & other impediments to increase in agricultural prodⁿ as arise from the agrarian structure inherited from the past.
- ii) To eliminate the elements of exploitation & social injustices within the agrarian system so as to ensure the equal status opportunity to all sections of the population.

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Types of land systems prevailing in India :

At the time of independence in 1947, three different types of land system were prevailing in India. They are

1. Zamindari System.
2. Mahalwari System.
3. Ryotwari System.

1. Zamindari System : In this system, the ownership of the land rests to zamindar or landlords. They own the land and are responsible for the payment of taxes to the govt. The landlords do not cultivate their land themselves, rather they let out land to the tenants and collect a share of the produce of land as rent. The tenant cultivated has no direct relation with the govt.

2. Mahalwari System : Under this system of land ownership, the land is the common property of the village community as a whole. The village community, collectively and individually is responsible for the payment of the govt. taxes. Ordinarily, a respectable senior man from the village is entrusted with the job of collecting the revenue & making its payment to the govt. The land is distributed among the villages who cultivated it.

3. Ryotwari System : In this system, the ownership of land lies with the real cultivator himself. The cultivator assumes the responsibility to pay taxes to the government.

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As long as cultivator or ryot, continues to pay the land taxes regularly, he cannot be ejected from the land. In a way, the ryot enjoys the permanent rights on land. If he so likes he can even sell his rights on the land to another cultivator.

Land Reform Measures Introduced in India.

1. Abolition of Intermediary Tenures : By 1954, legislation has been drawn up for the abolition of the zamindari system. In reality, the goal has been to provide 'land to the tiller' so that no intermediary interests exists between a cultivator & the government.

2. Tenancy Reforms : The tenancy reforms have been introduced along the following lines.

a. Fixation of rent : Different states have fixed different rents for this purpose, eg. in Punjab it is $\frac{1}{3}$ rd of the total produce. In Kerala it varies from $\frac{1}{2}$ to $\frac{1}{4}$ etc.

b. Security of tenure : Govt. had promoted such legislation so as to provide security of tenure. This legislation aims

- i. Prevention of large scale ejections of tenants
- ii. Assigning a prescribed minimum area of land to the tenant tenant.

c. Confering of ownership rights : Provisions have been made in several states for enabling tenants to acquire the ownership rights on land.

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3. Ceiling on the land holdings: By ceiling on land holdings, we mean the fixing of the maximum size of a holding that an individual cultivator or a cultivation family may possess. Beyond this maximum size all land belonging to the landlord is taken over by the government to be redistributed among the landless labourers.

4. Consolidation of holdings: Same as before.

5. Co-operative farming: Same as before.

6. Updating of land records:

Factors responsible for poor performance of land reform:

1. Lack of political will: So long as the required political will is not for implementation of land reform measures will be very difficult.

2. Absence of pressure from below: A small farmers & landless agricultural workers, who form the majority of cultivating population are unorganised & have not been in a position to press the demand for effective implementation of land reform measures.

3. Administrative inadequacies & the legal difficulties have delayed & even frustrated the implementation of land reforms.

4. Some weak spots in the programme such as.

i. Complexity & variety in land reform laws of various states.

ii. Lack of Integrated approach in the implementation of various measures.

iii. Lack of financial support.

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