Chapter VI

A Comparative Analysis of Tenurial Treatment
A peasant economy recognizes the farmers who own farms as owner farmers. They may work in their farms directly or employ hired labour to carry on the farm activities. They have the advantage of freedom and their feeling of ownership make them work hard. They are entitled to enjoy the benefits of farm production by themselves fully.

Share cropping is another form of production organisation in agriculture and it is also a widely prevalent tenancy arrangement in India. This type of farmers is termed as tenant farmers and they have to share their produce with the landlords in a specified proportion for the exclusive use of land. The land owners didn’t share the costs incurred for production. This led to a general notion that the tenant farmers are exploited by the landowners by taking lions’ share of the fruits of their labour.

It became a debatable issue whether the own and tenant farms are differentially treated or not with regard to the following two propositions.

(i) The owner farmers un-conditionally employ factor inputs in their own farms which cause the higher productivity of these farms; and

(ii) The tenant farmers are usually un-willing to invest in tenant farms owing to the fact that the benefits of their investment shall accrue more to the landlord. Hence their productivity is relatively lower.
The earlier studies confirmed the differential treatment of these two types of farms in terms of their input use and the resultant productivity differences. But it has been objected and ascertained that there is no apparent difference between pure owners and tenant farmers in terms of output per acre and also there is no significant in-efficiencies in the use of land under share cropping.

In this juncture, this study tries to analyse the treatment of own farms and tenant farms in the study area. Moreover, it becomes more appropriate to compare the treatment of own holdings and tenant holdings since both of them are handled by the same farmers. So, an attempt in this regard has also been made by this study. If at all any discrepancies identified, the reasons have to be explored.

For this purpose, this study compares the application of farm inputs such as the per acre usage of bio-chemical inputs, labour, capital and total inputs. On the other hand, the per acre productivity of the farms in terms of money value of the product has been compared.

A. Comparison between Own Farms and Tenant Farms

(i) Use of Bio-chemical Input

Table VI-1 reveals the per acre application of bio-chemical input made by the farmers of own farms and tenant farms.
Table VI-1
Per Acre Application of Bio-chemical Input

<table>
<thead>
<tr>
<th>Types of Farms</th>
<th>Bio-chemical Input use Per acre (in Rs.)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Own Farms</td>
<td>4076.00</td>
</tr>
<tr>
<td>Tenant Farms</td>
<td>2842.43</td>
</tr>
</tbody>
</table>

Source: Primary data.

The table shows that the concentration of bio-chemical input is too high in own farms than in its counterpart. It is feasible for own farmers to use more chemical fertilizers because of their varied sources of income. Most of the farmers of own farms are not exclusively indulging in farming activities.

On contrary, the tenant farmers are engaged in farming activities only and use the bio-chemical input economically because of their inability to mobilize funds for the purchase of more fertilizers. They are also deprived of getting chemical fertilizers at subsidized price as they are not owners of the land.

Only those farmers who own pattas, that is, the document showing the ownership of the land are entitled to get fertilizers at subsidized price.

(ii) Use of Labour Input

Table VI-2 exhibits the per acre labour absorption in own and tenant farms.
Table VI-2

Per Acre Labour Absorption in Own and Tenant Farms

<table>
<thead>
<tr>
<th>Types of Farms</th>
<th>Labour Input per acre in man days</th>
</tr>
</thead>
<tbody>
<tr>
<td>Own Farms</td>
<td>13.09</td>
</tr>
<tr>
<td>Tenant Farms</td>
<td>9.43</td>
</tr>
</tbody>
</table>

Source: Primary data.

The labour absorption per acre is higher in own farms than in tenant farms. The farmers of own farms are capable of mobilizing labour power by offering more wages during peak season. The tied labour families attached with the own farms also cause the higher dosage of labour input in own farms.

It has been observed that the labour use in tenant farms is too low because the tenant farmers are trying to manage their farms with their own labour because of their inability to mobilize labour force from outside by offering higher wages. Also, they feel that the share of yield due to them is insufficient to accommodate more labour input beyond this limit.

(iii) Use of Capital Input

Table VI-3 shows the per acre capital use in own farms and tenant farms respectively.

Table VI-3

Per Acre Capital Use in Own and Tenant Farms

<table>
<thead>
<tr>
<th>Types of Farms</th>
<th>Capital Input Per Acre (in Rs.)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Own Farms</td>
<td>5677.19</td>
</tr>
<tr>
<td>Tenant Farms</td>
<td>6317.64</td>
</tr>
</tbody>
</table>

Source: Primary data.
With regard to the capital use, the farmers of own farms are slackening than tenant farmers. Heavy dosage of bio-chemical input supplemented with labour use minimizes the need for capital input considerably. It has been inferred that even though they are having varied sources of income, they do not incur un-warranted capital use in their farms.

The tenant farmers use relatively higher amount of capital input. It is cheaper for them to employ the services of capital devices like tractors, threshers, harvesters, etc. instead of employing human labour. Also, the mechanical devices are time conserving in nature and so it becomes easy for the tenants to cultivate earlier which minimizes the risk of water shortage.

(iv) Use of Total Input

The per acre use of total input in own and tenant farms is depicted in Table VI-4.

Table VI-4

<table>
<thead>
<tr>
<th>Types of Farms</th>
<th>Total Input per Acre (in Rs.)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Own Farms</td>
<td>13534.84</td>
</tr>
<tr>
<td>Tenant Farms</td>
<td>12003.37</td>
</tr>
</tbody>
</table>

Source: Primary data.

Table VI-4 throws light on the total input use in own and tenant farms. The overall input absorption in own farms is greater than in tenant farms.
farms. It is because of the greater use of bio-chemical input and labour input. Their viability and potentiality also make them to use more total inputs.

The tenant farmers use comparatively lower amount of total input. Since they concentrate on their profit, they make use of their available resources in a more economical way.

Thus it has been observed that there is a differential treatment with regard to input use between the own farms and tenant farms due to availability of money, labour force, advantages in using farm equipments and concern for profit. Whether the differences in the use of inputs cause variations in productivity of those farms?

(v) Productivity

Table VI-5 exhibits the per acre productivity of own and tenant farms.

<table>
<thead>
<tr>
<th>Types of Farms</th>
<th>Productivity Per Acre (in Rs.)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Own Farms</td>
<td>22350.25</td>
</tr>
<tr>
<td>Tenant Farms</td>
<td>21449.74</td>
</tr>
</tbody>
</table>

Source: Primary data.

Table VI-5 reveals that the per acre productivity of own farms is greater than that of tenant farms. Higher concentration of total inputs causes higher productivity.
Even though there exists a differential treatment in input use, the per acre productivity difference among these types of farms is not so high. The reason is that the tenant farms are comparatively larger in size than own farms. The efficiency parameter which relates farm size and productivity shows that the tenant farms are more productive (0.916) than own farms (0.861). Hence, the farm size plays pro-active role in minimizing the productivity gap. Therefore, the fifth hypothesis that the peasant farms are more efficient than tenant farms does not hold good.

(vi) Cost and Productivity Difference

The total input absorption is the total cost involved in farm production. Productivity is measured in terms of money value of output. So, it is feasible to measure the cost and productivity differences among own and tenant farms.

This study reveals that the cost difference per acre is Rs.1531.41 and the productivity difference per acre is Rs.900.51. That is, the own farms enjoy a productivity advantage of Rs.900.51 per acre by incurring an additional cost of Rs.1531.41. Thus, the net effect is (-630.96) not favourable to the farmers of own farms.

For tenant farmers, the cost difference is greater than the productivity difference. Therefore, their decision regarding the restrictive input use becomes meaningful and justifiable and so the net effect is favourable to them.
Thus, Marshal rightly observed, "When the cultivator has to give to his landlord half of the return to each dose of capital and labour that he applies to the land it will not be in his interest to apply any dose the total return to which less than twice enough to reward him. If then, he is free to cultivate as he chooses he will cultivate far less intensively".

B. Comparison between Own Holdings and Tenant Holdings

The farmers of own holdings feel that the operation of their holdings is un-economical because of the small size of their farms. So, they lease-in the farms which are very close to their own holdings and engage in farming activities in both of these farms. So, it is meaningful to analyse the differential treatment between these two types of farms since these two types of holdings are operated by the same farmer.

(i) Use of Bio-chemical Input

Table VI-6 exhibits the per acre application of bio-chemical inputs in own holdings and tenant holdings.

Table VI-6

<table>
<thead>
<tr>
<th>Types of Farms</th>
<th>Bio-chemical input per acre (in Rs.)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Own Holdings</td>
<td>3353.02</td>
</tr>
<tr>
<td>Tenant Holdings</td>
<td>3277.08</td>
</tr>
</tbody>
</table>

Source: Primary data.

This study brings out the fact that the bio-chemical input use in own holding is slightly higher than in tenant holding. But the difference is too small. So it may be concluded that there is no differential treatment.
(ii) Use of Labour Input

The per acre absorption of labour in own and tenant holdings is presented in Table VI-7

Table VI-7

Per Acre Labour Absorption in Own and Tenant Holdings

<table>
<thead>
<tr>
<th>Types of Farms</th>
<th>Labour input per acre in man days</th>
</tr>
</thead>
<tbody>
<tr>
<td>Own Holdings</td>
<td>16.57</td>
</tr>
<tr>
<td>Tenant Holdings</td>
<td>16.16</td>
</tr>
</tbody>
</table>

Source: Primary data.

Table VI-7 depicts that the labour absorption is almost same in own holdings and in tenant holdings. The excessively available man power with the farmers of own holding make them to take land by lease for cultivation. So, it is inferred that the available man power is utilized in both types of farms to the fullest extent and hence there is no ground for differential treatment.

(iii) Use of Capital Input

Table VI-8 contains the per acre capital input in own and tenant holdings.

Table VI-8

Per Acre Capital Input in Own and Tenant Holdings

<table>
<thead>
<tr>
<th>Types of Farms</th>
<th>Capital Input Per Acre (in Rs.)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Own Holdings</td>
<td>5149.99</td>
</tr>
<tr>
<td>Tenant Holdings</td>
<td>5193.30</td>
</tr>
</tbody>
</table>

Source: Primary data.
Table VI-8 discloses that the capital input absorption is slightly higher in tenant holdings than in own holdings. It shows that the farmers are giving equal importance to both types of holdings.

And also, the farmers of tenant holdings wish to produce a reasonable amount of output per acre so as to enable them to provide an appropriate rent to the landowner in order to retain the leased in farm over the forthcoming years. If he fails to provide sufficient and competitive rent, his lease will not be renewed by the land owners. So, they accord adequate capital input for tenant holdings also. So, it is understood that there is no differential treatment between own holdings and tenant holdings.

(iv) Use of Total Input

Table VI-9 exhibits the total input use per acre in own holdings and tenant holdings.

Table VI-9

<table>
<thead>
<tr>
<th>Types of Farms</th>
<th>Total Input Use Per Acre (in Rs.)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Own Holdings</td>
<td>12820.67</td>
</tr>
<tr>
<td>Tenant Holdings</td>
<td>12568.98</td>
</tr>
</tbody>
</table>

Source: Primary data.

With regard to total input use, the own holdings slightly out weigh the tenant holdings. Since the average size of the own holdings are relatively lower than the tenant holdings, they are not subject to the overall cost advantage. Even though there is no contract that specifies in detail about the quantum of inputs the tenants should use, and the cost for the variable input
has not been shared by the land owner, the farmers make a reasonable investment in tenant holdings on par with own holdings.

This study infers that there is no differential treatment among own holdings and tenant holdings in the usage of factor inputs.

(v) Productivity

The per acre productivity of own and tenant holdings is shown in Table VI-10.

<table>
<thead>
<tr>
<th>Types of Farms</th>
<th>Productivity Per Acre (in Rs.)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Own Holdings</td>
<td>26242.52</td>
</tr>
<tr>
<td>Tenant Holdings</td>
<td>26144.79</td>
</tr>
</tbody>
</table>

Source: Primary data.

Table VI-10 discloses that the productivity of own holdings is slightly higher than the tenant holdings. But the difference in productivity is not so high to reason out the causes. Since there is no differential treatment between own holdings and tenant holdings in the usage of factor inputs, this study observes no difference in their relative productivity also.
C. Conclusions

1. Due to higher income from varied sources, the farmers of own farms are able to use more chemical fertilizers.

2. Inability to mobilize funds and the non-availability of chemical fertilizers at subsidized prices are the twin causes for the restricted use of chemical fertilizers by the tenant farmers.

3. The financial capability to employ hired labour and the use of attached farm labour families reasonably enhance the labour input in own farms.

4. The tenant farmers' share in the total yield is insufficient to accommodate more labour inputs in tenant farms.

5. Higher concentration of fertilizers and labour use minimizes the need for more capital input in own farms.

6. The tenant farmers use more capital input because of its cheapness over human labour and time conserving nature which facilitates early sowing and reaping.

7. The greater volume of total input is used in own farms.

8. Their concern for profit makes the tenant farmers to use their available resources in a more economical way.

9. There is a differential treatment with regard to input use between own farms and tenant farms due to the availability of money, labour force, advantage in using farm equipments and concern for profit.

10. Higher concentration of total inputs causes relatively higher productivity of own farms.
11. The larger size of tenant farms plays a proactive role in minimizing the productivity gap between own and tenant farms. The fifth hypothesis that the peasant farms are more efficient than tenant farms does not hold good.

12. The decision of the tenant farmers regarding the restrictive use of total input becomes meaningful and justifiable as the cost difference exceeds productivity difference.

13. The labour absorption is almost same in own holdings and tenant holdings.

14. In order to retain the leased in farms during the ensuing years also more capital input is made use of in tenant holdings.

15. The farmers willingly and un-conditionally make investments in tenant holdings on par with own holdings.

16. There is no differential treatment between own holdings and tenant holdings in the usage of factor inputs and hence no difference is observed in their relative productivities.
Notes and References