Chapter VIII

Summary of Conclusions and Suggestions
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This chapter includes the summary of conclusions and suggestions. The main focus of this study is to understand the farm size-productivity relationship with reference to paddy production in the backward Radhapuram Taluk in Tirunelveli District, Tamil Nadu. Radhapuram is the only coastal and drought prone taluk in the district. The causes for the established size-productivity relationship, the technical and allocative efficiencies, the nature of returns to scale, a comparative analysis of tenurial treatment and the prevalence of capitalist relations in agriculture in the selected area have been examined.

For this purpose, the farms were classified in terms of farm tenure and farm size. This is a cross section study based on primary data covering a period from October 2010 to March 2011.

This study shows a positive relationship between farm size and productivity. Technological development in the form of bio-chemical inputs, total labour absorption, optimum combination of farm inputs and capital inputs are the causes for such a relationship. The existence of constant returns to scale in agricultural production prevents the occurrence of inverse relationship and paved a way for positive relationship. The prevalence of capitalist relations in agriculture in the study area also confirms the positive farm size-productivity relationship. This result holds good for all types of
farms irrespective of their tenure and size. Hence the first hypothesis that an inverse relationship exists between farm size and productivity in the production of paddy in the study area has been disproved.

A positive relationship between farm size and profitability is also observed because of the increasing tendency of farm business income and net profit with farm size.

The farm productivity positively influences profitability of the farms because profitability is the by product of productivity. Since capitalists are motivated by profit, the prevalence of capitalist relations in agriculture in the study area also confirms this fact.

An examination of technical efficiency shows that the technical efficiency of farmers in the study area is low because of the under-utilization of land and labour. Only the extension contact is found to have positive influence on farm efficiency and this service is available to all types of tenurial farms and farms of all size. Therefore the second hypothesis that extension contact has positive influence on farm productivity is proved correct. The farmer's demographic factors such as age, education, farming experience and family size have no influence on farm productivity in all types of tenurial farms except in own holdings. Therefore the third hypothesis is partly correct.

The available infra-structure in the study area is not fully conducive for agricultural growth. The government policies and programmes become ineffective because of their defective implementation. The farm measuring 4-5
acres in all the four types of tenure provides a reasonable share to the farmers over and above the cost of production. So, that is the optimum size farm in the study area.

The analysis of allocative efficiency reveals that there is ample scope for increasing the farm income through the re-allocation of the two available resources - land and labour.

Over application of bio-chemical inputs and capital units are observed in most of the farm tenures since their marginal returns are lower than their prices.

Constant returns to scale is prevailing in the production of paddy in the study area irrespective of farm size and type of tenure. The co-existence of large and small farms which neutralises the positive and negative effects of scale operation and the divisibility of factor inputs like bio-chemical inputs, labour and capital units are the causes for operation of constant returns to scale. So, the fourth hypothesis holds good.

A comparative analysis of tenurial treatment disclosed that there is a differential treatment with regard to input use between own farms and tenant farms. But the relatively larger size of tenant farms plays a proactive role in minimising the productivity gap between these two types of farms.

There is no differential treatment between own holdings and tenant holdings in the use of factor inputs and hence no difference is observed in
their relative productivities. Hence, the fifth hypothesis that the peasant farms are more efficient than tenant farms does not hold good.

Among the four tenurial farms, own holdings are more efficient than other farms. Proper channelisation and fullest utilisation of available manpower and its rational supplement with other factor inputs account for such productivity gain.

The analysis of capitalist relations in agricultural production in the study area shows that agriculture is changing from subsistence level to market oriented one. There is no extended reproduction as the net profit is low. But the Farm Business Income enables the farmers to carry on their farm operations. The farmers used to hire labour and capital equipments which show increasing monetisation. There is an absence of dis-possession of any means of production. The farmers continue their agricultural operations by owning their land. There is no bondage or exploitation of agricultural labour. The agricultural production is highly commoditised since the proportion of marketable surplus to total output is very high. There is a high degree of technological development in all types of farms. The factors of production are not fully under the control of the farmers. Constant returns to scale is in operation. There is an existence of positive farm size-productivity relationship. Hence, the prevalence of capitalist relations in agriculture in the study area has been confirmed. Therefore the sixth hypothesis is proved correct.
Suggestions

1. The infra-structural facilities like road, storage and marketing facilities are inadequate. Therefore, such services must be provided more.

2. The supply of electricity is not only inadequate but erratic also. Therefore electricity must be provided for more hours without interruption.

3. Extension contact has favourable impact on farmers and enables them to increase their efficiency. However, farmers still lack technical knowledge. Farmers need more extension contact programmes. Hence more extension contacts may be provided to bridge the gap in the technical knowledge of farmers.

4. Sand quarrying severely affects the water holding capacity of the soil. Therefore, efforts must be made to prevent sand quarrying activities in this area.

5. Seepage of sea water affects the quality of soil and ground water. Therefore programmes for the prevention of seepage of sea water must be undertaken immediately.

6. Banks do not give agricultural loans to the tenant farmers stating that they are not holding pattas. They must also be provided loans by banks since they are also genuine agriculturists.

7. Lack of irrigation facilities affects the productivity of land and other inputs. Mono cropping prevails in the area mainly because of shortage of water for irrigation. Therefore providing water for irrigation by
extending the length of canals will of much help for the development of agriculture in Radhapuram taluk.