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SUMMARY AND CONCLUSIONS

The economic importance of agriculture stems primarily from the fact that it contributes 44 percent of the National income and is a source of earning for about 70 percent of the Indian population. Moreover, the share of agriculture on the national income can be further increased in making rational use of the available resources, thereby raising the farm output through the adoption of new technological practices. Besides, it is also been true that the gains of new technology have created regional imbalances in development and also inequalities in income and asset distribution among the households of different categories in the country. In other words, the new technology in agriculture apart from raising farm output, it has also created wider disparities in per capita land holdings, land use pattern, resource use efficiency and cropping pattern, possession of farm assets, investment pattern, formation of farm capital, crop diversification, the capital-output ratios and input-output ratios between farms as well as regions of different agro-climatic nature. Regionwise analysis on the variations of the above characters relating to the farm sector became necessary which would throw some useful conclusions needed for the formulation of appropriate farm policy in the country. The present study on changing structure of farm and farm assets in Indian agriculture-A study of Erode district in the state of Tamil Nadu, is an attempt on this direction. For the purpose of the study, Gobichettipalayam and Dharapuram regions in Erode district
were purposively selected. Out of which two blocks in each region were selected at random. Further three villages from each block and a total of 561 farmer households from these villages were selected at random. The data on the various aspects of the study were collected in two different stages viz., Feb-March 1991 and 1995 through survey method. A simple tabular and percentage analysis were used to examine the pattern of variation in income and asset among the households of various categories between 1990-91 and 1994-95. The Gini-Lorenz concentration ratios were also used to identify the extent of inequality in the distribution of income and asset between farms in both the regions. In the present work, a comprehensive analysis on the various structural components of agriculture such as the land use pattern, possession of farm assets, farm investment, income and their distribution among the households of different categories viz., the size holdings of less than 2.5 acres, 2.5-5 acres, 5-7.5 acres, 7.5-10 acres and above 10 acres between the agriculturally progressive Gobichettipalayam and the agriculturally backward Dharapuram region was undertaken. A brief account of the summary and conclusion that followed from the empirical analysis and the relevant policy implications are presented below.

An analysis on socio-economic profile of the 561 sample households of different size holdings showed that 296 samples were from the agriculturally progressive Gobichettipalayam region; while 265 samples were from the agriculturally backward Dharapuram region. The average size of family for the agriculturally progressive Gobichettipalayam region has been worked out to 4.05; it was 4.32 for
the latter. The percentage of family labour force in the agriculturally progressive region has been worked out to an average of 48.42; while it was 44.71 for the agriculturally backward region. The percentage of dependents worked out for these two regions revealed that a highest percentage was recorded on the holdings of less than 2.5 acres. Among all farms together, the percentage of dependents were found to be higher in Gobichettipalayam region than the Dharapuram region. Higher dependency ratio has been recorded on the holdings of less than 2.5 acres due to the higher illiteracy. In other words, among all farms together in both the regions, the percentage of labour force showed an increasing tendency with farm size whereas, the percentage of dependents showed a decreasing tendency with farm size. Among all farm holdings together, in both the regions the share of socially backward caste farmers are found to be slightly higher in the size holdings of less than 2.5 acres and 2.5-5 acres; while the largest share has been recorded by socially progressive farmers in all other farm holdings. The average operational holdings worked out for the study revealed that the average operational holdings in the agriculturally progressive region has been found to be lower than the agriculturally backward region. The percentage of gross irrigated area to gross cropped area showed that an average of 39.38 percent of the gross cropped area of the agriculturally progressive area have assured irrigation; it was 32.73 percent in the agriculturally backward Dharapuram region. The percentage of area under cash crops to gross cropped area indicated for a slight advantage to the agriculturally backward region than that of the agriculturally progressive region. Contrary to this, the percentage of area under irrigated food grains to
the total area under food grains showed a net advantage to the progressive region. With respect to the farm business income, there had been a comparative advantage to the agriculturally progressive Gobichettipalayam region than the agriculturally backward Dharapuram region as the former had a net gain from increased production coupled with assured irrigation facilities to raise food and non-food crops.

The analysis on the land use pattern among the sample holds of agriculturally progressive Gobichettipalayam region and agriculturally backward Dharapuram region showed that among all sample households together in the district, inspite of the vast changes found observed in the agrarian structure of land ownership, the district has experienced with very marginal change in the land holdings structure over a period of time. In other words, though there had been a slight improvement in the pattern of land ownership among the sample households of the district, there had been no significant improvement in the average size of holdings over the reference period. Moreover, taking all sample holdings together in the district, the percentage of variation in the area owned and operated showed a negative trend, indicating the fact that there had been an over all decline in the area of land owned and operated by the farmers between 1991 and 1995. With respect to the data on the cultivable area of land, the percentage of variation between 1991-95 has been worked out to be negative on the farmers of less than 2.5 acres and farmers beyond 7.5 acres. The percentage of variation in the uncultivable area of the land among the sample households showed an increasing trend to all size of holdings, inspite of the fact that the level of variation was not uniform. The
percentage of variation in the irrigated area of the land among the sample households between 1991 and 1995 was found to be negative for all size group of holdings; while the area of unirrigated land among the sample households showed a rise in absolute terms. Taking all holdings together, the percentage of variation of the land covered under food and non-food crops showed a negative trend, inspite of the fact that inter-group variations on the same are not uniform during 1991 and 1995.

A region-wise analysis on the land use pattern and other structural aspects of agriculture also reveals the same trend, despite a comparative advantage is seen observed for the agriculturally progressive Gobichettipalaym region.

The data relating to the distribution pattern of agricultural implements among different size holdings in the district revealed that the per household total value of farm implements in the district in absolute terms has shown increased with farm size in both 1991 and 1995, indicating the fact that the farmers in the region, irrespective of the size holdings have paternoised their farm operations on line with the modern technology in Indian agriculture. In otherwords, the percentage of variation in the value of agricultural implements among the sample household has shown increased over a period of time. In respect of the value of human drawn agricultural implements, the percentage of variation in the per household total value of human drawn implements as well as the bullock drawn implements showed a negative trend, indicating the fact that the farmers in general are
neither afford to keep bullocks nor bullock drawn implements in the district. Moreover, the per household value of the modern farm implements like sprayers, tractors and power tillers among the sample households has shown increased between 1991 and 1995. The percentage of variation in the per household value of these items between 1991 and 1995 has showed positive with 26.77 percent, indicating the extent of modern agricultural implements used by the farmers in the district.

A region wise analysis on the farmers in the district also indicated the fact that there could be large scale replacement of human and bullock drawn implements by the modern agricultural implements in both the regions, despite there could be inter-group variations found in the extent of use of modern implements by the farmers in these regions over a period of time.

The analysis on the pattern of variation in the productive assets by the sample households of the district also revealed that while land being a major productive asset in the district economy as a whole, the livestock plays an important role in the enhancement of the total income among the farmer households in the district. The percentage of variation in the total cultivated land among the households of the district between 1991 and 1995 has shown increased with farm size up to 7.5 acres, but showed a decline beyond 7.5 acres, indicating the fact that for the vast majority of the farmers land is the primary source of the livelihood; while occupational shift is being observed for the farmers beyond 7.5 acres. The data on the per household value of
livestock among the sample households of different size holdings revealed that there had been an overall decline in the value of livestock in absolute terms as well as in percentage terms over these period. However, inter-regional and inter-group variations are found observed on the value of these items over time.

The distribution pattern of durable assets among the sample households revealed that the majority of the farmers of different holdings have durables like, furnitures, electric appliances, utensils and bedding items etc., Of these some of them were inherited properties; while some other items are bought by the households from their owned savings or through gifts in the form of dowry. An observation derived from the survey data revealed that there had been an over all increase in the per household value of durable assets among the sample households in both the regions irrespective of the size of holdings. The data pertaining to the household income of the sample households revealed that, agriculture, animal husbandry and livestock were the major source of agricultural income for many of the farmers in both the regions; while the non-agricultural income has been derived by a few households from services, business and wage works. The composite data on the income derived from the agriculture and non-agricultural activities clearly revealed that the share of farm income derived from crop husbandry to total income has been found to be higher in Gobichettipalayam region; while the share of income derived from animal husbandry to total income has been found to be larger in the agriculturally backward Dharapuram region, indicating the fact, that inspite of the fact that there had been structural transfor-
mation found in the rural economy of India, the economic activities in the regions like Gobichettipalayam as well as the Dharapuram (inspite of its socio-economic distinctions shown in the study) are largely confined to agriculture and allied sectors resulting to a wider inequality in asset and income distribution not only between regions but also between the farm households of different holding groups as indicated in the Gini-Lorenz concentration ratio, thereby suggesting for the formulation of an agricultural policy where diversified agricultural activities become the major agenda.