CHAPTER TEN

SUGGESTIONS
CHAPTER TEN
THE SUGGESTIONS

The main findings of this dissertation has been put forth in the earlier chapter. How an attempt has been made in this chapter to put forth such suggestions which may be helpful in improving the farm production and economics of farms and farmers in Uttar Pradesh. The suggestions are mainly in regard to land reclamation and development, land reform, irrigation, size of holdings, farm credit, and agricultural training work shop. The chapter also attempts to put new strategy for farm economics in Uttar Pradesh.

1 - Land Reclamation and Development: As analysed earlier, that cultivable waste land accounts for 10.32 per cent of the total geographical area of the area under study (Raebareli) the total area under this head is found to be 46966 hectares. Reclamation and development of this area should, therefore, be taken up war footing and as a part of intensive agricultural development. Government land may be develop by the government itself and then allotted to individual farmers and co-operatives, in size, not below 10 acres. This should also be exempted from land revenue far at least five years or so. For the development of privately owned land, the owners be encouraged to
reclaim the land and those doing so should be exempted from land revenue on the very part of land or at least for five years. To implement this programme, the "District Machine Pool Scheme" envisaged by the State Government should be started immediately in this district and it also be charged with the responsibility of land reclamation. The allotment of land should be made only to those who are actually engaged in agriculture and also particularly those who are below poverty line.

Special loan for the purchase of bullocks, farm equipment and development of irrigation should also be made available through banks, in turn, should take advantage of the Agricultural Refinance Corporation.

A Ten year phased programme could annually add about 50,000 acres to the cultivated area which can benefit some 5000 farmers each year. Part of this land would also be used by the present marginal holders and the rest by new allottees, the objective of policy being to create holdings of 10 acres. The additional food production may well be of the order of 20,000 tons each year cumulatively, reaching a figure of 2 lack tons at the end of next 10 years.
The programme of land development outlined above is the minimum if the pressure on land is not to be allowed to increase any further. According to the 1971 census of the district. The number of agricultural workers in 1971 was 317,811 on the assumption that the population will increase at the compound rate of at least two per annum and the proportion of workers in agricultural and non-agricultural sectors would remain the same, the number of workers in agriculture are increased to 394,722 in 1981. In the absence of such programme, a further diminution in the size of operational holding is inevitable. For an improvement in the size distribution, we have necessarily to look for measures beyond agriculture.

Besides taking up land development, a "Tractor hiring service" should be organized at the block level. If the proposed district machine pool scheme comes through, as it must, many of the farmers lacking equipment can take advantage of the service. Failing that or even with it, Panchayat Samities or some of the strong Panchayats should start their own Tractor service. This will strengthen the Panchayat financially.
2-Land Reform: The Union government is reported to have recommended to the state governments what is called a "new policy thrust" for land reforms. It has proposed further lowering of ceiling on land ownership and elimination from the ceiling laws exemptions and lacunae which have so far thwarted effective implementation of land reforms.

Some of the proposals on the determination of operational holdings of a family in contract to land ownership of adult members of a family for the purpose of applying statutory ceiling are undoubtedly well conceived. The move to bring land held by religious and charitable institutions and make the definition of personal cultivation under the ceiling laws more stringent is also welcome the question, however, is whether legislative refinements can or will result in finding surplus land for redistribution on any significant scale.

There is after suitable intervals a flurry of interest and activity in the government in favour of lowering the ceiling on land ownership and making the application of ceiling laws more stringent. Such exercises have proved in practice to be futile. The Union government seems to be again engaged in a
similar exercise. Will it give any better results.

The issue of land reforms hinges in official approach and policy on statutory ceiling on land ownership to find surplus land for redistribution among the landless and land poor. But past experience shows that legislative measures, however, radical they may appear to be, do not result in land redistribution and change in the pattern and structure of land relations in the farm sector. The fact admittedly is that, in spite of legislation lowering the statutory ceiling on land ownership from time to time during the last two decades, the concentration of land ownership has remained high and there has been no meaningful redistribution of land and reform of land relations.

It is often argued that the desired results have not been achieved because land ceiling laws have not been efficiently implemented. But every time the problem is so posed and action taken on that basis, the problem remains unresolved. More perceptive studied and reviews law the blame on the absence of the requisite will at all levels of the political power structure for carrying out land reforms. What is missed in these lines of reasoning, however, is
the hiatus between the overall strategy and policy of socio-economic development, including in respect of the farm sector, and implementation of meaningful land reforms. The fact must indeed be reckoned with that radical reform of land relations does not fit in the fundamental design of economic growth and social development under the entrenched political-power system.

True, the evasion of ceiling laws has been developed by the land lords and pliable administrators into a fine art. The result has been that even as ceiling on land ownership has been periodically reduced, the surplus available for redistribution has been shrinking. In contrast to the estimated surplus of about 250 lakh hectares when the ceiling idea was conceived, the surplus is now estimated to be hardly 23 lakh hectares.

The official machinery for the implementation of land ceiling laws goes by the surplus as declared by the land lords after evicting tenants from lands resumed for "personal cultivation" and taking full advantage of opportunities for fake and benami transfers of land. The Raj Krishna Committee which made a serious
attempt in 1977-78 to reassess the available surplus on the basis of the more reliable National Sample Survey data on operational holdings found that it might still be possible by proper application of ceiling laws to find 86 lakh hectares as surplus for remained shelved and the official machinery prefers to play with only an estimated 23.5 lakh hectares of estimated surplus out of which only 7.2 lakh hectares have been so declared, about 5 lakh hectares acquired and 3.5 lakh hectares actually redistributed.

The land ceiling idea when it was conceived as an instrument for effective land reforms was based on the calculation that it would result in redistribution of as much as 250 lakh hectares of land. Redistribution of land on this scale could have led to a significant change in the land ownership pattern and land relations in farming which would have established and consolidated farming by peasant proprietors. This would have decisively ended feudal domination in the farm sector and created strong barriers in the way of the growth of large scale capitalist farming and exploitation of wage-earning landless farm workers.
Erosion of Surplus: But with the fast erosion of surplus available for redistribution, it is possible to satisfy the land hunger of only an insignificant fraction of the vast and growing numbers of land poor peasants and landless agricultural workers. The point to be reckoned with is that land ceiling laws as framed and implemented have not brought about a change in land relations. On the contrary, while feudal relations have remained entrenched in rural economy and society, capitalist farming based on alienation of poor farmers from land and intensified exploitation of landless wage labour has made significant headway.

The launching of the new agricultural strategy in the mid-sixties imparted a powerful stimulus to the growth of what may be characterised as commercial enterprise in the farm sector. This was the starting point for a shift of emphasis in official policy from institutional reform not only on the ground of equity but also increasing on a broad social base production and productivity in the agricultural sector to the introduction of modern technology to extract marketable surpluses from a narrow base of commercial farming.

The progress of commercial farming has been hailed as the green revolution. Its major achievement has been the maximisation of marketable surpluses in
order to feed the growing urban population and industrial work force and dispense with imports for the purpose. Traditional farming with preponderance of small subsistence farming was found incapable of generating adequate marketable surpluses.

The overriding aim of generating and extracting marketable surpluses from the agricultural sector dictated the parameters of the new agricultural strategy. These could not be only technological but had to be social as well. A social base for efficiently absorbing modern technology and inputs and putting them to gainful use had to be established. This have could not be provided by small farmer principally engaged in subsistence farming. It has thus not been fortuitous that land ceiling laws have not resulted in any notable redistribution of land in favour of the landless. On the contrary, the land ceiling laws have led to large-scale eviction of tenants and their conversion into landless agricultural labours on lands which have been resumed for "personal cultivation" under the land ceiling laws as well as by leasing and outright purchase of land from small farmers. There have arisen in this process what may be called rich farmers, who may not be actually farming the land but who manage farming with the help of machines and hired labour. The personal consumption of the new class of arm enterpreneurs which has grown in the last decade and a half does not eat into what they produce— all of it is for the market and they are willing and able to market it on the comm-
The commercial principle of cost plus - the so-called remunerative price.

The struggle of the landless and the land poor in the rural economy has, therefore, to assume new content, direction and dimensions in the wake of the developments that have actually taken place in the last three decades in the rural economy. The fact is that land ceiling laws under the present political dispensation and administrative set-up have been robbed of much of their economic and social relevance. Those who still talk of preserving and enlarging peasant farming through land reforms may now be said to be indulging in romantic make-believe notions. The political and socio-economic developments have passed by such reforms in land relations.

The anxiety of the political authority at present, in the wake of these developments, seems to be to get the long-fostering problem of land reforms out of the way as soon as possible. The emphasis is on acquiring and distributing as early as possible whatever land can be declared surplus on the basis of the ceiling laws. It is hoped that once this is done, there would be no further unsettling talk of the reforms, of land relations so that agricultural growth based on "viable farmers" with economic holdings engaged in commercial farming acquires added momentum.
3-Development of Irrigation:

A programme of helping the agriculturist in general and marginal farmers in particular which secures land development, application of high yielding varieties and fertilizers and multiple cropping must be fully supported by irrigation development.

At present, only 155502 hectares out of a net cultivated area of 281375 hectares or 41.85 per cent of the area is served by irrigation in Raebareli district. In view of a fairly good average rainfall and the consequent sources of ground and surface water, it should not be difficult to bring at least half the area under irrigation. For this it is essential that work on projects in hand is expeditiously completed. Minor irrigation works including wells constitute a very important source of irrigation in this district. This should be intensified. Liberal loans for digging new wells and renovating old ones should be provided. With the progress of rural electrification programme, electricity would be available in many more rural localities making the installation of electric pumping-sets easier. This would reduce the cost of irrigation as well as improve coverage.

4-Size of Holdings:

Agricultural improvement is impeded very much by fragmented holdings which cause waste of time, effort and resources; further, irrigation also cannot be developed. It is, therefore, pertinent that the scheme of
consolidation of holdings be further implemented in this district. There has high differences in the size of the holding in big and small land lords in the district. There are still many land lords who own a very large chunk of agricultural land and still rules like old Navab's in this district. This should be removed their size of holdings to limited. The "Mobilization of farm" would be a proper remedy for this will enable the farmers to have compact holdings and also enable them to use modern agricultural implements with minimum rates. This will facilitate in importing agricultural-knowledge, supplying inputs and popularising demonstrations etc.

5-New Strategy of Agriculture and the Marginal Farms:

While land development which extends the margin of cultivation is an important measure in appe- aring the hunger for land, the ultimate solution of the problem of marginal farms has to be found in their adop- tion of yield-raising technologies. This would make the demand for more land redundant. Fortunately for us, such technologies are being evolved and many of them have already proved a great success not only abroad but in several parts of India. Rae Bareli district itself is no exception to this.

The main constituents of the new strategy are the use of High-yielding varieties of seed and fertilizers. Mexican and Hybrid varieties have helped to raise yields several times of the average. The main question now centres
round their popularisation adoption and supply.

It has been seen in chapter four that marginal farmers are so far not much aware of such a programme because it is a new one and the extension agency is unable to go to his desired level. Moreover, there is the problem of inadequate supplies of inputs of which both the large and medium farmers complain. In years to come, it can reasonably be hoped that supplies will improve. As regards fertilizers also, the agricultural farm of the district is well served.

It is however, necessary that special attention be devoted to marginal farmers. A part of the seed and fertilizer quota should be reserved for them. Special meetings of such farmers should be called and it should be thoroughly explained, how be adoption of new strategy would obviates the need for more lands improve their income and standard of living. The operation of the law diminishing returns can be postponed only by improving what Schultaz calls 'quality of resources' in the under developed countries where land has predominated as a resource so far. These 'landesque' goods are thus land-saving and income-raising. They also help to maintain a better balance in resource structure using more labour - a surplus factor- in soil and seed treatment, fertilizer application, irrigation etc. This will also enable the
farmers to provide more employment opportunities to agricultural labourers.

The package of improved inputs should also be popularised among marginal farmers by offering them exemption from land revenue. The financial implication of this concession would naturally be much but the development potential would increase largely because once the farmer gets convinced about the suitability of the inputs, further propagation would be quick and easy. The panchayat to which the collection of land revenue is now proposed to be entrusted can take up the administration of such an exemption easily.

6. Farm Credit:

Agriculture credit is an important source of input. It is seen that 61 per cent of the sample farmers realized difficulty in getting agricultural credit. To make the farm credit easily available, cooperatives should be strengthened so that they can meet the farmer's need adequately and without delay on a regular basis.

The supply of credit is now proposed to be taken up in a big way by commercial banks. The banks in Rae Bareli should specially take up the scheme. There is a good scope for extending such facilities to buyers of tractors, pumping-sets etc.
All marginal farmers are covered by these two agencies under Integrated Rural Development Programme and Twenty point Programme of Prime Minister. It has been observed that by and large, the marginal farmers have remained outside the above programme fold. The main reasons being their poverty, ignorance and lack of proper communication of the idea of Programme High caste and more affluent sections of the rural community also prevent or discourage. Moreover, the marginal farmers are unable to obtain adequate loans from the programme and co-operatives on account of low value of assets which reduces their credit-worthiness in the eyes of the office-bearers. Further, their needs include those for sustaining the family or what is usually called consumption finance, which the programmes and co-operatives can not provide under their present loan policies.

In order to help the marginal farmers effectively the co-operatives should be saddled with special responsibility to enroll marginal farmers as members and a definite part of loan allotted to them on priority basis. The district Rural Development banks and the district officials concerned must be asked to submit periodical reports on the efforts made by them to help marginal farmers. The Government should consider this progress while giving subsidies and concessions to co-operative societies.
While the problem of asset-based credit-worthiness is solved by the introduction of crop-loan system, the definition of the latter needs to be expanded to include consumption needs of the family so that the farmers are not thrown to the mercy of money-lenders for such credit. Such suggestion was also made by the Maharashtra State Co-operative Bank in their report on the Adivasi areas of Nasik district. This new concept of crop loans needs trial in Rae Bareli district also.

7-Diversification of Rural Economy:

In April, 1983, the Planning Minister, Mr. S.B. Chavan told the Lok Sabha that an estimated 304.6 million people, 252.8 million of them in the rural areas, were living below the poverty line in the country in 1977-78. There has been a sharp increase in the number of registered unemployeds. It is reported that the number of unemployeds registered with the Employment Exchanges had gone up sharply from 14.33 million at the end of 1979 to 21.74 million at the end of 1983.

The modernisation and commercialisation of subsistence agriculture, employment generating secondary and tertiary activities, particularly the rural industrialisation, assume an important and essential role in any scheme of balanced rural development. As the village and cottage industries form one of the important sectors of such development for generating additional income and employment opportunities in rural areas, the establishment of suitable small-scale agro-based industrial units based on local raw material, is one of the significant factors for generating socio-economic impulses of transformation and modernisations in the country. The Planning Commission has already identified (i) food products, (ii) beverage, tobacco and tobacco products, (iii) Cotton textiles, (iv) textile products, including apparel, (v) wood and wood products, furniture and fixtures, and (vi) leather and fur products, which absorb as much as 69 per cent of the total employees in cottage and village industries. Besides these, ceramics, handicrafts based on the local raw material and culture, potteries, carpentry, blacksmithy and many such items have a good scope for development as industrial activities. The programme of rural Industrialisation can be taken at the following levels:

(a) the old system of traditional village artisans deserves encouragement and reorganisation as the village carpenters, black-smiths, cobblers, potters, tailors etc. still supply products and maintenance services to the greater section of the rural population in the country. Such vast ingenuity of rural level technical skill needs only some assistance to develop into a strong local level industrial base in rural India as the country was internationally reputed for such base in the past.

(b) the establishment of various types of agro-based industrial units according to the availability of local raw materials in different parts of the country, with the financial assistance from the Government or other funding agencies, employing or involving the local rural people, promises to serve as a solid base for reorganisation and diversification of traditional rural economy. The processing of agricultural products available in a particular locality, such as flour, rice and dal-mills, fruit, vegetable and fish canneries, wood-works, khandsari and jaggery making unit, khadi and handloom cotton and woolen textile making units, slaughter houses, milk powder and other products preparing activities, poultry farming and dairying, etc. seem to have vast scope of such development.
(c) besides these industrial activities, a large number of ancillary units such as small agricultural implements making and repairing workshops, and engineering workshops for repairing bicycle, radio, scooter, fan and other electrical appliances, brick kilns, etc., also have complementary significance in accelerating the process of comprehensive rural development in the country.

3-Agricultural Training workshop:

Entrepreneurship is as essential in farm business as in any other. This is not often realized. The marginal farmers particularly suffer from limited entrepreneurial ability.

Agricultural Extension services do a work in this regard. They introduce new resources, new inputs, new crops and new methods to farmers, popularize the use and arrange supplies. Thus a number of farmers take to progressive farming. But as experience in India shows, these early adopters are the big, prosperous and educated farmers. The marginal farmers are not as aware and adoptive. The reason for lack of awareness has to be found in the inadequate coverage of extension service, on the one hand and illiteracy of the farmers on the other. The adoption and use also depends upon a sufficiently strong follow-up service and farmer motivation. Poverty is a further hinderance.

Thus while intensification of extension service
in necessary if each and every farmer is to be made progressive, his education is also equally essential. An educated farmer, even though small, will himself make demands on the extension agents which the latter will have to meet. In fact, this will start a two way channel of communication which is the real spirit behind extension activities. This will make the task much easier.

For the intensification of extension service, each village or group of 2-3 villages with a population of 400-500 farm families should be provided with an extension worker of a cadre of Gram Vikas Adhikari. He should be a man of knowledge of technical as well as behavioural sciences. His job will primarily be first of invoking interest which may ultimately culminate in action. The proposal is not new, it has worked in other countries. What is suggested here is new in the sense, that it has yet to be tried in India. Even India, there are certain pockets where the spirit of dynamic persons has completely transformed rural areas like Etawah, Mudhol (Mysore), Meerut (U.P.), etc. The adoption of this 'saturative' approach is recommended in the selected areas of the districts of the Uttar Pradesh where intensity of marginal farm is high.

In the matter of general education, the literacy programmes and vastly increased facilities for lower education will increasingly provide a literate peasantry. Even then, programmes for adult education are important and must be intensified.
Arrangements for high level education in agriculture have been expended so much that the graduates are without jobs and admissions are drastically curtailed. The same applies to Gram Vikas Adhikari Training Centres, where a so-called saturation has been reached. We have used the phrase so-called 'saturation' because it is at present on an inadequate level. Farmer education has been organised on an ad-hoc basis in the form of camps, seminar, etc. There is an urgent need for setting up middle-level and lower level training institutions where farm youths after passing high and middle school respectively may be given 6-12 months course in modern agriculture including farm mechanics. The latter course could also qualify them for repair jobs thus supplementing their income from agriculture. These educated farm youths will provide the nucleus for progressive farmers in the respective areas to which they belong. This will also have a considerable spread-effect.

We have suggested a number of measures which will improve the lot of farmers, particularly marginal farmers. But in this age of planning, the solution of the problems of marginal farms also calls for an integrated approach on an area basis.

The modus operandi of this process of shift is not easy and has to be worked out in detail. However, more other important suggestions can also be adopted which are as under:

(i) Till recently some of the large and medium farmers have been giving their land to tenants (who are generally marginal farmers) on a share cropping
basis. This pattern has to be reversed. 50 per cent of the uneconomic farm holders, in first instance, should be persuaded to give their lands to the neighbouring farmers on a share cropping basis, so that they get one third or half of the crop income from the crop in lieu of the land, as the contract may be, and are themselves free to take up other jobs or start small enterprises of their own in rural area.3

(ii) The above arrangement will, in general increase the size of land holdings of the remaining uneconomic farm holders so that they will be able to invest in wells, fertilizer, pesticide, etc. and will also be able to make better and maximum utilisation of their investment.

(iii) Maximum stress should be laid on provision of irrigation facilities4 and other cooperator factors of productions which may not be too much capital

---

3- See B.L. Agarwal, 'Rural Industrialisation in India', paper presented to Indian Agricultural conference, 1983 and published in Annual number of Indian Journal of Agricultural Economics.

4- In a study made for Karnataka Government by IMR it has been found that the gap between yield of various crops in irrigated and unirrigated lands is more than 50 per cent. Manpower and Employment Planning for Karnataka IMR, 1979, Table 3.7 (mimeographed).
consuming. This will increase the farm production by 50 per cent, and the income of those who stay on the farm.

Further increase in incomes of the farmers will come by further accentuations of the same process, i.e., transfer of population from farm to non-farm, increase in farm production per hectare through improvements in land or other-wise, and sharing of increased production by lesser and lesser persons on the farm. Development of this country depends on the farmers and it is only by economical and of technical development that the farm economy be improved.

During the course of investigation it was seen that marginal farms in Rae Bareli district are mostly non-viable, hence it is suggested that suitable measures which can ameliorate their economic conditions be taken. Many of these, however, go with general under-development and as Prof. Dantwala observes; 'One cannot disappear without the other disappearing.' Hence, to quote him again, 'The end of subsistence farming will be co-terminous with the end of under-development.'

5- For further detail and Employment Model, see B.L. Agarwal "Basic Issues in Rural Employment", Ibid.