5.0 Introduction:

Of the total population more than two thirds live in rural India where agricultural activity is predominant in terms of its contribution to both total national income and employment. But the labour force apparently employed really suffer from the disguised and seasonal unemployment. Owing to the high productivity growth of labour in the industrial sector, using highly capital intensive technique, achievement of full employment through industrialisation is a myth. It will require a large volume of investment, to be met by supply of savings which, at a low level of development, is unlikely to be achieved. Therefore, the alternative employment growth should be brought in through agricultural development. The development of agriculture can help the total development in the following ways; (a) by increasing the national income; (b) by supplying the surplus to the other sectors in the form of raw material and wage goods; and (c) providing the economic surplus constituting the material basis for economic development. This is as much true in India as in many other developing countries of the third world. Practical wisdom suggests that sources of employment and income for the unskilled rural folk are agriculture, and other diversified rural activities. We shall confine ourselves to the analysis of agricultural employment,
because the sector supplies the basis necessities of life with still open scope for alternative development strategies to be applied. If, in this sector, employment generation will have to be productive one, it has to be dealt with in relation to production.

Agricultural production in India has been subject to wide fluctuations depending upon the niggardliness and bounty of nature. Despite the introduction of capital intensive techniques of production, the activity has been fairly dependent upon assured supply of water. With only 30% of the total cultivable land irrigated, a large part of Indian agriculture is dependent on rainfall. This imports seasonal variation in production and employment. Apart from this natural factor, large number of small farmers' activity is constrained by economic and institutional forces that control the use of improved variety of inputs, marketing of products and the provision of infrastructural facilities which the big farmers can afford to get rid of through the economies of large scale farming. These factors conspicuously affect the pattern of employment and distribution of income among those engaged in agricultural operation which are further reflections of the several kinds of class interests.

Glass structure dominates the pattern of labour use, cropping pattern, technology and financial and marketing institutions. Distinction may roughly be drawn with respect to size of land holding and production relation that dominate the agricultural production. There are fewer people owning large quantity of land along with many small holders. Among the large holders there are prevalent capitalist and semi-feudal modes of production and among the small farmers family based production is in practice. There is the fourth class, agricultural labourers, without any land, who simply sell their labour power.

5.1 Unemployment and Underemployment:

Principal forms of unemployment in agriculture are open, disguised and seasonal unemployment. The incidence of open unemployment in the rural areas is small, because the majority of the population having no supporting income cannot afford to remain unemployed. Therefore, principal forms that are to be considered are seasonal and disguised unemployment. In India not much efforts have been put to estimate the

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3/ Bhaduri, A., op. cit.

magnitude of seasonally unemployed workforce and the duration of unemployment. But it can be conceived that large section of the agricultural labourer and small cultivators suffer from the lack of employment opportunity in farms during the slack seasons. Owing to poor holding of assets, small farmers cannot operate land for a greater part of the year, except when natural factors permit, and they compete with the agricultural labourers for employment outside their own farms. Severity of seasonal unemployment may be observed in the low wage rate in the slack seasons.

The other form, disguised unemployment, has remained a matter of debate in measurement. The measurement varies with the changes in definitions. The refined definition that has been used to measure underemployment in rural India is the work-sharing principle. In the recent past number of economists have attempted to derive the magnitude of surplus labour. The sphere of application has varied from general rural area to specially agriculture. As a gross measure of rural underemployment Dandekar and Rath have identified the magnitude with rural poor. They defined adequate employment

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6/ For definition and measurement problems, see Chapter 2, also, National Sample Survey of Organization, 27th Round, p.38.

as the level that earns at least the minimum standard of living. The adequate standard of living and its correspondence with the minimum requirement of employment has to be corrected for the dependency ratio of the employed worker.

More specifically, the measurement of surplus labour in Indian agricultural has been attempted by Mehra and Rudra among others. The methods of measurement varied from one author to another, and hence the estimates of underemployment. Mehra's method of measurement has a direct relevance to the farm behaviour in terms of land size and labour use pattern. But it is true that by all measures the magnitude of underemployment takes a formidable figure capturing the small farmers and agricultural labourers. Mehra offers a plausible argument in fitting the normal labour standard, below which the size of population forms the extent of underemployment. It is postulated that large farmers hire labour and are optimising the use of it which sets the standard of labour requirement per unit of land. This entails in greater magnitude of underemployment among small farmers. This is consistent with the assumption that small family farms tend to maximise output and the large supply of family workers share the work and income. Under the given behavioural assumption about the

8/ Mehra, S. op. cit.

labour use it is possible to analyse the determinants of labour demand.

Demand for labour depends by and large upon, (a) the size of the farm, (b) technology, (c) cropping pattern and (d) level of irrigation.

5.2 Size of Farm:

The size of farm plays an important role in shaping the size and pattern of labour use. Smaller the size of farm smaller is the farm's ability to hire labour and greater is the dependence on family labour. The small farms dispense with the use of hired labour in so far as the size of the family is large and alternative employment opportunity is bleak. Desiring for earning more income or output these units put in more labour per unit of land and maximize output. In contrast, large farmers, especially capitalist farmers, with a view to maximising surplus put in labour up to a point where marginal product of labour is equated with the market wage rate. Given the stock of capital, wage rate, and production function with usual law of diminishing return, capitalist farms end up with lower output and employment per acre than the family-based production units. In this regard small farmers produce more per unit of land than the capitalist farmers. Hence the former group's production is more efficient than the latter.10/

As for underemployment estimates small farmers have more surplus labour than the big farmers, a la Mehra. This brings conflict between land and labour efficiency. Labour efficiency is higher in large farms than in the small farms. The root of this anomaly lies in the valuation of work and leisure in both the modes of production. It is difficult to argue how family units value labour. One can guess that labour use pattern in small family based farms is determined by the utility from alternative employment opportunity and the consumption need of the family.

An interesting feature of the size class and employment relation is that large size can employ more labour in terms of mandays, throughout the year than the small farms (Table V.1). Small farmers have to sell, more labour outside than the large farmers (Table V.2). Even if large farmers' own labour is considered, it can employ more self labour in own farm than the small farmers (Table V.2).

Table V.1

<table>
<thead>
<tr>
<th>Holding Size (Acres)</th>
<th>Employment (days)</th>
<th>Total</th>
<th>Unemployment (Days)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 0 - 5</td>
<td>187</td>
<td>315</td>
<td>128</td>
</tr>
<tr>
<td>2 5 - 10</td>
<td>222</td>
<td>313</td>
<td>93</td>
</tr>
<tr>
<td>3 10 - 20</td>
<td>266</td>
<td>325</td>
<td>49</td>
</tr>
<tr>
<td>4 20 - 50</td>
<td>283</td>
<td>315</td>
<td>32</td>
</tr>
</tbody>
</table>


Table V.2

Employment per Family Worker

(In Man-days)

<table>
<thead>
<tr>
<th>Size of Holding (In hectare)</th>
<th>Work on own farm in production</th>
<th>Hiring out</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>(1)</td>
<td>(2)</td>
<td>(3)</td>
<td>(4) = (2+3)</td>
</tr>
<tr>
<td>1 Below 1.16</td>
<td>34</td>
<td>49</td>
<td>83</td>
</tr>
<tr>
<td>2 1.16 - 2.02</td>
<td>64</td>
<td>31</td>
<td>95</td>
</tr>
<tr>
<td>3 2.03 - 3.05</td>
<td>67</td>
<td>25</td>
<td>92</td>
</tr>
<tr>
<td>4 3.06 - 5.71</td>
<td>81</td>
<td>5</td>
<td>86</td>
</tr>
<tr>
<td>5 5.71 &amp; above</td>
<td>89</td>
<td>0</td>
<td>89</td>
</tr>
</tbody>
</table>


Table V.1 shows that as the size distribution increases (Col.1) the number of unemployed man days decreases (col.4). The figures include seasonal unemployment also. This is however, not to say that small farmers do not hire labour in the busy seasons. Stress is to be made on unemployment of dwarf cultivators who, in the slack seasons, cannot find job for themselves, let alone the agricultural labourers. The conclusion that small farmers put in more of family labour is
not always true if one considers social barrier, attitude to particular kind of employment etc. There can be heterogeneity of labour varying through different kinds of agricultural operations. In spite of the heterogeneity of agricultural operations and labour use, it is by and large true that distribution of land influences the labour use pattern.

5.3 Cropping Patterns:

For theoretical rigour, a product is identified by the technique it uses. Or, a distinguished product has its own input combination. In this regard, different agricultural crops use different quantities of labour. As labour time is the unit of measurement of the extent of labour use, the labour utilisation pattern will depend on the duration of the production cycle for each crop. These are particularly technical factors. The duration differs from region to region following the variation in soil, climate, knowledge about the production methods etc. These have, however, important influence on the labour productivity. Following table shows the crop and regionwise variation in the labour productivity, assuming that wage rates do not differ for different crops in a region.

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Table V.3

Per Acre Value of Output, Labour Input and Productivity

<table>
<thead>
<tr>
<th>States</th>
<th>Crops</th>
<th>Per Acre Value of Output (in Rs.)</th>
<th>Per Acre Value of Labour (in Rs.)</th>
<th>Per Acre Productivity</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>(1)</td>
<td>(2)</td>
<td>(3)</td>
</tr>
<tr>
<td>U.P.</td>
<td>Wheat</td>
<td>114.0</td>
<td>27.3</td>
<td>4.16</td>
</tr>
<tr>
<td>Punjab</td>
<td>Wheat</td>
<td>79.0</td>
<td>21.0</td>
<td>3.76</td>
</tr>
<tr>
<td></td>
<td>Wheat-gram</td>
<td>88.0</td>
<td>23.0</td>
<td>3.85</td>
</tr>
<tr>
<td>Maharashtra</td>
<td>Jowar</td>
<td>35.4</td>
<td>9.0</td>
<td>3.93</td>
</tr>
<tr>
<td></td>
<td>Wheat</td>
<td>53.2</td>
<td>16.0</td>
<td>3.33</td>
</tr>
<tr>
<td></td>
<td>Gram</td>
<td>34.4</td>
<td>10.2</td>
<td>3.37</td>
</tr>
<tr>
<td>Tamilnadu</td>
<td>Cholam</td>
<td>97.0</td>
<td>10.0</td>
<td>9.70</td>
</tr>
<tr>
<td></td>
<td>Cotton</td>
<td>97.0</td>
<td>13.0</td>
<td>7.46</td>
</tr>
</tbody>
</table>


5.4 Technology:

Farm practice and technological innovation have wide influence on shaping the employment pattern in Indian agriculture. New technology, alongside traditional methods of cultivation, have opened a wider range of technological choice. Along with labour absorbing technology labour displacing
technology has come into frequent use. Adoption of each kind of technology has been dependent upon the distribution of land, improved variety of seeds, population growth, production relation, growth of the non-agricultural sector and so on.

Technological progress may be marked in the rise in land and labour productivity brought about by the use of improved variety of seeds, manures, water resources and other mechanised devices. Farm mechanisation has a scale bias. As has been observed above that small farms use more of labour than the large farms, given capital stock, the large farms use labour-displacing technique of production in order to maximise profit at a given wage rate. It is argued that increased degree of mechanisation in Indian agriculture is a result of distorted factor-price that favours labour substituting inputs, and the distortion is due to the slow growth of wage good relative to the population growth. This raises the money wage rate which affects the choice of technique for the large farm in so far as production is carried on by hired labour. Shortage of wage goods supply raises the money value of subsistence wage rates if paid in kind. Desire for maximum surplus, under this situation, keeps labour use to minimum required level. In contrast to this, family labour in a small

farms, where income maximisation is the sole motive, can be utilised to maintain the level of production. Population growth relative to wage goods supply will not lead to the choice of labour-displacing technique in a family-based production. For the large farm the maintenance or increase of surplus is the ulterior motive whereas the small farms attaining the maximum output level is the objective. Therefore, small farms do not gain by replacing labour through mechanization. This behaviour reveals that small farms with moderate per capita availability of land produce more through employment of labour rather than using the highly mechanised technique. For example, harvestor combines substitute labour at a mass scale. Observation suggests that partial factorisation leads to higher employment by expanding the demand for labour in complementary operations, but a complete package of mechanisation, once adopted, will displace labour without adding any extra demand for labour.

5.5 Irrigation:

As for the other factors, high yielding variety (H.Y.V.) seeds and irrigation substantially contribute to employment

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generation. HYV, increases the effective supply of land by raising land productivity. But it has limited potential unless it is adequately nursed up by water supply, chemical fertilizers and pesticides. HYV and manures as such do not have large employment and output potential because they are dependent on irrigation which has some extra potential such as to increase the labour and land productivity and the supply of land. Employment under any system of production is directly related with the quantity of land and cropping pattern, unless labour is substituted by durable mechanized factors. In addition to the increase in demand for labour per unit of land, irrigation spreads the production throughout the year by facilitating multiple cropping. Moreover these factors are scale neutral and it reduces disguised unemployment along with the removal of seasonal unemployment through multiple cropping. The impact of irrigation on labour demand in Madras, for example, has been encouraging. Labour requirement per acre per year with dry farming was 24.5 days against 99.2 days with irrigation. Impact of irrigation on employment with respect to specific crop over certain regions is clear from the Table V.4.

### Table V.4

**Cropwise Labour Cost (Across Unirrigated and Irrigated Land)**

<table>
<thead>
<tr>
<th>States</th>
<th>Crops</th>
<th>Labour cost in Rs. (un-irrigated land)</th>
<th>Labour cost in Rs. (Irrigated land)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 U.P.</td>
<td>Wheat</td>
<td>27.3</td>
<td>35.6</td>
</tr>
<tr>
<td>2 Punjab</td>
<td>Wheat</td>
<td>21.0</td>
<td>42.0</td>
</tr>
<tr>
<td></td>
<td>Gram</td>
<td>23.0</td>
<td>32.0</td>
</tr>
<tr>
<td>3 Maharashtra (Ahmednagar)</td>
<td>Wheat</td>
<td>16.0</td>
<td>40.9</td>
</tr>
<tr>
<td></td>
<td>Gram</td>
<td></td>
<td></td>
</tr>
<tr>
<td>4 Tamil Nadu</td>
<td>Cholam</td>
<td>10.0</td>
<td>27.2</td>
</tr>
<tr>
<td></td>
<td>Cotton</td>
<td>13.0</td>
<td>53.0</td>
</tr>
</tbody>
</table>

**Source:** Hanumantha Rao, *op. cit.*, pp.235-36.

Assuming that wage rate does not differ between the irrigated and unirrigated land and the crops, comparison of columns (3) and (4) shows the impact of irrigation on the level of employment in mandays. Comparing rows in each state employment can be compared through the crops as well.

5.6 **Employment Generation in Agriculture:**

Disguised and seasonal unemployment are the principal forms of labour waste in agriculture. The resulting income, earned from whatever period of employment if distributed throughout the year, figures very low. The brunt is borne
by the small cultivators and agricultural labourers. Small farmers failing to obtain long term credit against the competition from the large farmers drag on to unproductive labour utilisation during the slack season. While it can be presumed that agricultural labourers are hired not to be used unproductively, small cultivators of large family size may slip down to the grip of underemployment and low productivity. Above observation suggests that large size farms offer less employment than the small size farms and on the face of population growth, resulting in shortage of wage goods and rise in the money value of wage, rich farmers indulge in farm mechanisation. The advantage gained by the land augmenting technology, that also absorbs more labour, such as irrigation, HYV seeds and manures, is often offset by the introduction of labour replacing technology. Therefore, the problems of unemployment and underemployment have to be dealt with focussing on the structural issues.

Of the three important factors affecting labour utilisation per unit of land, size of holding with particular production relation and land augmenting technology appear to be the most important factors. Cropping pattern has considerable influence on employment consideration alone. This aspect would rather be decided by the structure of demand for various commodities. Hence, the relationship between employment and cropping pattern is left out of the study.
The analysis will rest on the following assumptions:

(1) There are only two kinds of production relations, viz. capitalist farming and family-based farming, where the former operates on large farms and the latter on the small farms. Farm behaviour does not change until the size of land (per capita) is equalized in all farms.

(2) Big farmers maximize surplus and small farmers maximize output.

(3) Employment of agricultural labour bears a particular proportion to the family labour employed in all kinds of farm practices.

(4) Disguised unemployment is measured by the difference between the normally disposable labour time per head and the actual use of labour time per head.

A typical state of underemployment is represented by the following diagram, the eastward axis measures labour time, output along the north axis and the number of workers available from the cultivator family along the south. Given a stock of capital, output (Y) is a function of labour (L) represented as

\[ Y = F(L) \ldots \ldots (1) \]

\[ F'(L) > 0, \quad F''(L) < 0 \]
Since the small farmers maximise income (output) at O, employment at that level of output is OL manhours. Big farmers, maximising surplus, will offer employment upto OL manhours. Supposing that tan OM is the normally disposable work time per head, employment of number of men is OM. With same normal work intensity, tan OM, optimum number of workers per unit of land in a small farm is OM. Supply of number of workers being OM, OM - OM represents the quantity of surplus labourers. Withdrawal of M, number of workers will not reduce output if OM number of workers work harder.\footnote{Also see: Sen, A.K. "Peasants and Dualism with or without surplus labour", op.cit.} Taking OM as the optimum size of working population per unit of land, for a given family size the required quantity of land per family can be obtained. It is, however, intended here to show the employment effect of distributional changes. In view of the first assumption, the labour-land ratio at OL, for a capitalist farmer, and at OL, for a small farmer, are constant. Their values are respectively \( l_c \) and \( l_s \). The output-land ratios for the respective farmers are \( A_c \) and \( A_s \).

From the above description it follows that

\[
A_s > A_c \quad \text{and} \quad l_s > l_c \quad (A)
\]
Therefore, output, a linear homogeneous function of land \((X)\), can be represented as

\[ Y_s = A_s X \]
\[ Y_c = A_c X \]

Similarly, employment, taking the same functional form as output and land, can be written as

\[ L_s = l_s X \]
\[ L_c = l_c X \]

If a unit of land is transferred from a large holder to a smaller one loss of output and employment from the large farm will be respectively \(-A_c\) and \(-l_c\) and gain in output and employment in the small farms will be respectively \(A_s\) and \(l_s\). From the conditions (A), the net output by transferring a unit of land from the big to small farmers will be

\((A_s - A_c) > 0\)

The corresponding employment gain will be

\((l_s - l_c) > 0\)

Such a redistribution of land to the self employed farmers increases the magnitude of land and raises the level of income. In its concern with poverty, land redistribution
approach has been taken into doubt, but the resulting improvement in the relative distribution of income has been conceded.\textsuperscript{18/} On the contrary, it has been argued that land redistribution has a greater sensitivity in improving the income distribution owing to the inverse relationship between size of holding and land productivity. Inequality in income is likely to be less than the inequality in land distribution.\textsuperscript{19/} Transfer of land will reduce income per unit of land in large farm and increase the income in small farmers. The increase in income in favour of the low income farms, will more than compensate for the income reduction in the large size holding. The transfer increases total output employment as well as social welfare in so far as relatively poorer section of the population receive higher weightage in the welfare objective.

Welfare impact of land redistribution is likely to be limited by the physical scarcity and geographical immobility of land and largeness of the size of population in the rural areas. Further it reduces unemployment, may be for a part of the underemployed poor section, but does not guarantee the check against seasonal unemployment both for cultivators and agricultural labourers.


In addition to the land distribution aspect, that seems to have marginal effect on employment and income distribution, modernisation of agriculture is likely to make much dent on the problem. The experience of modernisation has been on two lines, one that is non-labour replacing and scale neutral and the other labour-replacing and scale biased. Harvest combines fall into the latter category of modernisation. High employment potential exists in the first variant of modernisation. It has been found above that of the improvements through the use of HYV seeds, fertilizer, irrigation, pesticides etc., irrigation stands as the most important variable that increases productivity of land and use of labour. In addition to the increase in labour utilisation per unit of land, irrigation helps introduce multiple cropping. In so far as agriculture is monsoon bound there is only one peak for which the demand for labour in agriculture is maximum. Introduction of irrigation can bring in several peaks in a year reducing the seasonal unemployment. For the same reason income from agricultural occupation will rise.

The most important contribution of irrigation is to increase the supply of land by increasing the cropping intensity. As gross cropped area increases, given the cropping pattern and technique of production, labour requirement increases and is distributed throughout the year. This is
reflected in the increase in work hour and income per worker.\textsuperscript{20}

The rise in employment and income will be equal to the cropping intensity times a season's income. If the cropping intensity is \( R \) for the economy as a whole, increase in employment will correspond to \( 0L_1 \). \( R \) for large farms and \( 0L_2 \). \( R \) for small farms. Total income for the large farm workers will be \( WXR \), where \( W \) is the market wage rate, and that for small farms will be \( AP_LXR \), where \( AP_L \) average productivity of labour. Moreover, unlike mechanisation as a device for modernisation of agricultural activity, irrigated land absorbs more labour than unirrigated land (Table V.4). Therefore, employment is related with irrigation and its specific association needs to be empirically tested.

5.7 Empirical Analysis:

It remains to see to what extent irrigation helps eradication of rural unemployment. Statewise data on rural underemployment are available from the National Sample Survey,\textsuperscript{21} in terms of percentage of person days unutilised for all workers in all occupations. Since underemployment

\textsuperscript{20} Work hour per head will include both disguised and seasonal unemployment. If the amount of time unutilised for a worker, in a particular season, is distributed through out the year, the extent of seasonal unemployment will be reflected in the actually utilised labour time per head.

\textsuperscript{21} National Sample Survey Organisation, 27th Round.
is unlikely to be shared by all workers, the percentage man
days employed has been converted into number of potentially
fully employed persons at the rate of 300 full working days
per person. The number of potentially fully employed persons
have been subtracted from those who do not find year round
employment. The resulting figure is assumed to remain as
open unemployed (standardised person years). The corrected
figures expressed in terms of stock of active population
relate to the rural farm population and casual workers.
Number of men employed (including the potentially fully
employed) is converted into the percentage rate of employment
using the census figures of cultivators and agricultural
labourers as the total rural labour force. Percentage rate
of employment (E) is regressed on the percentage area
irrigated (I). Statewise data on the percentage rate of
irrigation are obtained from the National Sample Survey
(No.215). Data on employment and irrigation pertain to the
year 1972-73 and 1970-71, respectively. We have assumed
that the magnitude of variables did not change over these
years, i.e. either statewise rates of employment were same
in 1970-71 as in 1972-73 or the rates of irrigation in
1972-73 were same as in 1970-71. In the absence of time
series data, the relationship is studied through the cross-

22/ Census of India - 1971: Population Statistics, Series 1,
Paper No. 2 of 1972.
sectional information. For the sake of forecasting, the cross sectional analysis will be relied upon. The linear regression equation is

$$E_r = a + b I + u \ldots \ (1)$$

or $$E_r = 65 + 0.30 I + u$$

(* Significant at 1% level)

The equation (1) reveals that if the rate of irrigation were 100%, employment rate for rural India would have been 95%. In estimating the equation, we have dropped the states like Kerala, Himachal Pradesh and Assam. Since these states fall in the natural rain area, irrigation is less likely to have any particular relation with the rate of employment. Himachal Pradesh and Assam falling in the Himalayan range receive, over a large part of the year, natural rain which helps agricultural employment without irrigation. Similarly, coastal influence in Kerala has made agriculture naturally productive and irrigation is likely to have negligible impact on employment. Rates of unemployment in these states are far below the average rate along with low rates of irrigation whereas for other states the relation is very much pronounced as indicated by the equation (1).

Underemployment being a reflection of low income, or vice versa, as a corollary rate of employment should be positively related with levels of wage rate. In so far as
opportunity cost determines the market wage rate, the rate of wage is likely to be influenced by the degree of underemployment. This is reflected in the following equation.

\[ W = a + b \cdot E + v \quad \ldots \quad (2) \]

\[ W = -11.73 + 0.15 \cdot E + v \]

(* Significant at 5% level)

Equation (2) through equation (1), implies that irrigation will increase the rate of employment which in turn will lead to better distribution of income. The equations are significant at 1% and 5% level respectively and are good fits of the sample.

5.8 Summing Up:

That a large share of population is in the grip of underemployment is evident from the official reports.\(^{23}\)

Also, the extent of labour underutilisation is higher among the small asset holders. Above study has been centred around the problems of agricultural employment particularly the eradication of underemployment. Production relations considered, for the sake of analytical simplicity, are only capitalist farming, identified with large size of holding and the self

\(^{23}\) National Sample Survey Organisation, 27th Round.
employed farming on small holdings. Despite these two classes of farm behaviour there are several forms of production relations. For instance, semi-feudal mode of production is dominant in the eastern Indian agriculture. Forms of unemployment and underemployment in such production relations need to be studied to pinpoint the strategic requirements of employment generation. Some directions towards the solution of agricultural unemployment have been spelt out in terms of distribution and technological alternatives, but these are some dim lights to design any concrete policy prescription. This is so, because inter-regional variation in the land distribution, land availability, agrarian structure, land quality, facility to extend irrigation etc. are not specifically taken care of. But as an overall approach land redistribution and irrigation are likely to be fairly important to improve employment and income situation in agriculture which generates a possibility of large market for local industrial goods. The positive impact on rural employment is likely to be much greater than is suggested in this study.

2h/ Bhaduri, A., op.cit.