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*The Landless Poor in South Asia**

INTRODUCTION**

The majority of the world's poor are among the 625 million people residing in the rural areas of South Asia¹. Poverty is massive both in absolute numbers and as proportions of the rural populations. According to various studies, by 1980 an estimated 265 million people (48 per cent of the rural population) in India, 52 million in Bangladesh (78 per cent) and 38 million (58 per cent) in Pakistan were living below the country-specific 'poverty lines' in rural areas². Although the data as well as the 'poverty lines' leave much to be desired, the absolute numbers in poverty are very large and increasing everywhere in South Asia.

The majority of the rural poor are (a) small and marginal farmers – owner cultivators, tenants and part tenants – with operational holdings less than two hectares and (b) agricultural labour households with little or no land who rely mainly on casual wage employment for their livelihood. Any measure to redress their poverty must concentrate on increasing productivity on small farms and employment opportunities for both groups. In particular the concern centres around the so-called 'landless'. It is widely believed that (a) they comprise a majority of the poor; (b) their numbers and proportions are increasing dramatically; (c) they are being by-passed by programmes designed mainly to benefit the landed; (d) the benefits of growth do not 'trickle down' to them; (e) few if any programmes have proved successful in increasing their incomes; and (f) apart from a radical programme of land redistribution little can be done to improve their prospects. Some go so far as to argue that growth has actually increased their poverty.

* The following paper is a very abbreviated version of that presented at the Conference. Space limitations prevented publication of the full paper but, as the author indicates below, its contents will probably appear as a publication of the World Bank. (Ed.)

** This paper draws heavily on the draft of my book *Small Farmers and the Landless in South Asia*, which is being submitted to the World Bank for publication. Numerous references to that work are referenced as Singh (1982), with appropriate chapters and pages indicated. The views expressed in this paper represent those of the author and not necessarily those of the World Bank.

More recently there has been an upsurge in the concern over the 'landless' as evidenced by a rash of recent publications on the subject³, so much so that a certain cynicism has set in⁴. The major concern is that by identifying the rural poor with the 'small farmer', many policies and programmes currently being undertaken by both national governments and international agencies may be irrelevant or even counter-productive. Esman (1978) has succinctly summarized this concern:

One of the principal fallacies in the discussion of rural poverty in the third world is to regard the rural poor as an undifferentiated mass of 'small farmers' . . . with relatively small but secure holdings, which with the help of improved technologies and cropping practices, inputs, production incentives and marketing could provide a decent livelihood . . .

In some countries there are many small farm households which more or less fit this image, and have a reasonable chance of providing decent family livelihoods under prevailing institutional conditions. They need and could benefit from the help of government and development agencies. But they are seldom the majority of rural households and they are certainly not the poorest. Below them in status, influence and material welfare are landless workers, tenants and sharecroppers and marginal farmers whose holdings are so small, often so fragmented, and of such poor quality that they cannot provide a livelihood from their holdings and must therefore deploy a large proportion of their family labour supply off the farm. While some marginal farmers could be helped by improved infrastructure, technologies, inputs and other measures identified with small farmer strategies, . . . in many cases and size and quality of their holdings make this unlikely, even when governments are prepared to undertake the greatly increased expenditures that these measures would require.

Conceiving the rural poor casually as 'small farmers' contributes to the continued neglect of those in the lower strata who are much poorer and in many countries far more numerous. Since we believe that any effective strategy of rural development must take explicitly into account the poor majority, we focus on the landless and near landless – those groups who are below the category of the 'small farmer'.

In the course of this paper we will examine some of these contentions to see if they stand up to the evidence from South Asia. In particular we will try to clarify the concept of 'landlessness' and to outline what programmes, if any, have succeeded in alleviating their poverty.

WHO ARE THE LANDLESS?

The problem of 'landlessness' is grossly exaggerated. Part of the problem is conceptual, and part of the problem is inadequate or poor data. Some of it is due to misleading and sloppy interpretation of the data and some may even

be politically motivated through a desire to exaggerate the problems of poverty by showing that currently designed growth strategies are bypassing 'a large majority of the rural poor who are landless'. What are the facts?

Conceptual Confusion

At least three alternative definitions for the 'landless' in rural areas are tenable: (a) those who *own* no land; (b) those who *operate* no land; and (c) those whose *major* source of income is wage employment. Each definition includes different but not mutually exclusive subsets of the rural population (typically these subsets overlap) and has different implications both with regard to the control over rural and other assets and how incomes are derived from them. The three are often hopelessly confused. Data on 'landlessness' *per se* is meaningless without adequate means to differentiate between these categories. Perforce, data are not up to the task.

TABLE 1 *India: agrarian profile and landlessness in rural India*
(Household numbers in millions)

	Owning land	Not owning land	Row total
Operating land			
(a) NSS: 1960-61	51.81 (71.5)	1.62 (2.2)	53.4 (73.7)
(b) NSS: 1970-71	54.7 (69.8)	2.2 (2.8)	56.9 (72.6)
(c) (Est.) 1980-81*	64.38 (67.0) (Group A)	3.33 (3.47) (Group C)	67.7 (70.5) (A + C)
Not operating land			
(a) NSS: 1960-61	12.2 (16.8)	6.8 (9.4)	19.0 (26.3)
(b) NSS: 1970-71	16.1 (20.5)	5.4 (6.9)	21.5 (27.4)
(c) (Est.) 1980-81*	23.6 (24.56) (Group B)	4.78 (4.97) (Group D)	28.38 (29.5) (B + D)
Total			
(a) NSS: 1960-61	64.0 (88.3)	8.46 (11.7)	72.46 (100.0)
(b) NSS: 1970-71	70.8 (90.3)	7.6 (9.7)	78.4 (100.0)
(c) (Est.) 1980-81*	87.98 (91.6) (A + B)	8.11 (8.4) (C + D)	96.1 (100.0) (A + B + C + D)

Note: Figures in brackets give percentage of total in each year.

Sources: B. Minhas (1970); NSS, 16th Round, 1960-61; NSS, 25th Round, 1970-71; taken from Singh (1982), Chapter 2.

The best way to look at the data on 'landlessness' is to construct a four-way classification on the basis of both ownership and operational distributions: (a) those who own land and operate it or a class of *owner-operators* (group A); (b) those who own land but do not operate any – rentier class of '*landlords*' or 'absentee owners' who presumably rent out all their land

TABLE 2 *India: percentage of landless households not owning and not operating land, select states, 1954-55, 1961-62 and 1971-72*

State	Percentage of house-holds not owning land			Percentage of house-holds not operating land			Percentage of house-holds owning but not operating		Percentage of house-holds neither owning nor operating		Percentage of landless house-holds leasing in land
	8th	Round 17th	26th	8th ¹	Round 17th	26th	Round ² 17th	26th	Round ² 17th	26th	Round 26th
Punjab	36.86	12.33	7.14	38.92	39.09	58.61	30.51	52.90	8.58	5.71	66.83 ³
Haryana	-	-	11.89	-	-	48.00	-	41.05	-	6.94	
Gujarat	-	14.74	13.44	-	25.41	33.75	11.78	25.47	13.63	8.28	55.98
Andhra Pradesh	30.12	6.84	6.95	42.80	37.95	36.05	32.03	29.68	5.92	6.37	83.58
Bihar	16.56	8.83	4.34	23.84	21.71	20.65	15.28	17.52	6.43	3.13	83.56
West Bengal	20.54	12.56	9.78	24.30	33.88	30.94	24.21	23.09	9.67	7.85	86.65

Notes ¹ Gives percent of non-agricultural holdings deemed comparable by Sanyal to 17th and 26th round; ² 8th round estimates are not available; ³ Includes Haryana.

Source: NSS data reported by SK Sanyal (1977) in Sarvekshana; taken from Singh (1982).

(group B); (c) those who do not own any land but operate some by renting-in from others – a class of *pure tenants* (group C); and (d) finally a group that neither owns nor operates any land – *purely landless* (group D). The all-India NSS data on this four-way classification for 1960–61 and 1970–71 (and extrapolated to 1980–81 on the assumption that similar trends have continued) are presented in Table 1. Such a classification was first made by Minhas (1970) using the 1960–61 data and we have added the 1970–71 NSS data and extrapolated. Evidence from *Indian* data which are the most complete shows that (a) ‘landlessness’ in terms of ‘those who own no land’ is small (10 per cent), and has declined in both relative and absolute terms, (b) ‘landlessness’ in terms of ‘those who operate no land’ is larger (around 28 per cent) and has increased in both relative and absolute terms, while (c) ‘landlessness’ in terms of ‘those who neither own nor operate any land’ (intersection of the first two) is very small (around 7 per cent) and has declined in both relative and absolute terms. Further, a substantial portion of ‘those who operate no land’ – nearly three-quarters – are owners of land. It is actually only the last category that has no access to land either through ownership or tenancies.

The all-India data hide marked regional differences. Sanyal (1976) has analysed the NSS data for six Indian states. This is quite revealing and is given in Table 2. ‘Landlessness’ in terms ‘of those not operating any land’ has increased significantly in many agriculturally dynamic states (Punjab, Haryana, Gujarat); but this should not be a cause for alarm, as it is the result of a larger proportion of the rural population moving away from agricultural occupations towards a growing and dynamic non-farm sector. In some agriculturally stagnant states (W. Bengal and Bihar) this type of landlessness has actually declined. These types of data on ‘landlessness’ suggest the *ambiguity* of the concept as it fails to distinguish between the consequences of dynamic from stagnant processes that have the same outcome – fewer people owning or operating land!

Mead Cain (1981) in a recent paper suggests that much of the NSS data has an upward bias because it shows many households ‘owning land’ when most likely they own only non-arable land – probably homestead plots. Although even these plots are used to grow crops, in some cases an adjustment is justified and Table 3 gives his adjusted figure for India. The evidence clearly suggests that ‘landlessness’ in terms of ‘those who own no land’ has been *declining* in spite of the oft repeated claims to the contrary⁵.

Much that has been written on ‘landlessness’ in *Bangladesh* is replete with confusion on definitions and data sources. No consistent set of data exists that allow us to say anything about *trends* in ‘landlessness’, although these have been inferred from a large set of disparate and non-comparable sources. What little is firmly known suggests that (a) ‘landlessness’ in terms of non-ownership of land is significant (29 per cent of all rural households), (b) the percentage of ‘landless labour’ to total rural households is large – around 30 per cent, and (c) this latter category has been growing in both relative and absolute terms and this trend may have accelerated in recent years⁶. As Cain (1981) points out ‘we have some confidence that the

TABLE 3 *Total landlessness and near-landlessness among households in rural India according to national sample survey data, 1954/55 – 1971/72*

(Households in millions)												
8th Round ¹ (1954–55)					17th Round ² (1961–62)				26th Round ³ (1971–72)			
Size of ownership holding (acres)	%	Adj.	Cumula- tive %	Adj. ⁴	%	Adj.	Cumula- tive %	Adj. ⁴	%	Adj.	Cumula- tive %	Adj. ⁴
0.00	23.09	(30.8)	23.09	(30.8)	11.68	(27.5)	11.68	(27.5)	9.64	(25.6)	9.64	(25.6)
0.01 – 0.49	18.01	(8.0)	41.10	(38.8)	26.23	(10.4)	37.91	(37.9)	27.78	(11.8)	37.42	(37.4)
0.50 – 0.09	6.16	(6.2)	47.26	(45.0)	5.31	(6.3)	44.22	(44.2)	7.45	(7.4)	44.87	(44.8)

Notes: ¹ For the 8th Round, ownership was defined as right of permanent and heritable possession; landholding was inclusive of all land, regardless of purpose to which put; ² For the 17th Round, ownership was defined to include ownership-like possessions; ³ For the 26th Round, ownership and landholding were defined as for 17th round; ⁴ (Adj.) gives the adjusted figures after correcting for errors in NSS data by *excluding* homestead land and leaving the proportion of households with *arable* land in each ownership category.

Sources: 8th: NSS Report No. 36, Appendix 3, Table 15, p. 71 and Table 8, p. 64. 17th: NSS Report No. 144, Table 3(1), p. 7 and Appendix 1, Table 2, p. 13. 26th: NSS Report No. 215, Table 2, p. 67. Tables taken from M. Cain (1981) 'Landlessness in India and Bangladesh: A Critical Review of Data Sources', The Population Council, New York (Working Paper No. 71, May 1981).

percentage of rural landless households at 29 in 1978, but beyond that little can be said'.

Nothing can be inferred directly about 'landlessness' – magnitudes of trends – in *Pakistan* because data are practically nonexistent. This is a serious lacuna in the agrarian data base. Data can however be 'constructed' from a number of sources and they show that (a) the proportion of rural households 'not operating any land', as well as the proportion of landless agricultural labour households as a percentage of all rural households, nearly doubled in the 1960s – from around 9 per cent to around 20 per cent. But this reconstruction is very weak and involves many assumptions about the data⁷.

What this evidence suggests is that apart from the shaky data the concept of 'landlessness' – whether in terms of 'not owning' or not 'operating land' – though of some value – should not be of primary interest. Nor do trends in 'landlessness' signify much in and of themselves. They need to be examined along with other evidence on the changing agrarian structure. Instead one should concentrate directly (a) on the conditions of cultivation for those who *operate* land – the size of holding, its productivity and tenurial status – and (b) on the conditions of *wage employment* for those who depend primarily upon wage labour in rural areas for their incomes⁸. For this a close look at the occupational distribution of rural labour households is more helpful. To this we turn next.

Rural labour households

Neither the magnitudes nor trends in 'landlessness' *per se* are of primary interest. Of greater interest are those rural labour households that depend *primarily* on wage employment in rural areas, or more specifically in agriculture (agricultural labour households). Both sets include not only the so-called 'landless' but also many marginal and small farmers who operate owned land, as well as small tenants who lease-in land and who have to supplement their farm incomes by wage employment. It is to this set of 'households' that the term 'landless' and 'near landless' is often loosely applied. The majority of the rural poor come from these groups.

Labour force composition

Data on rural labour are sparse, except for India, and they often conflict as they come from a variety of sources, but they all show that the *proportions* as well as the *absolute numbers* of rural households who have to depend primarily on wage employment are *increasing*. As a corollary those dependent primarily on farming as a source of income are declining.

The available data on the composition of the rural labour force by 'usual activity status' in South Asia are given in Table 4. A third of the rural population in Pakistan and Bangladesh and over two-fifths in India participated in the rural labour force. A quarter of these in India, a third in Pakistan and nearly half in Bangladesh were working on their own farms – that is were operating land as farmers or tenants. In India nearly two-thirds of the rural labour force are casual or agricultural labourers; in Bangladesh

TABLE 4 *South Asia: composition of rural labour force by usual activity status, 1972-78*

(In millions)

	Pakistan		India		Bangladesh		South Asia	
	1974	Est. 1978	1972-73	Est. 1978	1974	Est. 1978	(Est. 1978)	
Rural population	50.0	56.0	455.0	493.0	65.0	78.0	627.0	
Rural labour force	15.0 (30.0) ¹	17.0 (30.3) ¹	200.0 (44.0) ¹	218.0 (44.2) ¹	16.0 (24.6) ¹	24.0 (30.8) ¹	260.0 (41.5) ¹	
Proportion of rural labour	(100)		(100)		(100)		(100)	
Working on own farm	0.9 (6)	6.4	50.6 (25)	55.4	7.5 (48)	11.6	73.0 (28)	
Working as casual wage earners/agr. labour (Min)	0.9 (6)	1.0	78.0 (39)	86.0	4.0 (25)	6.0	93.0 (36)	
Working as helpers	4.6 (30)	5.1	45.6 (23)	49.7	4.3 (27)	6.6	61.0 (24)	
Working as non-agricultural sector and/or seeking work	4.3 (28)	4.8	25.1 (13)	27.5	²	²	32.0 (12)	

Notes to Table 4 – opposite: In Bangladesh only the Agricultural Labour Force was considered. While those working on own farms include part owners generally, a pure share cropper is also included here. In India the available breakdown was for farm and non-farm work combined. It was assumed that 74 per cent of the labour was for agricultural activities. For Pakistan the 1972 Agricultural Census gives higher estimates for labour force than the Labour Force Survey used here. 1978 estimates assume there is no change in the labour force structure from that which is known.

¹ Percentage of total rural population. Figures in brackets give the percentage of the rural labour force in each category.

² Included in other categories.

Sources: Government of Bangladesh, 'Agrarian Structure and Change: Rural Development Experience and Policies in Bangladesh', Dacca, May 1978, p. 64; World Bank, 'Economic situation and Prospects of India', Report No. 2431, April 1979, Table 1.8; Government of India 'Draft Five Year Plans 1978–83, Vol. II', Planning Commission, New Delhi, 1978, Table 1, pp. 100–3, 127. Government of Pakistan, Ministry of Finance, Planning and Economic Affairs, 'Labour Force Survey, 1974–75', pp. XIX, 67, 81.

25 per cent and in Pakistan only 6 per cent. These rely primarily on wage employment. But not all are dependent on agriculture. A quarter of the rural labour force in Pakistan and about 15 per cent in India work in non-agricultural occupations (data for Bangladesh are unavailable).

To what extent these large differences, in proportions of the population participating in the labour force, reflect poor data bases – for only the Indian data can be deemed anywhere near reliable – is uncertain; but the magnitudes involved are very large. In 1978 of 260 million in the rural labour force an estimated 93 million (36 per cent) were 'casual wage earners' or 'agricultural labourers', while another 61 million (24 per cent) were working as 'helpers' or were 'permanent labourers' on other farms. Only 73 million (28 per cent) worked on their own farms, while some 32 million (12 per cent) worked in the non-agricultural sector and/or were seeking work.

Magnitudes and Trends

(a) India

The trends in the rural labour force and its composition are harder to quantify due to lack of comparable data. The best comparable data are Indian and these are presented in Table 5 on a regional basis⁹. In the Indian data which is most comprehensive, rural labour households are defined as those households whose major source of income is 'wage paid manual labour', that is if 'wage employment for manual labour contributed more towards its income in the 356 days preceding the data of the survey than other two sources taken individually'. The emphasis is on 'manual' and on

TABLE 5: *India: changes in rural labour, 1964-65, 1974-75*

	Rural labour households						Agricultural labour households			
	Rural house- holds	As % of (1)	All	with land (millions)	without land (millions)		As % of (1)	All	with land (millions)	without land (millions)
1964-65										
North	16.5	(15.2)	2.5	1.1	1.4	(8.5)	(13.4)	2.2	1.0	1.2
West	17.5	(22.3)	3.9	1.4	2.5	(14.3)	(18.9)	3.3	1.3	2.0
South	18.3	(33.3)	6.1	2.4	3.7	(20.2)	(30.0)	5.3	2.0	3.3
East	18.2	(29.7)	5.4	2.8	2.5	(13.7)	(24.2)	4.4	2.4	2.0
All India	70.4	(25.4)	17.9	7.7	10.1	(14.4)	(26.6)	15.2	6.7	8.5
1974-75										
North	19.6	(18.9)	3.7	1.7	2.0	(10.2)	(14.8)	2.9	1.4	1.5
West	19.7	(25.4)	5.0	2.3	2.7	(13.7)	(21.3)	4.2	2.0	2.2
South	21.1	(40.8)	8.6	3.9	4.7	(22.3)	(34.6)	7.3	3.3	4.0
East	21.7	(35.0)	7.6	4.2	3.4	(15.7)	(29.5)	6.4	3.6	2.8
All India	82.1	(30.3)	24.9	12.1	12.8	(15.6)	(25.3)	20.8	10.3	10.5
Decade % Change (Increases)										
North	20.0		48.0	55.0	43.0			32.0	40.0	25.0
West	13.0		28.0	64.0	8.0			27.0	54.0	10.0
South	15.0		41.0	63.0	27.0			38.0	65.0	21.0
East	19.0		41.0	50.0	36.0			45.0	50.0	40.0
All India	17.0		39.0	57.0	27.0			37.0	54.0	24.0

Notes to Table 5 – opposite: (Figures in parenthesis give rural labour and agricultural labour households as % of all rural households.)

Note: Agricultural labour (drawing over half of their incomes as wages for agricultural work) households are 85 per cent of rural labour (drawing wages for labour in rural areas) households and 22 per cent of all rural households.

Source: GOI, Ministry of Labour, 'Rural Labour Enquiry 1974-75'.

'wage payment' – in cash or kind – so that we are concentrating on precisely the subset of occupations those without skills or assets would be engaged in. *Agricultural labour households* are a subset of rural labour households in that they are engaged in mainly agricultural activities – 'farming, dairying, horticulture, livestock or any practice performed on a farm as incidental to or in conjunction with farm operations and depend on wage labour as a primary source of income in the previous year'. (See *Rural Labour Enquiry 1974-75*, Summary Report.) Several features of the 1974-75 data need to be noted:

- (a) of nearly 82 million rural households in India *only a third* (some 30 million households) could be classified as rural labour households – that is those primarily dependent on wage labour¹⁰;
- (b) of these over four-fifths (84 per cent), over 25 million households but only a *quarter* of all rural households could be classified as agriculture labour households – that is dependent primarily on wage employment in agriculture and related activities;
- (c) there is considerable regional diversity, with the proportion of rural households that are labour households far higher in the East (35 per cent) and South (41 per cent), than in the North (19 per cent) and West (25 per cent)¹¹;
- (d) of all rural labour households, a little more than half (51 per cent) were 'without land' – that is cultivated neither owned or leased-in land and hence were totally dependent on manual wage labour, but these constitute only 15.6 per cent of all rural households. (Again these proportions are higher in the South (22 per cent) and lower in the North (12.2 per cent) and West (13.7 per cent;).) So while a *third* of all rural households are primarily dependent on wage employment, only a *ninth* are *totally* dependent on it. These are the rural landless labour households.
- (e) rural labour households have increased at a rate faster than rural households – this growth has been in excess of 4 per cent per annum in all regions of India except the West; agricultural labour households have increased similarly but at a slower rate of around 3.5 per cent per annum;
- (f) the number of rural labour households 'with land' has increased at the highest rate and their proportion also increased significantly;
- (g) the average size of rural and agricultural labour households increased from 4.51 to 4.7 for the former and from 4.47 to 4.76 for the latter in the decade¹².

The dynamics of the rural labour force in India are clear. While the absolute and relative numbers of those dependent primarily on manual wage labour have increased, the proportions of those dependent *totally* on wage labour have gone down even though their absolute numbers have not. Thus of 30 per cent of the rural households primarily dependent on wage employment, about half are landless labourers, but the other half are small and marginal farmers. This means that the significant increases in the ranks of agricultural labour have occurred through a process where an increasing number of those with small or marginal holdings have been pushed increasingly to rely upon wage employment, until it has become a primary source of income for them. We have already documented the main processes that have contributed to this outcome: (a) the subdivision of holdings into smaller and smaller cultivating units *via* inheritance and in the face of increasing population pressure on land; (b) the repossession of land held by tenants; (c) some distress sales of land by poorer farmers and to these may be added; (d) a rapid rise in the cost of living which may have forced small farmers to supplement their incomes *via* wage employment, so that labour displaced cultivation as a principal source of their income¹³.

(b) Bangladesh

Although the use of wage labour is fairly widespread in Bangladesh there is very little data on rural labour households. What little data are available have to be pieced together from a variety of sources, are recent and are summarized in Table 6. The estimates obtained are at best sketchy, but they indicate the broad dimension of the numbers. About 40 per cent of all rural households (between 4.5 – 5.0 million) can be classified as rural labour households – that is, those dependent primarily upon manual wage employment – in recent years. Of these about 75 per cent depend primarily upon manual wage labour in agriculture. Households not owning and not operating any land and which can be presumed to be wholly dependent upon manual wage employment constitute between a quarter to a third of all rural households. If we took the lowest figure for 1978, this last category would account for a population of over 13 million, while those dependent primarily upon manual wage labour in rural areas would be around 23 million¹⁴.

Fewer rural labour households in Bangladesh operate land than in India. One recent study of over 2,300 rural labourers who participated in the Food for Work programme in 1976 showed that 57 per cent had no land, while another 29 per cent operated less than one acre and only 13 per cent operated more than one acre. But again significantly, not more than two-thirds of the rural labourers were *totally* dependent on wage labour, even in this case. Again as in India, although the proportion of households 'neither operating nor owning land' may have declined (the figures are suspect, because the surveys are not strictly comparable), the proportion dependent *primarily* on wage employment specially in agriculture have increased dramatically.

TABLE 6: *Bangladesh: rural labour households in Bangladesh*

		1973-74	1977	1978	% Change 1973-74 to 1978
1	Rural population (mil.)	67.6	69.0	76.0	12.4
2	Rural households (mil.)	11.1	11.8	13.3	19.8
3	Households operating only leased-in land (mil.)	0.4	0.6	0.7	75.0
	(%)	(3.6)	(5.1)	(5.8)	
4	Households not owning (a) and not operating any land (mil.)	3.7	3.3	2.8	- 39.3
	(%)	(33.3)	(27.9)	(23.3)	
5	Estimated rural labour households (mil.)	4.4	4.7	4.8	9.1
	(%)	(39.6)	(39.8)	(40.0)	
6	Estimated agricultural labour households	2.8	3.4	3.5	25.0
	(%)	(25.2)	(28.8)	(29.2)	
7	Average household size	-	4.81	4.72	-

Note: (a) Those who owned no land other than homestead land.

(Figures in parentheses give percentage of all rural households in the category.)

Sources: 1. GOB and WB population estimates; 2 Januzzi and Peach (1977, 1978); 3. GOB Agr. Census (1960); 4 MSA (1967-68) cited in WCAARD and Robinson; 5. HES and BDs data cited in Jabbar (1978) and assumptions on labour force in WB Economic Report.

(c) Pakistan

Data on rural labour households in Pakistan is the scantiest of all. It also has to be pieced together from a variety of strictly non-comparable sources. Further, all we have to go on are estimates that are *residually* derived from the Agricultural Census and some direct estimates of agricultural labour from the Population Census. These broad estimates are given in Table 7. The figures are sketchy and probably unrealistic as they have been 'assembled' as it were from a variety of sources. Data on rural population and agricultural labourers are from the Population Census. The estimates depend crucially on the average size of rural households used. Since various estimates on household size are given, the estimates on rural labour in the table could also differ significantly. But nonetheless they are instructive.

To begin with, although the rural population increased considerably, the growth in the population of agricultural labourers increased far more slowly. The absolute number of agricultural labourers increased by some 20 per cent, but their proportion in the rural population *fell* from around 18

per cent in 1961 to 15 per cent in 1972. The remainder of the increase in 'rural households not operating land' – some 151 per cent in the decade – must have gone into other non-agricultural or non-wage occupations. This is confirmed by the rapid growth in non-farm employment and auxiliary sectors in the rural areas of Pakistan¹⁵.

TABLE 7: *Pakistan: rural labourers in Pakistan*

	1961	1972	% Change 1961–1972
1. Rural population (mil.)	42.9	65.3	52.2
Punjab	25.6	37.8	47.7
Sind	8.5	14.2	67.1
2. Rural household size	5.5	5.8	
3. Rural households (mil.) ^a	7.8	11.3	44.9
4. Farm households (mil.)	4.9	4.0	-18.4
5. Rural households not operating land (mil.) ^b	2.9 (37.2)	7.3 (64.6)	150.7
6. Agricultural labourers (mil.)	7.6 (17.7)	9.7 (14.8)	27.6
Punjab	4.8	5.8	20.8
Sind	1.6	2.4	50.0
7. Agricultural labour ^c households (mil.)	1.4	1.7	19.5

Notes: ^a Derived by dividing population by household size; ^b Residually derived (3 – 4); ^c 6 ÷ 2.

(Figures in parentheses are percentages of total rural households.)

Sources: 1. Census of Pakistan, 1961., vol. 3; 2. Pakistan Economic Survey, 1977–78; 3. Pakistan Housing Economic and Demographic Survey Vol. 2; 4. Part 1, 3 and 5; 5. All (I) – (IV) cited in M.H. Khan (1979) and GOP/FAO; 'WCARRD Country Paper for Pakistan' (p. 39 for household size); 6. M. Afzal (1974).

Agricultural labourers increased by 50 per cent in Sind compared to 21 per cent in the Punjab between 1961 and 1972; but the rural population increased by 67 per cent and 48 per cent respectively. So there must have been an increase in non-wage occupations in rural areas in both states – more so in the Punjab. But in what occupations? The 1972 Agricultural Census shows that out of a total of 5.5 million 'agricultural households', 4 million operated farms, but 1.5 million were classified as 'livestock

holders'. We do not know how many livestock holders there were in 1961, but Naseem (1979) has argued that livestock provides an important supplementary source of income for the landless, so that a decline in farming households has been offset by an increase in livestock households. He cites the considerable increase in the acreage to fodder during a period in Pakistan when draft animals were being replaced for farm power to substantiate his arguments. He concludes that during this period a large number of small and marginal farmers were forced to sell or leave their land and eke out their existence with livestock (buffaloes for milk) and specially small stock (goats). Further he reports an increasing trend towards hiring of wage labour on farms and suggests that on a 'crude measure of landlessness' (landless = rural-farming households), that 'from a low of 10 per cent in 1960 landlessness increased to about 48 per cent in 1972'¹⁶ . . . it ranged from 45 per cent in NWFP to 54 per cent in the Punjab'. These statements are probably conjectural at best. More likely, out-migrants and employment in non-wage occupations absorbed much of the increase in the non-farming population. These changes are not dissimilar to those in East Punjab where non-farming households have also increased dramatically and a high proportion of them are engaged in non-wage employment.

A detailed study by Eckert (1972) from a survey he carried out in the Punjab in 1971 is the only one of its kind for Pakistan that has as its focus rural labour and rural employment. Using his sample from 40 villages he estimated the occupational distribution: 69 per cent of the households were land owners or cash and kind tenants. Of the remaining 31 per cent of the non-farming households, some 13 per cent were classified as labour households (6 per cent permanent and 7 per cent temporary). The remaining 18 per cent were classified as artisans or shopkeepers. This is a different picture from that presented by Naseem. For 1970–71 he estimated some 3.2 million labourers and over 5.2 million artisans and shopkeepers. The artisan and shopkeeper category is specially large and included a number of trades whose income levels 'were tied to the prosperity of the village and this for most villages was related to the productivity of agriculture'. He estimated that perhaps 60 per cent of the hired labourers were only temporarily employed, worked one-third as many days as permanent workers (11.3 days/month against 29 days) and faced a constant struggle to find work. Temporary workers (called *kamees*) are most often used in harvesting operations by almost all farms while permanent workers were employed mainly on large farms. He estimated that 'more than 2 million Punjabis in the landless labour class of rural residents lived at the level of half a rupee per day per person'.

Wages, generally, rose in the Punjab. A 52 per cent increase in nominal wages in five years 1965–66 to 1970–71 was reported by Eckert for peak time operations – rice transplanting in this case. Artisan incomes also rose in real terms. A comparison of income per caput showed permanent labourers not much worse than tenant farmers, while temporary workers had incomes at least 10 per cent below their levels¹⁷.

Apart from the higher growth and productivity experienced in the West

Punjab, another factor affecting the composition of the rural labour force is migration. Rural-urban migration and, recently, migration for work abroad is a contemporary fact of some magnitude. Eckert's study found that 19 per cent of the households in his survey had an out-migrant and an equal amount had access to remittances as an important augmentation to their incomes and affected the investment pattern¹⁸. But the out-migrants are least likely to have been landless labourers or even tenant farmers as his study also found. So in spite of recent talk of 'rural labour shortages', as a result of out-migration to the Middle East it is unlikely that the main beneficiaries of this process have been the unskilled and assetless labourers, for the simple reason that they do not have either the means to migrate or the skills to market. Nonetheless rural-urban migration in the West Punjab has also been high, reducing the potential labour supply in rural areas. Eckert claimed that 'over one million labourers have left Punjabi home villages to take work elsewhere'¹⁹.

Recent data on the overlap between marginal farmers and agricultural labour are unavailable, but data from the 1961 Census showed that in Pakistan, out of a total of 3.2 million agricultural labourers only half a million were purely landless, the rest rented or owned some land in addition to wage employment. Some landless labourers are also engaged in a variety of other occupations – blacksmiths, carpentry, cloth weaving, pottery – and perform services or supply goods throughout the year for payment at harvest time. As such they comprise the service sector at the village level. The payment is often in kind and as a share of the produce. As different trades have been affected differently, some of these 'landless' have done better than those with land. In particular those with skills – the artisan class, blacksmiths, carpenters, and leather workers – have benefited from the general regional prosperity and are deemed in short supply. It is the temporarily hired landless labourers, those without skill and employed for less than half a month on average who are akin to agricultural labour households elsewhere in the subcontinent. They accounted for around only 8 per cent of all rural households in the West Punjab.

At the national level there are no other data pertaining to the magnitude and conditions of rural labour – a gap that is serious if one is to understand what is happening in the rural areas. Even given these crude figures it would be safe to conclude that although rural labour households have been increasing in number, their relative weight in the agrarian structure may have declined in Pakistan. In their place are increasing numbers of non-farming households relying on livestock and other artisan, trade related activities with wage labour to supplement their incomes. The proportion of the population relying wholly on wage labour is likely to be small and declining. This is in sharp contrast to the rest of the subcontinent except the Northwest – East Punjab and Haryana – where similar conditions prevail.

In spite of the varying numbers there is one feature that needs to be clearly emphasized – that 'small farmers' and 'agricultural labourers' are eventually overlapping categories. Since farmers with small or marginal holdings depend heavily on wage labour the distinction made between small

TABLE 8: *India: distribution of agricultural labour households^a by area of land cultivated, 1974 – 75*

Size group of land operated (Acres)	North	West	South	East	All
Nil	51.1	53.5	54.8	44.4	50.8
0.0–0.5	19.1	12.1	16.6	27.3	19.3
0.5–1.0	15.2	5.1	9.0	11.8	9.9
1.0–1.5	8.0	6.7	7.8	8.7	7.9
1.5–2.0	2.5	3.3	2.6	2.4	2.6
2.0–2.5	2.3	5.5	3.8	2.9	3.7
2.5–5.0	1.5	9.1	4.1	2.2	4.2
Over 5.0	0.4	4.7	1.4	0.3	1.6
All	100.0	100.0	100.0	100.0	100.0
Millions	2.92	4.19	7.23	6.39	20.72

^a Those households which have over 50 per cent of their incomes from agricultural wages.

Source: GOI, Ministry of Labour, 'Rural Labour Enquiry 1974–75'.

cultivating households and rural labour households is improper because they are not mutually exclusive sets. Table 8 with data from India illustrates this feature very clearly. It is wrong therefore as some writers have done to distinguish 'small owners', 'small tenants' and 'agricultural labourers' as separate categories and then to 'add up' the proportion of rural households in each. This is a form of double counting.

SOME FINAL NUMBERS

Despite the extreme diversity in South Asia and the difficulty with data comparability, we have been able to classify all rural households who depend primarily on wage incomes into three mutually exclusive categories:

(a) *Landless rural labour households*

Those 'who do not operate any land' and who have to rely mainly on wage employment often as casual agricultural labourers for their livelihood but partly also in the rural non-farm sector from employment in marginal activities. Raising farm productivity can provide benefits to them only

indirectly via an increased demand for labour, where and when it is forthcoming. In 1980 there were some 20 million households in this category and they accounted for 17 per cent of all rural households and 13 per cent of the rural population.

(b) Near landless households

Those with less than one acre (0.4 hectares) of operated area. The present holdings of this group of farmers are too small to provide a subsistence standard of living, even allowing for productivity increases that are likely in the future. These households are akin to the landless in their dependence on rural wage incomes as a major source of livelihood. They can also supplement their wage incomes through a variety of on-farm ancillary activities such as dairying and poultry. In 1980 the near landless accounted for 13 per cent of all rural households and 12 per cent of the rural population in South Asia; they also accounted for 22 per cent of all cultivated holdings and 4 per cent of the cultivated area.

(c) Marginal farmers

Those with between 1 and 2.5 acres (0.4 – 1 hectares) of operated area, whose holdings at present levels of productivity are too small to provide an adequate standard of living but whose incomes per caput could be improved substantially by future productivity increases. Nonetheless they still depend primarily on wage incomes to supplement their incomes from farming which provides them only with below subsistence incomes. In 1980 marginal farmers accounted for 17 per cent of all rural households and 16 per cent of the rural population in South Asia; they also accounted for 25 per cent of the cultivated holdings and 8 per cent of the cultivated area.

The data are given in Table 9²⁰. These three groups together accounted for 47 per cent of all rural households and 41 per cent of the rural population in South Asia in 1980²¹. These groups accounted for some 55 million rural households with a total population of 272 millions in 1980.

In addition there are some 19 million *small farmers* – those households with between 2.5 and 5 acres (1-2 hectares) of operated area whose holdings at present levels of productivity provide a standard living close to the margin of subsistence. Though they do not depend primarily on wage incomes they participate in wage employment to supplement their meagre farm earnings. Although future farm productivity increases could definitely provide them with an adequate standard of living they will continue to supplement these by seeking wage employment. In 1980 these households accounted for an additional 16 per cent of all rural households and 17 per cent of the rural population in South Asia; they also accounted for 21 per cent of the cultivated holdings and 14 per cent of the cultivated area.

CONCLUSION

It is true that the landless and near landless numbers in South Asia will

TABLE 9: *South Asia: estimates of small farm and landless households and population in 1980 (based on 1970–80 population changes and 1970s proportions)*

	Pakistan			India			Bangladesh			TOTAL SOUTH ASIA	
	H (mln)	FS	P (mln)	H (mln)	FS	P (mln)	H (mln)	FS	P (mln)	H (mln)	P (mln)
Landless rural labour (non cultivators with income from wages over half of total income)	2.0	4.5	9.0	15.0	4.4	66.0	3.0	4.6	13.8	20.0 (17.0)	88.8 (13.3)
Near landless (cultivators operating less than 0.4 ha)	0.2	4.9	1.0	14.0	5.0	70.0	1.1	5.1	5.6	15.3 (13.0)	76.6 (11.5)
Marginal farmers (cultivators operating 0.4 to 1.0 ha)	0.5	5.0	2.6	16.9	5.3	89.6	2.3	6.2	14.3	19.7 (17.0)	106.5 (16.0)
Small farmers (cultivators operating 1.0 to 2.0 ha)	0.7	5.3	3.8	15.9	6.1	97.0	2.0	7.1	14.2	18.6 (15.8)	115.0 (17.3)
Sub-totals	3.4	—	16.4	61.8	—	322.6	8.4	—	47.9	73.6 (62.4)	386.9 (58.1)
All rural households	10.1	5.8	58.6	93.6	5.6	524.2	14.3	5.8	82.9	118.0 (100.0)	665.7 (100.0)

Sources: As described in *Annex 3.I.* in Singh (1982).

Note: H, FS and P refer to households, family size and estimated population respectively.

continue to grow and with them the numbers of the poor will also continue to increase. The incidence of poverty too may increase in areas where agricultural stagnation persists. This is due fundamentally to (a) the underlying demographic pressures and (b) the failure of these economies to transform themselves rapidly by providing adequate employment in the industrial sectors. The result has been that the agricultural sector has had to provide employment and opportunities in lieu of failed industrialization. In the long-run *only* reducing the rate of population growth and increasing opportunities in the non-agricultural sector of these economies can eradicate poverty. But in the meantime – in the next decade or two – there are many programmes that can be pursued that have proved to be beneficial to the landless and near landless. These include (a) irrigation, (b) ‘green revolution’ HYVs and land-intensification and the extension and research to make them possible, (c) dairying, and (d) employment guarantee schemes and rural work or food for work programmes. But most critically those programmes that will accelerate the rate of agricultural growth and reduce the rate of population growth will provide benefits *directly* as well as *indirectly* to the landless through increased employment. Growth has not in general been ‘immiserizing’ and the ‘green revolution’ though a mixed blessing in some respects has had considerable benefits for the landless poor.

Of course redistributive land reforms would go a long way in relieving the plight of the landless in some areas, but it is an unlikely panacea for the vast problems of rural poverty in South Asia. In the long-run, mass poverty will only be eradicated by the industrial transformation of South Asia. On this path the economies of the region are now embarked.

NOTES

¹ *South Asia* throughout this paper is used to denote the three largest countries of the subcontinent – Bangladesh, India and Pakistan.

² For India see Ahluwalia (1977), for Pakistan see S.M. Naseem (1977) and for Bangladesh see A.R. Khan (1977). The proportions in poverty from the 1970s are extrapolated to get the 1980 populations.

³ See for example ILO *Poverty and Landlessness in rural Asia*, Geneva, 1977 and M.J. Esman *Landlessness and Near-Landlessness in Developing Countries*, Cornell University, 1978.

⁴ ‘The very recent fad about and display of interest in the landless is less due to a charitable concern on part of the established officialdom and academia than due to a very real bout of enlightened self interest arising out of the threat of disintegration to the established order in the face of the growing trend of landlessness and agricultural stagnation’, S. Adnan et al. (1978).

⁵ Esman (1978) for example. He also gives figures for the ‘landless and near landless’ in India of 53 per cent and for Bangladesh at 75 per cent. In an earlier version of his study he gave figures of 79 per cent for India and 88 per cent for Bangladesh.

⁶ See Januzzi and Peach (1980) on the 1978 results of the Land Occupancy Survey. Others who have given widely varying figures include Jabbar (1978), Abdullah et al. (1976), M. Hossain (1978) and A.R. Khan (1977). For details see Singh (1982) Chapter 2.

⁷ For example we estimate some 0.6 million agricultural labour households in 1961 increased to 1.6 million by 1972. See Singh (1982) Chapter 2 for details.

⁸ As Adnan et al. (1978) state: 'the liberal meaning of the term "landless" is far to imprecise and heterogeneous for any serious undertaking to identify the poorest target groups The moral from this would be that from the policy maker's point of view, identifying the landless and assetless "target groups," mere landholding stratification is not enough, given the significance of other forms of means of production in the non-agricultural sector'.

⁹ The figures differ from Table 4 both because they are for different years and because Table 4 refers to the rural *population*, while Table 5 refers to rural *households*.

¹⁰ This is lower than the proportion of the rural labour force, some 39 per cent, classified as 'casual or agricultural labourers' in 1972-73. The discrepancy can arise because individual members of households otherwise not classified as 'rural labour households' could still be seeking wage employment as casual or agricultural labour.

¹¹ Indian states are allocated to four broad regional groupings for analysis as follows: *North*: Jammu and Kashmir, Himachal Pradesh, Punjab, Haryana and Uttar Pradesh; *East*: Assam, Bihar, West Bengal, Nagaland, Mizoram, and Arunachal Pradesh; *West*: Rajasthan, Maharashtra, Gujarat and Madhya Pradesh; and *South*: Karnataka, Kerala, Andhra Pradesh and Tamil Nadu. These regions account for 22 per cent, 27 per cent, 24 per cent and 27 per cent of all rural households respectively and are not totally arbitrary sets. See Singh (1982).

¹² Data not shown in Table 5. See Singh (1982).

¹³ Some of the households listed as rural labour in 1974-75 may have been tenants whom their landlords listed as labourers to conceal their tenancies. The extent of this bias is not known. See Singh (1982), Chapter 2, on the changing agrarian structure in South Asia.

¹⁴ See Singh (1982) Ch. 2 for discussion of data sources.

¹⁵ See Singh (1982), Ch. 8.

¹⁶ Our table shows an increase from 38 per cent to 65 per cent, but Naseem is unclear about his definition.

¹⁷ The annual incomes per caput cited are: large farmers (Rs 1102), small farmers (Rs 318), tenant farmers (Rs 200), permanent labour (Rs 192) and temporary workers (Rs 173, Eckert (1972) p. 57.

¹⁸ The role of remittances as sources for investible capital is equally important in E. Punjab.

¹⁹ Over what period of time is not mentioned.

²⁰ The 1980 projections are based on the agrarian structures prevalent in the 1970s and the population changes estimated between 1970-1980. See Singh (1982), Chapter III for details.

²¹ Recall that family size is positively related to size of holding so that the proportion of households is larger than the proportion of population accounted for by poorer households. We are also aware that land size without reference to productivity means little. Still these are fairly meaningful groupings. See Singh (1982) for details.

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DISCUSSION OPENING – MUBYARTO

The topic concerning the poor, especially the landless poor, has by now become quite familiar to all of us, not only for agricultural economists but for social scientists in general. Even the general public are quite aware that in the developing countries the landless in agriculture or the rural sector are always part of the society who are poor because they are the majority of the rural population who own no wealth or assets to earn a regular income. They only own their labour and its utilization depends more on the owners of capital who are much fewer in number. The result is that this labour has a very low price. Dr Singh starts his paper by saying that there is usually still confusion about who are the landless, because there are at least three groups:

- (a) those who own no land;
- (b) those who operate no land and
- (c) those whose major source of income is wage employment in rural areas.

And then he asks what are the facts? The question is interesting because this indicates that he wants to present facts and nothing but facts. We should be

interested to know whether he succeeds or not in obtaining and presenting facts. The problem we face is that the three groups of the rural poor mentioned above, especially the small farmers and agricultural labourers, are in fact overlapping which makes it difficult to estimate the exact number. Consequently it is also difficult to formulate precise policies to solve their problems.

Dr Singh recognizes and suggests that underemployment in the rural-agricultural sector is high. But on the other hand he warns us that available statistical data on this are highly unreliable. In other words he seems to suggest that our conventional concepts of unemployment, underemployment and disguised unemployment are not always relevant and should be used with great care. This is of course not a new problem, we are only reminded of it again.

I am very interested in and I agree with Dr Singh's statement that although employment and income opportunities have increased for rural labourers, the conditions of employment have become more risky: material conditions may have improved but the sense of personal security has probably deteriorated.

Let me close my opening of the discussion by asking some general questions:

1. Dr Singh provides us with a lot of statistics on rural landlessness and rural poverty but the impression we get is that we still need more statistical data especially at the district level. Do we really still need yet more statistical data?

2. In the long run, mass poverty will only be eradicated by the industrial transformation.

What precisely is meant by 'industrial transformation'?

3. Some of us have been in the 'business' for 20–25 years. The poverty and the landless were there 25 years ago and are still here today. Research workers have been working hard during the period. Do we now have any well developed theory to help analyse the roots of the problem or do we really need any new theory at all? If we think we have enough theories already do we think that the problem is really not the theory but its implementation?

If there are policymakers in LDCs who say 'no more seminars, please, just act'. What should we say to them?

5. It has been said that all conventional concepts on unemployment and under or disguised unemployment are misleading. What is the substitute? What concepts do we need?

6. Can we easily compute growth rates at the district level in order to study the trickle down effect? Is it not asking too much?

7. The more you collect statistics the more the likelihood is that we know less and less about poverty and moreover we will have less faith in poverty statistics.

What should we suggest to our research workers?

GENERAL DISCUSSION* – RAPPORTEUR: H.M.G. HERATH

Regarding the paper by Ryohei Kada, the analytical distinction between farm, off-farm and own-farm income was felt to be very useful for policy purposes. The existence of off-farm employment helps equalize incomes between groups, particularly for those groups with very little land. However, the question of what the farm household does with the income obtained through off-farm activities had been ignored in the paper and this further information was considered desirable. The point was also made that the root cause of why part-time farming develops in some countries and not in others had not been made clear. It was felt, in particular, that Dr Kada's suggested causes, namely the pattern of farm sizes, existence of transport facilities and location of industry, may in fact be dependent on the relative importance of part-time farming. It was also suggested that the income equalizing effects of part-time farming may be limited by interregional differences. A study done by the Department of Agricultural Economics of Reading University on Cyprus was cited as an example. The possibility of expanding off-farm employment for equity purposes was generally felt to be a prudent approach.

There was criticism that despite the critical analyses by Dr Singh, the definition of landlessness was still not clear, particularly with respect to the issue of renting in and renting out land. Many agreed with Dr Singh's conclusion that landlessness, poverty and rural unemployment were based on highly exaggerated estimates. The point was made that Dr Singh supported his conclusions by analysing data from the Punjab and Haryana, which was felt to be insufficient from which to generalize the findings for the whole of South East Asia. Also, the observation that the female component in labour has been rising, particularly after 1971, had not been explained. The need to consider rural public works as a strategy for raising rural wages was emphasized. In reply it was stated that the observations were made not only by analysing data for the Punjab and Haryana but also data from all states of India.

Participants in the discussion included M. Upton, H. E. Breimyer, F. Baffoe, K. Ahuja, Arun Kumar, Richard Meyer and Surjit Bhalla.

*Papers by Kada and Singh.