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NOTES AND COMMENTS

LAND TENURE REFORMS

It is now over a decade since the Government of Bengal appointed the Floud Commission to inquire into the effects of the Permanent Settlement on the economic and social structure of the Province and to report whether it is practicable and advisable for Government to acquire all the superior interests in agricultural lands so as to bring the actual cultivators into direct relation with the Government. Since then, this question has been examined in most of the Provinces where the Zamindari system prevails but no province, except Madras, has given effect to any of its schemes to reform this outmoded tenure. Even Bengal, the pioneer province in this field, after making considerable progress with the formulation of the policy, has now receded. According to a recent report, the Bengal Government has still "under consideration" a scheme for the abolition of zamindari in the Sundarban areas. The Government of Madras, after six months since the Governor-General gave assent to the Madras Abolition of Zamindari Act, has now decided to take over 33 important estates out of 6,300 zamindari and Inam estates in the province. The Governments of Assam, Orissa and the C.P. & Berar do not seem to attach much significance to this reform. Even this slow progress has received a further set-back from the Centre's directive that compensation should be paid only in cash (i.e. not in bonds) and that the Provinces should not expect any financial help in this connection from the Dominion Government.

Apart from this dilatoriness, the Provinces seem to have taken a very narrow perspective of the new order that is to replace the old. In fact, except in the case of the U.P., it is difficult to form any clear idea of the new tenure that is to be evolved after abolishing the zamindaris. In the absence of well defined objectives and practicable methods to achieve them, such hap-hazard efforts to abolish the zamindari tenure would give rise to a situation worse than the one attempted to improve. For one thing, we have to ascertain which among the various types of

farming—the peasant proprietary, the co-operative or the collective—is most suited to our conditions. Having decided upon the suitable pattern according to the needs of the region, the Government would have to prepare the ground for the introduction of the new system as soon as the zamindari tenure is abolished. Except in the case of the U.P., the other Provinces have only hazy notions about the future pattern of land-tenure they would adopt.

The second factor which is apt to create difficulties in the way of this reform is the mode of compensation. Should the Provincial Governments compensate land-lords by paying cash in lump sum, the payment, amounting to about Rs. 341 crores, would only accentuate the inflationary trends and make the economic conditions worse. It is interesting to note in this connection how the Saurashtra Government is overcoming this difficulty. Here the Bhayats, the Girasdars, the Taluqdars and similar other land-lords akin to the zamindars had been paying to the State a revenue amounting to 12½% of the rent collected from the cultivators at the time of conferring on these land-lords rights in land. The present Government, however, has decided to take the estates under its control and towards that end, applied the Bombay Land Revenue Code and the Bombay Tenancy Act to these areas. Rents payable to the land-lords have been brought down to the level of land revenue paid by occupants in similar Khalsa villages and all indirect cesses have been abolished. At present, the rents are collected by the land-lords who continue to pay to the Government 12½% from the collections, towards the cost of amenities such as education, medical facilities etc., provided to the people in these areas. The rights of the land-lords relating to titles to their lands are curtailed by restricting sales of land to their occupants or to the occupants of adjoining fields or holdings. The Government intends to collect, in due course, rent directly from the tenants and to pay the landlords their share after deductions by way of collection charges and cost of amenities supplied to the rural population. These measures are expected to gradually weaken the landlords' hold on the tenants on the one hand, and to facilitate ownership of land by the cultivators themselves, on the other. This is a sound and practical method of gradually eliminating the intermediate interests without heavy financial commitments.

Judged in this light, most of the Provincial measures for the abolition of the zamindari tenure are found wanting in many respects. For instance, they make no clear-cut provision with regard to land retainable by the zamindar. There is no well-defined procedure laid down for allotting land to efficient cultivators. Little thought is given to the building up of suitable administrative machinery for implementing the

land reform schemes. Some provinces are not clear about the elimination of the intermediaries below the statutory ryot. The opportunity offered by the abolition of zamindari to consolidate fragmented holdings is overlooked. The necessary safeguards against accumulation of land or splitting up of holdings in future are not provided for. The most noticeable defect is the lack of suitable agency in the villages to secure better land management.

It is pertinent to refer here to the experience of Rumania where the authorities, after World War I, due to over-zealousness to eliminate the remnants of feudalism in agriculture, compensated them and, without any comprehensive and clear-cut plan, proceeded to parcel out the estates among the cultivators. The unhappy result was that "The big land-owners who were compensated for their losses by state bonds, controlled the banks which granted agricultural loans at high rates of interest. They obtained interest on the State bonds they held. And all this had to be paid for by the peasant. The peasant, now nominal owner of a small strip of land, insufficient for the upkeep of his family, was burdened with the payment of taxes, dues, and interest on his mortgaged property. He was, in fact, even worse off than if he had possessed no land at all." The Provincial Governments concerned would do well, at this juncture, to bear in mind that the problem of abolition of zamindari is more vast and complex than it is generally taken to be. We have not only to demolish a pernicious system of tenure but also provide for meeting the new and complicated problems such a step would create and also plan for building a sound agrarian structure in its place. To ignore the latter aspect of the problem would be courting disaster.

THE SIND HARI ENQUIRY COMMITTEE

While it is planned to replace the feudal tenure of zamindari with peasant proprietorship in the Indian Union, the trend in Pakistan appears to be inclined towards giving a fresh lease of life to the landlord-tenant system of cultivation so widely prevalent in Sind. This is the impression one gets on going through the Hari Enquiry Committee's Report which was submitted to the Government early in 1948.

For a long time, economists in Sind had been pleading for the aid of law to improve the lot of the Haris. This problem is of vital significance since, out of about 36 lakhs residing in rural Sind, nearly 20 lakhs comprise Hari population. The Hari is a share-cropper who engages in farming by trading his labour and that of a pair of bullocks in return for a theoretical half-share of the crops which he grows. The contract is yearly and can be terminated verbally by either party on the

expiry of one year or a crop season. The rent is generally half the crop plus Abwabs (Levies and Perquisites), which represent 1/20th of the Hari's share. He is subjected by some zamindars to forced and free labour. He has also to contend with a large number of disabilities imposed on him by the prevailing social system.

It must be noted that even the terms of reference before the Committee show a bias in favour of the zamindar and an unwillingness on the part of the Government to touch the susceptibilities of the land-owning classes. Thus, for instance, the Committee was asked "to make recommendations for improving the standard of living of the Haris without unduly disturbing rural economy." As if this was not enough, the Government wanted the Committee to "consider the advisability of creating safeguards for the protection of the zamindar if it is proposed to give rights to Haris which may operate to his (zamindar's) disadvantage." It was, therefore, natural that the majority of the Committee felt that "matters concerned with the nationalisation of the land and the abolition of zamindari" are not within the scope of their enquiry. With the field of inquiry thus restricted, the Committee has done its best to ensure better conditions of employment to the Hari. It has made detailed suggestions to reform the zamindari Batai system. The Committee, however, did not feel it worthwhile to replace the batai system by cash rents. It has defined in clear terms the obligations of both the parties. According to its recommendations, the Hari should supply his own labour and the bullocks and the implements. He is entitled to charge the zamindar half the cost of harvesting the produce; in the remainder of the crop, he is to retain half the produce in flow-irrigated, flood-inundated or rainfed land; two-thirds on lift-irrigated lands where the cost and maintenance charges of the lifting equipment are borne by him. Abwabs and free labour are prohibited. Where the crop yields straw, the Hari is entitled to two-thirds of it. He may be allowed to grow half-an-acre of fodder in Kharif land and an additional half an acre in rabi lands; in this case, he is to pay cash rent amounting to twice the land revenue assessment. He could cultivate free of rent, 1/40th of an acre each season for growing vegetables.

The Committee has drawn up a model tenancy agreement and recommended its compulsory enforcement on all zamindars. The manner and method of maintaining the Hari's accounts by the zamindar are prescribed. The rates of interest on his borrowings, the procedure of recovering his dues, termination of tenancy, etc., are also regulated. Hari Tribunals are proposed for settlement of disputes. While the majority took the view that the grant of permanent rights of tenure to Haris should be deferred indefinitely, the chairman (Sir Roger Thomas)

recommended that as soon as may be possible and advisable, one canal-irrigated taluka should be selected for granting permanent tenure rights to Haris and in the light of the experience gained, the grant of right of tenure in other areas should be further examined. There was also a plea from the majority of the members that the Government should obtain the fullest economic information before embarking on any radical changes in the land tenure system. Government was also advised to undertake surveys to ascertain the productivity of free-hold family holdings, peasant proprietary holdings and lands cultivated by Haris.

Two other main problems tackled by the Committee are reform of administration and rural development, as these too would substantially contribute to the economic betterment of the Haris. The Committee's views with regard to long-term policy for agricultural development are summed up in the Report as follows :—

“If Government is to pursue a progressive programme of social and economic development which will conform to modern world trends, it will have need to adopt a new approach to its land policy.

“If agricultural efficiency on privately owned lands falls below that on state managed lands, there will be justification for Government to adopt a modified land tenure system which will best meet the national needs.

“Government should consider the advisability of assuming powers to undertake the management of any agricultural land where it can be proved that proper use is not being made of it.” These views are significant.

Read as a whole, the Report betrays a conflict in the minds of the members who had to adjust their ideas of land reform to the rigid framework of the zamindari tenure system which the Government had expressly forbidden the Committee to touch. To us in India, it is encouraging that owing to the repeated assurances of the Congress in its resolutions and Election Manifestoes, the ground was already prepared for the demolition of the feudal order in our agriculture. The wonder, therefore, is not that it has been assailed but that it has not yet been demolished.

A SOCIO-ECONOMIC SURVEY

The Bombay University School of Economics and Sociology has undertaken a Socio-Economic Survey with reference to the drink habit in the rural areas in Bombay on behalf of the Provincial Prohibition Board, Bombay. The research scheme will be spread over a period of

three years. The work relating to the first year has just been completed. It is hoped that an examination of the budgets of the families in the rural areas in this way will give an idea about the changes in the consumption habits and pattern of domestic expenditure with the introduction of Prohibition. This in its turn will enable an assessment of benefits derived by the rural population from this important piece of social reform. The questionnaire drawn for the purpose has been made so comprehensive that the enquiry will yield valuable data on the rural economic conditions and the working of Prohibition in addition to those on points listed earlier.

For the purpose of the actual survey eight villages were selected from each of the Surat, Thana, and Dharwar districts, to represent the heavy and light drinking regions both in regard to liquor and toddy. On an average, 125 families were selected from each village by random sample to represent the addicts and non-addicts from the rural economic classes and communities. A special feature of the survey lies in the fact that in order to get a comparative view of the changes in the conditions, the same families will be kept under observation for all the three years. The field work was carried by the post-graduate students of the University School who were specially intensively trained for the purpose. The results of the enquiry will be awaited with interest.

ECONOMIC CONDITIONS IN SAURASHTRA

At the instance of the Government of Saurashtra, Prof. C. N. Vakil, Director of the Bombay University School of Economics and Sociology has undertaken an Economic Survey of Saurashtra. Prof. Vakil will be assisted in this work by Prof. M. L. Dantwala, Dr. D. T. Lakdawala and Dr. M. B. Desai, members of the staff of the University School. It is also hoped to enlist the co-operation of the post-graduate students of the School and teachers and students of Economics in the Colleges in Saurashtra. The Survey is expected to take about two years to complete. The Saurashtra Government has sanctioned Rs. 50,000/- to meet the cost of the Survey.

Inaugurating the Survey at Rajkot on the 28th August, 1949, the Chief Minister of Saurashtra, Hon. Sri U. N. Dhebar, spoke on the utter paucity of economic data relating to Saurashtra and vividly described the unorganised nature of the economy and the administrative machinery of the region on the eve of the merger of the innumerable states and the birth of Saurashtra as a unit. He expressed the hope that the Survey will give the Government the basis on which they will be able to proceed with the reconstruction of the economy of Saurashtra. In view of the backwardness of the region, and inadequate data and

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the infant Governmental organization, the Survey can be largely of a preliminary nature, although it will undoubtedly serve as a basis for intensive studies in future. Although the Survey will touch all the aspects, Saurashtra, like the rest of the country, being primarily an agricultural area, a substantial part of the survey will deal with agriculture and allied industries and the economic conditions of its rural population. Thus it will make a valuable contribution to the literature on Indian Agricultural Economics.

ABOUT OURSELVES

At the Ninth Annual Conference of the Society held at Hyderabad in December 1948, the Hon. Secretaries, in their Report for that year, had briefly indicated the programme of work of the Society for the subsequent year. We are glad to inform our Members that we have by now made considerable progress with regard to this programme. The Socio-Economic Survey of Bhuvel was published in Gujarati in March this year and the English edition of the same was brought out in August. This study which was prepared during 1946-47 covers all aspects of life—economic, social, cultural, religious etc., in a village in Baroda. In this undertaking, we were assisted by the then Government of the Baroda State, who readily placed the services of all Departments concerned at our disposal to help us in studying technical problems such as sanitation, health, classification of soil, irrigation etc. The Monograph on Rural Life in Baroda has also been printed. This Monograph has been prepared on the lines of the League of Nations' Monographs relating to the Continental countries. It will be supplied, together with the Bhuvel Survey (English Edition), free of cost to members. Dr. Deodikar's thesis on "A Design on the Lay out of the Indian Transport and Communication System" is expected to be published next month. This brochure brings out the inadequacy of means of transport and communication in the country in general and in rural areas in particular and puts forward a scheme for providing these facilities speedily and at a low cost.

The more ambitious part of the programme of work during the year is compilation of "Readings in Agricultural Economics." In this series, we will be bringing out some volumes on the important problems of agricultural economy such as Agricultural Price Policy, Agricultural Rehabilitation, Land Tenure and Tenancy, etc. Each volume will contain selected extracts on the subject, from various works of experts in America, England, India, and elsewhere. This work is in progress. We thankfully acknowledge here a grant of Rs. 10,000/- by the Reserve Bank of India towards the cost of preparation of these volumes.

It is encouraging to note that the Indian Council of Agricultural Research has sanctioned a grant of one-third of the cost of publication of the Society's Journal. The Government of India have exempted donations to the Society from payment of income tax. We have also approached the Government of Bombay and the Centre with a request to give us a grant. We hope that the authorities will consider our case sympathetically and give us liberal help so that we may expand our research activities.

The Tenth Conference of the Society will be held near Madras in December next. Members will be informed of the exact venue and the dates of the Conference when they are decided upon. They are, however, requested to send papers for the Conference before 15th November 1949. The following are the subjects for discussion :

1. Problem of the Low-Income or Sub-marginal Farmer.
2. Taxation of Land and Agricultural Income.
3. Economics of Milk Production and Distribution.
4. High Prices and Rural Prosperity.

It will not be possible to get cyclostyled the papers received later than that date for distribution at the Conference, although they would be taken up for discussion.