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negligible. However, large scale cases of transfer of land in anticipation of ceiling legislation might have resulted in some redistribution of land except where such transfers were *benami* in nature. Ceiling on future acquisitions must have also operated against further concentration of land.

The existing holdings are not only small, these are under a constant threat of being further sub-divided. Consolidation of holdings does not generally increase the size of a holding but it increased only its operational efficiency, by making it more compact. The legislation for prevention of sub-division and fragmentation, which has been enacted in most of the States, prohibits partition, transfer or leasing of a holding or a plot thereof which results in creation of a holding or a plot below the specified size. Partition and transfer, etc., of holdings or plots which are already below the specified size are also disallowed. However, there are practical difficulties in the enforcement of these provisions, especially those which regulate partitions. The co-sharers generally partition the land informally without having recourse to the court. It is also not easy for courts to decide the cases of partition due to the operation of the Law of Inheritance and the lack of alternative means of livelihood. It is only through co-operative farming that it is possible to increase the size of an operational unit without increasing the size of an ownership unit or to preclude the division of an operational unit when there is division of an ownership unit. However, the progress in this direction has been very slow.

In the absence of comparative data, it may not be incorrect to assume that the above measures have not helped to improve both the size and distribution of cultivated holdings. On the whole, it may be said that while land reforms have largely succeeded in removing functionless intermediaries between the State and the cultivator, it has failed to solve the problem of uneconomic holdings or to correct the structural imbalance between land and labour.

LAND REFORMS IN ITALY

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Ten years have elapsed since passage of the "Sila" and "Extract" Laws enabled the Land Reform Agencies to begin their work in the areas of extensive farming of Italy. Enough time then has passed for a first appraisal of the results of one of the most important Acts of the new Italian democracy.

The first result of the reform is seen in the disappearance of the large extensively farmed properties of the poorest agricultural regions. In their place today one finds both the small peasant farm and the medium-sized farm established with

the help of new investments on the residual part of the old large properties (Table I).

TABLE I — DISTRIBUTION OF PRIVATE LANDED PROPERTY

Size-group (Hectares)	Situation in 1947		Probable Situation in September 1955	
	Area (in) Hectares	Percentage	Area (in) Hectares	Percentage
Under 10	8,991,025	41.7	9,836,643	45.6
10-200	8,788,471	40.7	9,056,308	42.0
200-500	1,946,595	9.0	1,740,000	8.1
500-1,000	971,159	4.5	570,000	2.6
1,000 and above	875,701	4.1	370,000	1.7
Total	21,572,951	100.0	21,572,951	100.0

Source: G. Medici, *La distribuzione della proprietà fondiaria in Italia*, Vol. I, Rome, 1956

But the reform has not spent itself in the mere breaking-up of *latifundia*. It has been integrated by an increasing number of private and public initiatives paving the way for a radical transformation of local communities. This is why foreign observers also have passed largely favourable judgment on the Italian land reform.

Regions such as the Maremma, the Apulian "Tavoliere" and the shores of Basilicata, which a few decades ago were malarial and inhospitable are now dotted with thousands of owner-cultivated farms, with medium-sized farms around them, which have made wonderful headway and which support complementary industries and trades.

Land reform then has played a very definite part in the economic development of the last decade. Land redistribution and the large public investments in such fields as reclamation, irrigation, land development, machinery, livestock and farm supplies, have jointly contributed to set into motion regions geared over centuries to the traditional pace of an archaic society which could never alone have found force for renewal (Table II).

TABLE II — AMOUNTS EXPENDED FOR WORKS, LIVESTOCK AND MACHINERY BY THE REFORM AGENCIES

(In millions of Lire)

Rural Centres and Houses	Land Transformation	Aqueducts and Electric-Power Lines	Livestock	Machinery
122,818	100,374	5,271	13,653	34,783

Source: INEA, *Annuario dell'Agricoltura Italiana*, Vol. XIV, Rome, 1961.

Land reform programmes are to be credited with a notable increase of agricultural production on the redistributed lands (Table III). Furthermore,

they have stimulated capital investment on already existent farms as well as development of rapidly growing non-farm activities. The overall result is a higher degree and a greater stability of employment.

TABLE III — GROSS SALABLE OUTPUT VALUES IN REFORM AREAS

Year	000's Lire per Hectare	Index 1953 = 100
1953	71.3	100.0
1959	123.4	173.1

Source: INEA, *Annuario dell'Agricoltura Italiana*, Vol. XIV, Rome, 1961

Alongside with a considerable increase of labour returns, land reform farms on the average have also achieved higher capital returns. A difference of about 15 per cent above the capital productivity level observed for non-reform farms has been estimated. This is due to the widespread adoption of technological innovations which allow an appreciable saving of capital per unit of product. The farm advisory services provided by the land reform agencies have greatly contributed to the above achievements.¹

But although the reform decided upon in 1950 has had the merit of completely transforming certain backward zones, one must recognize that the overall economic progress realized in Italy in the last ten years and the prospects opened by the broadening of markets, have determined the emergence of a new critical situation in agriculture, a situation that has two needs:

- (1) that of improving farming efficiency, which means achievement of a higher productivity per lira of capital invested and per man-hour employed; and
- (2) that of improving the standard of living of the rural people by means of a higher cash income and the provision of various facilities (piped water supply, electric power, etc.) which today are enjoyed by only a small part of the rural population.

There exist then new problems which call for continuity of the action begun by land reform with special emphasis on the modernization of the agricultural structure.

It is no longer a question of expropriating lands where the system of farming is extensive and the property rights vested in absentee landowners. Nor is it a question of demolishing positions of land monopoly, now gone for ever. It is a question of acquiring consciousness of the fact that for many peasant farms living conditions are not compatible with modern needs; nor are the physical resources available sufficient to allow adequate returns for even a minimum standard of living. Once the problem is understood and adequately measured, ways and means must be found which can lead to the establishment of farming

1. See the report issued jointly by FAO and the *Istituto Nazionale di Economia Agraria*: G. Barbero, *La riforma agraria italiana, risultati e prospettive*, Feltrinelli, Milano, 1960. FAO editions of the same report are forthcoming.

units corresponding to the above needs. In doing so, it must be borne in mind that today three fundamental factors affect farming and living conditions in Italian rural areas: the possibilities offered by technological progress, a sustained rate of migration out of agriculture, alongwith, the existence of vast zones where the land system is characterized by minute sub-division and excessive fragmentation of properties and farming units.

It is now recognized that the future structure of Italian agriculture will depend in great part on the population that will leave the land. In Italy the consolidation of small and fragmented holdings will continue to be a difficult undertaking, unless farmers themselves feel a strong need for it and develop local initiatives to consolidate their scattered parcels and to enlarge size of holdings by taking advantage also of abandoned contiguous parcels. In this sense the reform of the 1960 is also a land reform. But it must be said at once that the highest technical efficiency of the Italian farm is to be sought less in land solutions than in improved farm practices. And this remains true, even though minute sub-division and excessive fragmentation are widespread and restrict development possibilities of many zones. Reorganization of the land system is a slow and difficult process. Nor does it always encounter the natural sympathies of the rural classes it is intended to benefit.

Italian farmers have not yet shown a deep interest in solving such a problem. This is why the Civil Code, while establishing the indivisibility of the minimum cultivable unit, has not yet been integrated with rules and regulations by which to enforce it. Without discarding the advisability of compulsory public initiatives, it must be recognized that the implementation of a programme of land consolidation in a country like Italy, where individualistic beliefs are deeply embedded, does not present itself as either easy or speedy. Therefore, of all steps aimed at increasing immediately farm incomes, improved agricultural practices must come first and foremost.

It is necessary to set up an efficient advisory service that will ensure best use being made of farm resources and production equipment; it must encourage vocational qualification for all farmers and small cultivators in particular, and at the same time proceed towards those actions that will improve the market structure of agricultural products, *viz.*, development of rural industries, modernization of transport and storing facilities alongwith timely market information; encouragement of co-operative associations falls within such a scope.

Among public functions is surely that of keeping alive an agriculture which under all circumstances can furnish at market prices an adequate food supply for our dense population. And as all civilized nations are by now aware of this need, the moment would seem ripe for discussion of what sacrifice can be asked of the society, if it wants to ensure, with a better standard of living in rural areas, conservation of natural resources, and reorganization of land ownerships and farming units. Basically it is a question of appropriating the funds necessary (i) for carrying out those capital investments which bring about high labour productivity, (ii) for helping farmers to enlarge farms to the point that allows use of modern techniques and integration with modern marketing practices, and (iii) for determining a land use pattern consistent with land capability.

In regard to the last aspect, it is to be noted that the country's economic development, by affording more profitable employment in other sectors, has freed

about three million hectares of marginal land, which it would do well to place under woods, pasture and forage crops. Some have said that the needed change in land use points to the failure of the land reform policy. After ten years from its enactment I have expressed an entirely different opinion on the Italian land reform programme, judging it to be one of the successes of the Italian democracy, for it has been able to break up the last surviving *latifundia* without destroying model farms.

Land reform then was a wise act. But now it is necessary to think hard and quickly, in order to find a solution of the critical situation that menaces large areas of our country. Farming regions that were formerly in the vanguard of agricultural progress must now be considered backward areas. There must be timely and vigorous action in the *mezzadria*² zones of Central Italy before the peasants leave them. Share-tenants need to be helped to become tenants or proprietors of the lands they till. A too rapid rate of migration of the rural population from the hills of Central Italy can have harmful effects, because situations might arise that make utilization of abandoned lands extremely difficult.

ABOLITION OF TENANCY CULTIVATION

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Tenancy reform has been undertaken in Gujarat since 1936. But on account of war and other political developments the law could be systematically implemented only from 1948. The Tenancy Act was supplemented by numerous amendments and rules framed from time to time during the years 1948 to 1956 to fill the gaps revealed by the working of the legislation. (The period of roughly 20 years of tenancy reform finally culminated in the radical law passed in 1956 which sought to abolish tenancy cultivation altogether. Certain exemptions were provided for, under which lands belonging to widows, invalids, aged and others serving in the defence forces were allowed to be retained under tenancy cultivation. This should constitute a small proportion of the total cultivated area.) The shifting and final settlement of the claims of tenants in respect of their lands would take some time. The new land records would not reflect the emerging picture of land rights after the abolition of tenancy till this work

2. Special type of share-tenancy, whereby the tenant contributes all the labour and part of the working capital.