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PROBLEM OF THE SUBMARGINAL FARMER.

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The problem is two fold—it relates to the low money income and also to the low productivity income of the sub-marginal farmer. Though these two are interconnected, they are not identical. In times of high prices—the low productivity income may not appear to be a very serious problem. But in times of low prices, the low productivity income will baffle all attempts of the farmer to balance his budget. The first is a problem of the productivity of land. Of course the first is impinged in the second problem and logically therefore has to be dealt with first.

Causes for the low productivity of land in India have been enumerated so often that they have lost their freshness. Too much repetition has made them so obvious as to escape the attention of one and all. The fundamental cause for the low productivity of land in India, is the operation of the law of Diminishing Returns and all that it means. This law is an expression of the inherent tendency in nature. has to combat the operation of this law on all fronts. And that has been the strenous endeavour of all the nations. If the law is to operate unhampered, humanity would perish. It is a question of man versus nature. Instead of combating this grim and inexorable law in India we have been aiding and helping it to operate to its tragic and logical conclusions. The primitive implements, the unvaried techniques of the by-gone ages, the absence of adequate and right manure, the indifferent selection of seeds, have all intensified the operation of the law of dimini-Add to these, the frequent subdivision and fragmentations of lands. The average size of the agricultural holdings in England is 20 acres, in Belgium 15 acres, in Japan and China about 3 acres in United Provinces about 2½ acres and in Madras about 5 acres. In some cases the holdings are such tiny bits that a pair of oxen cannot turn round, with the result ploughing is impossible. The urgent reform needed is to consolidate the fragmented holdings, into decent economic units. The holding must satisfy the unit principle i.e., the farm must be large enough to permit the full employment of man and his oxen. When the holding is too small, the farmer is per force unemployed. To keep a pair of bullocks for ploughing $2\frac{1}{2}$ acres is obviously a waste because a pair of oxen can easily plough 10 acres.

The only method of increasing the yield of land is to rationalise our method and technique of production. No longer the cultivation can be left entirely to the plan of the individual farmer. For one thing he has no plan at all. He further lacks latest knowledge regarding improved seeds, manures and the availability and the utility of better implements. He has no financial capacity to secure these things even if he has a knowledge of them. Oftener than not his plot is too small, to permit planned and scientific cultivation. The cultivation of land therefore in each village must be controlled and directed by a committee say an agricultural panchayat. This body must organise and plan the cultivation and must secure the necessary requisites i.e., better seeds, good manure, implements etc. I call this Scientific Management in agriculture.

The term Scientific Management is closely associated with the improved technique and scheme of factory production, particularly in America. But the principle of Scientific Management is equally applicable to agriculture. By Scientific Management is meant, the organisation of production by an agency at the top which directs and controls production at every stage. In the old system of production, the different details and the technique are left to the individual's intelligence and initiative. But in the Scientific Management, the Managing Board has made itself so fully aware of the whole process of production down to its minutest details that it is able to plan and direct every individual worker. I want that the same principle of Scientific Management must be introduced in the field of agricultural production and the Board that must direct, plan and control must be the agricultural Panchayat with a small dose of expert advice or expert personnel thrown in occasio-Agriculture must be converted from being an occupation into an industry and must be planned likewise. Let us bear in mind that we are dealing with the Sub-Marginal farmer too weak both in equipment and knowledge to take initiative and effect improvement in his land and the method of cultivation. I do not have the big farmer in view. I refer only to sub-marginal farmer whose logical deterioration is into landless farm labourer.

The first step in the Scientific Management of agriculture is to integrate the small uneconomic plots and to introduce collective farming or co-operative farming. Any plan for mechanised large-scale farming must be set aside at once at it will lead to mass unemployment of agricultural labour. Mechanisation is not within the financial reach of the Indian farmer unless we introduce state-ownership and collectivisation in agricultural. This will be cutting at the root of our agricultural economy which is based on private proprietorship. Any attempt to interfere even indirectly with the proprietory rights will be resisted fiercely by the farmer. A sense of realism and

awareness alone can make our economic policies work and not grandiose plans on paper. The lack of realism has made many an economic policy of ours one of mockery. The sub-marginal farmer is real—too real. He cannot be dispossessed for the sake of our agricultural policy. To assume that he is non-existant and thus to plan state ownership, collectivisation, and mechanisation of agriculture is to err on the side of simplicity. The sub-marginal farmer is real. His uneconomic holding is real; his low productivity and consequently the starvation level of his income is real. These are grim facts. With him as the base we must construct our economic policy.

I prefer collective farming to co-operative farming, and not collectivisation with its implication of state ownership of land, because co-operative farming means each farmer is to do farming on his own initiative, is his own plot owned or leased with the advantages of co-operative credit, co-operative purchase of implements, etc. In co-operative farming the planning and direction are still with the individual farmer.* Collective farming is ideally suited for Scientific Management, in agriculture when we aim at maximum economy and efficiency. Of course, collective farming needs co-operative help at every stage.

Collective farming postulates consolidation of holdings. tion of the uneconomic units does not mean non-possession of the farmer, and Agricultural Panchayat must be empowered to compulsorily integrate the plots of the unwilling and the recalcitrant members and this power of compulsion is denied to co-operation. Secondly, the Panchayat must also act as the marketing agency. To carry out these functions the Panchayat must have necessary powers and finance, both of which must be provided by the Government. The Panchayat can take up the land of others also on lease in order to augment the farmer's income. Cottage industries suitable to the locality must be organised by the Panchayat. One method of improving the farmer's income is cattlefarming and milk-supply. This is an industry with which every farmer is familiar in the whole of our country, for ox is the axis of agriculture in India. Cow is venerated by him and if only he is given good breed and facilities for good feed for his animals he will take to this industry with enthusiasm and good results.

Coming to the money income of the farmer, it is a problem of agricultural prices. Violent fluctuations in prices are ruinous to the farmer. That a fall in agricultural prices is disastrous, is well-known to everyone, who remembers the depression between 1929 and 1939. But high prices

^{*} What the author describes is termed Co-operative Better Farming. This, however, is not the meaning given to Co-operative Farming in the literature on the subject. (Editor)

are also bad for the farmer. He is not accustomed to too much prosperity, and when he gets a good income, he does not know how to save and accumulate it. Periods of high agricultural prices lead to inflated land values and the farmer is either tempted to part with his land or borrow upon it. Hence a steady agricultural price is sine qua non of his well-being.

Depression in other industries may lead to the liquidation of the marginal firms and factories and the owners may not be seriously affected. They may not lose anything at all or if they lose it may be the share capital they have subscribed. Agricultural depression does not lead to the liquidation of the marginal farm but to the liquidation of the marginal and sub-marginal farmer. Hence a steady and satisfactory price must be ensured to the agriculturist and this can be done only by the Government. This is a problem not peculiar to the sub-marginal farmer only, but he is the person who is affected most by price fluctuations and the inevitable next slip for him is to degrade himself as a landless labourer.

Another way of augmenting the income of the sub-marginal farmer is to exempt him from land taxation. That our system of land taxation is very crude, oppressively regressive is admitted on all lands. The Sub-Marginal farmer has really no ability to pay and taxing him is against all cannons of equity. While the tax dodgers and the tax evaders plead for tax exemption, Sub-Marginal farmer is to pay through his nose this bit of taxation even if he has to borrow. The depression in the capital market is described as the non-co-operation of the capitalists who have totally disapproved of the taxation policy of the Government. The Capitalist can refuse to produce but not the Sub-Marginal farmer, for the obvious reason that he cannot refuse. This makes it all the more urgent and important that the land tax must be so organised as to exempt him fully.

In former days, in our country land was looked upon as an instrument in the hands of the community as a whole and the cultivation was carried on under the direction of the Panchayat. A foreign observer like Baden Powell has remarked as follows. "Where in places joint-stock or common cultivation of land is practiced it is not due to any archaic or supposed communist ideas but to suit special conditions and local circumstances." If we have to save the Sub-Marginal farmer, we must amend our conception of land ownership, land usage and agricultural prices.

My proposal is collective farming under a unified control: it is not collectivisation of land and dispossession of the farmer.