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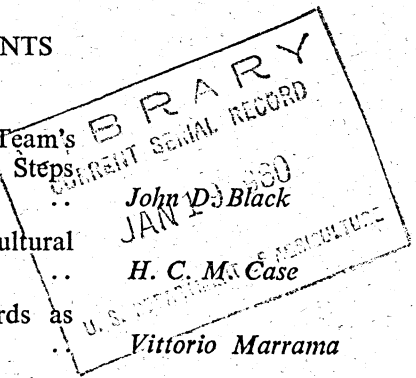
(Organ of the Indian Society of Agricultural Economics)

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sions. Through discussions and activities, international agencies and international meetings are working toward new theories and principles of world economics for the greater prosperity and development of all countries.

MORDECAI EZEKIEL

SMALL FARMERS, NOT SMALL FARMS

The First Report on Land Holdings, Rural Sector, gives some valuable information on the distribution, by size, of ownership and operational holdings. Professor Mahalanobis, in his Foreword to the Report, draws attention to "some interesting results" of the Survey. He has also indicated how the data in the Report would enable some preliminary calculations about the general effect of fixing ceilings and floors on land holdings at specified points. But, as he himself observes, the Report contains much material which would be of interest from many points of view and would be useful for many purposes.

One is familiar with the usual conclusions drawn from the data on the distribution of land ownership and use. The most obvious finding is that "the distribution was extremely concentrated with a small minority owning most of the land." A little over one-fifth of households did not own any land. About one-fourth of all rural households had a small parcel of land, less than one acre in area. A little less than half of the rural households had thus either no land or owned less than one acre and their share was only a little more than one per cent of the land owned by rural households. At the upper end, about one-eighth of the households had more than ten acres with a total share of about two-thirds of the whole area; and about one per cent of the households owned more than forty acres accounting for one-fifth of the area.

All this shows that we have a tremendous problem of landless labourers and uneconomic, sub-marginal farmers. From this, does it follow that the bulk of our farming is done on small and uneconomic farms? The analysis of the distribution of the land area in different farm size groups yields a very different picture. The table below gives the percentage of owned as well as operated land in various size groups :

Owned or Operated Holdings	Percentage of Owned Land in the Group	Percentage of Operated Land in the Group
50 acres and more	15.60	14.43
30 to 49.99 acres	12.45 (28.05)*	12.76 (27.19)
20 to 29.99 "	13.01 (41.06)	13.10 (40.29)
10 to 19.99 "	22.95 (64.01)	23.29 (63.58)
5 to 9.99 "	19.22 (83.23)	19.63 (83.21)

* Cumulative percentages in brackets.

It will be seen that as much as 83 per cent of land is owned and cultivated in size group of more than 5 acres. Assuming that a holding of 10 acres and more could be generally considered to be economic under our technique of cultivation, as much as 63.6 per cent of the total cultivated land was being operated in units of 10 acres and more. Though about three-fourth of all the households had either no land or less than 5 acres, at least two-thirds of the land in rural India was being cultivated in units which could not be characterised as uneconomic. The preponderance of uneconomic farmers would naturally mean *numerical* preponderance of small farms, but viewed in the context of the total cultivated land, it cannot be said that uneconomic farms are a *characteristic* or a *typical* feature of Indian agriculture.

The fact that in spite of heavy pressure of population on land, the bulk of the land continues to be cultivated in fair-sized units has significance for the understanding of the problem of concentration. Is concentration the result of the ownership of excessively large areas by a few wealthy land owners or just a reflection of the phenomenon of pressure of population taken in conjunction with the overall scarcity of land? Given the scarcity and the population pressure, ownership of no more than optimum farms by a small percentage of the farmers would create crowding at the bottom and "concentration" at the top. Assuming that ownership and/or operation of land above 50 acres is considered excessive, according to the NSS data, less than one-sixth of the land owned and operated by the rural households came within this category. If the limit of excessive ownership is placed at about 100 acres, no more than 6-7 per cent of the total cultivated land would answer that description. The table above shows that as much as 55-56 per cent of owned and operated land was in farm units between 5-30 acres. Persons owning or operating farms falling within this size-group cannot be charged with ownership or possession of excessive areas. 12-13 per cent of the area was owned or operated by persons with a size group between 30-50 acres. Whether this category could be considered as owning or operating excessive areas would depend upon individual judgments. Two things may, however, be noted regarding larger ownership. The acreage figures given in the NSS Report and referred to in this Note are not in terms of "standard" acres and therefore do not adequately reflect the productive capacity of the larger area; and, secondly, the average household size of the larger ownership-operative group as revealed by the NSS data is distinctly larger. It would thus appear that the phenomenon of landlessness and tiny holdings is at best partially due to excessive ownership or possession by a handful of people. The data given in the NSS Report are five years old and it is possible that the combined operation of land reforms and inheritance laws may have further reduced excessive ownership. The crowding at the bottom of the agricultural ladder is not entirely the consequence of the top few occupying excessive space. The main reason is that there are far too many persons who, in the absence of alternative opportunities of employment, have taken refuge at the bottom of the ladder. Thus, it is essentially a phenomenon of pressure of population and underdevelopment of the economy. Ceilings on land and redistribution provide a solution to the problem of excessive ownership. But since the phenomenon of excessive ownership encompasses, on a liberal view, less than 7 per cent and on a fairly radical one, less than 16 per cent of the total land, the remedial effect of these measures is likely to be limited. Similarly, co-operative farming is a rational solution for the problem of small farms but can hardly be considered as a remedy for the problem of small farmers.