
CHAPTER THREE: PLICIES AND PROGRAMMES IN INDIA AFFECTING
THE SIZE OF HOLDING

There have been important policies and programmes in the country during the planning period that have important bearing on the size of operational holding in India. Underlying them has been the concern for creation of economic holdings while concurrently reducing heavy concentration of holdings in the hands of a small section of the society. The grounds on which the move has been taken are two-fold : one, social, aimed at egalitarian distribution of the landed property and two, technical, aimed at evolving an economic unit to enable the adoption of technological innovations. The first ground culminated into the land reforms programme as an official measure and the Bhoodan Movement launched by Vinoba Bhave as non-official measure. Adoption of the New Agricultural strategy in mid-sixties necessitated the second ground. This chapter will, therefore, delve into these feature and thereby account for changes in the size of land holdings in the country.

3.1 LAND REFORMS PROGRAMME

The land reform programme outlined in the Five-Year Plans is an integral part of the schemes of agricultural development and rural reconstruction. Its two major

objectives are (a) Social justice and (b) Economic efficiency.

The Planning Commission¹ sums up the objectives thus :

(1) The first is to remove such impediments to increase in agricultural production as arise from the agrarian structure inherited from the past. This should help to create conditions for evolving as speedily as possible an agricultural economy with high level of efficiency.

(2) The second objective, which is closely related to the first, is to eliminate all elements of exploitation and social injustice within the agrarian system to provide security for the tiller of the soil and assure equality of status and opportunity to all the sections of the rural population.

For the fulfilment of these objectives, the major steps adopted under the land reforms programme are :

- (1) Abolition of intermediaries.
- (2) Regulation of landlord-tenant relationship.
- (3) Redistribution of land by placing ceilings on future acquisition and existing holdings and acquiring surplus areas above the ceilings, resettlement of landless agricultural workers and increasing the size of uneconomic holdings.
- (4) Consolidation of scattered holdings into compact blocks and prevention of fragmentation and sub-division of holdings below an economic size.

- (5) Development of co-operative farming by which small holdings will be pooled and cultivated jointly to increase the size of the operational unit.

Thus, land reforms aim at not only redistributing ownership holdings from the view point of social justice but also of reorganising operational holdings from the view point of optimum utilization of land.

An important feature which has received emphasis only since the attainment of independence is the abolition of intermediaries, popularly regarded as equivalent to the abolition of zamindari. While emphasizing the primary importance of the abolition of zamindari it is necessary to remember that, in India, it affects, in the main, the distribution of the total agricultural product and not the size and organization of the unit of agricultural production. This is because, in the first instance, the abolition of intermediaries does not mean the break up of large farms or farming estates or the redistribution of land, and secondly, because, even if this had been a part of the programme, there are, in fact, with the exception of a small number of regions, no large farming estates in India. The very description of the programme as abolition of intermediaries, emphasizes this aspect of the redistribution of the product and reduction of the burden on the actual cultivator. It

is conceived of essentially as establishing, as far as possible, a direct relation between the actual tiller of the soil and the state.

Tenancy reform or tenancy legislation has a much wider sphere of operation than legislation for the abolition of intermediaries. It has significance both in the zamindari and the Rayatwari states. Tenancy reform also, it will be obvious, does not affect the size and shape of the agricultural holding. It brings about, in the main, a redistribution of the total produce in favour of the tenant and also gives him a sense of security regarding the future which should react favourably on the economic and technical operation of the tenant-cultivator.

The fixing of ceilings on holdings is likely to affect the size of the unit of agricultural production much more directly than either the abolition of intermediaries or tenancy reform. The imposition of ceiling has two aspects viz., (1) fixation of upper limit for future acquisition in order to prevent accumulation of large areas of land in few hands in future; and (2) fixation of an upper limit on present landholding in order to secure equitable distribution of land. The well known phenomenon of sub-division of holdings has brought about in India a situation which has become a limiting factor in the enhancement of agricultural production

as well as in the prosperity of the teeming millions who have subsistence land.

Laws on ceilings, based on the national guidelines, have been enacted and are being implemented in practically all the states except Nagaland, Meghalaya, Arunachal Pradesh and Mizoram. However, the progress, in taking over and distributing surplus land has been tardy. Out of about 38.05 lakh hectares declared surplus in different states in March 1981, only about 25.03 lakh hectares have been taken possession of by the states, of which about 17.48 lakh hectares have been distributed. The distribution of surplus land has benefited nearly 28.22 lakh landless persons (about 0.6 hectares per person).

As the average land distributed per worker was about 0.6 hectare, it was uneconomical for cultivation and a good deal of it was converted into non-agricultural land. Agricultural production went down in the eight lakh fragmented hectares. If we take the figures supplied by the Ministry of Agriculture, the area declared surplus under the revised land ceiling laws in all the states is 16,42,821 hectares, while 11,75,709.6 hectares were taken possession of. Taking 5.5 lakhs as the number of villages in India, the land declared surplus works out to be about three hectares per village.

The Sixth Five Year Plan (1980-85) has observed; "The progress of taking over and distribution of ceiling surplus land has been tardy. --- Not much effort seems to have been made to assist the allottees to develop the land, as would be evident from the fact that the centrally sponsored scheme of assistance to assignees of ceiling surplus land has not been fully made use of. The implementation of the ceiling laws has been often hampered by slow disposal of appeals and revision filed by landowners against the orders of the revenue authorities".

Progress of land ceiling legislation through three decades of planning can be judged with the help of Table 3.1 which gives statewise details of area declared surplus, area taken in possession and area distributed by 1980-81.

In the Table 3.1 it can be seen that only 46% of the land declared surplus under the ceiling laws has been distributed. What is distributed is only one percent of the net area sown. In Uttar Pradesh 80%, in Maharashtra 76%, in Orissa 73%, in Tamil Nadu 72%, in Bihar 55%, in Assam 55%, and 6% to 50% in Rajasthan, Haryana, Kerala, West Bengal, Karnataka, Madhya Pradesh, Panjab, Gujarat, Tripura, Himachal Pradesh and Manipur, the surplus declared land under the ceiling laws has been distributed.

Table 3.1Progress of implementation of the land ceiling laws
by 1980-81

(Acres)

	Area declared surplus	Area taken possession	Area distributed	Col. 3 as % of Col. 1
	1	2	3	4
Uttar Pradesh	2,79,905	2,54,205	2,23,251	79.8
Maharashtra	3,67,866	2,80,352	2,80,352	76.2
Orissa	1,37,531	1,19,541	99,798	72.6
Tamil Nadu	74,666	71,481	53,524	71.7
Bihar	2,38,216	1,31,000	1,31,000	55.0
Assam	5,73,493	5,01,521	3,12,802	54.5
Rajasthan	2,46,225	2,20,517	1,21,809	49.5
Haryana	20,973	14,525	9,313	44.4
Kerala	1,14,610	76,523	50,379	44.0
West Bengal	1,40,704	95,918	52,397	37.2
Karnataka	1,34,498	74,153	44,965	33.4
Madhya Pradesh	2,56,025	1,42,994	77,616	30.3
Andhra Pradesh	10,17,467	3,93,413	2,71,627	26.7
Punjab	30,592	6,417	5,196	17.0
Gujarat	63,473	19,041	3,879	6.1
Tripura	1,961	1,502	945	48.2
Himachal Pradesh	93,951	91,786	4,773	5.1
Manipur	547	-	-	-
<u>Union Territories</u>				
Dadra & Nagar Haveli	8,967	5,982	3,192	35.6
Pondichery	2,527	976	837	33.1
Delhi	722	205	-	-
All-India	38,04,919	25,02,052	17,47,655	45.9

Note : Last column is added by us.Source : Reply to Unstarred Question No. 275 in the Rajya Sabha on 22 April 1981.

Consolidation as practised in India affects powerfully the internal organization of a holding not usually its total size. The process of consolidation may lead to some saving in the land surface used for such purposes as boundaries or roads and may thus enable formation of a pool of land for specific common purposes. But the saving effected in this way is not likely to yield substantial acreage for distribution among existing holders.

Co-operative farming and co-operative management are yet chiefly in the stage of thought.

D.R.Gadgil² remarks, "The present programme of land reform in India does not bear to any significant extent on the structure or size of the unit of agricultural production. Excepting the attempts at consolidation of holdings, which affect the internal organization of the unit, no other feature of existing or contemplated legislation is important in this context. The ceiling and the floor to the cultivated holding, in the few states in which they exist are thought of essentially as regulating future activities and their importance for immediate reorganization must be considered negligible".

Land reforms programme has moved very slowly, with the result that the vested interests in land could find out

ways to bypass legislation. Mahalanobis Committee³ observes in its report, "In general our finding is that both ownership and operational holdings are very highly concentrated. Also, there was no appreciable reduction in inequality between 1953-54 and 1959-60, inspite of the fact that a good deal of land reform measures had been enacted. During the period, 1963-64, the top of households owned 17 percent, the top 5 percent owned 41 percent and the top 10 percent owned 58 percent of ownership holdings in the households; in 1959-60 these proportions were 16.40 and 56 percent respectively. The bottom 20 percent of the households did not own any land in either of these two years".

The picture that emerges may be summed up in the words of a recent official review⁴ as follows : "As of now land reform measures have not benefited the actual tiller of the soil in all cases; there is considerable concentration of ownership. Much of the land is cultivated in small holdings by tenants and share-croppers who lack security of tenure or who have to pay exorbitant rents. Inequalities in landholdings have persisted because of the failure to implement ceiling laws. The programmes so far implemented are still more favourable to the larger owner than to the small tenant farmer. As for the share-croppers and the landless labourers, they have been more often than not left in the cold. Because of these factors, disparities have increased accentuating social tensions".

3.2 BHOODAN MOVEMENT

3.2.1 Philosophy of the Movement

Bhoodan is the voluntary contribution of land of 'haves' to 'have nots'. This type of donations were very common in olden days but not so now. The reason might be that in those days the land-man ratio might be high but with the increase in population it has gone down. The ultimate aim of land reform through acts and statues on the one hand and Vinoba Bhave's Bhoodan on the other hand is the same, i.e. collection of land and distribution to the weaker sections of the rural society. But the approach in both cases is altogether different. In the former case it is taken away by force and drastic action while the latter is persuasion and sweet will of the donor. Dr. S.Radhakrishnan⁵ has praised this movement in the following words. "The movement is preparing the public mind for drastic and economic revolution which will be brought about by consent, not by coercion. The Bhoodan has ushered in a new chapter in the socio-economic reconstruction of the country".

The Bhoodan movement was started in Telangana in South India on April 18, 1951, with the first donation of 100 acres of land by zamindar V. Ramchandra Reddi to Acharya Vinoba Bhave. Subsequently, the movement become popular, with its foundations among the people themselves. It aimed to bring about a

peaceful agrarian revolution in the country. Describing the aims of the movement, Acharya Bhave⁶ says "In a just and equitable order of society land must belong to all. This is why we do not beg for gifts but demand a share to which the poor are rightly entitled. The main objective is to propagate the right thought by which social and economic mal-adjustments can be corrected without serious conflicts". The main objective of Bhoodan is to provide for each family in rural society with at least a small piece of land to cultivate. This is aimed at as the only way of giving every family some means of livelihood and the feeling of a stake in society.

3.2.2 Important phases of the movement

There are two important phases of the movement viz.,
(1) collection of land and (2) distribution of land.

(1) Collection of land :

The Bhoodan Movement shows two distinct phases. The phase began in 1951 and ended in 1957. At the Banaras conference of Sarvodaya Samaj in 1952, a national plan for the collection of land was prepared under the guidance of Vinoba. It was decided that about 500 lakh acres of land i.e. about one sixth of the total cultivated land in India should be collected in Bhoodan by the end of 1957⁷.

This target was fixed on the ground that this much land would provide five acres to each of an estimated hundred lakh

landless families. The conference decided that initially 25 lakh acres should be collected by 1954.

During this phase the land donation increased from the first donation of 100 acres in 1951 to 43,81,871 acres in 1957. (see Table 3.2)

Table 3.2

Donation and distribution of land under Bhoodan Movement during 1951-67

Year	Progressive total of donated land (Acres)	Progressive total of distributed land (Acres)	Distribution as a percentage of donation
Up to 1954	34,67,051	96,477	2.78
1955	N. A.	N. A.	N. A.
1956	43,05,544	3,70,355	8.60
1957	43,81,871	6,54,641	14.94
1958	42,30,409	8,52,352	20.14
1959	42,30,409	8,52,352	20.14
1960	N. A.	N. A.	N. A.
1961	41,77,968	8,68,894	20.80
1962	41,63,116	11,38,816	27.35
1963	N. A.	N. A.	N. A.
1964	42,27,476	10,70,166	25.31
1965	42,36,827	11,01,378	26.00
1966	N. A.	N. A.	N. A.
1967	42,64,096	11,90,718	27.92

Source : Taken from Nanekar, K.R. & Khandewale, Bhoodan & the landless, popular Prakashan Pvt. Bombay Pp. 6, 10.

The second phase of Bhoodan began after 1957. After this year the Bhoodan activity appreciably slackened and there was no net increase in Bhoodan. In 1958, the total land donation was 1,51,462 acres less than the 1957 figure. The decline in the net area continued till 1962. In 1964 the area increased by 64,360 acres over the 1962 figures. In 1965 the area increased by 9,351 acres over the 1964 figure, and in 1967 the area increased by 27,269 acres over the area in 1965. The total land donation in 1967 came to 42,64,096 acres. This was 1,17,775 acres less than the maximum reached in 1957. Thus during a period of 10 years, i.e. from 1958 to 1967, the net Bhoodan declined by about 3 percent. This shows that all the land obtained in Bhoodan up to 1957 could not be retained in the later years. It appears that some of this land was rejected by the government on various grounds (Such as imperfect title of donor, land being in dispute, etc.). In addition to this some land was taken back by the donors themselves while the decline in the already obtained land was continuing during 1958-61, the newly obtained land did not increase to such an extent as to compensate for the loss (see Table 3.2)

3.2.3 Distribution of land

As far as distribution of land among the landless is concerned the story is somewhat different from the story of

land donation. The distribution of land out of the total net donated land increased from 96,477 acres in 1954 to 11,90,718 acres in 1967. In 1956, 1957 and 1962, the increase in distribution over the previous years was more than 2 lakh acres of land. In 1958 and 1967, the increase was by more than 50 thousand acres of land. In 1965, the increase over the previous year was as low as about 31 thousand acres, and in 1961, it was lower still, about 16 thousand acres. In the entire period of Bhoodan the year 1964 was an exception in the sense that the distributed area during this year fell by about 68 thousand acres from the previous year. An explanation that may be offered for this unusual phenomenon is that either this much of land was taken back from the old lessees and not distributed among the new lessees or this much of land ceased to be a part of donation itself.

In 1954, out of 34,67,051 acres of land collected up to this year, 96,477 acres, i.e. 2.78 percent, were distributed. The percentage of distributed land to donated land went on increasing upto the year 1962, when it was about 27 percent of the total donated land. It declined and came down to about 25 percent in 1964. In 1965, it rose again and came to about 26 percent. In 1967, the total distributed land came to 11,90,718 acres, which was about 28 percent of the total net donated land upto this year. The high proportions of

distributed land to donated land during 1958-1967 were on account of both fall in net donation and increase in net distribution (see Table 3.2).

On the manner of redistribution itself, there seems to be no dogmas, no hard and fast rules. The essence is that any pool obtained in a village must be redistributed according to the wishes of the people of the villages. Vinobaji personally, it is said, would emphasize the role of co-operation. For him the preferred general pattern would be widespread co-operative cultivation with a kitchen garden for every family. He was also supposed to favour both a ceiling and a floor for holdings. However, sensing perhaps that a voluntary movement will not be called upon to deal with general problems of redistribution, he appeared content with each small piece of land acquired for a landless person as a step forward in curing social injustice, creating an element of stability and making the reconstruction of rural society.

3.2.4 Bhoodan Movement and size of holding

D.R.Gadgil⁸ expressed his views in this context in the following manner. "The possible results, if the Bhoodan movement affects large areas, will obviously be a partial reduction of the average area of the large holdings, a partial reduction of even the area of the average or below average holdings, and the creation of a large number of

extremely small new units. Prima facie, all these results may be called unsatisfactory. However, the real question is whether they are more unsatisfactory than the existing situation or than the situation that will develop with existing trends. It may no doubt be unsatisfactory to create a large number of very small new units of holdings. But, if the only alternative to the creation of these very small new holdings is for the landless to continue to exist as they do without alternative occupation, without sufficient subsistence and with no hope or zest in life, can it be said that the creation of these new small holdings is an evil or that it is not an improvement, however small, over the existing situation? A small reduction in size of the average holding or in size of the large holding is no evil, looked at in this manner".

3.3. NEW AGRICULTURAL STRATEGY

The first decade of planning in India witnessed measures seeking to provide an alternative institutional structure in rural India through zamindari abolition measures, various land reform legislations and tenancy security acts. Since the last decade the ruling circles in India have shifted their focus from institutional to intensive development of selected areas which offer greater potentialities for raising agricultural production. This new agricultural strategy was

partly inspired by the recommendations of the team of Ford Foundation consultants in 1959. It was very conveniently argued that the real hope for revitalizing Indian agriculture lies in introducing technological reforms and that alone can provide the quickest solution of India's food problem. A new strategy for Agricultural Development was put into action from 1966-67. The adoption of the new strategy can be called a significant landmark in the history of agricultural development in this country. It stresses the increasing use of science and technology for raising agricultural productivity.

There has been differential adoption of high yielding varieties among different classes of farmers. Generally it was found that high yielding varieties seeds have been adopted in a large proportion by big farmers, or in other words, a positive correlation was noted between the size of holding and the adoption of high yielding varieties.

Introduction of the new agricultural technology has raised problems relating to the size of a holding. In principle, the new agricultural technology is neutral to scale, i.e. output from a given quantity of inputs would be the same on a small farm as on a large farm. However, in India a large divergence has been felt between the principle and the practice. In the prevailing field situation there are a number of bottlenecks in the rural service structure which

makes the adoption of the new technology on small holding risky and difficult and therefore not strictly neutral to scale. The small sized holdings are responsible for restricting the adoption of Hyv. It discourages the adoption by two ways. On the one hand, small sized holdings are too small for making investments in modern inputs and machinery associated with new technology. On the other hand, this restricts the small farmers' borrowing capacity since new seeds require more expenditure. Small farmers have lagged far behind the big farmers in adopting new varieties of wheat and rice. Uneconomic size of holdings and shortage of finances are the main reasons for this. The incidence of size-holdings has been more pronounced in paddy grown areas than in wheat growing areas.

Small size farms constitute a substantial bulk of the total agricultural land. Besides, the number of such farms is much larger than that of large farms. Apart from doing justice to small farmers by giving them their dues, the application of new technology in these farms will contribute significantly to the solution of shortages of agricultural products. It is because, as several studies, have shown the yield per hectare in these farms is larger than in large farms. The introduction of new technology in these farms requires undertaking of various measures mostly by the government.

One measure of help is in respect of the size of land which ought to be made viable for a fuller use of new technology. No doubt the new technology is neutral to the scale, yet there is a minimum that is essential for proper and sufficient cultivation. Barring those who have such a size, the land-area in case of others can be raised and properly organised through the following three steps :

- (1) the distribution of surplus land under ceiling programme among those with tiny pieces of land;
- (2) in case of those who still remain with very small pieces, there is the need for encouraging co-operative farming and
- (3) consolidation of fragmented pieces of lands in states where it has not as yet been carried out fully.

REFERENCES

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- 3 Report of the Committee on Distribution of Income and levels of Living, 1964, Pp. 20-21.
- 4 Quoted in, Dr. Memoria, C.B., Agricultural Problems of India. Kitabl Mehal, Allabad - Delhi, 1979, P. 996.

5
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6
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7
Bhoodan Marg Darshika (Madhya Pradesh Bhoodan
Mandal) P. 1.

8
Gadgil, D.R., Op. cit. Pp. 20-21