

73

Problems of India's Agrarian Sector

C. Rajeswara Rao
Bhowani Sen
Y. V. Krishna Rao

338.10954
R 13 P

COMMUNIST PARTY PUBLICATION

Problems of India's
AGRARIAN SECTOR

By

C. Rajeswara Rao

Bhowani Sen

Y. V. Krishna Rao

DATA ENTERED

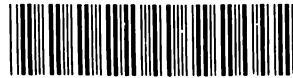
COMMUNIST PARTY PUBLICATION

No. 6 : May 1970 (C 2)

This is a collection of articles in a series dealing with various problems in the agrarian sector written by C. Rajeswara Rao, General Secretary of the Communist Party of India, which have appeared in the weekly *New Age*, the central organ of the CPI, during the last three months.

The article "Agrarian Discontent among Tribals" is by Bhowani Sen, member of the "Provide Easy and Liberal Credit" member of CPI National Council

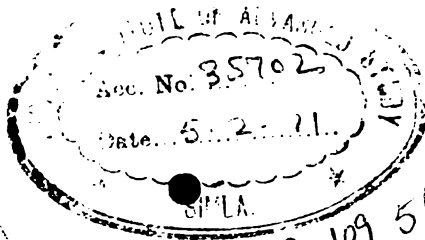
 Library IAS, Shimla



00035702

31 March 1970
New Delhi

EDITOR



1971

338-109 54
R 13 P

Price: Rs. 1.25

Printed by D. P. Sinha, New Age Printing Press, Rani Jhansi Road, New Delhi 55, and published by him for Communist Party of India, 4/7 Asaf Ali Road, New Delhi 1. Editor: M. B. RAO

CONTENTS

Preface	v
Achilles Heel of Indian Economy	1
No Land to the Tiller	7
9 Crore Acres Real Surplus	11
Protect All Tenants	18
Bhoodan Is No Solution	23
Compensation—A Roadblock	29
12 Crores of Cultivable Waste	34
Agrarian Discontent among Tribals	39
Improve the Lot of Agricultural Workers	45
Irrigation, Not “Green Revolution”	52
For New Techniques in Dry Farming Areas	57
Remunerative Prices—Best Incentive	66
Provide Easy and Liberal Credit	76

Preface

UNITY OF ENTIRE AGRARIAN MASSES FOR ACHIEVING THEIR PRESSING DEMANDS IS THE NEED OF THE HOUR

The agrarian question occupies the most important place in our country's political, economic and social life today. About 70 per cent of our country's population derives its livelihood from agriculture. About half of our national income comes from agriculture. Unless and until revolutionary changes are brought about in our agrarian setup and the miserable lot of our rural population is radically improved, our country cannot advance along the road of allround progress.

The agrarian problem is not as simple as it was in the days of British rule. In the course of the last 22 years of independence, some significant developments have taken place and the agrarian setup has become more complicated today. In the days of British rule, the rajahs, zamindars, jagirdars, inamdars and mahajans who carried on the worst kind of feudal exploitation dominated the rural scene. They were bolstered up by British imperialists as the main props of their colonial regime. Though commodity economy had developed and capitalist relations had entered the rural scene then, yet the old type of feudal exploiters dominated the scene and the entire peasantry, as well as the agricultural workers, could be mobilised against their common exploiters—the old feudal bloodsuckers.

But today that is not the case. The old feudal exploiters have gone. The native states, the zamindari, jagirdari and inamdari systems have been abolished though this has been

done by putting huge financial burdens on the people. As a result, a section of peasants have secured complete property rights over the land they were cultivating. The old feudal exploiters have retained with them thousands of acres of land, buildings and other properties and are turning themselves into selfcultivating landlords and industrialists. The agricultural workers have remained where they were without any land; and the poor peasants have received a little piece of land. There is no improvement in the lot of the tribal people. They are being looted as in the old days by the merchants, money-lenders and contractors.

Though feudal exploitation in the form of rackrenting and moneylending has remained, capitalist relations have strengthened in the agrarian setup in a significant way. A powerful section of the rich peasants and capitalist farmers has come up, which is using modern methods of agriculture and employing wage labour. This section is now dominating the rural setup along with the old feudal lords turned into capitalist landlords and industrialists. At the same time, the entire peasantry, including the rich peasantry, is looted by the big traders and monopolists through the manipulation of price mechanism of agricultural products. Hence the agrarian setup has become complicated and no one category of feudal exploiter is visible as in the days of British rule against whom the entire agrarian masses could be mobilised.

Now the agricultural workers and the poor peasants see the rich peasants, along with the landlords, as their direct exploiters. They do not realise that the big traders and monopolists, with their powerful influence in the bourgeois state in India, are looting everybody, including the agricultural workers and poor peasants.

The rich and middle peasants do not fully realise how they are being looted through the manipulation of the price mechanism by the big traders and monopolists using their influence over the Indian bourgeois state.

Moreover the caste system which is peculiar to our country complicates the situation further. The overwhelming majority of agricultural workers and poor peasants, who are the most downtrodden section among the rural population, belong to the so-called scheduled and backward castes which are victims of the worst type of social oppression. This factor also distorts the economic and political struggle of the rural masses.

Hence it has become much more difficult, but nevertheless possible with serious effort, in the present situation to unite the entire agrarian masses for revolutionary changes in the agrarian setup, against the landlords, big traders and monopolists, both Indian and foreign, for the establishment of a national democratic state which alone can bring about such revolutionary changes.

The capitalist path pursued by the Congress Party without the complete elimination of landlordism, imperialist exploitation and encouragement of capitalist monopolies has come to a dead end. The combined forces of right reaction—the Syndicate, the Jana Sangh and the Swatantra parties—aided by the monopolists, blackmarketeers, landlords and imperialists are hatching conspiracies to capture power at the centre in order to suppress the people's revolutionary upsurge and the left and democratic parties with an iron hand and take our country backwards.

In such a situation, the unity of the rural masses is of utmost importance because the combined right reaction is raising the bogey of communism to scare the peasantry and other petty property holders, using the bank nationalisation measure, saying that their properties also would be taken over. The fate of our country will depend to a large extent on who will win over the peasant masses—right reaction or the revolutionary parties?

The unity of the rural masses with the workers and middle classes against the monopolists, landlords and imperialists is an absolute necessity under the present circumstances in our

country. Though the rich peasants are generally against radical land reforms and adequate wages for agricultural workers, it is quite possible to win them over or at least neutralise them by fighting for remunerative prices for the agricultural products, extension of irrigation facilities and cheap credit.

The agrarian question does not mean only radical land reform, though it is the most essential part of it. It also includes fair wages for agricultural workers, as well as irrigation facilities, cheap credit, remunerative prices for agricultural products which are the demands of the entire peasantry including the rich peasant. We have to take all these things together to unite the entire rural masses for foiling the game of right reaction. Otherwise we will be helping reaction to confuse the peasantry and divide the rural masses.

A classical example of how this can be done in the present-day circumstances is provided by the demand for nationalisation of sugar mills in UP which is supported by the workers and peasants, including the rich peasants and the left and democratic forces in that state. The UP sugar mill magnates are not only looting the peasants through the rejection of the demand for proper prices for cane; they are also exploiting the sugar mill workers by not paying them living wages. At the same time, they have politically ranged themselves on the side of right reaction—the Syndicate, the Jana Sangh and the Swatantra Party. The slogan for nationalisation of sugar mills in UP is not only an economic slogan; it has become a first-class political slogan supported by the Bharatiya Kranti Dal, the Congress Party, the CPI and other left parties.

This collection of articles has been done with a view to give the reader a comprehensive view of all aspects of the agrarian question—the radical land reforms and other pressing problems of agricultural workers and tribal people, and problems of irrigation, cheap credit and remunerative prices affecting the peasantry as a whole. It should be noted that the concrete proposals put forward in these articles are not given from the

standpoint of what can be achieved by the rural masses after the success of the national democratic revolution—but from the standpoint of what can be achieved here and now on the basis of militant struggles of the agricultural workers and peasants with the support of the industrial workers and middleclass employees and the left and democratic forces in the country.

26 March 1970
New Delhi

C. RAJESWARA RAO

Achilles Heel of Indian Economy

With the recent breathtaking events in our country, the agrarian question has hit the headlines once again. Newspapers are full of articles showing how the main purpose of land reform laws, i.e. giving land to the tiller, has been defeated to a large extent, how the lot of the agricultural workers and poor peasants who constitute the overwhelming majority of the rural population has deteriorated, how our agriculture has remained backward and how unless this sad state of affairs is remedied quickly no advance of the country is possible. It is now admitted on all hands that unless the lot of the underdog in the countryside is improved, there is every possibility of revolutionary upheavals there.

It is significant that the union home ministry's note on "The Causes and Nature of Current Agrarian Tensions" has approvingly quoted from Prof G. Myrdal's *Asian Drama*, the following extract: "The Indian village is like a complex molecule among whose parts *extreme tensions have been built up*. Although the tensions criss-cross in a manner that maintains equilibrium, it is conceivable that they may reorganise in a way that would *explode the molecule*. This would perhaps not happen spontaneously, but as a result of forceful onslaught from outside" (emphasis added).

By the phrase "forceful onslaught from outside" what he means is not clear, but as things stand, the "molecule" of the Indian village has started exploding without any "forceful onslaught from outside".

The Communist Party of India and some other left parties and mass organisations of peasants and agricultural workers have been shouting about this since long, but only now has it caught the imagination of the country.

The militant land occupation movements and wage struggles of agricultural workers, the militant struggles of the tenants, the militant struggles of the tribal people against the exploiters like the mahajans and landlords, conducted under the leadership of the left parties, the radical land reform measures implemented by the united front governments of West Bengal and Kerala and armed actions of the so-called Naxalites and Communist Revolutionaries (despite the harm caused by their misguided adventurism)—have all served to highlight the seriousness of the agrarian problem before the people of our country.

The prime minister recognised the seriousness of the problem and wrote a circular letter to all the chief ministers of the states calling upon them to attend to this problem expeditiously. A conference of the chief ministers was called in the last week of November 1969 to consider the question and take decisions.

Inaugurating the conference, Prime Minister Indira Gandhi highlighted the grimness of the situation, saying: "The cracks which have appeared in the agrarian structure cannot be papered over. We must act now, when there is still time and hope. *We dare not fail because the consequences of failure will be beyond our control*" (*Patriot*, 29 November 1969).

Home Minister Chavan warned: "The warning of the time is that unless the green revolution is accompanied by a *revolution based on social justice*, I am afraid the green revolution may not remain green" (*ibid*).

Union Food and Agriculture Minister Jagjivan Ram also warned that in the blaze of the green revolution, the agrarian unrest should not be minimised. He advocated the lowering of land ceilings and their application to the total holdings of a family and the distribution of surplus land among agricultural workers.

He also called for bringing at one stroke all tenants and sharecroppers in direct relationship with the state in order to give them security of tenure and fair rents from the mischief of the landlords.

After all these bombastic and high-sounding declarations made in the Chief Ministers' Conference, nothing much in the shape of radical land reform measures has emerged from that conference.

As a matter of fact, the prime minister said in so many words at the conference: "It is not our intention to force a very radical redistribution of land. Our aim is more modest. We wish to ensure that the tenants and sharecroppers are not driven to the wall" (*ibid*).

The recommendations of the conference are kept within this general modest framework given by the prime minister. Some of the chief ministers, after reaching their states, declared that nothing much need be done in the matter of ceilings on landholdings since, according to them, very little land can be got by implementing the ceilings laws.

They said that they would take care of the tenancy problem and distribution of government wastelands.

The main recommendations of the conference are:

(1) Legislative measures to bring "tenants (i.e. protected tenants with occupancy rights) into direct contact with the state to ensure effective security as well as to enable the tenant-farmer to obtain institutional credit".

"The task of revising the land records and preparing an up-to-date record of tenants and subtenants will be accorded a very high priority in the plan schemes."

With regard to tenants-at-will who have no occupancy rights, "legislation in this regard should be implemented expeditiously and care should be taken to see that it is not circumvented by the landowners".

In the same breath it is said that the right of resumption by landlords "should be further restricted", not banned altogether. This is nothing but leaving loopholes for the landlords to evict the tenants and making a mockery of the legislation, as has been happening with the laws enacted by congress governments for the last 22 years.

(2) "With regard to the ceiling provisions it was decided that the state governments and union territories will review

the position, having regard to the new strategy and technological developments in agriculture and take steps to enforce the ceiling legislations."

By the phrase "review the position having regard to the new strategy and technological developments" if they mean that the ceiling limit in the present ceiling laws should be brought down, why not say it directly? They cannot say so because taking the present setup of the state governments where landlords and rich capitalist farmers dominate, no radical ceiling measures can be implemented.

The innumerable exemptions in the name of sugar mills, efficient farms, dairy farms, orchards and what not, which are given in the present ceiling laws for the landlords to escape through, cannot be scrapped. A clearcut definition of family unit to include all dependent sons and daughters cannot be given to prevent the division of land among all family members including children, each one getting up to one ceiling limit, which is even now quite high. Such is their position.

It is strange that not even a mention is made of the innumerable obstacles the judiciary is putting in the way of land reform legislation under the pretext of safeguarding the Fundamental Rights laid down in our Constitution. No remedy is suggested to counteract the latest Supreme Court judgement debarring Parliament from amending the Constitution to exclude the right to property, which is acting as a stumbling block in the way of land ceiling legislation, from the Charter on Fundamental Rights.

(3) No time limit is set for the implementation of the abovestated important measures. But a time limit is put for abolishing "all the remaining intermediary interests and estates (zamindaris, jagirdaris and inams, etc.)" by the end of 1970. This is significant. A time limit is put in this case because almost all of this category of old feudal vested interests is abolished and very little of it still remains.

(4) It was decided to set up "a central committee under the union minister for food and agriculture to review the progress made by different states in the implementation of land

reforms". But no details about the other members of the committee are given. Perhaps the representatives of left and democratic parties and kisan and agricultural organisations, who are very much interested in radical agrarian measures, will not find a place in it.

Congress governments have enacted mountains of land reform legislations for the last 22 years, but the oft-repeated aim of "land to the tiller" remains unfulfilled to a large extent even today. Agriculture remains backward and the weakest sector of our national economy. Though it employs 70 per cent of our population, it is unable to feed the people of our country and supply enough agricultural raw materials for our industries.

Old feudal types of land tenures—zamindaris, jagirs, inams and the like—which covered 40 per cent of the cultivated area, were abolished and the peasants in these areas got considerable relief.

But these feudal lords were left in possession of about 64 million acres of land as their private land which they are cultivating or rack-renting to exploit the tenants, apart from 641 crores of rupees which they received as compensation and huge palaces and other properties which were left with them.

With regard to tenancy legislation, the situation is much worse. Only a small portion of tenants got occupancy rights over their land. All others were evicted under one pretext or another. Over and above this, there are a large number of tenants-at-will and concealed tenants (i.e. those who are in name called agricultural labour) who lead a miserable life without any legal protection.

The legislation on ceilings on landholdings is a hoax, where only a small amount of land is declared surplus and even that is not distributed to the agricultural labourers and poor peasants.

The much advertised bhoodan and gramdan movements through which Vinobaji promised to make a peaceful land revolution have become a flop.

The congress governments have distributed only a small part of the government fallow land to the agricultural labourers and poor peasants after bitter struggles. Most of the government land is either occupied by landlords and rich peasants or is lying vacant.

Even today thousands of crores of rupees spent in modernising agriculture have gone mostly into the pockets of landlords and rich peasants, increasing their income. Very little has gone to help other sections of the peasantry. The so-called green revolution has helped to increase food production no doubt, but it has mostly helped the landlords and rich peasants in the irrigated areas which is only onesixth of the entire cultivated land.

This green revolution has not only helped to widen the gap between the rich and the poor in the countryside, but it has also increased the regional imbalances in the states, with serious political consequences. The case of separatist agitation in Telengana is one such recent example.

Despite an increase in credit facilities provided through cooperatives, which are mostly used by the upper strata of the peasantry, overwhelming majority of the peasantry is still today at the mercy of rapacious exploitation by the moneylenders.

Loot of the entire peasantry through manipulation of the price mechanism of agricultural produce by the wholesale traders and monopolists with the help of the central congress government goes on unabated.

All these years the one aim of the congress agrarian legislation and other measures, which was to transform the old feudal relations into capitalist relations gradually creating a strong class of capitalist landlords and farmers out of the old feudal landlords and well-to-do peasantry, seems to have been succeeding.

But at the same time, at the other end, the lot of agricultural workers, poor peasants and tribal people who constitute over 80 per cent of the rural population is deteriorating. This is the main reason for the so-called "cracks" and "tensions" in the agrarian setup, which are in reality upheavals, struggles

and revolts of the rural poor and tribal people that are erupting in our country today.

No patchwork will help to lift the agricultural sector out of the morass it is in. Only thoroughgoing radical agrarian legislation which can give land to the agricultural labour, poor peasantry and tribal people and bold measures to modernise agriculture will save the situation and take our country forward.

The present governmental setup, specially in the states, in which the landlords have immense influence is incapable of carrying out these radical agrarian measures on its own. A united mass movement and struggle of the entire peasantry, agricultural workers and tribal people can force the congress governments to take at least some of the radical measures that are needed.

No Land to the Tiller

The crux of the agrarian problem in our country today is giving land to the tiller, i.e., to the agricultural labourers and poor peasants who constitute an overwhelming majority of the agrarian population. It is argued by the votaries of landlordism that India is overpopulated, that land is already parcelled out and that very little land is left for distribution among landless people in the villages.

Even the report of the ministry of food and agriculture of the central government submitted to the Chief Ministers' Conference held recently expressed in a mild way this wrong idea. It said: "It was realised that with the existing pattern of distribution of landholdings and predominance of small holders, cultivating tenants or landless agricultural workers, *redistribution of land was not likely to bring about any appreciable reduction in land hunger*" (emphasis added).

Jagjivan Ram, the Congress President, who also happens to be the central minister for food and agriculture, has also put

forward this harmful idea in his presidential address to the Bombay Congress Session.

This may be true of some highly developed agricultural areas in the country; but these constitute only at best 15 per cent of the whole country. About 85 per cent of the rural areas is backward and there is enough land for distribution in these areas.

It is true that one of the effects of the agrarian legislations of the congress governments is that concentration of landholdings has been slightly reduced through some sections of peasants getting ownership rights over their tenancy land and some well-to-do peasants buying some lands from the landlords. But all the same, the land concentration is still high as is shown by the table given in the report of the ministry of food and agriculture placed before the Chief Ministers' Conference.

Even these figures in the table do not correctly present the real position regarding concentration of land because landlords divided their lands among all members of their family in order to circumvent the land ceiling legislation, though in fact the entire land of the family is held together as in the past.

Below is a table showing the comparison between the 8th and 17th round of national sample surveys on the size and distribution of agricultural holdings.

AGRICULTURAL HOLDINGS (PERCENTAGE)

<i>Area</i>	<i>8th round Number</i>	<i>(1953-53) Area</i>	<i>17th round Number</i>	<i>(1959-61) Area</i>
below 0.50	11.71	0.30	8.55	0.38
below 1.00	19.72	1.07	17.13	1.27
below 2.50	39.14	5.43	39.07	6.86
below 5.00	60.00	25.44	61.69	19.18
below 7.50	72.17	25.34	74.53	30.91
below 10.00	79.73	34.00	81.49	39.88
below 20.00	91.81	56.53	93.19	63.66
below 30.00	95.73	69.19	96.79	76.35
All sizes	100.00	100.00	100.00	100.00

The table clearly shows that according to the 17th national sample survey the households owning below 5 acres who constitute 61.69 per cent of the total number of households owning land account for only 19.18 per cent of the total privately-owned land.

On the other hand there are households owning above 30 acres of land who constitute a meagre 3.21 per cent of the total number of households but holding with them as much as 23.65 per cent of the total privately-owned land, i.e. about 8 crore 38 lakh acres in all.

This disparity between the topmost and lowest rungs of the rural ladder is much more glaring when the landless agricultural workers and tenants are also taken into account. According to the 8th national sample survey, 22 per cent of the rural households own no land at all.

Taking the country as a whole we can take the families owning less than 5 acres as poor peasants. Then the agricultural workers, small tenants and poor peasants constitute about 80 per cent of the rural households, who own no land at all or only a miserable piece of land which cannot sustain them under the present conditions of backward cultivation.

Hence no improvement in the condition of these poor people in the rural sector can take place without breaking the land monopoly and giving them land to provide a decent livelihood with improved methods of cultivation. For this it is necessary to amend the land ceiling laws radically. In that case about 9 crore acres can be got out of this land ceiling legislation.

Then there is enough government land under different names which can be given to the landless poor for cultivation. There is a category of land which goes under the name "other cultivated land excluding fallow land", a part of which can be brought under cultivation straightaway, without spending any money.

A part of it can be reclaimed incurring some expenditure by the government and made fit for cultivation. This category of

land is about 9 crore acres, which goes under the popular name of government cultivable wasteland. A part of good land of this category is already occupied by the landlords and rich peasants or agricultural labourers and ordinary peasants.

There is another category of land called "unclassed forests" where there are only shrubs and no forests worth the name exist; but the various state governments hope to raise these forests in future. This category of land is about 2 crore 80 lakh acres according to the 1960-61 census report.

Congress governments in the states refuse to distribute these lands among agricultural workers and tribal people under the false pretext of preserving forests so that there may be enough rains.

Nobody denies that forests are necessary for enough rainfall. While dense forests on the mountains which are actually the guardians of rainfall are denuded by the greedy forest contractors and when landlords and big moneyed people occupy forest lands in the plains for cultivation, the congress governments keep quiet. But when these so-called forests are sought to be occupied by poor people, all sorts of arguments are brought out to deny them these lands.

For ensuring enough rainfall, it is sufficient if the state governments take care of forests under other names—"Reserved Forests" and "Protected Forests". These two categories of forests constitute over 85 per cent of land under forest category, whereas unprotected forests which go by the name of "unclassed forests" are only 15 per cent of the entire forest land.

Hence, if a comprehensive outlook is adopted towards the problem of distribution of land to the landless poor in the countryside, there is sufficient land available for this purpose. In all, there are available for cultivation 9 crore acres of land if radical amendments to present ceiling laws are adopted, 9 crore acres of cultivable government wasteland and 2.80 crore acres of forest fallow land.

This comes to a total of about 21 crore acres of land. So what is needed is only the will on the part of those in power, who subscribe to this aim, to put it into effect.

9 Crore Acres Real Surplus

Ceiling on landholdings is the most important item in the matter of giving land to the tiller. If all the loopholes in the present land ceiling legislations in different states are plugged, i.e., exemptions are scrapped, proper definition of the family unit is made and the present high ceiling limits are lowered, about nine crore acres of land can be made available for distribution among the landless poor. The landlords have utilised these loopholes to escape from the ceiling laws and deny land to the landless poor.

The present ceiling laws in different states contain a lot of exemptions like those for sugar mills, plantations, so-called efficiently managed farms, dairy farms, gardens, fisheries, religious and charitable institutions, etc. They differ from state to state. Here is an extract from the report of the union ministry of food and agriculture regarding these exemptions submitted to the recent Chief Ministers' Conference:

“Provision has been made for exemption of plantations in Andhra Pradesh (tea, coffee, rubber), Assam (tea), Bihar (tea), Kerala (tea, coffee, rubber, cardamom, cinnamon), Madhya Pradesh (tea, coffee), Mysore (tea, coffee, rubber, cardamom, pepper), Tamilnadu (tea, coffee, rubber, cardamom, cinchona), Uttar Pradesh (tea, coffee, rubber), West Bengal (tea). Himachal Pradesh (tea in Kangra region), Manipur and Tripura (tea, coffee, rubber).

“Sugarcane farms operated by sugar factories are exempted from ceiling in Andhra Pradesh, Assam, Bihar, Madhya Pradesh, Mysore, Orissa, Pepsu areas in Haryana and Punjab, Rajasthan, Uttar Pradesh, Manipur and Tripura.

“In Tamilnadu, exemption is available only in respect of such sugarcane farms as the Sugar Factory Board may consider necessary.

“Efficiently managed farms consisting of compact blocks on which heavy investments or permanent structural improvements have been made are exempted from ceiling in Andhra Pradesh, Assam, Gujarat, Madhya Pradesh, Mysore, Orissa, Haryana and Punjab, Rajasthan, Delhi, Himachal Pradesh, Manipur and Tripura. In Uttar Pradesh, in case of mechanised farms, a provision has been made enabling the government to manage the surplus lands as state farms. The existing owners are being given preference for appointment as managers.

“Lands held by religious/charitable and educational institutions are exempted in Andhra Pradesh, Bihar, Gujarat, Kerala, Madhya Pradesh, Maharashtra, Mysore, Pepsu areas in Haryana and Punjab, Uttar Pradesh, Tamilnadu and West Bengal.

“Cooperative farming societies are exempted in Andhra Pradesh, Jammu & Kashmir and Madhya Pradesh. Lands held by such societies are exempted subject to the condition that each member does not individually hold more than a ceiling area in Assam, Kerala, old Pepsu areas in Haryana and Punjab, Rajasthan, Tamilnadu, West Bengal, Delhi, Manipur and Tripura.

“Besides these exemptions, a large number of other categories of land have also been exempted varying from state to state: such as orchards, tank fishery, khas land held by debottars, specialised farms, lands awarded for gallantry in war, lands held by industrial and commercial undertakings and lands held for growing fuel trees, etc.”

Apart from these innumerable exemptions, the ceiling limits fixed in these state legislations are also high. Even these high ceiling limits are not observed because there is a loophole in the definition of the family in most of these legislations. It was not defined that the family would include all members who reside under the same roof.

Hence the landlords circumvented even these high ceiling limits and distributed land among all the members of the family, young and old. Some landlords are so clever that they distributed land even to babies yet to be born and among their relatives and servants on whom they can completely rely. This way even the biggest of landlords could save almost the whole of their land from the ceiling laws.

Here is the table from the same food and agricultural ministry's report regarding ceiling limits in the state laws :

CEILING ON EXISTING HOLDINGS

<i>State</i>	<i>Level of ceiling (acres)</i>
Andhra Pradesh	27 to 324
Assam	50
Bihar	20 to 60
Gujarat	19 to 132
Jammu & Kashmir	22 $\frac{3}{4}$
Kerala	15 to 36 (6 to 20 according to present amending act.)
Madhya Pradesh	25 to 75
Tamilnadu	24 to 120
Maharashtra	18 to 126
Mysore	27 to 216
Orissa	20 to 80
Punjab	27 to 100
Pepsu area	27 to 100
Rajasthan	22 to 336
Uttar Pradesh	40 to 80
West Bengal	25
Delhi	24 to 60
Himachal Pradesh	30 in district Chamba and land assessed to Rs. 125 in other districts
Manipur	25
Tripura	25 to 75

It is claimed by the union ministry of food and agriculture in its report to the Chief Ministers' Conference that as little as 20 lakh acres of land was declared surplus through implementation of ceiling laws in all the states and only half was distributed to the landless people!

Territory	Surplus area (acres)	Area distributed (acres)
Andhra Pradesh	73692	Nil
Assam	67934	466
Gujarat	41030	14000
Haryana	182250	54981
Jammu & Kashmir	450000	450000
Madhya Pradesh	75581	12500
Madras	24573	17412
Maharashtra	262741	116260
Punjab	191527	60333
Uttar Pradesh	240554	120588
West Bengal	794410	182338
Himachal Pradesh	6525	292
Tripura	42	Nil

From the above table it can be seen that many of the big state governments have not taken any interest at all in these legislations. In a big state like Andhra Pradesh, the state government has not distributed a single acre of land, while the government of the small state like Jammu and Kashmir accounts for half of the land distributed out of this 10 lakh acres.

The following three typical stories would clearly give an idea of the shameless methods adopted by the landlords to evade ceiling laws.

An insight into how our land reform measures actually worked out is provided by a report in *The Statesman* of 3 April 1968. It said:

“A typical case recently unearthed relates to a zamindar, formerly a minister, who, jointly with his brother owned 1,000 acres before the act came in force in April 1955. Apparently he had come to know well in advance that the legislation would be introduced; the joint property was then first transferred under the ryoti arrangement among five sons of the brothers who, in their turn, distributed parts of their land among their wives and children as subryots. Among the benamdar were also servants of the family and others.

“Since such distribution of land covered less than half of the total holdings, 534 acres of farming land were declared fisheries although the land was being used for farming.

“As the act came into force, both the subryots and the ryots (who were mostly members of the same family) started paying rent directly to the government. As the original owners of the land—the two brothers and then the ryots (i.e. the five sons)—lost the rent they used to get, they were entitled to compensation from the government. They received about Rs 7 lakhs as compensation, while retaining within the family possession of whatever land they owned originally.”

Now read another wonderful story where another landlord distributed land to his horse also.

“On 3 February 1961, Shri Sashanka Shekhar Sanyal addressing the then revenue minister, late Shri Bimal Chandra Sinha, said in the State Legislative Council:

“I will tell him (Shri Bimal Chandra Sinha) that a deputy minister of his district (Murshidabad) holds benami lands to the extent of 1,000 bighas, a congress MLA of his subdivision 400 bighas, another ex-MLA of his district, not of his subdivision (kandi), 700 bighas. . . a close friend of my Hon'ble friend, a congress MLA, kept property in the name of one Fatik. He said, 'that is the name of my horse and I have given some land to my horse'. . . The total benami transactions of a raja of my friend's district amounts to 1,500 bighas.”

In his reply Shri Bimal Chandra Sinha admitted that “all the cases he (Shri Sanyal) has mentioned are within the knowledge of the revenue department” (taken from H. D. Malaviya's memorandum to Bombay Congress session).

A third case is that of a landlord of Krishna district in Andhra Pradesh, who happened to be a state minister of the Congress for a pretty long time. He had about 10,000 acres of fertile canal irrigated land. He evaded the ceiling legislation by selling about half of his land, by putting 4,000 acres under the sugar factory which he owns and the rest of about 1,000 acres he distributed among his sons, daughters, grandchildren.

etc. But all this land is cultivated jointly by tractors and other modern implements.

Apart from this he is in illegal occupation of about 3,000 acres of fertile river-bed lands belonging to the state government, and getting lakhs of rupees of income. The state government has not yet got time to evict him from these lands, while it has arrested thousands of agricultural workers who tried to do so.

Because of the loopholes in the ceiling laws and the tremendous influence of the landlords on the state congress governments in which many landlords themselves are sitting as ministers, these ceiling laws have become a fraud on the people. In spite of these laws today we find thousands of landlords in every state having vast lands at their disposal.

In Purnea district of Bihar, dominated by the landlords, there are landlords owning thousands of acres, exploiting tenants and agricultural workers:

Raghuvansa Narayan Singh (Kursela)	19000 acres
Moul Chand	22000 acres
Habibur Rahman (Mohamadia estate)	10000 acres
Ram Gulam Sahu	28000 acres
Mohamad Bux Choudhary	12000 acres
Jagdish Choudhary	10000 acres
Rudhi Choudhary	4000 acres
Prithvi Chand	10000 acres
Mahant Raghavadas	2000 acres

In the tarai districts of Uttar Pradesh we find another phenomenon of the big monopolist exploiters, high army, police and civil officers grabbing lands of the peasants through benami purchases from the exzamindars and illegally occupying the lands belonging to the government and establishing modern farms with thousands of acres under them.

It has become a common feature with business people to buy lands and establish farms in order to hide their black money. The following few instances would be sufficient to understand the position in this respect:

Birlas, the top monopolists, own in Lakhimpur district 4,200 acres and in Bijnore district 4,000 acres. (Apart from this the Birlas have got a big garden in Nainital Hills and a thousand acre farm in Punjab; they are further trying to secure thousands of acres of government land in Bihar also.)

Singhal Oil (of Aligarh) owns in Nainital district 6,000 acres.

Escorts tractor company owns in Nainital district 4,000 acres.

Nevatia (a sugar magnate) owns in Lakhimpur district 3,000 acres.

Major General Shimney owns in Nainital district 5,000 acres.

Air Marshal Arjan Singh owns in Nainital district 2,500 acres.

Collective Farms & Forest Private Ltd (in which former civil, police and military officers are shareholders) owns 5,000 acres.

The present land ceiling laws should be radically amended so as to scrap all exemptions, lower the present ceilings and define the family to include all members residing under one roof, if land is to be made available to the landless poor.

In this connection, the present Land Reform Amendment Act which the united front government in Kerala headed by C. Achutha Menon is implementing can be taken as a model.

This act has lowered the ceilings to 10 standard acres for a family of five with an upper limit of 20 acres and scrapped most of the exemptions. It cut off direct relation between the landlord and tenant, and made tenants owners of the lands they till. However these tenants have to pay the legal rent for some time to the state which in turn will give compensation to the landlords.

This act has also provided for 10 cents of land in panchayat areas and 5 cents in municipal areas and 3 cents in corporation areas to the hutment dwellers who constitute agricultural workers and other poor people.

Enactment of amendments to the existing ceiling laws in different states and their implementation can be finished by the end of 1970 if the central and state governments sincerely desire.

Protect All Tenants

The tenancy problem assumes a place second in importance only to land ceilings so far as the agrarian question is concerned. It is also the most complicated problem.

According to the 1961 census, tenant households constituted as much as 23.56 per cent of the total cultivating households. Even this figure does not reveal the actual extent of tenant cultivation. Because of the loopholes in the abolition of zamindari and jagirdari and tenancy legislations, a large number of tenants who are eligible to occupancy rights according to these legislations were evicted and a system of "concealed tenancy" developed.

These tenants dare not get their names entered in the village records for fear of eviction and the landlords call them agricultural labourers whenever an occasion arises. Despite this the number of tenants is quite large in different states even according to the following table, provided by the ministry of food and agriculture in its report to the Chief Ministers' Conference.

<i>State/Union territory</i>	<i>Proportion of leased-in households to total cultivating households</i>
Andhra Pradesh	17.86
Assam	23.90
Bihar	36.65
Gujarat	11.54
Maharashtra	18.50
Jammu & Kashmir	25.01
Kerala	31.22
Madhya Pradesh	13.00
Madras	20.88
Mysore	25.07
Orissa	15.94
Punjab (including Haryana)	38.60
Rajasthan	4.62
Uttar Pradesh	10.72
West Bengal	23.55
Himachal Pradesh	27.05
Manipur	10.59
Tripura	36.42
Pondicherry	44.57
All India	23.56

Among these tenants there are several categories. A small minority have occupancy rights. The overwhelming majority are tenants-at-will or have only temporary rights. The report of the ministry of food and agriculture submitted to the chief ministers states :

“Many of the tenants who had acquired occupancy rights in the zamindari areas have come into direct contact with the state. The tenants and sharecroppers who still remain do not generally enjoy fixity of tenure. They are either tenants-at-will or subject to landlord’s right to resumption or enjoy temporary protection only. Such tenants, according to 1961 census data, constitute 82 per cent of the total number of tenants, mainly in the states of Andhra Pradesh, Assam, Madras, Bihar, Punjab (including Haryana) and West Bengal.”

The lot of tenants is the worst among the cultivators. Despite the fact that occupancy rights were conferred on tenants by tenancy laws, many of them have been evicted either

legally or illegally. Illegal evictions which were carried on on a wide scale are euphemistically called "voluntary surrenders".

That even legal evictions are also resorted to on a large scale can be seen from the fact that in Maharashtra alone landlords resumed over five lakh acres of land from tenants through the courts.

Though tenants are spread over the whole country, most of them are still concentrated in some areas in different states. In these tenant areas, there is continuous tension between the landlords and the tenants leading to bitter struggles and sometimes even pitched battles and murders.

The recent case of Umarpurdiara village in Bihar, where the landlords attacked tenants with guns and spears, brutally killing 11 peasants and wounding several others for possession of land, is typical of what is happening in these areas.

It is to the credit of the UF governments of Kerala and West Bengal that they banned all evictions through legal action, pending further comprehensive legislation for alleviating the misery of the tenants.

Though the rent fixed by tenancy laws is quite high, the landlords exact much more than the legal rent in different states by resorting to innumerable illegal means.

The legal rents in different states are as follows :

"Legislation for regulation of rent payable by a cultivating tenant or sharecropper to the landowner has been enacted in practically all states. There is, however, a large variation in the rates so fixed.

"In Gujarat, Maharashtra and Rajasthan, the rent is not to exceed one-sixth of the gross produce, or 2 to 5 times the assessment, whichever is less. In Delhi, it is one-fifth of the produce or 4 times the assessment, whichever is less. In Madhya Pradesh, the maximum rent is 2 to 4 times the land revenue. In Kerala, fair rent varies from one-fourth to one-twelfth of the paddy produce and, according to the new amendment, in no case, more than 50 per cent of the contract rent.

“In Assam, Bihar, Mysore, Orissa, Telengana area of Andhra Pradesh and the union territories of Himachal Pradesh, Manipur, Tripura, Goa, Mahe and Karaikal regions of Pondicherry and Dadra and Nagar Haveli the statutory rent is not to exceed one-fourth or one-fifth of the produce.

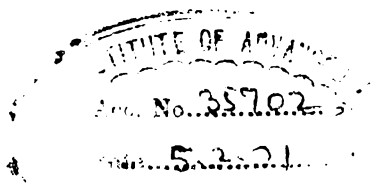
“In Haryana and Punjab, the maximum rent is one-third of the gross produce. In Andhra area, it is 50 per cent of the produce for irrigated lands and 45 per cent for dry lands. In Jammu & Kashmir, it varies from 25 per cent to 50 per cent of the produce. In Tamilnadu, it varies from 33-1/3 to 40 per cent and in West Bengal from 40 per cent to 50 per cent in case of bargadars.

“Provision has been made for commutation of kind rent into cash in a number of states.

“To ensure implementation of rent regulation, provision has been made for determination of fair rent by land tribunals in Kerala, Mysore and Tamilnadu. In Assam and West Bengal, special boards have been set up for settling disputes regarding sharecropping. In case of dispute, it has also been provided for depositing the share of the crop payable to landlords with the authorities” (*ibid*).

In several of the tenancy legislations, there are provisions for bringing the tenants with permanent occupancy rights into direct contact with the state and enabling them to acquire full ownership, according to the following rate:

“The purchase price payable by tenant has been fixed as a multiple of land revenue in Gujarat and Maharashtra (20 to 200 times), Madhya Pradesh (15 times), old Pepsu area (90 times but not exceeding Rs. 200 per acre), Rajasthan (15 to 20 times), Manipur and Tripura (30 times); as a multiple of rent in Hyderabad areas (6 to 15 times), Kutch area (4 times), Mysore (15 times) and Uttar Pradesh (10 times); it is related to market value in Orissa and non-Pepsu area of Haryana and Punjab (three-fourths). The purchase price is payable in annual instalments varying from 5 in Madhya Pradesh to 20 in Mysore” (*ibid*).



The union ministry of food and agriculture claims that about 30 lakh tenants and sharecroppers have acquired ownership over more than 70 lakh acres of land in different states.

<i>State/Union territory</i>	<i>Number of tenants (in 000)</i>	<i>Area in respect of which ownership has been conferred (in 000 acres)</i>
Gujarat	462	1408
Madhya Pradesh	420	—
Maharashtra	740	2138
Punjab	22	147
Rajasthan	199	944
Uttar Pradesh	1500	2000
West Bengal	—	800
Telengana area	33	202
Delhi	29	39
Himachal Pradesh	24	28
Tripura	10	12

In spite of these impressive figures, the tenant problem still remains a big and serious problem. Even if 30 lakh tenants are given ownership rights, yet over 127 lakh tenants are left at the tender mercy of landlords even today. This problem cannot be solved in a piecemeal way.

It can only be solved by giving full ownership rights to all classes of tenants and sharecroppers and abolishing the system of tenancy altogether. Recent comprehensive Land Relations Act of the united front government in Kerala, which gives ownership rights to all tenants, can become a guide in this matter.

The following concrete measures should be implemented to end the miseries of the tenants:

(1) All evictions of tenants to whichever category they may belong should be made illegal forthwith and the lands so seized must be given back to the tenants where they have been illegally evicted.

(2) All the existing high rents over tenant lands should be drastically reduced and a fair rent be fixed on the basis of the conditions obtaining in different states.

(3) All categories of tenants should be brought into direct contact with the state so as to ensure complete security of tenure and end all illegal exactions.

(4) They must be given full ownership rights on the land they cultivate, except on the lands of the small landholders cultivated by the tenants. In the case of small landholders their property right over land would not be taken away. They will also have a right of resumption of their lands from tenants, to a limited extent, for selfcultivation.

(5) Record of rights regarding land has to be prepared throughout the state expeditiously so that the tenants have a reliable legal weapon in their hands against the landlords to protect their tenancy.

Bhoodan Is No Solution

In dealing with the problem of land distribution to agricultural workers and poor peasants, it is necessary to consider the bhoodan movement also because this movement is contraposed to the militant movement of the toiling people for radical land reforms.

Vinoba Bhave, the author of the bhoodan movement, called it a "nonviolent revolution" in land relations through which the landless people would get land by bringing about a change of heart on the part of the landlords. Congress governments at the centre and in the states gave a big boost to this movement by giving it financial assistance as well as through legal and administrative measures.

Before going into the details of this movement, it is necessary to have an idea of the general concept which they call "sarvodaya" meaning the welfare of all, the core of which, of course, is bhoodan. They say this concept is based on Gandhiji's philo-

sophy of nonviolence, change of heart of the exploiters and oppressors and the theory of trusteeship. They claim that they want to build a "new social order" through nonviolence.

Vinobaji started this movement with bhoodan, i.e., land gifts from the landlords and peasants in 1951, developed it into gramdan (i.e. gift of the entire village), then to zilladan and even to rajyadan meaning the gift of different districts and states of our country.

At the 18th annual sarvodaya conference held at Rajgir in Bihar at the end of October 1969, they claimed that by September 1969 they had received as gramdan about 1,34,000 villages out of 6,21,600 villages in the entire country. Bihar alone was said to have contributed over 60,000 villages. It was also claimed that out of 17 districts of Bihar, 14 districts have been received as zilladan. Apart from this, it is stated that 13 more districts have been received as zilladan in other states.

All this is nothing but an exaggeration.

By 1972 they hope to get entire Bihardan and control the state assembly through their representatives and establish a "kingdom of truth in this country or disappear altogether".

Of course, they say that sarvodaya workers will not contest elections but "they must see to it that honest and selfless men and women were selected as legislators so that they could work in the true interests of the masses" (Jagannathanji, chairman, Sarva Seva Sangh at the Rajgir conference).

There can be other dans like sampattidan, i.e. gifting money and other property, buddhidan, etc.

The sarvodaya people do not want to set up a parallel government. "Any step contemplated will be within the confines of the Indian Constitution" as Vinobaji has stated. Since in a state where rajyadan has taken place overwhelming majority of representatives will be of the sarvodaya movement, they will set up a *partyless democracy* which works on the basis of unanimity.

God alone knows how every time decisions can be taken by unanimity! Abolition of all parties is a precondition for the

effective functioning of this sort of democracy. How parties can be abolished in a class-ridden society, nobody knows. If at all this sarvodaya movement succeeds, then it will itself become a partyless party!

For achieving this new sarvodaya social order, they have established three organisations. One is Sarvodaya Samaj—a body which takes care of its ideology—and it consists of those who subscribe to the ideals without strict discipline. The other one is Sarva Seva Sangh, consisting of constructive workers in different fields, who put the programme into practice with strict discipline. As a matter of fact, all the different constructive organisations which Gandhiji had built like the Khadi and Village Industries Association, Harijan Seva Sangh, Basic Education Society, etc. are merged into the Sarva Seva Sangh. The third is the Shanti Sena, a volunteer organisation.

All this is an Indian variation of utopian socialism, put into practice in the past by utopian socialists in Europe like Robert Owen, Charles Fourier and others, which is not going to succeed. Leaving this utopia to itself, let us turn our attention to the practical aspect of the bhoodan movement, i.e., movement for land distribution.

We would not have taken this movement seriously but for the fact that the central and state congress governments have boosted it as one of the important means to solve the land problem. A high level conference was held at Yelwal in Mysore state in 1957, which was attended by Prime Minister Nehru, President Rajendra Prasad, Vinobaji, some other important central ministers, state chief ministers and representatives of some political parties acclaiming the gramdan movement.

The irony of the situation is that while the Congress had undivided sway over the whole country all these years, it did not use its monopoly of political power to give land to the tiller. It was putting up this utopian movement as a real alternative before the rural mass. Congress governments at the centre and in the states have spent crores of rupees to bolster up this movement. They have enacted bogus ceiling and

tenancy legislations with all the loopholes for the landlords to escape their provisions. This is nothing but bourgeois trickery to fool the masses and divert their attention from militant agrarian struggles developing throughout the country.

As a matter of fact, the very origin of the bhoodan movement was in the famous anti-Nizam and antifeudal peasant armed revolt in Telengana in the years 1946 to 1952 led by the Communist Party of India. In the course of his tour in Telengana in those days of turmoil, on 18 April 1951 Vinobaji reached a village named Pochampalli on the border of Nalgonda district. There when he pleaded for the landless, one landlord Ramchandra Reddy, who happens to be the brother-in-law of Ravi Narayan Reddy, one of the famous leaders of the Telengana armed struggle, offered him 100 acres. That was the birth of the bhoodan movement.

Vinobaji threatened the landlords with a "bloody revolution", of course, under the leadership of the communists, if they did not heed to his advice.

"If landowning people do not part with land and a proper atmosphere for land reform legislation is not created, the third alternative would be a bloody revolution. My attempt is to prevent such a violent development, and after my experience in Telengana and in UP I am convinced that peaceful methods can succeed. Land, like air, sun or water, is a free gift of god, and what I am asking for, on behalf of the landless, is no more than justice."

He also said, "unless the existing social order, which is based upon inequality, strife and conflict, is replaced by one founded on equality and mutual cooperation, there can be no salvation for mankind".

We are in full agreement with the abovestated sentiments, but we do not believe that land can be given to the landless or a social order based on "equality and mutual cooperation" could be established through a change of heart of landlords and other bloodsuckers as a class. Hearts of some individual landlords might change, but not of the class as a whole.

The bhoodan movement went on with all the fanfare for the last 18 years throughout the country. The result of the movement up to March 1967 as claimed by the sarvodaya leadership is given in the table below of the land reforms division of the Planning Commission.

STATEWISE FIGURES OF BHOODAN
(up to 31 March 1967)

State	Land received (in acres)	Land distributed (in acres)	Land rejected (in acres)	Land to be distributed (in acres)	Number of gramdan villages
1	2	3	4	5	6
Assam	23105	509	8	22588	1163
Andhra Pradesh	241952	103309	86385	52258	3588
Orissa	181939	113345	19846	55948	6364
Uttar Pradesh	435574	201642	173564	60368	753
Kerala	26293	5774	7999	12520	409
Tamilnadu	80433	21519	—	58914	3319
Delhi	300	180	120	—	74
Punjab	14739	3601	3380	7758	1280
Gujarat	103530	50984	27994	24552	751
Maharashtra	150802	107111	38346	5345	2681
Madhya Pradesh	405402	156506	174531	74365	2161
Mysore	20086	3181	53	16852	96
West Bengal	12960	3898	8426	636	627
Bihar	2121462	331842	1067006	722614	13198
Rajasthan	432868	84781	122488	225599	1011
Himachal Pradesh	5240	2531	—	2709	—
Jammu & Kashmir	211	5	—	206	—
	4264096	1190718	1730146	1343232	37775

From this table, some interesting things can be noted.

First, though about 43 lakh acres were donated, about 17.5 lakh acres had to be rejected and only about 12 lakh acres were distributed. Out of 13.5 lakh acres to be distributed, it is yet doubtful how much is available for distribution.

The story of the 17.5 lakh acres of rejected land is funny. A large number of former zamindars and landlords played a hoax

on the bhoodan movement by donating lands which became government lands under the zamindari abolition acts, lands useless for cultivation and lands in dispute with tenants or with the government. As an instance, we have the case of the famous Raja of Ramgarh, who is alleged to have swindled Bihar government's property worth crores of rupees, donating over a lakh acres to the bhoodan movement; but nobody knows where this land is. This hoax was exposed later.

The second thing is about the so-called gramdan movement. When the bhoodan movement lost its glamour, gramdan and zilladan appeared on the scene. The exaggerated figures of gramdan are based on wishful thinking. According to the scheme, a village is declared as given in gramdan when at least 75 per cent of its residents with 51 per cent of the land signify their approval in writing for gramdan.

The gramdan village should function according to the following conditions:

- (1) Private ownership of land is to cease and the title is to be vested in the village community as organised in the gram sabha (village assembly).
- (2) The landholder would continue to retain possession of the land, to cultivate it and to pass it on as inheritance, but will donate for the landless at least 5 per cent of his holding, or such greater part thereof as decided unanimously by the gram sabha. He would not sell or otherwise part with the land except with the permission of the gram sabha and within the village.
- (3) A village fund would be constituted into which every family or person will make an annual contribution equivalent to about 3 per cent or such other part of his total produce or income as decided by the gram sabha. Those having neither would contribute proportionate free labour for any work decided upon by the community.
- (4) All adults living in the village will constitute the gram sabha which would manage the affairs of the village and would be responsible for the welfare of all. The gram

sabha will function not on the basis of majority decisions but on the principle of unanimity or consensus.

(*Gramdan—The Land Revolution in India*, p. 21)

According to the above scheme each landholder has to give only onetwentieth of the land in his possession for distribution. Though it is declared that private ownership in land ceases, it is only formal; only a landholder's right to sell land is restricted. He has to seek permission of the gram sabha for selling. There is no restriction on enjoying the fruits of the land and leaving it to the children.

The main inducement for declaration of gramdan is not so much idealism as the material benefits that will accrue from the government in the matter of subsidies and other facilities. As long as these continue, the facade of gramdan will be maintained. After that, even this facade will vanish into thin air.

As far as practical benefits in the shape of little pieces of land that can come to at least a few agricultural worker families, that is all right. But the claim of bringing about "a land revolution" in India, of giving land to the tiller through bhoodan and gramdan movement is at best a utopia.

This is only used by the congress governments as a diversion from the militant mass agrarian movement. No land distribution can take place through change of heart of the landlords. Only a radical agrarian legislation like that passed in Kerala can give land to the landless people in our country.

Compensation—A Roadblock

The question of compensation has become a roadblock in the path of radical agrarian reforms. Even the seriously defective and weak agrarian legislations adopted by the various state assemblies had to stumble many a time on this issue. From the

very beginning of agrarian legislations sponsored by congress governments in the states since the attainment of independence, the zamindars, jagirdars and other landlords took resort to courts to block, delay and sabotage these legislations. And the courts in general helped these bloodsuckers against the peasants and agricultural workers by using a drawback in the Indian Constitution, namely the unfortunate inclusion of the right to property in the chapter on fundamental rights.

The zamindars and jagirdars were not satisfied even with 642 crores of rupees given to them as compensation, apart from thousands of acres of land, huge gardens, palaces and other personal property. They went to the courts to challenge the Zamindari and Jagirdari Abolition Acts.

Some high courts struck down these acts as being ultra vires of the Constitution and certain others upheld them. Hence Parliament had to amend the right to property part of the Constitution through the First and Fourth Amendments in 1951 and 1955 respectively and include 20 such acts passed by different states in the Ninth Schedule of the Constitution to make them intra vires of the Constitution.

After the adoption of legislations on ceilings on landholdings by some state legislatures, the issue has cropped up again. The Kerala high court struck down the Kerala Agrarian Relations Act of 1961, which included provisions on land ceilings, saying that the 1951 and 1955 amendments to the Constitution relate only to zamindari and jagirdari estates and not to ryotwari lands even in these states.

Hence Parliament had to adopt another amendment, namely the 17th Amendment, to validate the land ceiling laws in 1964. This amendment widened the scope of the term "estate" to include the ryotwari lands also and included all the ceiling laws adopted by different state legislatures—44 in all—in the Ninth Schedule of the Constitution.

With this the total number of agrarian legislations included in the Ninth Schedule comes to as many as 64 in number.

The story does not end there. In 1967 the Supreme Court, through its special bench of 11 judges under Chief Justice K. Subba Rao, gave a majority decision that "Parliament will have no power from the date of this decision to amend any of the provisions of Part III of the Constitution so as to take away or abridge the fundamental rights enshrined therein."

The occasion was a writ petition filed in the Supreme Court by the landowner L. C. Golaknath and others against the state of Punjab questioning the validity of all the abovementioned three amending acts to the Constitution relating to agrarian legislations. There were two other writ petitions from some other states also.

This decision of the Supreme Court questioning the sovereign authority of Parliament to amend the chapter on fundamental rights has put a roadblock in the way of all future social progress. The landlords, the monopolists, other vested interests and reactionary political parties are utilising this judgement and trying to block all progressive social legislation which would go to help the economic uplift of people of our country.

The spate of writ petitions sponsored by the monopolists aided by the Syndicate-Janasangh-Swatantra axis, questioning the validity of bank nationalisation law adopted by Parliament, is a case in point.

In the Golaknath case it should be remembered that the judgement of the Supreme Court was given by a bare majority of one—six against five. Even one of the judges, who upheld the majority judgement, Hidayatullah, had stated that the incorporation of the right to property in the chapter on fundamental rights was wrong and that it should be deleted from that chapter.

Even while questioning the sovereign authority of Parliament to amend the chapter on fundamental rights, the majority of the special bench was afraid of striking down the three above-stated amendments to the Constitution relating to agrarian legislation.

They clearly accepted that if those amendments are struck down, "it would introduce *chaos and unsettle the conditions in our country*" (emphasis mine—CRR). They rationalised on the basis that a previous Supreme Court decision accepted the sovereign right of Parliament to amend the chapter on fundamental rights in the Constitution.

Now what is to be done under these circumstances? Though the Supreme Court has not struck down these constitutional amendments, which put the 64 agrarian legislations passed by different states in the Ninth Schedule, it has barred the door for any future radical agrarian legislation.

The most important thing still left to be done in agrarian reforms is amending the ceiling laws radically, scrapping exemptions, lowering ceilings, giving proper definition of the family, etc. so that land can be made available to the landless poor. But Article 31A of our Constitution, which is a part of the chapter on fundamental rights, stipulates that compensation for land, buildings and other structures on it "shall not be less than the market value". If compensation at "market value" has to be given for nine crore acres of surplus land at the rate of even Rs. 1,000 per acre, it will come to Rs. 9,000 crores, which is an impossible thing.

The union ministry of food and agriculture in its report to the recent Chief Ministers' Conference proposed that the compensation to the landlords for surplus lands over ceiling should be based on "self-financing". They state that compensation money should be recovered from those who get the land in instalments spread over a number of years and paid to the landlords.

The ministry did not face the question posed by the Supreme Court judgement in the famous Golaknath case. They only suggested ways of wriggling out of the situation.

They suggest that if the amendments to the existing ceiling laws lowering the ceiling limit are made, no constitutional

objection can be taken because these laws are already there in the Ninth Schedule of the Constitution. They say that the Supreme Court has recently upheld the validity of the Orissa Land Reforms (Amendment) Act of 1965, lowering the land ceiling limit.

Even if for argument's sake this line of reasoning is accepted, no tinkering with the present ceiling laws here and there would help the agricultural workers and poor peasants in getting land. A radical overhauling of the existing laws is needed for the solution of the problem.

Let us look at what the Supreme Court is going to do with regard to the recent Agrarian Reform (Amendment) Act of the Kerala united front government which incorporates some of the radical amendments. It has to be remembered in this connection that the Supreme Court has banned all future amendments to the chapter on fundamental rights in the Constitution.

A majority of the Supreme Court special bench had suggested that if an amendment has to be made to this fundamental rights chapter, a new Constitution has to be framed by a new Constituent Assembly.

If a new Constituent Assembly has to meet at all, it should do many other important things besides this. It should not allow anybody to support the landlords, monopolists and other bloodsuckers of the people and play with the future of our country.

In the present situation it appears that no wriggling out is possible. The problem has to be faced squarely. Parliament which is the supreme tribune of the people should assert its sovereign authority. It should pass Nath Pai's Bill which is hanging fire before Parliament for the last year and a half.

As far as the Communist Party's basic position with regard to the problem of compensation to landlords is concerned, we hold the view that no compensation should be given to the

landlords at all. But only a revolutionary democratic government can implement such a radical legislation.

Under the present circumstances, if compensation has to be paid, it cannot be the "market value" which is very high in this inflationary economy; it can only be a nominal one.

12 Crores of Cultivable Waste

The cultivable wastelands with the government and the namesake forest lands together constitute a big chunk of the land to be distributed to the agricultural workers and poor peasants. There are nine crore acres in the former category and three crore acres in the latter in different states of our country. Statewise figures are available for cultivable wastelands, but not for the namesake forest lands.

Among the cultivable wastelands with the government there are two types. The lands of the first type are fit for cultivation without much investment. The second type needs reclamation with considerable expenditure.

The lands with the government fit for cultivation and the namesake forest lands are mostly occupied by either the landlords and rich peasants or ordinary peasants and agricultural workers. About the other type of lands nobody bothers at present because one has to incur expenditure for reclamation.

The ministry of food and agriculture claims in its report to the recent Chief Ministers' Conference that different state governments have already distributed over one crore acres of land to the landless poor. This claim cannot be sustained because in the land that has been distributed, there are also large blocks of land that have been given to landlords and other moneyed people under some pretext or the other.

For instance, a top monopolist like Birla is given 1,000 acres of fertile land in Punjab under the pretext of establishing a modern seed farm.

Apart from this, large blocks of land belonging to the government are illegally occupied by the landlords, congress and other influential people. For example, in Andhra Pradesh one former congress state minister and a big landlord, ex-zamindar of Challapalli, occupied fertile river island lands—3,000 acres; Purushottam Reddy, a state congress minister—580 acres; Chenchu Ram Naidu, another state congress minister, and his relatives—over 2,000 acres; another group of landlords related to B. Gopala Reddy, governor of UP—500 acres.

Besides, there are many landlords in Andhra Pradesh who illegally occupied government lands. But during the course of the present land occupation programme some of these lands under illegal occupation of landlords are taken possession of by the agricultural workers and poor peasants.

The case of illegal occupation of government lands is not a phenomenon confined only to Andhra Pradesh. This is the case in other states also.

Not to speak of enacting and implementing radical land ceiling laws, the state congress governments did not find time to distribute the cultivable government lands to the landless poor.

On the other hand, while they were allowing the landlords to illegally occupy these government lands, they were harassing the landless poor wherever they dared to occupy these lands braving the opposition of local landlords and rich peasants.

In many places imposition of penalties, launching of cases for so-called unauthorised cultivation and destroying of crops raised by these landless poor by the congress governments are a common feature.

For instance, out of about seven lakh acres of government land occupied by the landless poor in Andhra Pradesh since

the days of the famous Telengana armed peasant struggle, only a portion of landless people got title deeds after a lot of agitation and struggles. Those who have not got title deeds are being harassed even today.

Some of the state governments have started auctioning these lands instead of giving them to the landless poor. The recent struggle, in which many peasants and agricultural workers were shot dead, in Ganganagar district of Rajasthan over auctioning of government lands which have become valuable due to the Rajasthan canal waters, is the result of this reactionary attitude of congress governments.

The following table shows the total cultivable government wasteland and the land claimed to have been distributed so far in the different states (union territories not included):

	Cultivable land excluding fallow land	Land distributed
(in lakhs of acres)		
Andhra Pradesh	70.65	13.09
Assam	17.60	3.09
Bihar	24.30	5.064
Gujarat	45.10	3.332
Jammu & Kashmir	9.90	Not available
Kerala	92.75	0.484 ^o
Madhya Pradesh	181.40	23.457
Madras	32.80	3.111
Maharashtra	61.65	6.407
Mysore	67.48	7.226
Orissa	63.85	1.663
Punjab	140.5	1.679
Rajasthan	206.75	28.350
Uttar Pradesh	62.09	9.442
West Bengal	15.98	1.220
	883.93	107.545

^o Latest figure not available.

According to the table, even if the claim of the land distributed is taken at its face value, there is still over 750 lakh acres of land in the hands of the state governments available for distribution.

The ministry of food and agriculture had set up an agency under the name of Wastelands Survey and Reclamation Committee for locating and reclaiming wastelands but very little has been done in this direction.

On the other hand, in its report to the recent Chief Ministers' Conference, it has proposed auctioning "a portion of government land to the highest bidder" in the command areas of the major irrigation projects under the specious plea of creating a fund "for the integrated development and colonisation of the area".

This is the thin end of the wedge. If this is allowed, the state congress governments will take the opportunity to continue their game of selling government lands to the landlords and other rich people.

It is estimated that under the Rajasthan canal alone 20 lakh acres of government land will become useful for cultivation when it is completed. If this reactionary policy is allowed to be implemented, all this land will be grabbed by rich people and landless poor will be deprived of even the government land.

The landless poor are not going to allow this any more. They have woken up now. A new consciousness and self-confidence has gripped them along with other toiling people because of the recent breathtaking developments in our country.

The prime minister's letter to the state governments asking them to expeditiously distribute government wastelands to the poor; Food Minister Jagjivan Ram's call to the landless poor to occupy government lands and go to jail, if necessary; the atmosphere of Gandhiji's birth centenary celebrations; and finally the radical land distribution measures undertaken by the united front governments of Kerala and West Bengal have

given new confidence and enthusiasm to the agricultural workers and poor peasants throughout the country for occupying government lands.

According to the reports, more than five lakh acres of government land have been occupied in the states where the left parties have taken the initiative to organise and mobilise the landless. Under the leadership of the CPI, agricultural workers' associations and kisan sabhas alone, the following lands have been occupied: West Bengal 1,25,000 acres, Andhra Pradesh 1,07,000 acres, Bihar 30,000 acres, Assam 40,000 acres, Uttar Pradesh 6,000 acres and some land in other states.

In Kerala, the united front government led by Chief Minister C. Achutha Menon has taken up the programme of distribution of government lands seriously. Within a short period of eight weeks since it came to office, over 50,000 permanent title deeds have been issued to the landless poor on government lands and the united front government has undertaken to complete distribution of all available government lands in the state within three months.

The central government has declared that distribution of government lands to the landless poor will be completed expeditiously. Some of the state governments have also made similar declarations and set up targets for distribution of government lands to the landless poor.

But these declarations will remain mostly on paper unless the landless poor mobilise and act. This land occupation programme must go on and the state governments must be compelled to implement the following measures:

(1) All government lands under legal and illegal occupation of landlords and other rich people should be taken back and distributed to the landless poor free of cost.

(2) All the namesake forest lands also should be removed from the forest category and given to the landless poor and tribal people.

(3) Title deeds must be issued immediately to lands which are already under occupation of landless people.

(4) All cultivable government wastelands in need of reclamation should be located and reclaimed as soon as possible by incurring necessary expenditure. They must be distributed to the landless poor free of cost.

(5) The landless poor should be given subsidies to enable them to buy agricultural implements, bullocks and other aids necessary for cultivation of these government lands.

Agrarian Discontent Among Tribals

The seething agrarian discontent revealed in sporadic outbursts in many parts of the country embraces within it first and foremost the adivasis, because the capitalist path of development which is affecting the agrarian modes of exploitation continues to make them the worst sufferers. The outbursts of adivasis in various parts of the country reflect the crisis of this social order.

There are 30 million adivasis in India divided into more than 500 tribes. As many as 95 per cent of them are kisans, i.e., they are engaged in agriculture as agricultural workers, inferior tenants and peasant proprietors. The overwhelming majority of them are sharecroppers and other inferior tenants.

Twenty per cent of the tribal people are landless agricultural labourers. Remnants of primordial slavery, known variously as sagri, jothi, hali, vetti, etc. exist in various parts of the country even now after 14 years of land reforms. Most of the 500 and odd tribes are undergoing a process of transformation under the impact of social progress through capitalist development.

Common nationalities of several tribes with common

language are springing up here and there. Some of them are being assimilated into neighbouring advanced nationalities. But because of the bankruptcy of capitalism in an underdeveloped economy, the process has become very painful for the majority of the tribal population in India.

The agricultural labourers constitute the exploited class in India but the tribal agricultural labourers are the most exploited among the agricultural labour population: in his 1960-61 Report, the Commissioner for Scheduled Castes and Scheduled Tribes pointed out that the percentage of landless adivasis has grown from 50 in 1950-51 to 57 in 1956-57 and their average wages have gone down from 109 to 96 paise per day. Their indebtedness has grown from Rs 80 crores to Rs 143 crores in the same period.

Experience shows that the same trend has continued in the next decade. The combined blast of primitive accumulation for capitalist development and the crisis of that very path is creating both relative and absolute impoverishment of adivasis.

The National Council of the Communist Party of India in the course of a resolution on the tribal problem adopted in August 1968 corroborates the above conclusion:

“It is well known (as also recognised by the Dhebar Commission) that in respect of indebtedness, land alienation, landlessness, forced labour and illiteracy, the tribal people continue to be the worst sufferers. In Tripura, for example, a state with a majority of tribal population, they have been reduced to the position of a minority through the process of land-grabbing by nontribals with the connivance of and assistance given by the congress government, both at the centre and in the territory itself.”

The Bulletin (Vol. II, No. 2) published by the Tribal Welfare Department of the Government of West Bengal points out that “large amounts of land have been alienated in the districts of Malda, West Dinajpur, Darjeeling, Birbhum, 24-Parganas, Bankura, Purulia, Hooghly, Burdwan and Midnapore during the period 1956-1960” (p. 20).

Swapan Kumar Banerjee, author of the article, has come to the conclusion that "alienation took place mainly from tribals to nontribals living in or adjacent villages". The author's conclusion—"transfers were mainly caused for consumption purposes and meeting such contingency expenses as medical, socioreligious activities, etc."—reveals the extent of impoverishment among the tribal people, particularly in the agrarian sector, despite the government's pompous welfare schemes.

The disastrous economic consequences of land alienation are further aggravated by the loss incurred by the adivasi due to unequal exchange in the transfer of land. Indebtedness is the most important cause of this alienation and the heavy load of debt often forces the adivasi debtor to sell land to the non-adivasi creditor at a rate below the market price; and these transfers take place despite the 5th Schedule of the Constitution, which protects the land of adivasis.

Unless the economic conditions which lead to the transfers are tackled at the base, no constitutional or legal guarantee can be effectively implemented. So long as hunger pinches, debts will be incurred; and so long as the state does not come forward to supply credit to the impoverished adivasis, the non-tribal shylocks will continue to extract the "pound of flesh" from them.

Agricultural improvement by helping with resources can certainly improve the economic conditions of the poor adivasi peasants. They are capable of taking advantage of improved technique provided the capital resources required are within their reach. In his book *Agro-Economic Survey of Tribal Mandla*, the author, M. L. Patel, has made significant observations in this respect.

In a particular village, Sijhora, as observed by Patel, "the sizes of the holdings in the village vary from 0.14 to 50.20 acres". In this village, "Three improved agricultural practices, viz use of improved seeds, line sowing and plant protection measures, have been adopted by 30 per cent of the small farmers to ensure high yield of the crops. 40 per cent of the medium farmers have adopted improved livestock and the

Japanese method of paddy cultivation to ensure better utilisation of available farm resources" (p. 53).

This survey reveals the responsiveness of the tribal poor peasants to improved techniques and if in spite of this tribal character, impoverishment forces them to alienate land, it is because resources are not available to them. Defective plans and the apathy of the banks in supplying credit are also responsible for lack of resources.

But no less important is the perpetuation of the old, i.e. pre-capitalist social order which condemns the poor tribals to a state of backwardness. The Commissioner for Scheduled Tribes and Scheduled Castes reported in 1960-61:

"Of the tribal population, about 26 lakhs belonging to 109 different tribal communities... carry on shifting cultivation. It is practised on a large scale in the states or union territories of Andhra Pradesh, Assam, Bihar, Madhya Pradesh, Orissa, Manipur and Tripura, and to a smaller extent, in the states of Gujarat, Kerala, Maharashtra, Madras, Mysore, Uttar Pradesh and West Bengal."

The total acreage covered by this mode of cultivation is, according to the author, 22.76 lakhs.

This outmoded shifting cultivation reminiscent of the ancient hoe-culture stands in contrast to the modern agricultural technique. The tribal life exhibits both ends of this evolution. Such a contrast is visible in respect of land relations, too.

Though selfcultivating peasant proprietorship has grown among adivasis in many areas, a large percentage of them are subject to the feudal mode of production and slavery. Despite 14 years of land reforms, the bataidari system prevails without any security of tenure and based upon crop-sharing with 50 per cent of produce as rent for the landlord, while the entire cost of cultivation is borne by the tiller.

Crop-sharing is of course one of the forms of semifeudal land relations. The other, the most extreme, form of feudal exploitation is the muthadari system in Andhra Pradesh.

The Commissioner for Scheduled Castes and Scheduled

Tribes refers in his 16th report (1966-67) to a survey conducted in the Chintapalli taluk of Visakhapatnam district. The entire taluk is a "scheduled area" in terms of the 5th Schedule of the Constitution by means of which certain special measures are adopted for the protection and improvement of the scheduled tribes.

The survey covered 47 families possessing 125 acres of wet land and 192 acres of dry land. In this area, the old muthadari system continued so long, despite the abolition of intermediaries some 14 years ago. Only recently, after Srikakulam uprising, laws have been enacted to abolish the system. According to this system, the landlord, i.e. the muthadar, enjoys rent-free estates, but himself can collect exorbitant rents.

The Commissioner states:

"In some 'muthas' the muthadar charged rents worked on the basis of each plough or hoe used by a ryot for the cultivation, while in the others the rents were charged on the basis of the quantum of seeds sown. . .", "muthadars have been progressively enhancing the rents in some cases." "Vetti i.e. unpaid labour for the muthadar's personal service and mamuls i.e. an illegal exaction like 'salami' have not yet disappeared completely. But the condition of the peasant proprietors are not so good."

"The economic condition of the common tribal ryot is not very good and there is incidence of landlessness as well as existence of small and uneconomic holdings."

The survey also revealed startling cases of land-alienation by contravening the law. The report points out that "it is irregular in Agency Area for a muthadar to be a party to the transfer of land to plainsmen, but with the assistance of voora munsiff (through whom muthadars collect rent) land appeared to have changed hands. It appeared that the discrimination in fixing rents was a result of underhand dealings between the ryot and the voora munsiff of the muthadar."

The muthadar can still obtain "free or underpaid (vetti) labour" for his own work and "also collect the old 'mamuls'

from the poorer tribals especially by allowing the latter some land for cultivation”.

Complete abolition of such feudal land relations is the most urgent demand of adivasis. This demand can be realised only by organising them and through mass actions. The application of the 5th Schedule of the Constitution has failed to serve the purpose because under this schedule the governors have been made into all-powerful despots in respect of administration in the scheduled tribal areas. Moreover, many areas are arbitrarily descheduled. Naturally, under these conditions the scheduled tribes are unable to enjoy equality with the non-tribals.

The National Council of the Communist Party of India has therefore demanded that autonomous regions must be formed in all areas where adivasis constitute the majority of the population. It states:

“In all the areas where adivasis do not constitute a majority but a considerable proportion of the local population, special areas should be formed for the protection and development of the life of the tribal people. The 5th Schedule of the Constitution which was ostensibly devised for such a purpose must be amended and such powers as are reserved by the rajyapals must be transferred to councils democratically elected by the tribal people themselves.”

At the same time the central government must come forward with a comprehensive legislation by means of which the state governments are compelled to restore the tribal people's freedom to use forest produce for personal consumption and all tenants are brought in direct relation with the state while all types of medieval extortions are made punishable by law.

Distribution of banjar land among the landless brooks no further delay. According to the 1960-61 report of the Commissioner for Scheduled Castes and Scheduled Tribes, while 98 lakh acres of banjar land were available for distribution, as late as in 1958-59 only 7.8 lakh acres were distributed to the landless, of which the share of the scheduled tribes and scheduled castes was 3.5 lakh acres.

Obviously, distribution of land can succeed only if the landless and the poor peasants are organised for the occupation of banjar land through mass action.

An upsurge of the tribal people's movement is already on the order of the day and they are on the march. Unfortunately, the democratic movement in the country is not being integrated with it. It is the failure of the leadership of the democratic movement which makes the tribal people a helpless prey to the machinations of rightists and to the adventurist slogan of the ultraleft.

The rightists like the Jana Sangh and others exploit the discontent of adivasis to channel it along communal (christian vs nonchristian) directions; foreign imperialists and their agents divert it along the lines of separatism; and the ultralefts goad them to acts of adventurism and terrorism which only help the ruling class to crush them.

All these trends isolate the adivasi movement from the general current of the democratic movement. It is high time that the latter take up the just cause of adivasis and integrate their militant actions with the common stream of the democratic movement.

Improve the Lot of Agricultural Workers

Agricultural workers constitute the single biggest section of our country's population, 12 crores out of 44 crores according to the 1961 census. They are about onethird of the rural population. They are the most exploited, socially oppressed and downtrodden section of our people. Together with the poor peasants, whose condition is no better, they constitute an overwhelming majority of our population.

State/ Union territory	Total	As cultivators	As agr. labourers	Percentage of agr. workers to total
(in thousands)				
Andhra Pradesh	12823	7487	5336	42
Assam	3511	3323	188	5
Bihar	14780	10362	4418	29
Gujarat	5771	4519	1252	22
Jammu & Kashmir	1172	1153	19	2
Kerala	2156	1178	978	45
Madhya Pradesh	13427	10612	2815	21
Madras	9286	6458	2828	31
Maharashtra	13247	8737	4510	34
Mysore	7568	5807	1761	23
Nagaland	196	193	3	2
Orissa	5656	4353	1303	23
Punjab	4541	3997	544	12
Rajasthan	7449	7055	394	5
Uttar Pradesh	21690	18429	3261	15
West Bengal	6230	4458	1772	28
Union Territories	1545	1407	138	7
Total	131048	99528	31520	

This table contains figures of agricultural workers in different states as worked out on the basis of the 1961 census report.

The figures given here do not include the entire rural population but only those who are capable of physical work. Children and old people are omitted.

The second point to be noted is that these figures do not correctly represent the proportion of agricultural labourers because people in other professions like fishing, tending orchards, cowherding, etc., who constitute about 4.6 per cent of the rural population are not included among agricultural workers. They also should be included in the category of agricultural workers because they too work in fields in busy seasons when wages are generally high. Taken as a whole, the agricultural workers constitute about 25 per cent of the total population and onethird of the rural population.

The third point to be noted is that the distribution of agricultural workers in the different states is so uneven that while in Andhra Pradesh, Bihar, Kerala, Tamilnadu they are over 30 per cent, in states like Jammu and Kashmir, Nagaland, Rajasthan, etc. they are as low as 12 per cent or less.

The table however gives a rough idea about the proportion of the agricultural workers to the total agricultural population.

The miserable life of the agricultural workers is vividly described by the All-India Khet Mazdoor Union in its charter of demands. Regarding their economic condition, the charter says:

“An overwhelming majority of them are landless. Some of them have small plots of land. Their wages are very low, and in some of the backward regions of our country, they are as low as 50 paise a day. They live under conditions of semi-starvation. They have to work from morning till evening like beasts of burden. There are no fixed hours of work, no holidays and no security of employment or in case of sickness.

“Over and above this capitalist exploitation, they are also victims of antiquated semifeudal methods of exploitation through bond-slavery, homestead houses and grain loans at exorbitant interest. According to bond-slave system, generations together have to slave for the landlords in lieu of debts incurred by their forefathers. This is totally illegal but it is still prevalent in vast backward tracts of our country even after 20 years of freedom.

“A large number of agricultural worker families are forced to live in homestead plots at the mercy of the landlords to whom they belong. They are forced to take loans in grain or cash at exorbitant rates of interest even up to 100 per cent in off-season when they are unemployed.

“Apart from low wages and horrible living conditions, the agricultural workers are victims of unemployment and under-employment. Even according to the note submitted by the central statistical organisation to the all-India seminar on agricultural labour in 1955, they get paid employment for only 200 days in a year.

“They are generally forced to live in separate slum-settlements under inhuman conditions without such facilities as roads, water, etc. Whole families are huddled in small hovels.

“They are half-naked and in tattered clothes. They are mostly illiterate, very few of them having had the benefit of education. About medical facilities the less said the better.”

In addition to this, “they are socially oppressed in our caste-ridden Hindu society because an overwhelming majority of the agricultural labour population belongs to the so-called untouchable and backward castes. Though under the Indian Constitution untouchability is banned, it is still prevalent throughout the country. Cases of obstruction of harijans from using the wells, tanks, temples and other public places are common even now.

“When the harijans and other backward caste people try to fight for higher wages and for their social rights, they are beaten and even killed and prevented from entering the fields of so-called upper-caste people in order to cow them down. Such incidents are daily occurrences in Indian villages even today though only a few of them are reported in the press.”

Even 22 years of freedom and three five-year plans have not bettered their miserable lot. “Even the Planning Commission had to admit that all the ceiling laws passed by the congress regimes in the states had not given land to agricultural workers. Very little out of the hundreds of lakhs of acres of government land has been distributed to them.

“The implementation of the Minimum Wages Act of 1948 was delayed by state governments. At last when they started implementing it, they did it in a half-hearted way. The wages fixed range from 62 paise to Rs. 2.50 per day. They are even lower than the existing rates in most regions. There are 57.5 lakh rural unemployed of whom an overwhelming majority are agricultural workers, even according to the Planning Commission.

“The so-called housing schemes of the state governments have provided house-sites only to a few agricultural worker families belonging to the harijan community. Those belonging

to other communities have no housing schemes at all. At this rate it might take 100 years to provide house-sites for all the harijan families.”

In addition to these miserably low wages, the agricultural workers carry a heavy burden of debt at exorbitant interest rates. This debt burden has been increasing regularly. It can be seen from the fact that in 1950-51, 44.5 per cent of the total agricultural worker households were indebted, taken the country as a whole; by 1956-57 this had increased to 63.9 per cent. At the same time the average debt per indebted household had increased from 105 to 138 rupees during the same period.

Finally, the charter says “unless and until the horrible conditions of the agricultural workers and poor peasants—the overwhelming majority of the rural population—are ended and provision for decent and human conditions are created, our country cannot make any significant progress in the economic, political and cultural fields. . .”

The primary condition for lifting agricultural workers out of the poverty and subhuman conditions of life in which they are is to give them a piece of land. The All-India Khet Mazdoor Union has stated in emphatic terms: “The basic solution of the problems of agricultural workers can be found” in giving a piece of land to each agricultural worker family “on the basis of which it can not only improve its living conditions, but also assert its rights in the political life of our country”.

The National Commission on Labour, which has gone into the question of agricultural workers along with the problems of other workers, also states categorically that the remedies for the solution of their problems “lie in bringing about *fundamental changes in the agrarian structure and social relationships in the rural areas*” (emphasis added).

But the central government, the two Congresses and many other bourgeois economists are trying to cover up the basic issue of radical agrarian reforms, by propagating that there is

very little land for distribution and that other avenues of employment have to be found.

If the 21 crore acres of land which can become available with radical amendments to the ceiling laws, reclamation of wastelands and deletion of namesake forest lands from the forest category is distributed, the agricultural workers and poor peasants can be given enough land in vast areas of our country though not everywhere.

If irrigation and cheap credit facilities are provided, one can pull on even with three or four acres of land. An agricultural labour family can use this piece of land not only to make a living but also as a security with which it can bargain for better wages with the landlords and rich peasants.

The next question of importance to the agricultural workers is that of adequate wages. In many instances, the wages fixed under the Minimum Wages Act of 1948 by different state governments are even lower than the prevailing ones. This can be seen from the table (see next page) provided by the All-India Khet Mazdoor Union.

The present low wages under the Minimum Wages Act have to be revised and just minimum wages for seasonal workers as well as farm labourers, which will enable them to meet the minimum requirements of life, should be fixed for different regions or states. They should be revised every year, taking into account the rise in prices of essential commodities.

A separate machinery has to be established up to the block level for implementation of the statutory minimum wages.

Eradication of unemployment and underemployment is an important problem before the agricultural workers and poor peasants. The central and state governments must undertake developmental works in the rural areas like irrigation projects, soil conservancy schemes, land reclamation schemes, rural electrification, rural industries, etc., for this purpose.

For mobilising agricultural workers and poor peasants in such constructive schemes, labour cooperative societies can be formed through which the state and central governments can engage labour in these constructive schemes.

**MINIMUM RATES OF WAGES FOR DIFFERENT AGRICULTURAL OPERATIONS AS-
NOTIFIED BY THE CENTRAL AND STATE GOVERNMENTS
UP TO DECEMBER 1964**

A. CENTRAL GOVERN- MENT	Rs. 1.25 to to Rs. 2.25 per day
B. STATE GOVERNMENTS	
1. Andhra Pradesh	Re. 0.87 to Rs. 2.00 per day
2. Assam	(i) Re. 1 to Rs. 1.25 per day (for five- hours' work) (ii) Rs. 1.50 (for eight hours' work) (Cachar district)
3. Bihar	Wages in kind
4. Gujarat	Re. 0.75 to Re. 1 per day
5. Kerala	Rs. 1.70 per day (Rs. 2.75 per day with- labourers' bullocks)
6. Madhya Pradesh	Re. 0.90 to Rs. 1.35 per day
7. Madras	Re. 0.75 to Rs. 1.25 per day
8. Maharashtra	Re. 0.62 to Re. 1 per day
9. Mysore	Re. 1 to Rs. 1.75 per day (Re. 0.50 for- grazing)
10. Orissa	Re. 0.87 to Rs. 1.75 per day
11. Rajasthan	(i) Re. 0.75 per day (Ajmer area) (ii) Rs. 52.50 to Rs. 75 per month. (other parts)
12. Uttar Pradesh	Re. 1 to Rs. 1.50 per day or Rs. 26 to- Rs. 39 per month
13. West Bengal	Rs. 1.50 to Rs- 2.25 per day
14. Punjab	Re. 1 to Rs. 2 per day (with meals)
15. Delhi	Rs. 1.50 to Rs. 2 per day
16. Himachal Pradesh	Rs. 1.50 per day
17. Tripura	Rs. 2 per day (plus existing perquisites)

Note: Subsequently some state governments have raised these rates.

All agricultural workers should be provided with free house-sites and agricultural workers in possession of homestead plots should be given full ownership rights over such plots free of cost.

For eradication of untouchability and all other forms of social oppression completely, what is needed is that these un-

fortunate people belonging to so-called scheduled and backward castes should be uplifted economically. If economic weapons like land are put in their hand, they can use them to fight against caste oppression effectively.

Along with it stringent measures must be taken and deterrent punishment given to those found guilty of committing social oppression.

Adequate funds must be provided by the central and state governments for providing education, drinking water, roads, free legal aid and other facilities to the people of these scheduled and backward castes.

Irrigation, Not “Green Revolution”

The crux of the agrarian problem in our country today is, no doubt, the abolition of landlordism and giving land to the agricultural workers and poor peasants. But the matter does not end there. The peasants and agricultural workers need water for irrigation, good seeds, cheap fertilisers, cheap credit, remunerative prices for their produce, etc. to be able to put their lands to good use and make a decent living.

Among all these aids to agriculture, the pride of place goes to irrigation because it protects the peasants from the vagaries of nature and they are assured of their crops. Moreover, for modern agricultural methods in our country, water is an absolute necessity.

It is a shame that even after 22 years of independence our country, where 70 per cent of the population is engaged in agriculture, is importing foodgrains and raw materials like cotton from foreign countries.

Since independence, we have spent over Rs 3,000 crores on these imports. Even if half of the 3,907 lakh acres of land under cultivation at present are provided with water, our coun-

try will not only be self-sufficient in foodgrains and other agricultural commodities, but it will also have enough surplus for export.

According to the figures given by the ministry of power and irrigation, since independence, about Rs 3,000 crores were spent on irrigation and water supply was extended from about 500 lakh acres in 1947 to 889 lakh acres till March 1969, taking the country as a whole.

This means, out of a total of 3,907 lakh acres of total cultivated land in the country, only 889 lakh acres have been brought under irrigation up to March 1969. This comes to only 22.75 per cent of the total land under cultivation.

The position is still worse in regard to the supply of electricity for agriculture. Out of about five lakh and seventy thousand villages in our country, only about 70,000 villages were electrified up to March 1969.

The miserably low consumption of electricity for agriculture can be seen from the fact that out of a total of 37,450 million kwh of electricity produced in the country, only 3,290 million kwh is used for energising wells, which comes to a miserable 8.7 per cent.

Apart from the money spent on irrigation and supply of electricity to agriculture, another Rs 3,000 crores are spent on schemes for improving agricultural practices and animal husbandry. After all this spending, the production of foodgrains has increased from 50 million tonnes at the time of independence to 100 million tonnes by the end of 1968. But the country has still to depend for foodgrains and other agricultural raw materials on the US imperialists.

It is now proposed to spend a sum of Rs 857 crores on major and medium irrigation projects in the Fourth Five Year Plan and create an irrigation potential for 141 lakh acres of land, actually bringing 105 lakh acres under irrigation.

It is also proposed to spend Rs 461 crores on minor irrigation under the Fourth Plan bringing about 80 lakh acres under irrigation.

It should be remembered that minor irrigation includes

energising some seven lakh and forty thousand tubewells and ordinary wells. Even if the estimates of the Fourth Plan are taken at their face value, only 27.36 per cent of the cultivated land will be under irrigation by the end of 1973.

This kind of tardy development of irrigation and electrification of rural areas will not get our agricultural sector out of the clutches of the vagaries of nature in which it is at present. What is needed is full utilisation of the water of all rivers in the country through irrigation projects and tapping of the subsoil water through electrification of all the villages and bringing as much land as possible under irrigation.

The table given on the next page shows the present area under cultivation, area under irrigation in 1968-69, potential and actual area to be brought under irrigation in the Fourth Five Year Plan and the area which could ultimately be brought under irrigation utilising all sources of irrigation.

According to the table only about 26 per cent of land under cultivation gets water through different sources, both river and subsoil water. It is necessary that at least half of the land cultivation is provided irrigation facilities so that the country is rid of the shameful dependence on the US imperialists for foodgrains and other agricultural produce.

The congress governments at the centre and in the states have been depending mainly on the strategy of so-called "green revolution" for increasing agricultural production since the year 1965. The essence of this strategy is to spend large sums of money to aid modern methods of cultivation (new seeds, fertilisers and raising double and triple crops, etc.) in the already developed areas which are served by big river valley projects.

Such areas cover only 15 per cent of the total cultivated land taking the country as a whole. This may have helped to increase agricultural production. But it has also increased the regional imbalances even more, giving rise to discontent and even upheavals in the backward regions.

Moreover, the so-called strategy of green revolution has mainly helped the landlords and the rich peasants, who could garner the lion's share of benefits made available under these schemes

(in lakh acres)

State	Total area under cultivation at present	Gross area irrigated in 1968-69	Estimated area under major and medium irrigation projects in Fourth Plan (provisional)	Ultimate utilisation potential for irrigation under all sources including subsoil water	(utilisation potential)
Andhra Pradesh	315	92	9.5	18	255
Assam	67	19	.8	1.3	54
Bihar	268	75.7	27	27.9	196
Gujarat	248	25.3	6.8	10.2	95
Jammu & Kashmir	21	7.4	0.49	0.59	13.9
Kerala	62	15.2	3.8	4.4	37.9
Madhya Pradesh	468	35.4	7.6	9.7	199
Maharashtra	475	43.2	7.4	11	113
Mysore	267	34.8	2.5	3.5	84
Nagaland	1	0.35	—	—	—
Orissa	184	43.3	7.4	8.4	100
Punjab & Haryana	250	122.3	2.3	3	173
			(Punjab)		
			2.4	3	
			(Haryana)		
Rajasthan	383	59.1	5.3	7.3	123
Tamilnadu	177	74.1	1.7	1.8	91.1
UP	532	186.7	15.5	26	374
West Bengal	158	50.1	3.7	6	107
Delhi	3	—	—	—	—
Goa, Daman & Diu	3	—	—	—	—
Himachal Pradesh	11	—	—	—	—
Manipur	4	—	—	—	—
Pondicherry	1	—	—	—	—
Tripura	9	5.61*	—	—	—
All India	3907	889.36	104.19	142.09	2015.9

* Union territories (together)

to further enrich themselves in the developed areas. Because of this the economic gulf between the rich and the poor has also increased considerably.

This strategy of green revolution is wrong from another

angle also. The paradox in our country is that as many rivers in the country are not yet harnessed fully, large areas suffer from floods in the rainy season and drought in other seasons. It is estimated that about 400 lakh acres of land are liable to be affected by floods in our country every year.

The government has been spending huge sums of money in order to erect a network of bunds, which is not a fully safe and effective system. This is an additional reason why all the rivers must be harnessed not only to provide water to backward regions but also to protect vast areas from recurring floods.

Nobody is against the introduction of modern methods of cultivation—new seeds, double cropping, etc. But the stress in agricultural production must be laid on irrigation. This will not only help to increase production but also help people of backward regions, decrease regional imbalances and save vast areas from floods.

For example, the havoc caused by the river Teesta in North Bengal in 1968 is too fresh in our memory. If this river and its sister rivers are harnessed, the people there can be saved from the ravages of floods; water can be given to the fields for raising two crops, and vital road and rail communications can be protected from periodical damage.

In the same way, if the Kosi and Gandak rivers are harnessed completely, not only people can be saved from recurrent floods, but the peasants can also get water for two crops in vast areas commanded by these rivers.

The case of the Rajasthan canal, the construction of which is proceeding at snail's pace, needs special mention here. If it can be completed as originally planned, the people of four more desert districts in Rajasthan on the border of Pakistan can be saved from the recurrent famines.

These areas can be converted into fertile cultivable lands; over 20 lakh acres of fertile government land can be distributed among the landless and the large sums of money spent on famine works almost every year can be put to good use. The government must find about Rs 200 crores for this.

Many more such examples can be given from other states

also. But the few examples given above would suffice to make the point clear.

At present just about one-fourth of the land under cultivation has got irrigation facilities from river projects and the exploitation of subsoil water through wells and tubewells. For extending irrigation facilities to another one-fourth of the land, four to five thousand crores of rupees would be needed.

The government is prepared to spend over Rs 1,300 crores for irrigation and rural electrification in the Fourth Plan. If it has the will to extend irrigation to at least cover half the land under cultivation at present, during the Fourth Plan, it can find the rest of the money also from the funds of the nationalised banks and other financial institutions and by diverting funds from other less useful schemes.

What is needed for development of agriculture at the present juncture in our country is to lay stress on irrigation and not on the "green revolution".

For New Techniques in Dry Farming Areas

Dry farming in India constitutes one of the most important problems of agriculture in the country. By the year 1968-69, only 22.75 per cent of the total land under cultivation in the country as a whole had been irrigated through all types of irrigation sources. According to Government of India's estimates, even if all the available sources of irrigation are tapped fully, a little more than half of the cultivated land can be given irrigation facilities. This means ultimately about half of the land under cultivation has to depend on rains. Hence dry farming constitutes one of the most important problems of Indian agriculture.

Considerable amount of research has been done by the research institutions of agriculture, both in the states as well as under the central government, on different aspects of improvement of dry farming. An all-India seminar on dry farming was held in Delhi on 22-24 January 1970, under the auspices of the ministry of food and agriculture of the Government of India. Many papers on the subject were submitted to the seminar on behalf of the state governments as well as the central government. A lot of scientific material came to light during the discussions. The purpose of this article is not so much to deal with the scientific aspects of the problems as to its political and organisational aspects.

In our country there are areas where there are no dry farming problems because of sufficient rains, as in the states of Kerala, Manipur, West Bengal, Goa, Nefra and Andaman and Nicobar islands. There are also areas with less rainfall, but whose larger portions have irrigation facilities, like the Punjab, western UP, Haryana and portions of other states.

In the above two categories of areas, there are no problems of dry farming worth the name.

But there are other areas in the various states where there are neither sufficient rains nor irrigation facilities, which are real dry farming areas, where the people are suffering most and eking out a miserable existence. Frequent droughts and recurring famines are their lot. The example of the current famine in the western districts of Rajasthan, bordering on Pakistan, in which about 24 lakh head of cattle has been destroyed and people are facing starvation, is sufficient to show the naked reality of these areas.

In order to delineate such areas, the amount of rainfall as well as irrigation facilities are taken into account and 201 districts from different states with a total area of 194.3 million hectares, which comes to 63.5 per cent of the total area of the country, have been declared as the problem districts. Though the net sown area in these districts is only 48.2 per cent of their total area, it is as much as 67.6 per cent of the total

sown area in the country. At the same time, irrigation facilities are as low as 10.6 per cent of the net sown area. People living in these areas constitute as much as 53 per cent of the total population of our country.

These districts have been divided into three categories—“very high”, “high” and “medium” intensity dry farming districts. The condition of farming in the very high intensity districts is most difficult and the harshness of conditions of farming in the other two categories decreases as we go from high to medium intensity areas.

The following table and explanations given below present a clear picture of the situation:

EXTENT OF DRY FARMING AREAS
Figures are given in hectares: One Hectare = 2.5 acres

Particulars	Intensity of Dry Land Farming			Total
	Very high	High	Medium	
No. of districts	31	54	116	201
Total reporting area (million ha)	45.8	51.6	96.9	194.3
Per cent of all-India reporting area	15.0	16.8	31.7	63.5
Net sown area (million ha)	23.3	27.3	42.5	93.1
(i) Percentage of all-India net sown area	16.9	19.9	30.8	67.6
(ii) Percentage of total reporting area of class	50.8	53.0	43.8	48.2
Net irrigated area (million ha)	1.3	2.3	6.4	10.0
(i) Percentage net sown of class	5.6	8.0	15.1	10.6

“The very high intensity dry farming areas mainly cover western parts of Rajasthan, Saurashtra and Kutch regions of Gujarat and the rain shadow region of Western Ghats in Maharashtra and Mysore states. These are the most challenging

areas covering about 31 districts, 15 per cent of the total reporting area and 17 per cent of the sown area in the country. Only 5.6 per cent of the presently cultivated area is under irrigation. The economic returns in developing these areas are limited.

“The high intensity dry farming areas cover nearly 54 districts mainly in the states of Madhya Pradesh, Gujarat, Maharashtra, Rajasthan, Andhra Pradesh and Mysore. The problems of dry farming are quite important in these districts which cover nearly 17 per cent of the total reporting area and 20 per cent of net sown area of the country. Only 8 per cent of the sown area has irrigation facilities. Some pockets in this class hold good promise of responding to suitable dry farming practices with fair economic returns. Black and red soils are most predominant in this class.

“The medium intensity dry land farming areas cover nearly 116 districts constituting about 31.7 per cent of total reporting area and 30 per cent of net sown area of the country. About 15 per cent of the sown area is irrigated. These districts are spread out over 14 states. The problems in this class are not very acute and possibilities of development are relatively more promising. This class covers varieties of physiographic regions, soils, agroclimatic zones and offers large opportunities of applying diversified packages of dry farming practices with good economic returns” (from “Extent and Intensity of Dry Land Farming”—a paper read at the seminar by Y. P. Bali and R. V. Tamhane).

It has to be noted from the abovestated facts that the lands covered by the category of “medium” intensity areas comprise 116 districts out of a total of 201 hard hit dry districts. The peasants of these districts can be helped and quick results can be achieved if the central and state governments give financial and technical assistance to the peasants to adopt suitable and new techniques of dry farming.

The problems of dry farming as stated at the seminar are:
“Erratic nature of rainfall with respect to quantity intensity and distribution is the universal problem in almost all the dry farming areas. Rapid run off and soil erosion is

hilly and rolling areas, fewer rainy days, high wind velocity, low humidity, bright sunshine, high temperatures and excessive evaporation also attribute to dry land farming problems. Lack of moisture conservation practices further adds to the intensity of problem. Generally, the moisture deficiency is more acute in winter season, except in Tamilnadu state.

“Only one crop is taken in these dry land areas. Under existing conditions farmers feel that cultivation in these areas is not profitable. The economic condition of farmers of these areas is generally poor. Thus, there are lack of incentive as well as resources to tackle dry land farming problems.

“In Nagaland the main problem is development of dry terraces as wet terraces are not possible everywhere. Ladakh region of J & K and some northeastern parts of Himachal Pradesh present typical problems of extremely cold and arid climate with coarse sandy soils where no cultivation is possible without irrigation. Wind erosion, reclamation of deteriorated lands are additional problems in a few states.”

The dry farming practices that are being followed at present are :

“Under existing conditions, traditional practices of growing one crop under uncertain conditions, mixed cropping to some extent, use of local drought resistant varieties, use of high seed rates, fallowing, conservation of moisture in tanks, bhandaras, havelis and adjustment of low order cropping pattern to the rainfall pattern, etc. are being adopted by farmers. The yield increasing inputs are low, the outputs are uncertain and crop production is exposed to natural vagaries.

“Under the recommended practices, creation of more irrigation facilities are considered as lasting solution for developing dry land areas. Unfortunately, the present estimates indicate that at the most 20-30 per cent of the total cultivated area in chronic dry lands can be ultimately brought under irrigation. Therefore, 80 to 70 per cent of cultivable lands will continue to depend upon rainfall which is generally low to medium in these areas. The moisture conservation measures in the shape of field bunding, contour bunding, terracing, deep

ploughing to absorb more moisture, contour cultivation, nala plugging, storing of water in tanks, bhandaras, percolation tanks in Tamilnadu, etc. are the most common recommended practices. Water harvesting techniques are also recommended to some extent. For checking excessive evaporation, inter-culturing, mulching, reduction of wind velocity, use of spreading type of crops are recommended.

“For better utilisation of stored moisture, weeding operations, use of short duration varieties, low moisture requirement crops, low seed rates, proper spacing, mixtures with different rooting habits to use moisture from different depths, strip cropping, use of green manures, and fertilisers and other cultural and agronomic practices are also recommended. In most of the southern and central states, Bombay dry farming method is recommended.

“In some of the states suitable crop rotations to permit double cropping have also been developed. Some of these are:

Jammu & Kashmir :	groundnut	— wheat/Barley
	bajra	— wheat/gram/barley
	castor	— gram/linseed
	soyabean	— linsced/gram
Madhya Pradesh :	groundnut	— wheat
	soyabean	wheat
	hybrid jowar	— gram
Maharashtra :	jowar	— gram

“In view of recent advances in development of short duration varieties, many new rotations are likely to be evolved.

“In paddy areas and areas with haveli type of cultivation there is a growing trend to introduce suitable rotations for double cropping.

“In Orissa in some of the uplands and in the coastal dume areas, orchards, plantations of cashew and casuarina are being raised. Orchards are recommended in some parts of Maharashtra also. Some areas in Himachal Pradesh are eminently suited for growing dry fruits and other temperate fruits.

“Other recommended practices are development of grasses

and farm woods on poor lands, wind breaks for controlling and erosion and reclamation of some deteriorated lands. Land levelling within bunded areas is also recommended.

“The feeling is that for optimum and best results, package of dry farming practice should be followed as far as possible on watershed basis.”

The central and state governments have till now failed to adopt an integrated approach and plan for developing dry farming techniques in these areas, though considerable research is done in many directions. They concentrated mainly on one aspect of the problem, namely, contour bunding. Even here, what is done is very little compared to the scope and necessity of the peasants of these areas. What is done in regard to contour bunding in different states is given below:

“In Tamilnadu, encouraging results have been achieved under four centrally sponsored dry farming pilot demonstration centres each covering 1000 acres; schemes for intensification of dry farming inside and outside bunded areas in contiguous blocks of 5000 acres; extension programme of dry farming practices over an annual target of 2 lakh acres and under groundnut package scheme. In most of these programmes packages of dry farming practices were propagated.

“In Mysore, good achievements are reported for the programmes of contour bunding (19.4 lakh acres); introduction of dry farming methods (2.2 lakh acres); minor irrigation schemes of well digging, tank construction and repairs; development of culturable wastelands (10 lakh acres).

“In MP contour bunding has been extended over 35 lakh acres; deep ploughing is being carried out covering 40,000 acres annually; and urea spray is being done for rainfed paddy, mesta and cotton. Extra benefits of Rs 43-150 per acre are reported for paddy from different areas.

“In Maharashtra, comprehensive programmes of contour bunding, graded bunding, horticultural development, reclamation of deteriorated lands, nala plugging, afforestation, grass land development have been undertaken. Nearly 125 lakh acres have been treated: Maharashtra's achievement accounts

for nearly 50 per cent of the total achievements in the country. Under a regular scheme 'Introduction of Dry Farming Methods in Bunded Areas' nearly 6.5 lakh acres have been treated.

"In Rajasthan, important programmes undertaken are contour bunding, soil conservation in hilly and desert areas. Some comprehensive programmes on watershed basis have also been executed, with good success. Soil conservation programmes are an important constituent of family relief works.

"In Bihar, contour bunds, tati terraces, conversion of gullied lands into paddy fields, percolation tanks and conservation farming are important programmes."

Prime Minister Indira Gandhi, the central government and the Congress Party have spoken highly about developing new dry farming techniques and helping people of these backward areas which form 63.5 per cent of the total area of our country and which are victims of recurrent droughts and famines. But when it comes to brass tacks, nothing much is expected to be done except holding an all-India seminar on techniques of dry farming and spreading the knowledge among peasants of these areas. This can be seen from the fact that only a pittance of Rs 20 crores has been allotted in the Fourth Plan for all the five years for the whole country to help the peasants to adopt new techniques of dry farming in selected areas through so-called pilot projects.

Development of these dry farming areas will not only help to relieve to some extent at least the suffering of people of these areas and save hundreds of crores of rupees spent on relief measures in times of drought and famines; it would also help to relieve the acute unemployment problem which is facing our country today. For the development of these areas, tens of thousands of scientists, agronomists, engineers and technicians are needed for studying the rainfall conditions and new cropping patterns, for producing new suitable seeds, for surveying these lands in order to make moisture retention plans, for finding subsoil water, for building irrigation projects and rural electrification and for doing so many other things

needed to be done in this direction. This will go a long way in giving employment to lakhs of educated people who are today unemployed in our country. Moreover, crores of unskilled and semiskilled people can be provided employment in building these projects in these areas. It will thus be a great help to the unemployed and underemployed people in these areas.

It is therefore necessary that the central and state governments give up their callous attitude towards these unfortunate areas and spend the required funds for relieving the distress of people in these extremely backward areas.

The following steps have to be taken in order to develop these areas:

(1) All available overground and underground water resources should be tapped fully to develop irrigation facilities in these areas.

(2) Comprehensive package plans, which include all aspects of dry farming, should be formulated for each of these areas, taking local climatic, soil and other conditions into consideration. Necessary amount of money should be allotted to put these plans into operation expeditiously.

(3) The kisan sabhas and agricultural worker and other organisations which are popular among people should be associated with implementation of these schemes.

Advisory committees consisting of representatives of these mass organisations at the all-India, state and area levels have to be set up for this purpose.

Remunerative Prices— Best Incentive

Remunerative prices for agricultural products is one of the important problems of the agrarian question today in our country. Unless the peasants get remunerative prices for their produce, they can neither improve their standard of living nor adopt improved methods of cultivation and produce enough foodgrains and other agricultural raw material which are needed by our industries.

The peasants in general do not get remunerative prices for their produce. They are left to the tender mercies of the big traders and monopolists, both Indian and foreign, who manipulate the prices according to their narrow selfish interests and loot the peasants. They are also victims of the money-lenders and forward traders who garner the produce of the peasants by paying far below even the ruling market prices through lending money or giving advances against the crops.

It has become a common practice for the monopolist traders to lower the prices of agricultural produce at the time of harvest and raise them after the produce is garnered by them, utilising the restrictions of interstate movement of agricultural products and export-import policies of the central government. Many state governments, which are under the influence of big traders, oblige them by imposing restrictions on movement of agricultural products to other states with a view to lower the prices and remove restrictions after the products have passed into the hands of these people so that the prices may rise. This generally happens in the case of commercial products like gur, groundnut oil, chillies, gram, coarse grains, etc.

In the case of foodgrains like rice and wheat this does not happen so blatantly because the central and state governments are exercising control of purchase, movement and distribution of these foodgrains as a sequel of the militant widespread

movements for food which burst out in the country in the period preceding the fourth general election.

The big industrial monopoly houses also loot the peasants by exercising their influence over the central government, making it fix unremunerative prices for agricultural raw material like sugarcane, cotton and jute. They also influence the government to increase the import of some of the agricultural products like long-staple cotton to beat down the prices of indigenous agricultural products.

Thus the prices of agricultural products fluctuate so much to the disadvantage of the peasants that they are at a loss to know what is to be done. The peasants are not only victims of the failure of crops due to the vagaries of nature, but also of the fluctuation of prices of agricultural produce in the market. The landlords and a section of the rich peasants, who can withhold their produce from the market and sell it when the prices go up, alone can save themselves to some extent from the fluctuation of prices, but the mass of peasants who have to sell their produce in the market the moment it is harvested are just victims of this state of affairs in the market. When the prices of agricultural products fall, it is not the consumer who benefits but the blackmarketeers and the monopolists because they garner the agricultural products and raise prices afterwards.

To halt speculation in agricultural products and the intense fluctuation of prices of these commodities and give a remunerative price to the peasants, it is mainly the central government which has the power and duty to move in the matter. But the central government, being influenced by the big traders and monopolists, has no will to do so. Many of the state governments also, under the influence of blackmarketeers and monopolists, do not press the centre to do anything in the matter. When the peasants and other sections of people led by the left parties act and launch movements, they try to tinker with the problem of fixing prices of some products and establish some agencies to implement them. But in most cases the blackmarketeers and monopolists sabotage these measures and

in some cases they violate the decisions of the government with impunity.

The central government has neither an integrated policy in regard to fixation of remunerative prices for agricultural products nor has it the wherewithal to implement it. It lives from hand to mouth, moving as the situation presses it.

Only in the case of major foodgrains like wheat and rice, the central and state governments have acted in any significant way because of militant and widespread struggles that were launched. The government sought to import large amounts of wheat from the United States of America and other countries and procure foodgrains and distribute them to the deficit states. It also imposed rationing in big cities and industrial centres.

The central government has set up an organisation under the name of the Food Corporation of India (FCI) to carry on these operations. But it has not enough funds at its disposal to mop up the surplus foodgrains, while before bank nationalisation the blackmarketeers were able to secure bank credits for the purpose. Some of the governments in the surplus states under the influence of landlords and big traders have refused to cooperate with the Food Corporation. Even in the matter of foodgrains, there is no integrated state policy.

As for other commercial crops like tobacco, jute, groundnut and cotton, apart from fixing the prices of some of these products there is no machinery to buy these products at the prices fixed by the government and compel the big traders and monopolists to buy them from the government. The State Trading Corporation, which is supposed to help the peasants in this matter, has not done anything.

The central government set up the Agricultural Prices Commission in January 1965 with the ostensible purpose of advising the government on "price policy for agricultural commodities with a view to evolving a balanced and integrated price structure in the perspective of overall needs of the economy and with due regard to the interests of producer and consumer". The proclaimed aim in setting up the commission is

laudable. But it has so far remained only on paper. The commission has been submitting reports and its recommendations regarding prices, marketing, increase of production of agricultural commodities like cereal foodgrains, sugarcane, cotton, groundnut and jute. The central government has accepted some of these recommendations regarding fixation of prices and published them. But no serious efforts have been made to implement these recommendations except in the case of wheat and rice.

Let us take some of the selected agricultural commodities in greater detail to understand the seriousness of the problem.

Foodgrains are grown in over two-thirds of the total area under cultivation in our country. Out of this the lion's share goes to rice, wheat and jowar, the three main food crops. It is true that the total foodgrain production has gone up to 95 million tons by 1968-69. But it is extremely unstable—going down as low as 72 million tons in 1965-66—depending on the vagaries of nature. It should be remembered that as yet Indian agriculture is mainly dependent on good monsoons and good weather, which is responsible for these extreme fluctuations. Hence our abject dependence even in the matter of foodgrains on USA, Canada, Australia and other countries.

It is obvious that increase in agricultural production is to a great extent due to good rains and weather, extension of the area sown and to a lesser extent adoption of new methods of cultivation. Significant increase in wheat production has taken place in Punjab which has adopted new methods of cultivation in a big way and accounts for one-fourth of the total production in the country. It procures over 2.5 million tonnes and gives it to the common pool. In the case of rice there is only marginal increase in production from 39 million tonnes in 1964-65 to 39.76 million in 1968-69. In the case of coarse grains in this period production has actually fallen, from 2.52 million tonnes to 2.42 million tonnes. Production of pulses has also declined from 12.44 million tonnes to 10.42 million tonnes in the same period.

The Government of India takes enough care to fix up prices

and procurement target in the case of only wheat and rice. Even here the central government has no firm policy. Because of acute scarcity and rise in the prices of these foodgrains and the consequent militant struggles of people, the central and some of the state governments had to take to procurement and distribution. But now as the food position has eased a little, they are relaxing their efforts.

There is as yet no slackening in the price of rice. So peasants are not facing a big problem in selling their paddy at controlled rates. But due to increase in production, when sufficient wheat begins to arrive in the market, the big traders beat down the prices much below government controlled price and loot the peasants as in UP. Neither the central government through the Food Corporation nor the state government came forward to buy wheat to keep the prices at the level of the controlled prices. Only in Punjab the state government maintained the level of prices through buying of surplus stocks in the market.

When production of major foodgrains like wheat and rice goes up, if the central and state governments give up procurement and distribution, the prices of these foodgrains will be forced down in spite of the formal fixation of prices by the central government. This will have an adverse effect on production. The peasants will be forced to give up whatever improved methods of cultivation they have adopted.

Sugarcane is one of the important commercial crops for our peasants in almost all the states. Out of a total production of 110,000 million tonnes of sugarcane, only over one-fourth is used by the sugar mills for producing sugar. The rest is all used for making gur and khandsari.

The policy of the central government with regard to sugarcane is very defective. It fixes prices for sugarcane used by the sugar mills and leaves the rest in the air. Since no price is fixed for gur and no arrangements are there for the government to buy it, the price of gur fluctuates over a wide range and the peasants and small merchants are ruined. This year the price of gur has fallen much lower than even the cost of

production, from Rs 150 to Rs 50 per quintal, ruining the peasants. This state of uncertainty in gur price has its own effect on the peasants supplying sugarcane to the mills. When the price of gur is low, the peasants naturally rush their cane to the sugar mills. Taking advantage of this situation, the sugar millowners give them a rate lower than that fixed by the central government. Then the government keeps quiet and allows the millowners to have their own way. But when the gur price goes up, the central government moves in to compel the peasants to sell cane to the sugar mills at the controlled price.

Further, under the plea of increasing the output of sugar, the central government has allowed the millowners to sell 40 per cent of the sugar produced in the blackmarket and mint money and has given rebate in excise duty on sugar. Even more surprising is the fact that the government is incurring a huge loss in subsidising the export of sugar to America and other countries. Extent of this loss can be gauged from the fact that the international price of sugar in 1967 was Rs 38.48 per quintal, while in India the controlled price of sugar was about Rs 150 per quintal.

The high price for sugar in India is mainly due to the fact that huge profits are made by the millowners and the levy of a very high excise duty on sugar. If these are reduced then the peasants can get adequate price for their sugarcane and the consumer can have sugar at cheap price.

The government should have an overall integrated policy for sugar as well as gur in order to help the peasants out of the present uncertain situation.

The groundnut crop is widespread and it is an important commercial crop in the backward dry regions of our country. It is grown over 7 million hectares of land in the poor soil under dry farming conditions. Only about 3 per cent of the area under the crop is irrigated.

What havoc the blackmarketeers play against the peasants producing this crop is vividly described by the Agricultural Prices Commission itself in its report for 1967:

“The market for these products is highly sensitive, and specu-

lative elements therein are strong. Unfavourable weather, or a poor crop in any major producing state, tends to push up prices everywhere. Similarly, prospects of import of edible oil may lead to a nervous unloading of stocks, and sudden drop in prices. For several weeks before the end of June 1967, groundnut (bold) was being quoted at above Rs 200 per quintal in Bombay; prices thereafter declined steadily to Rs 135 by the end of July; there was again a rise to nearly Rs 170 in the first half of August followed once more by a fall to the level of Rs 140 by the end of the month. Prices rose again to Rs 175 in the third week of September, but declined to Rs 155 in the course of the next fortnight. The prices in the other important marketing centres have behaved in sympathy. Similar fluctuations have also taken place in the prices of groundnut oil. The initial bearish sentiment was attributed in trade circles to the agreement with the USA for the supply of soyabean oil and the expectations of a good domestic crop; the subsequent bullish trend has been ascribed to reduce optimism in regard to the size of the crop and the decision to withdraw the restrictions which had been imposed in early 1966 on the manufacture of vanaspati. . .” (p. 2).

The report concludes by saying that “If it could be ensured that the benefit of price support would in fact reach the groundnut farmer, the case for such support would certainly be stronger, although the level at which support might be offered would still remain crucial. Much more than in the case of other commodities, the role played by speculators in the pricing of groundnut is decisive. By moving in and out of the market in a calculated and selective manner, it is possible for the speculators to raise or lower prices. . .” (p. 4).

The Agricultural Prices Commission has stated that this state of anarchy in prices must end and the peasants must be protected. The central government, while accepting the recommendations of the commission has done nothing except fixing the prices of vanaspati, leaving the rest of the things in the hands of blackmarketeers. But when the price of groundnut and oil goes up, it takes care to import soyabean oil, tallow

and such other products from the USA to beat down the prices of groundnut oil and help the vanaspati kings all right.

Jute is an important commercial crop in the eastern region of our country. West Bengal alone accounts for half the total production of jute.

The central government accepted the recommendations of the Agricultural Prices Commission and fixed the minimum price at which the mills have to buy jute. But jute prices have fallen far below the minimum price fixed by the government and the peasants have been put to severe hardships. Here is what the commission has to say on the matter in its report for 1968:

“As already stated, with the exception of the superior varieties, the prices for most of the grades in Calcutta were below the announced support levels for the larger part of the period September 1967 to January 1968. This phenomenon was reflected in the case of several ‘upcountry’ markets too. In fact, for a number of weeks, the prices ruling in Calcutta were lower than the announced minimum support levels by more than Rs 5.36 per quintal (Rs 2.00 per maund); for example, Danpur jute in Calcutta was quoted at as much as Rs 5.76 to Rs 12.52 per quintal (Rs 2.15 to Rs 4.67 per maund) below the minimum support price practically throughout November and December. If prices had slipped below the support levels on one or two isolated dates and at one or two isolated markets, there would have been no occasion to raise this particular issue; but considering the fact that the failure of market prices to attain the support levels was of a continuing nature and was fairly widespread during the current season, its implications for policy making cannot be ignored.

“The inability of the government to fulfil its commitments in respect of price support to raw jute can have far-reaching consequences. The farmer might lose faith in the assurance implicit in the price support policy, which, in turn, could affect the general credibility of the government’s announcements on price support measures for other agricultural commodities too. In case this happens, the net effect would be that the very

uncertainty which the minimum support price policy is intended to remove, will continue to affect the process of production, causing similar uncertainties elsewhere in the economy."

The commission has recommended that "the government consider the advisability of charging some agencies with the standing responsibility for price support operations in raw jute and making it obligatory for these agencies to buy whatever quantities are offered for sale at the minimum support price at specified assembling points. The announcement that purchases at this price will be incumbent on the part of the agencies would by itself be an important factor in preventing prices from falling below support levels. The provision of not only adequate but timely financial accommodation would be crucial to the success of such arrangements."

The government has done nothing except accepting the minimum prices fixed for jute and left the peasants in the lurch.

Tobacco is another commercial crop, specially in the southern states. The central government gets an excise duty of Rs 160 crores from tobacco every year all right. But the peasants are victims of the fluctuations of prices in the market as in the case of some other commercial crops. The government has not cared to bother about indigenous tobacco except collecting a heavy excise duty. Even in regard to virginia tobacco, most of which is exported, the central government has cared neither to fix the minimum price nor bothered very much about finding a market for it. For a long time this trade has been allowed to be monopolised by one British company known as the ILTD, ruining both the Indian traders and peasants.

When the tobacco crop was facing a crisis in 1960 the Soviet Union and some other socialist countries entered the field. This saved the situation. Since then the tobacco growing peasantry and small traders are living from hand to mouth. But the problems of the tobacco trade are yet unsolved. The State Trading Corporation whose responsibility it is to find a way out has not yet done anything substantial in this regard.

The story of other commercial crops is the same. It is not necessary to repeat.

The importance of guaranteed remunerative prices for the produce of the peasants for the growth of our agricultural sector, as well as the stability of our country's economy as a whole, cannot be overemphasised. The following minimum steps have to be taken by the central government for achieving the abovestated objective:

(1) The Agricultural Prices Commission should extend its activities to all the crops and suggest remunerative prices for the crops each year, keeping in view the cost of cultivation and good margin for the peasants, well in time before the crops are harvested.

It should also suggest ways and means of implementing these recommendations.

(2) The central ministry of agriculture should make arrangements for studying the demand for each crop well in advance and advise the peasantry as to whether to extend production of a crop or reduce it in accordance with the demand for the same.

This way the present practice of the peasant changing over to the crop whose prices are high and producing a glut in the market can be stopped to some extent at least.

(3) The central government should establish a machinery with sufficient funds at its disposal like the Food Corporation and the STC to enter the market and buy the agricultural products when prices fall below the level of remunerative prices fixed by the government and stabilise the prices.

(4) Marketing and warehousing facilities should be provided for all agricultural commodities and in all marketing centres. Facilities for bank advances on the security of stocks should also be provided.

(5) The State Trading Corporation should take over the entire foreign trade in all agricultural commodities. Efforts should be made to secure assured markets in the foreign countries for our agricultural produce.

(6) Agricultural implements and agricultural inputs like

fertilisers, pesticides, electricity, diesel oil, etc. which the peasant needs for agricultural production, as well as consumer goods which he needs for personal consumption, should be supplied at reasonable prices.

(7) The central government must set up advisory committees for different crops with the representatives of peasants, trade unions, industry and economic experts.

Provide Easy and Liberal Credit

Agriculture forms the backbone of the nation. It contributes nearly 50 per cent of the national income and 75 per cent of the country's population directly or indirectly is dependent on it. Development of national economy and people's well being mostly depend on the development of this sector. So agriculture holds a key place in the economy of our country.

This important sector has so far been starved of necessary credit and whatever credit that was available has gone to strengthen the upper strata only.

According to 1961 census, the proportion of peasant households owning less than 2.5 acres is 34.5 per cent. They account for 40.7 per cent of the operational holdings but having 6.8 per cent of the total cultivated area. The second category having above 2.5 acres but below 7.5 acres forms 37.1 per cent of the cultivator households. They account for 34.1 per cent of the operational holdings, having only 23.0 per cent of the total cultivated area. The third category, those having 7.5 acres and above form 28.4 per cent of the total cultivator households. They account for 25.2 per cent of the operational holdings, having 70 per cent of the cultivated area of the country.

So agriculture is sustained by millions of small and middle-peasants who generally speaking are farming on their tiny plots of land on subsistence and below subsistence level.

The average agriculturist of our country is subjected to many forms of exploitation, usury being one of the most horrible among them. The peasant who is not able to make both ends meet on his income from farming often resorts to borrowing money from the moneylender for his household expenses and to meet the expenditure of social functions. The moneylender not only charges exorbitant rates of interest but also forces the peasant to part with his produce at much below market rates. Once an agriculturist runs into debt, he cannot get out of the clutches of the usurious moneylender.

As easy credit is not available through the government and cooperatives, the mass of peasantry is at the mercy of the village moneylender, who often is also a trader and a landlord of the locality.

The relative importance of the various credit agencies in the total borrowings of the rural households was surveyed and estimated by the Reserve Bank in 1951 and 1962. The results of these two surveys are as follows:

Agency	<i>Percentage of total outstanding loans classified according to credit agency</i>	
	1951	1962
Government	3.1	5.3
Cooperatives	2.9	9.1
Commercial Banks	1.1	0.4
Landlords	2.0	0.9
Agriculturist moneylenders	24.8	45.9
Professional moneylenders	43.8	14.9
Traders and commission agents	6.1	7.7
Relatives	14.4	6.8
Others	1.8	8.9
	100.0	100.0

Cash loans borrowed during the year July 1961 to June 1962 were classified according to rate of interest by the Reserve Bank. It is significant to note that the percentage of cash loans taken at interest rates exceeding $12\frac{1}{2}$ per cent annually forms about 30.

A little less than 8 per cent of the aggregate borrowings of all the rural households in the country were effected at $12\frac{1}{2}$ - $18\frac{3}{4}$ per cent rates of interest. This interest range accounted for 22.7 per cent of the aggregate borrowings in Rajasthan, 21.4 per cent of those in the Punjab and 13.2 per cent in Bihar while in other states, it was less than 9 per cent. About onetenth of the rural households in the country reported borrowings at $18\frac{3}{4}$ -25 per cent which claimed a share of 15.7 per cent in the aggregate borrowings. Borrowings at these rates accounted for 43.6 per cent of the aggregate loans in Madhya Pradesh, 35.8 per cent in Uttar Pradesh and 23 per cent to 24 per cent in Bihar and Orissa.

Loans incurred during the reference year at 25 - $37\frac{1}{2}$ per cent were significant in Bihar, where they accounted for about 16 per cent, and in Orissa and Uttar Pradesh where they formed about 12 per cent each of the respective aggregates: the share of such borrowings was about 5 per cent for all India. Less than 3 per cent of the rural households in the country reported borrowings at interest rates exceeding 37 per cent and these had a share of 1.6 per cent in the aggregate borrowings of all the rural households. Loans in this interest category accounted for about 22 per cent of the aggregate borrowings in Assam.

Besides cash loans, loans in kind are taken especially by the poor peasants and agricultural labourers during ten months at exorbitant rates of interest, often going up to 200 per cent. Such loans form 18 per cent of the total loans taken by the rural households. So much so that millions of poor peasants and agricultural labourers in many parts of the country are in debt bondage and are unable to free themselves from these oppressive debts.

The burden of rural indebtedness is constantly growing. In

the year 1956 it was estimated at 900 crores of rupees. According to the debt and investment survey of the Reserve Bank of India in 1962, the total outstanding cash loans amounted to Rs 2,788.93 crores. The cash loans borrowed by the rural households during the year 1961-62 amounted to Rs 1,238.54 crores (of this Rs 1,034 crores were borrowed by the cultivator households).

Unless steps are taken to remove this growing debt burden and necessary amount of credit is provided, agriculture cannot develop to any appreciable extent.

Easy and liberal credit is one of the important inputs which will really help and encourage the agriculturist to adopt new technological developments in agriculture, the importance of which is not yet fully recognised by the government. The average peasant, sharecropper and tenant should be assured of necessary and liberal credit to increase agricultural production. This stratum of peasantry which really constitutes the overwhelming majority, nearly 80 per cent of the cultivators, has been neglected so far in the matter of credit both by the cooperatives and by the scheduled commercial banks.

The spread of the cooperative movement is most uneven in the country. While it has made some advance in some states like Maharashtra, Gujarat, Mysore, Tamilnadu, and Punjab, in some others like Bihar, Bengal, Assam, etc. it has not made any advance at all.

The movement is dominated in almost all states by the landlords, moneylenders and traders who are using the credit societies to further their own interests. It has failed in the basic objective of serving the middle and poor peasants and the tenants. These sections are left to the tender mercies of the moneylenders. The movement has become the arena for political, group and factional struggles.

When the credit needs are fast growing, the short term credit advanced through the primary credit societies does not exceed Rs 450 crores. While the long term credit advanced through land mortgage banks, stands at Rs 90 crores.

With ever increasing costs of production, the spread of high

yielding varieties, and in view of the huge investments that are required to develop agriculture, the credit needs of the agriculturists have gone very high. But the institutional credit is below 20 per cent of the total borrowings of the agriculturists.

It is estimated by the rural credit review committee headed by Shri B. Venkatappaiah that the short term credit needs of the agriculturists will be Rs 2,000 crores, medium term Rs 500 crores and the long term credit needs Rs 1,500 crores by the year 1973-74. Of this, the committee estimated that about Rs 800 crores under short and medium term loans and another Rs 800 crores by way of long term credits may be available through the cooperative sector and about Rs 700 to 800 crores through the nationalised commercial banks. Even if these targets are fulfilled, which of course is very doubtful, nearly 50 per cent of the credit needs are still to be met from borrowings from the usurious moneylenders and landlords who dominate the economic and political scene in the countryside.

Commercial banks till recently completely neglected the agricultural sector and even the little amount that was advanced was exclusively for plantations and for hoarding agricultural produce.

The present pattern of sectoral distribution of bank credit is heavily weighed in favour of largescale industry, wholesale trade and commerce, rather than agriculture, smallscale industries, retail trade. The table next page gives the share of different sectors in scheduled commercial bank credit and their contribution to national income.

Agriculture which contributes more than 50 per cent of national income gets hardly 2 per cent of the bank credit. More than 80 per cent of the scheduled commercial bank credit goes to industry and commerce which account for roughly onethird of the national income.

Even after social control and of recent nationalisation of 14 big banks there are no substantial changes in this pattern of bank credit.

Sector	Share in bank credit at the end of March			Contribution to national income
	1967			1967-68
Agriculture	2.1			53.2
Industry	64.3			18.1
Commerce	19.4			14.6*
Financial, personal & others	3.6	4.2	6.2	14.1
Total	100.0			100.0

*Includes transport and communications.

(Source: *Economic Times*, 13 January 1970)

The loaning policies of the banks are largely security-oriented. 86 per cent of the scheduled commercial bank advances were against tangible security as late as in May 1969.

Unless the loaning policies of the banks are radically changed from that of tangible security and creditworthiness to that of more dynamic loaning policy based on the creditworthiness of the project and production potential, the most needy sections of the peasantry, i.e. the middle, poor peasants and agricultural labourers, who are cultivating government wastelands will not be benefited from the bank credit. They will not get necessary credit to develop their agriculture and will have to rely on the moneylender for credit. The upper strata of the agriculturists and landlords will reap the maximum benefit from the bank credit and their economic position will be strengthened enormously.

This will accentuate the present economic inequalities in the countryside still further. Not only the loaning policies, but also the sectorwise distribution of bank credit has to undergo a radical change so as to meet increasingly the credit needs of the agricultural sector. At least 50 per cent of the bank credit should go to the agricultural sector, which needs large investments for development.

The bank branching of the scheduled commercial banks is

very lopsided not only from one state to another, from one region to another in the same state.

The State Bank of India and the other nationalised banks are following different loan policies and adopting different procedures. It is very urgent and essential that the Government of India should work out a comprehensive farm credit policy and lay down uniform guidelines for all the commercial banks both in the public and private sectors.

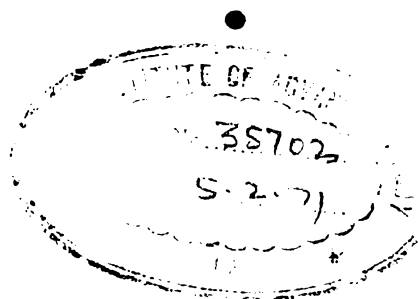
The commercial banks should adopt the crop loan system of cooperative societies as a basic policy for farm loans and should not insist on the mortgage of lands for crop loans as is being done at present.

The rate of interest charged by the cooperative as well as by the scheduled banks is rather high and it should be lowered. The instalments to repay long term developmental loans should be spread over 10 to 15 years.

In addition to the measures suggested above, immediate steps have to be taken to democratise the cooperative structure, and to ban the entry of moneylenders, landlords and traders into the cooperative societies.

As the land records are defective many peasants are unable to get credit from any of these agencies. It is therefore necessary that land records are made up to date and pucca. Peasants should be given pass books showing the survey numbers and the extent of the land held by them and also the value of those lands, so that they can get credit on that basis.

Unless credit is provided on a massive scale and made available to the mass of the common peasantry and tenants and unless steps are taken to free the peasant and agricultural labourer from old debts, the tall talk of "green revolution" and new agricultural strategy has no meaning to millions and millions of our farmers.



Recent CPI Publications

- WHAT HAPPENED IN KERALA (2nd Edn)
by C. Achutha Menon 75 Paise
- TELENGANA TANGLE
by Raj Bahadur Gour 70 Paise
- CPM'S FIGHT AGAINST UNITED FRONT
IN WEST BENGAL
by Bhowani Sen 25 Paise
- FOR ANTI-IMPERIALIST UNITY,
DEMOCRATIC CONSOLIDATION
by S. A. Dange 80 Paise
- COMMUNISM AND THE NEW LEFT
by Mohit Sen Re 1.00
- ITALIAN ROAD TO SOCIALISM
Report of Luigi Longo Re 1.00

PLEASE PLACE YOUR ORDERS WITH:

PEOPLE'S PUBLISHING HOUSE
Rani Jhansi Road



Library

IAS, Shimla



00035702
