



TRIBAL
AGRARIAN
SYSTEM
— OF —
MANIPUR

L. CHINZAKHAM NGAIHTE

417
98-CL
13

TRIBAL AGRARIAN SYSTEM OF MANIPUR

A Study of Zomi



L. CHINZAKHAM NGAIHTE

ANMOL PUBLICATIONS PVT. LTD.

NEW DELHI-110 002 (INDIA)

ANMOL PUBLICATIONS PVT. LTD.

4374/4B, Ansari Road, Daryaganj
New Delhi-110 002

Tribal Agrarian System of Manipur

Copyright © Author

First Edition 1998

ISBN 81-7488-860-8

Call No.....338.15417.....

Acc. No.....8049.....

[All rights reserved. No part of this publication may be reproduced, stored in a retrieval system or transmitted, in any form or by any means, mechanical, photocopying, recording or otherwise, without prior written permission of the publisher.]

PRINTED IN INDIA

Published by J. L. Kumar for Anmol Publications Pvt. Ltd., New Delhi-110 002
and Printed at Tarun Offset Printers 518/14, Mauzpur, Delhi-53,

Contents

<i>Preface</i>	ix
1. Introduction	1
Land—As a Primary Means of Production; Land—As a Source of Employment; Land—As Condition of Participation; Agriculture-Industries; A Fundamental Relation; IRDP and Land Reform; Land—A Source of Incentive Rural Structure; Price Distortions and Land Redistribution; Working of Rural Economy; Land Reform—An Equalising Device; Content of Land Reform; Tenancy; Ceiling on Holdings; Compilation of Land Records	
2. Agrarian Relations in India: A Brief Account	23
Zamindari System; Ryotwari System; Mahalwari System; Drawbacks; Rural Poverty; Rural Unemployment; Need for agrarian Reforms; The Five-Year Plans, 1951-1990; Land Reforms Introduced in 1960; Manipur Land Revenue and Land Reforms Act, 1960; Content of the Act; Land Ceiling; Effective Period; Compensation; Prevention of Fragmentation; Rights of Tenants; Tenants Allowed to Become Owners; Rights of Landlords; Rent Implementation of the Act (Valley); Land Declared Surplus; Acquisition of Surplus Land, Compensation, Distribution of Surplus Land;	

Agrarian Relations in Hill Areas; Jhum; Manipur Land Revenue and Land Reforms Act, 1960 and Hill Areas District-wise Analysis of Area Surveyed; Hill Villages Surveyed; Expenditure on Hill Survey; A Need for Separate Study of the Agrarian Relations in the Zomi Areas.	
3. Review of Literature	100
4. Statement of the Problem	112
5. Manipur: General Characteristics Participation Trend, Land Use	123
6. Churachandpur: General Economic Characteristics Area; Population; Density of Population; Population —Rural and Urban; Occupation; Literacy; Man-Land Ratio; Jhumming; Area; Production; Effects of Jhumming on the Economy; Strategy to Reduce and Control Jhum Cultivation; Land Utilisation; Land Holding and Ownership System	139
7. Findings: Presentation and Analysis	189
8. Summary and Conclusion	209
Sample Survey Questionnaire Canvassed Among 500 Households in the Economy	
<i>Bibliography</i>	231

Preface

The study of agrarian relations is interesting and revealing. It enables us to form an idea about the social and political life of the people. It shows us the nature and development of rural power structure in the villages. And most importantly, it helps us in identifying pertinent economic issue such as 'Who owns what?'; 'Who gets what?' and 'Who does what?'. Thus, the study of agrarian system is, to a very great extent, all encompassing as it is inter disciplinary in approach. The present volume is an attempt to look at the agrarian relations of the Zomi of Manipur. Backward and largely isolated, the economy has not at all received the attention and focus it deserves. There is, so far, no such systematic works as the present volume given to the analysis of the land holding and utilisation system, modes of production, productivity of land and labour, poverty and indebtedness etc. etc. Whatever its limitations, the volume tries to provide insights into the age old problems of the *jhum* economy besides suggesting ways and means of reforming and revitalizing it. Shaped by the vital institution of hereditary chieftainship for over a century, the economy is facing increasing uncertainty more so with the acquisition of the Chiefs' Rights by the Government in 1967 without offering in its place a viable alternative framework to look after the land. As a subsistence economy in a very backward region of the country, there is reasonable amount of doubts, as the study unfolds, about its future under the present land system.

A word on the term "Zomi". It is being used to denote the erstwhile ethnic Chin-Kuki-Mizo groups of people living and residing in the Churachandpur district of Manipur.

Organised into eight chapters, Chapter I introduces the importance of "land" as a unique factor of productions affecting the overall framework of the economy particularly of a backward and undeveloped ones at that. In other words, as the building block of the entire discussion that follows, the multi faceted properties and qualities of land is given quite an adequate treatment. Besides briefly delineating the erstwhile Zamindari, Mahalwari and Ryotwari systems, Chapter II examines the extent and incidence of rural poverty and rural unemployment in India in the light of the prevailing agrarian structure. It also assesses, albeit briefly, the promise and performance of the First Seventh Five Year Plans (1951-1990) on land reforms in the country. A compendious account of different rural strategies of the Government like the IRDP, NREP, RLEGP, JUY and other employment guarantee schemes was also given in the chapter. The implementation and progress of the land reform measures introduced in Manipur in 1960, the extension and working of the Act in the hill areas and the difficulties being experienced thereof etc. are also part of the chapter.

Chapter III is devoted to reviewing some related literatures on the agrarian relations in India. The work of some thirty authors are briefly cited, evaluated and put together chronologically. The treatment is, however, a limited attempt.

Its scope, problems and limitations are enumerated in Chapter IV. It, inter alia, takes into consideration aspects like the long term effect and the emerging bleak prospect of the age old practice of shifting cultivation in the economy, the difficulties involve in agrarian study which calls for inter-disciplinary approach and the marked rigidities arising out of its deep rooted backwardness. In the same way, Chapter V outlines the general economic indicators of Manipur such as the area, population composition, density, literacy, occupational distribution, land use and participation trends etc.

The implementation and progress of the MLR & LR Act of 1960 have also been taken into analysis. Focussing on the Zomi agrarian economy, Chapter IV represent the core part of the study. It identifies, quite comprehensively, the extent and various dimensions of jhuming, man-land ratio, land holding and ownership system, indebtedness, production and productivity of land and labour etc.

With a view to eliciting the desired basic information and data on land holding, source of income, production and indebtedness in the economy, a sample survey had been conducted from 500 households for the year 1987-88. The findings and analysis of the above survey are incorporated in Chapter VII. The findings are indicative of the weak and fragile nature of the economy and, therefore, reflects the need for introducing concrete measures with a view to replacing the traditional methods of cultivation. But for that the present land holding system may be suitably modified.

This was followed by the identification of the Zomi economy in the light of some related literature on feudalism by some well known authorities on the subject. Summary of the book is given in the last Chapter.

No detailed study of the economy as the present volume has so far been known and attempted to. It was, therefore, assumed that such a detail account of the primitive agrarian economy would be of crucial significance for understanding the necessary change and also for effective implementation of rural development programme at the grass root level.

Lastly, the present volume is the product of my research work on the agrarian relations of the Zomi of Manipur. In this connection, I must, once again, reverentially mention the name of my teacher Dr. N. Mohendro Singh, Professor and Head of Economics Department, Manipur University, Imphal, without whose help and inspiration, the book would have never acquired its present form. Nevertheless, I am solely responsible for any error, omission of inaccuracy that inadvertently remains.

I thank Dr. Chinkholian Guite for his words of encouragement and intellectual input which he never withhold from me. I am equally indebted to Mr and Mrs. L.T. Ngaihte of New Delhi for kindly proffering themselves to help me anytime, anywhere. I am most grateful to them.

Finally, but not the least, I express my heartfelt gratitude to the publisher Anmol Publications Pvt. Ltd., New Delhi for kindly agreeing to publish the book.

L. Chinzakham Ngaihte

1

Introduction

MAN'S BASIC NEED in the beginning was stated to be few and limited. However, the needs keep on expanding in due course. Apart from the individual need, there are also collective needs for which production of social goods and services is necessary. With a view to meeting such collective needs, all possible economic activities are initiated. Reference is generally made of food as the most essential and basic in view of the primary concern, being survival. For the purpose of meeting individual and social requirements, various economic activities are tested and organized and new activities are subsequently charted out to be undertaken on a large scale.

Different types of resources are involved in the process of production activities. It may be of man, material and money. Factors of production may consist of man-made category or natural category. Land, one of the primary sources of production, and being 'a free gift of nature', is said to be in the later category.

The economic concept of land has been defined as "a sum total of the natural resources over which the possession of the earth's surface gives control. This concept covers the earth's surface, building sites, farm soil, growing forest, mineral deposits and water resources'.¹

Land —As a Primary Means of Production

Land is said to be a primary means of production — required perhaps for all practical economic activities. It is a basic

input in the process of production. As an input the supply of land is virtually invariant. It is a productive asset. Land is required for industrial activities. Land is equally important for activities in the tertiary sector. It may be pointed out that history has recorded instances of blood feud over territorial aggrandisement. Ricardo defined it 'as the original and indestructible power of the soil'. In short, land has an inherent 'capacity' of production. Therefore, man needs land.

In the early stage of economic development and social formation, land is regarded as a primary means of making man employed and living. In the absence of any other gainful opportunities, labour without land may remain unemployed and would constitute unproductive asset. The significance of land is known to be more pronounced in an agrarian economy which is characterised by lack of alternative for gainful employment. It is noted that 'Man's objective mode of existence lies in his ownership of earth which is antecedent to his activity'.² In other words, in this state of economy a man who owns no land and who is practically without an asset, may enter into the risk of running a desperate quest for existence.

Further, land may attain characteristic like those of capital. Land may be fixed, lasting and durable in nature. It is a 'free good' when viewed from the standpoint of society but for an enterprising individual investor, it may be purchased with a view to leasing it out like any other capital goods. In the process it generates unearned income for the investor. Such a durable characteristic has, it seems, added a meaningful dimension to the agrarian economics.

The 'property, connotation' of land, it may be noted, denotes the core of the man-land relationships. Land as a private property may have "strong conditioning effects"³ on human attitudes, tendencies and activities. It may also have a significant bearing upon the property structure and socio-economic institutions.

The incentive to enhance productivity, the eagerness to cause land improvement programmes and the propensity to

release the necessary resources for industrial and other allied activities may be discussed with reference to the property implications of land. Besides the nexus of power, wealth and status, it seems, continues to be conditioned by this aspect. It may also throw light on the phenomenon of 'increasing misery' experienced by the rural poor being visibly subjected to the interlocking mechanism of rent, interest and profits.⁴

Land —As a Source of Employment

From the point of view of providing employment at different levels of growth agriculture continues to be the basic industry particularly in the low income countries where agriculture and allied services absorb roughly 70 to 80 per cent of the total working force. It may be stressed that during the nineteenth century almost all the industrial nations of the world had roughly employed the same percentage of their labour force in agriculture as are now found in the low-income developing countries. Some countries like the U.S.S.R. and Italy still had more than 70 per cent of their labour force engaged in the primary sector well into the twentieth century. Today, the advance nations of Western Europe and North America have, however, not more than 10 per cent of their working population absorbed in this sector as indicated below:

Table 1.1
Agriculture's Share Of Employment in GDP 1965-80
(per cent)

Country Group	Employment	
	1965	1980
Low-income countries	76.0	72.0
Africa	84.0	78.0
Asia	74.0	71.0
Industrial countries	13.7	7.1

Source: World Bank, *World Development report*, May 19, 1986, p. 3.

The working population of India found employed in the primary sector accounted for 72 per cent of the total working force in 1951. This, however, could be minimised to 69.5 in 1961, 69.7 in 1971 and 66.5 in 1981. The Seventh Plan has tentatively envisaged a growth rate of employment to the tune of 3.5 per cent per annum in agriculture as against the anticipated growth rate of rural working force of two per cent during the same period with a view to providing fuller employment in the rural sector. In this connection, it is noted that the employment potential in the 'crop' and 'non-crop sectors' has been considered a prospective employment source in a comprehensive attempt to bring about a progressive reduction of the spectre of unemployment in the country.⁵

Table 1.2
Rural Occupation (Agriculture)
India (Millions)

	<i>Number</i>	<i>Percentage to total workers</i>
1951 Cultivators	101.92	72
Agricultural labourers		
1961 Cultivators	99.6	52.8
Agricultural labourers	31.5	16.7
1971 Cultivators	78.2	43.4
Agricultural labourers	47.5	26.3
1981 Cultivators	93.5	41.6
Agricultural labourers	55.5	24.9

- Source: 1. Government of India, *Planning Commission, Draft Five-Year Plan, 1978-83*, P. 95.
2. Government of India, *Central Statistical Organization, Ministry of Planning, India, 1977*.
3. Tata Service Limited, *Department of Economic and Statistics, Statistical Outline of India, 1982, 1986-1987*.

Normally, equal significance is underlined of the agricultural activities in Manipuras well in view of the fact that more

than 70 per cent of the total population in 1983 are engaged in the primary sector while only nine per cent are employed in the household industries as shown below,

Table 1.3
Sectoral Occupation of Manipur 1983

<i>Sector</i>	<i>Percentage to the total population</i>
Agricultural and allied activities	70
Household industries	9
Services	12
Trade and commerce	8
Others	1

Source: *Memorandum to the Eighth Finance Commission, Finance, Department*, Government of Manipur, January 1983, p. 3.

Land—A Condition of Participation

It has been known that a large number of the landless poor has not been able to derive the benefits from the mainstream of development in the absence of organized back-up and institutional set-up. The slogan 'growth with social justice' appears to be a mere 'rhetoric'.

The prevalence of the alarming problem of mass poverty particularly of the abject poverty in the rural areas may not be lost sight of. Bringing down the level of poverty—rural poverty—inequality and unemployment, may not be possible so long as the "Meaningful participation" is not assured in productive activities at any stage of economic and development process. The economic reality being this, participation of the rural poor in the productive venture of the economy has acquired due importance and cognisance in all the developing countries.

The operational interpretation of participation, according to M.R.El. Ghonemy, may mean—

- "sharing in economic power through increased access to productive assets;
- "sharing in socio-politico power by taking part in the decision making through organization of their own;
- "having incentive to contribute to increased production through institutional organizational framework;
- "sharing in opportunity for rewards and benefits of growth to improve their nutrition, productive skills and human abilities;
- "to exchange their labour and production to meet essential needs".⁶

A large segment of the marginal people are being threatened with "the crisis of immediate survival"⁷ They appears to be visibly not responsive to undertake any worthwhile economic initiative with a view to making themselves better off. They appear to reconcile themselves with their own fate.

The chief cause of such dismal reality, perhaps, lies in the fact that this section of population has a weak economic base. Most of them do not own durable assets. They appear to be lacking of any initiative. They hardly act upon what is called "the security of expectations over a long period"⁸ although they are allowed marginal and fringe benefits from time to time.

Another stark reality facing them is the "forced commerce"⁹ effected by the landlords, money lenders and merchants. The "built-in-depressor" of the holy trinity has led to the continuous extraction of the surplus in the form of rack-renting, "own rate of interest" and inflated price in the village markets.

Further, it has been contended that inflation has been a regular feature in the plan-financing of India. It is stated that "both credit-financed expenditures and tax-financed expenditures do transfer resources to the state at the expense of the poor via inflation in the prices of necessities".¹⁰ Perhaps, one way out is to improve and strengthen the economic base of the poor.

Thus land redistribution has been accepted as "fundamental base for creating opportunities of power of the rural poor which permit them to participate in increasing food production, employment and capital formation under different incentive system of the institutional framework".¹¹ Land is, therefore, perceived to be a very important determinant of participation.

Agriculture — Industries : A Fundamental Relation

There is no denying the fact that there is a close complimentary relationship between agriculture and manufacturing industry through the process of channelisation of inputs and outputs. The degree of their interdependence and complementarity is known to be wide-ranging particularly, in the developing countries. In fact, both are sustaining to each other's requirements.

To put it plain, the general consensus is that a healthy farm economy may positively augment the process of economic development through the provision of food security, elastic supply of raw materials for feeding the growing industries, accelerate the rate of capital formation, subserving as a ready market for industrial products, ensured supply of labour for industrial activities, facilitating inter-sectoral trade balance and saving and earning of foreign exchange.

The fact agricultural and industrial growth compliment each other is also reasonably clear from recent studies on developing countries.

In India an 1.0 percentage point increase in the agricultural growth rate is correlated with an increase in industrial growth of 0.5 percentage point and in national income of around 0.7 percentage.

In Neuva Ciga in Philippines, one per cent increase in agricultural income generates one to two per cent increase in value added in most sectors of the local non-farm economy.

Similarly, in the Muda district of Malaysia, 1.00 increase in agricultural output indirectly adds 0.80 in value added to the rest of the economy.¹²

It can be seen from the above that agriculture is linked to industry through rural expenditure on manufactures. Increase in agricultural output raises household and government income. Rate of per capita income in India are larger in town than in the countryside but the absolute size of market for manufactured goods is larger in rural areas. Moreover, village people spend much of their extra income on manufactures. The increase in agricultural income thus generates substantial demand for industrial goods.

IRDP and Land Reform

'Rural development' has been one of the main objectives of India's development plans. The Community Development Programme launched right from the First Five Year Plan was basically an attempt to provide a network of basic extension and developments services in the rural areas. In retrospect, this development programme could hardly yield the necessary awareness and stimulation among the rural communities of the need and content of development process. The experience gained also confirmed that a significant impact could not be made on the farm income and rural employment as initially made out in the programmes.

However, there was no discouragement. More specific rural development programmes were undertaken from time to time. Mention may be made of such programmes as the Small Farmers Development Agency (SFDA), the Marginal Farmers and Agricultural Labourers Agencies (MFAL), the Drought Prone Areas Programmes (DPAP), the Desert Development Programme (DDP), the Food for Work Programme and the National Rural Employment Programme (NREP).

In spite of these multifarious poverty alleviation programmes or schemes, there had been a fairly rapid rise in the incidence of agricultural labourers during the last three decades. From about 27 million in 1961, the figure jump to 47.5 million in 1971. It again rose to 55.37 million in 1981.

Even after the successive plans the number of persons working as agricultural labourers has tended to move upwards instead of swinging downwards. This has naturally called for candid introspection. There was, thus, a concern for the growing rural poverty. To contain this inherent problem, a novel and concrete scheme was introduced in 1978-79. This is known as the Integrated Rural Development Programme (IRDP).

It has clear-cut contents, target and time-frame. Basically, the IRDP was oriented to directly confront the core objective of removing rural poverty through (a) asset creation and (b) skill formation.

Unlike the previous schemes, the new programme was time-bound. In a period of five years, 3,000 rural families in a block is to be raised above 'poverty line'. The rural poor availing of the scheme would have to be given assistance in the form of loan, subsidy and technical know-how.

In the course of implementation of the scheme a constraint is experienced—'a constraint of assetlessness'. The scheme entail the active participation of banks but they were known to have entertained reservations about the underlying logic, rationale, ethic and economic of the IRDP. Loans are not normally given to the assetless persons on account of the non-bank facility of the project or non-viability of the households. Even when loans are provided, the amount so advance is on an average rather low.

It may be said that the assetless persons have very low "absorbitive and retentive power." At the same time the landless persons continue to suffer from indifferent psyche characterized by dependency and insecurity. "A person who is constantly threatened with eviction from land which provides him slender livelihood cannot absorb or retain any investment."¹³

"Hence IRDP and land reform should not be treated as two programmes operating in mutual exclusion but organically linked complementary moves for effecting enduring resource transfer to the poverty groups."¹⁴

Landed property or the land asset thus becomes a prerequisite for the success of the IRDP. Not only for the IRDP success but for all programmes for rural reconstruction. It is perhaps in this context that Gunnar Myrdal has placed primary emphasis on the principle of 'equality' rather than on the principle of 'opportunity' in the policy issue of rural development.

Land —A Source of Incentive

Land constitutes the most important asset in the rural areas. It is also a source of economic power. It turns out to be a convenient source of political power as well. It therefore becomes a status symbol. Land is the basis of participation by the rural poor.

A simple feature of income, creation of some occasional opportunities and availability of incentive and rewards to the poorest groups may not provide a permanent solution to poverty.

Power, prestige and self reliance for the poor in developing countries lie in secured access to productive assets -notably land, and in generating interdependency to replace dependency on the established power of ownership and control of landlords, money -lenders and the urban elite.¹⁵

Further, the rate of increase in the Gross Domestic Product is expected to be able to cope with meeting expanding demand and providing employment avenues to the new entrants in the labour force. When it is not so, as it usually does in the developing economy, the economic growth rate gets imbalanced. This in turn shatters the creative initiative and eventually tends to retard the growth of economy.

The basic assumption of this line of argument is that the process of development is simultaneously a "top-down" process and the "bottom-up" one. There are the macro-perspectives and the constituents at the micro-grass-root levels. Development may not be meaningful and lasting unless the mechanism for transforming resources into commodities is combined with a process of human transformation. Here man is both the subject and object. Endorsing this view, George Unwin observed—

There have always been forces meeting and cooperating with forces from below. In order to produce steady and coherent progress the upward thrust of the new life and the downward pressure of the old formula are both needed. But the upward thrust may be stronger than the downward pressure.¹⁶

In this context, it may be noted that the so-called 'upward thrust' may, perhaps, be a by-product of the 'self-respect', 'will-to-do' and the 'security of opportunity'. Land owning -preferably economic holding—provide a basic component of the permanent economic base especially of the farm sector. It also goes a long way in acquiring the self-respect and creating the will to work. In fact, land holding becomes a 'status-symbol' giving rise to the urge to earn more.

Rural Structure

It is found that the working of a rural society in any capitalist society is bound up with the structure peculiar to the economy. In the agricultural community of rural India one comes across a complex interaction of interests in the land-holding pattern. Inequality in holding had come to stay. There are seven categories of land holders in India as given below!

1. Big land holders having 10 hectares and above.
2. Medium holder having from 4-10 hectares.
3. Small holder having from 2-4 hectares.
4. Very small holder having 1-2 hectares.
5. Marginal farmer having less than 1 hectare.

Besides, there is another class called 'tenants' who worked on a land leased out to them by the big farmers. These category of 'tenants' bears the burden of a galaxy of tenurial obligations.

What is called 'landless agricultural labourers' forms the lowest layer in the hierarchy. The First Agricultural Labour Enquiry Committee had conveniently classified agricultural workers into two compartments!

- (1) attached labourers, and
- (2) casual labourers.

Reference has normally been made about the alarming increase of the agricultural labourers. The number of agricultural labourers of landless labourers for the years 1881, 1921, 1951, 1961, 1971 and 1981 is 7.5, 21, 27.5, 31.5, 47.5 and 55.4 millions respectively.

They continue to exist under the constant threat of crisis of immediate survival. Except their own manual labour they do not practically have access to any productive asset or property. Prof. Radha Sinha termed the following categories as landless.

- (a) Agricultural labour household with no land.
- (b) Non-agricultural households residing in rural areas with no land and engaged in various non-farm activities as village crafts and fishing services, etc.
- (c) Other rural household consisting of pastoralists, nomads, peasants practising shifting cultivation, hunter and gatherers, etc.¹⁷

All the three classes have an interest common to all, i.e., security of access to land. The account for it is simple. As cited above, "Land is the basis for the production of food and raw materials. It is also the source of income, employment and economic security and power."¹⁸ It is, therefore, no wonder to find "unlimited variety of property interests in land."¹⁹

Price Distortions and Land Redistribution

In the agrarian society control of durable and productive assets are normally in the hand of the more politically powerful. They eke out 'undue' benefit from the available means of production and increasing labour. The technique adopted by them paves the way for the emergence of more capital intensive. As a matter of fact, market imperfections become more deep-rooted. Under the circumstances, the prevailing trend discriminates against the agricultural sector. The prices of good and other agricultural products become comparatively cheap. The price parity between agricultural goods and that of the industrial commodities could hardly be maintained. As a result the price

gets distorted. The industrialists and for that matter the capitalist-producers continue to amass more capital. "The price distortions are, therefore, seen as a reflection of underlying inequalities in the distributions of assets-both physical resources and human skills -in the society."²⁰

Such economy marked by a fair degree of inequality may subsequently bring about new stresses within the low-income groups. Without security of access to durable assets, the rural poor are slowly but steadily pushed out or left out of the mainstream of development. It is noted that "even the subsistence opportunities are lost."²¹

Even if the realistic pricing is introduced, many of the gainful opportunities created are beyond the dream of the poor. As a result, the twin problems of unemployment and poverty of the rural poor remain unresolved. "Thus one finds, it is noted, a social cost of urbanization in the difficult period of transition from an agrarian to an industrialised society."²²

According to the school of structural reform, the final solution lies in the equitable redistribution of the private ownership of assets or in the increasing membership of the landless in the institutions such as co-operatives.

Working of Rural Economy

The working of the rural economy is marked by a number of disabilities. There is hardly any scope for large-scale production mostly because of the infrastructural deficiency. It is noted that organization of a production process may not depend upon the commodity relations alone. It may be made a 'going concern' strengthened by the interaction of structural linkages. In fact, the national economy may be viewed as an organized systems of human activities. These activities should have a functional unity and for this a sound working principle is essential. These institutional linkage, it may be recalled, constitute the basic foundation of what is called "a sound planning".

It may be stated that no country or economy can simply import "development" from outside and set in motion. Some of

the components of development like skill, credit and other hi-tech may come from outside in the formative stages but they are tools at best. That part of the components which are not readily available in the country may be obtained from outside.

But the real motive or desire for a change must come from within basically from the creative initiative, radical optimism and competitive spirit.

In this connection it is asserted that

a useful perspective in this regard is one of viewing the rural development as a development system that produces and delivers a variety of goods and services required by the residents. This system would comprise not only the physical facilities—buildings, equipments, land, transport networks, other public works, etc.—but also of organizations and institutions.

The effectiveness of these institutions in delivering a particular service is directly related to the compatibility of their structure with the set of incentive—private, collective or sectoral in the system.²³

This orderly arrangement of institutions, is therefore, the centre-piece of development.

Rural development is a strategy designed to improve the economic and social life of a specific group of people the rural poor. It involves extending the benefits of development to the oppressed among those who seek a livelihood in the rural areas. The group includes small-scale farmers, tenants and the landless.²⁴

Taking all these hard realities into consideration there has been a gradual alteration in the objectives of national policies and strategies towards alleviation of the grinding rural poverty. As noted before, policy measures are reoriented almost at the end of every plan to directly confront or assault the rural poverty. The general focus is on the rural reconstruction which can hardly be analysed in isolation. As a matter of fact, "it encompasses a spectrum of activities and human mobilization to make people stand on their own feet and break away from all struc-

tural disabilities, which chain them to the condition in which they live".²⁵

Besides, the problem is complex enough in view of the fact that "it has a historical origin and setting which simultaneously connect the present to the past and establish boundaries to what is possible in future".²⁶

Indeed, agrarian reforms are of special significance in view of the plain fact that the institutional order which is considered efficient in short-term calculation may prove to the source of stagnation, insecurity and inequality at the end. Thus a new policy may be framed and programmes are worked out to devise, establish and stabilize a new institutional order. The "new institutional order" is supposed to ensure access to land—a durable and productive assets - by the rural poor. This calls for meaningful and direct state intervention for "setting its agrarian house in order".²⁷

Land Reform — An Equalising Device

Whether it is an 'ideology' or a 'programme' (P.C. Joshi) land reform is said to be a deliberate attempt to intervene in the structure and working of the agrarian system. This could be made possible through a broad-based and comprehensive programme of redistribution of rights in land thereby bringing into practical reality a 'reform' that could possibly raise the landless tenant-tiller to the status of 'ownership'. Land reform is, therefore, an equalising devise.

Under the circumstances it is not surprising that a significant attention is being given to the programme of land reforms in view of the fact that "land reform is by definition an equalising policy at least in intention. It may foment growth but its primary motivation is to reduce poverty by reducing inequality".²⁸ It is considered a tailor-made device in reducing intra-rural inequality provided other supporting aids and infrastructure are available in the economy.

Thus, it has been observed that attempt has been made in many countries to realise the twin objectives of agricultural

productivity and promotion of social justice through the process of land reform. Land reform, therefore, constitutes a vital and critical component for bringing about socio-economic programme of development.

Thus, the need for such an agrarian reforms is found most pressing in the less developed countries of the world where the vast majority of the people are subsisting on agriculture, and where primitive land-holding system has tended to stem the tide of economic development.

Another strong case for comprehensive agrarian reforms is based mainly from the pleas that "output per acre seems to be a decreasing function of farm size". Along this line of argument every acre distributed from the huge size is intended to add to aggregate production. Apart from the 'equality principle' of land reforms, there is an equally significant consideration, viz., 'productivity principle'.

Further, the 'magic of private property' may positively induce the idea of greater savings and investment thereby generating more capital to the national economic development. It may be mentioned in this connection that private property or ownership has the inherent potentiality of turning sand into gold.

The rationalization of such an agrarian structure may constitute a conscious device for redistribution of ownership, occupancy and use-rights among the actual tiller and the landless. Hence, "equitable operating arrangements"²⁹ should be made in which economic holding may be the basic criteria.

To put it differently, it is hypothesised or suggested that the spectre of exploitation, dependency and backwardness may be removed with the successful enforcement of "land reforms" or "agrarian reforms" or "land redistribution". Hence the "opportunities provided by land reforms have given millions of people reasons to hope for a better future".³⁰

Further, there is no gain saying of the fact that the redistribution of the productive assets like land may release productive resources that would eventually help in correcting

the growth process resulting in the progressive realization of—

- (a) the primary development objective, *viz.*,
 - overall equalisation;
 - higher rate of growth;
 - promising change in the composing of output;
 - higher income; and
- (b) the intermediate development objective, *viz.*,
 - mobilization of savings;
 - inducement to invest;
 - stable price trend;
 - improvement in the balance of payment.³¹

In other words, a sound and effective agrarian reform may go a long way in correcting or improving what Prof. A.M. Khusro calls "disincentive of tenure" and "disabilities of farm size".

Content of Land Reform

Land reform policy, designed either with a view to reducing economic inequality or to bring about a sound agricultural economy, has five correlated components as noted below:

- (a) abolition of intermediary;
- (b) tenancy reforms;
- (c) ceiling on agricultural holdings;
- (d) consolidation of holdings; and
- (e) compilation and updating of land records.

Abolition of Intermediary

Removal or elimination of intermediary may be said to be the first and foremost task of land reform. Intermediary denotes "any person who intervenes between actual cultivator and the state".³²

The existence of intermediary has effects on the health of the economy in two ways. Generally, the absentee landlords are

interested only in extracting unlimited unearned income and as such, both the land improvement and the tiller's welfare suffer. Concentration of ownership in a few hand also results in the undue acquisition of assets thereby promoting instability and imbalance in the production system. This shortcoming or anomaly has been identified as the main hurdle in the way of national economic development.

Besides, incentive aspect of land reform cannot be lost sight of. Personal ownership and for that matter—free access to the means of production - is the keyboard for achieving economic equality and also to ensure generation of higher income and more profitable income.

Tenancy Reforms

Tenancy is a right in land. It is the by-product of the feudal structure. It may also arise on account of the migration of the landowner and shortage of labour.

Regardless of how it come into being, tenancy may be viewed as "a device to combine the resources of landlord (usually land) with the resources of tenants (usually labour and some working capital)".³³ It thus becomes a question "resource-allocation" and "return-distribution".³⁴

"Disincentive of bad tenure"³⁵ are sought to be lessened. Steps are being taken to ensure security of far returns to the farmers with due assurance of the future. The need for social and political independence is also repeatedly stressed through a new institutional framework.

In fact, the tenants are encouraged to become "full owners". With this end in view various legislations are enacted and administrative actions taken to see that ownership in land or agriculture is not the monopoly of a few. Disabilities like illiteracy, backwardness and fragile economic base, etc. are known to have made tenancy problem more intractable.

Ceiling of Holdings

The philosophy of imposing a ceiling on holdings is, perhaps, derived from the "permanent shortage of land".³⁶ As noted before, ceiling on holding has been accepted as a powerful device for equalisation.

There are empirical evidences indicating that productivity tends to decline or slopes downward after a certain level of holdings. "Output per unit of land is inversely related to farm size". The surplus land, if any, may, therefore, be taken away from the big landlords and distributed to the landless and marginal farmers. Such land redistribution involves the consideration of both productive efficiency and economic welfare as well. The new relations of production may go a long way in stimulating the output co-efficients. A healthy atmosphere conducive to the creation of innovative and happy peasantry³⁷ may be possible.

However, operational constraints are experienced particularly in deciding the "desirable farm-size" or "viable livelihood holding" or "viable unit" which can be depended upon for income capable or maintaining the family above the poverty line.

To state succinctly, two principles or criteria are usually taken into consideration in determining the size of the farm:

- (a) that the farm size does not suffer the negative effects of the diminishing returns; and
- (b) that the farm size does not entail the rising long run average cost.

Consolidation of Holdings

The given term "consolidation of holdings" is used to denote the amalgamation of scattered and small holdings. This is a measure to bring small and fragmented parcels of land in one compact areas or holdings. The consolidated land maybe taken to mean "economic holding".

The economic content of consolidation is derived from the economies of scale. Holding of land less than the standard size

may suffer diseconomies of scale. Output or returns from such holdings may not be encouraging and stimulating. Risk-bearing and management may not prove fruitful and rewarding.

However, there is a possibility of tenants being victimised in the course of consolidation. They may be discriminated against the evicted. This has to be taken care of and guarded against.

Factors like pressure of population, law of inheritance, increasing sense of individualism and limited work opportunities are enumerated as responsible for fragmentation and sub-division.

To foil further fragmentation and sub-division the following submission may be considered:

- (a) Prohibition of fragmentation below a standard size;
- (b) Fixation of minimum standard area for regulating transfer;
- (c) Scheme for consolidation by exchange; and
- (d) Reservation of areas for common purposes.

Compilation of Land Records

Keeping proper land records is said to be no less important than the other related measures for the success of land reforms and redistribution policy. Different economic interests involved in agrarian activities need to be identified and codified to prevent unnecessary land litigation. In the litigation case, documentary evidence serves as the basis for seeking justice in the court of law.

The absence of the updated records of land, rights, title-deeds, etc. is taken as advantage by the dominant group. It makes room for manoeuvre. In that case, the noble purpose of land reforms, it appears, is reduced to importance. The hope of having radical land redistribution through land reform measure is more often belied.

The Working Group II on "implementation of Land Reforms" chaired by Shri Amir Raza (*Seminar on Land Reforms*,

Socio-Economic Research Division, Planning Commission, 25th and 26th February, 1986, New Delhi) concluded—

... Reliable land records including records of tenancies is an extremely important tool for the implementation of tenancy.

Written records may help in removing misunderstanding and complications. Hence the need for a proper land record.

References

1. N. Mohendro Singh, *Agrarian Relations in Manipur* (Ph.D.Thesis, Manipur University, Canchipur, Imphal, 1989), p.2.
2. Karl Marx, *Pre-Capitalist Formations*, p. 81.
3. Raleigh Barlowe, *Land, Resource Economic—The Economic of Real Property* (Englewood Cliff, NJ. : Prentice Hill, Inc., 2nd edition, n.d.), p.9.
4. Singh, *op. cit.*, p. 5.
5. Singh *op. cit.*, p. 8.
6. United Nations, Food and Agricultural Organization, *Studies on Agrarian Reform and Rural Poverty* (Rome : FAO Economic and Social Development Series, no. 27), 1984 p.2.
7. *Ibid.*, p. 92.
8. *Ibid.*, p. 2.
9. Amit Bhaduri, "The Role of Rural Credit in Agrarian Reform with Special Reference to India", ECAFE No. XXX, Vol. I, June 1979, p. 105.
10. Singh, *op.cit.*, p. 14.
11. FAO, *Agrarian Reform*, p. 10.
12. *World Bank Report*, 1986, p. 80.
13. United Nations, International Labour Organization, *Strategies for Alleviating Poverty in Rural Areas*, ed. Rizwanul Islam (Bangkok, ILO Asian Development Programme), 1985, p. 122.
14. *Ibid.*, p. 123.
15. FAO, *Agrarian Reform*, p. 5.
16. George Unwin, *The Guilds and Companies of London*, p. 12, quoted in K.H.P. Parsons, *The Place of Agrarian Reform in Rural Development* (Rome, FAO, 1984).
17. United Nations, Food and Agricultural Organization, *Landlessness—A Growing Problem* (Rome : FAO Economic and Social Development Series, no. 28), 1984, p. 14.
18. FAO, *The Dynamic of Rural Poverty* (Rome, FAO), 1986, P. 83.
19. FAO, *Agrarian Reform*, p. 31.

20. FAO, *LAND Settlement and Co-operatives* (Rome : FAO, No. 1/2), 1983, p. 4.
21. *Ibid.*, p. 5.
22. Singh, *op. cit.*, p. 26.
23. United Nations Centre for Regional Development, *Rural Development, Capitalist and Socialist Paths. Vol. I, ed. R.P. Mishra (Nagoya, Japan, UNCRD), 1985, P. 127.*
24. World Bank, *Rural Development* (Washington, D.C. : World Bank Sector Paper), 1975, p. 3.
25. Mishra, ed., *op. cit.*, p. 2.
26. Islam, ed., *op. cit.*, p. 29.
27. Louis J. Walinsky, ed., *The Selected Papers of Wolf Ladejinsky—Agrarian Reform as Unfinished Business*, p. 10.
28. David Lehman, ed., *Agrarian Reform and Agrarian Reformism : Studies of Peru, Chile, China and India*, p. 270.
29. Raleigh Barlowe, *Land Resources Economics* (Michigan State University, 1972), p. 521.
30. *Ibid.*, p. 530.
31. Lehman, ed., *op. cit.*, p. 281.
32. Government of India, Ministry of Agriculture and Irrigation, *Report of the National Commission on Agriculture, Part VI - Agrarian Reforms* (New Delhi: MAI, 1976). p. 49.
33. United Nations, Food and Agricultural Organization, *Improving Agricultural Tenancy* (Rome: FAO Agricultural Series, no. 35), 1957, p. 4.
34. *Ibid.*
35. A.M. Khusro, ed., *The Economic of Land Reform and Farm Size in India—Studies in Economic Growth*, No. 14.
36. *Ibid.*
37. Lehman, *op. cit.*, p. 283.

Some More Relevant Books

Agricultural Development of India
Bisht, D.S.

Dictionary of Agriculture
Chhatwal, Gurdeep

Encyclopaedia of Environmental Waste Pollution
(Set of 2 Vols.)
Chhatwal, G.R.

Encyclopaedia of Environmental Soil & Marine Pollution
(Set of 2 Vols.)
Chhatwal, G.R.

Agricultural Surplus and Resource Mobilisation
Chopra, Vipla

Encyclopaedia of Horticulture (Set of 2 Vols.)
Coutts, J. & A. Edwards

Nutritional Relation of Soils
Dutta, N. Kanta

Encyclopaedia of Agricultural Science (Set of 10 Vols.)
Gurdeep Raj

Development of Indian Agriculture
Kumar, Ashok

Encyclopaedia of Plants: A Practical & Scientific Dictionary of Horticulture (Set of 4 Vols. in 8 Parts)
Nicholson, George

Technological Transformation in Indian Agriculture
Reddy, M. Ravinder

Agricultural Planning in India: A Critical Evaluation
Sharma, S.S. Prasad

Textbook of Forest Taxonomy
Singh, M.P. et al.

Agroforestry and Wastelands (Crown Size & Colour Plates)
Singh, M.P. et al.

Marketing of Horticultural Crops in India
Subbanarasiah, N.

ANMOL PUBLICATIONS PVT. LTD.
4374/4B, ANSARI ROAD, DARYAGANJ
NEW DELHI-110 002 (INDIA)