

Land—The Biggest Challenge

THE present situation differs in important respects; from that prevailing In July 1951. The very success of the first Plan has made it necessary to plan more ambitiously. The political developments of the intervening period also point in the same direction. Discussions so far, however, about financial resources have not gone beyond the present structure of public finances. Tax measures were looked into by an expert Commission; and the results of their findings have been fully availed of. Programmes of borrowing have had the benefit of successful experiments. Even so, the target, of investment that is now being considered is far above what, it is now estimated, can possibly be obtained from these two sources. No serious attempt has been made for exploring unorthodox methods of raising resources. Of the latter, the two proposals that have been put forward at one time or another are State trading and nationalisation of Insurance. It is not certain yet how far these proposals have any *support* from Government. Nor has surplus from land figured prominently in the quest for resources. Acquisition of intermediary rights in land has been, carried out by different States up to varying points. To the extent that along with it a ceiling is sought to be imposed on rents from land, the surplus arising from land will not be directly available to the State. Acquisition of intermediary rights, however, imposes a social responsibility. Employment and means of livelihood will have to be provided for the people who are dispossessed of their shares in the rent from land, This would be a problem of considerable magnitude if land-owning classes are really displaced. To the extent that the position of tenants is secured not only in law but in fact, landed classes who have enjoyed a status and have exercised authority will not be easily reconciled to a change which deprives them of both. They may be more easily absorbed if, along with real changes in tenancy, opportunities of productive employment are thrown open by decentralisation of the economy in the form of assisted development of small-scale and village industries.

Sere it is presumed that there will be a bedroom in the co-operative sector for a class whose upbringing and social background qualifies it to

discharge; the function of management and control. If land is to be given to tillers and intermediaries are to have no place, this class will have no function left. Girasdars masquerading as protected tenants or owner-cultivators are? no greater social menace than the more spirited ones among them who take to brigandage.

The argument against re-distribution of land to indigent peasantry on the ground that however desirable it may be as social policy, economically it will be a backward step, as it will lower the efficiency of cultivation, will take a lot of answering. To answer it effectively, it is not enough to say that it is implicit in the re-distribution of land that the State undertakes the responsibility of providing credit and finding the resources necessary for efficient cultivation. Even that is not enough. For the answer, the First Plan depended on co-operative farming. This has made so little progress, however, and experience of these five years has given little hope of its ever being realised. Even the allocation of Rs. 50 lakhs recommended in the First Plan for experiments in co-operative farming has remained unclaimed.

The realists may also claim fact? to be on their side in resisting the policy of distribution being carried too far. The progress in agriculture during the last two to three years is undeniable even when a generous allowance is made for favourable monsoons. If inequalities of land holding are a serious impediment to agricultural improvement, how could these remarkable results have been achieved without any substantial progress in the direction of redistribution?

Apart from the economic argument, however, which rests primarily on the powerful incentive which ownership gives to the urge for development, there is a powerful social case for a new deal to the landless. This is based on the study of village society. The village community does not represent a harmony of interests on the contrary, it is torn by internal dissensions largely arising from the maldistribution of land. It is very often divided into warring camps, on the one side being those who have the land, mostly belonging to the upper castes, and on the other, the landless mostly the

Harijans and the lower castes. So, to talk of building from the bottom, and creating a healthy rural base, are equally unmeaning until this basic disparity is removed.

When land is given away to tillers, economies of cultivation demands that cultivation should be organised on a basis other than that of petty and fragmented holdings. Since we have no means of organising mutual aid under Central direction except in so far as community projects may achieve this object, how to reconcile equity with efficiency of cultivation? Those who are impressed most by the urgency of redistribution of land fondly hope that once land is given to him, the peasant will not be found kicking and will have the sense to work out a system of joint cultivation on his own, without waiting for the blessings of the Registrar of Co-operative Societies. However that may be, land is going to present the biggest challenge; an appropriate social policy will have to be worked out in respect of land ownership in the second Plan period.

And not only in regard to land. Indeed, it looks as if questions of social policy will come up uppermost, not at the stage of the formulation of the second Plan perhaps, but in the course of its execution. The emphasis on employment itself is a thin end of the wedge; for gradually employment is coming to be recognized as one of the given premises according to which planning has to be modified, even if in that process, the rate of growth achieved becomes slower than what it could be otherwise.

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the reduced inequalities needed for promoting consumption and economic growth and the inequality required to channel resources for investments, by keeping down consumption and by increasing the marginal rate of saving, a balance has to be struck. Even if the golden mean eludes our grasp, there must be a due sense of responsibility in deciding how the maximum advantage can be derived. This has been grossly lacking and the excuse in putting forward such spectacular proposals of redistribution is that they arise for consideration, is not for acceptance, from the socialistic patter of the Plan.