

DR. BR AMBEDKAR'S VIEWS ON INDIAN AGRICULTURAL DEVELOPMENT AND ECONOMIC POLICY

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It is accepted without question by many that the law of inheritance that prevails among the Hindus and the Mohammedans is responsible for the Sub-division of land. If it is said that Indian agriculture suffers from small and scattered holdings we must not only consolidated, but also enlarge them. It must be bone in mind that consolidation may obviate the evils of small holding unless the consolidated holding. --- Dr. B. R. Ambedkar



ABSTRACT

Bharat Ratna Dr. Babasaheb Ambedkar: an eminent socio-economic thinker and epoch-maker shaped the economic destiny of India by introducing many tenets of the State Socialism into the Constitution of free India. He was a post-graduate of Columbia University (U.S.) and obtained his doctoral degree in economics from there in 1917 and D.Sc. degree in 1921 from the renowned London School of Economics. Abroad, he shared his thoughts with distinguished economists like Prof. Seligman and Prof. Cannon. He had a short stint with Sydenham College Bombay as a lecturer in economics during 1918-

20. Agriculture is the backbone of the Indian economy many problems like land reforms, fragmentation, and subdivision of land were discussed by Dr. Ambedkar threadbare. The problems are still current and are further aggravated by the density of population and urbanization.. Dr. Ambedkar foresaw all this and emphasized the inability of consolidation and other means of increasing the size. He was aware that any system of equitable distribution of land and land reforms would be inadequate for the singular reason that there is no ample land relative to population. Therefore he felt that collectivism was the only answer for problems of agriculture.

Keywords: Dr. Ambedkar, Indian Agriculture, State Socialism,

INTRODUCTION:

Dr. Babasaheb Ambedkar was the first to co-relate the evils of untouchability and the caste system with the economic system. It was to his credit that financial and economic provisions were entered into the Law of the Land i.e. Constitution of India. Dr. Babasaheb Ambedkar was much more than a mere economic thinker. He was a philosopher, social thinker, a fantastic scholar, a leader, a political activist, an apostle, and a savior of millions – a true architect of an egalitarian society. Such a person can only be a revolutionary at heart. Above all these attributes, he was the noble visionary aspiring for a peaceful and prosperous This was in tune with the welfare State visualized then. Collective farming would reap the advantages of large-scale production which would increase labour productivity. He was for the growth and development of agro-based industries and the industrialization of the rural areas. This is his view would enhance the employment of workers and the land-less. Dr. Ambedkar proposed collective farming in a slightly different way from communes. The proprietary rights would remain with respective farmers but they would not be permitted to cultivate lands unless they join with adjoining farms. In case it was not done then the government should interfere and acquire lands after paying appropriate compensation. The land so acquired should be divided into equal holdings and should be given to the villagers for cultivation While discussing the problem of subdivision he emphasized that the absence of the law of primogeniture (the property should rest with firstborn) led to non-economic holding. He defined his concept of economic holding on the basis of a family unit. The land should be adequate enough to provide employment to the whole family and must be able to provide subsistence to the family. His was scientific and hence the holistic approach in a sense.

OBJECTIVES:

- To know about Dr. Ambedkars views on Indian agricultural development.
- To know about Economic policies suggested by Ambedkar.
- To know about Land holdings in india.

RESEARCH METHODOLOGY:

The present research paper is based on secondary data. Various references, journals and books have been used for the preparation of the research paper.

Indian small and marginal farmers are facing many problems in the agriculture sector like low level of production, primitive tools and techniques, lack of technical knowledge, less bargaining power, lack of market accessibility for produce, and uncertainty of market affairs, lack of post-harvest services, poor package of produce and insufficient capital to grow a quality product, low level of investment capacity.

The fundamental approach of all these constraints is that almost 80 percent farmers are small and marginal category and possessed a small size of land holding in the agriculture field in India. Consequently, their economic power is very poor and compelled to live below poverty line. Hence, unemployment, illiteracy and poverty are encompassing in all around of their lives. Some farmers are also committing suicide due to financial problems and debt trap and compelled to migrate from rural to urban areas for employment opportunity. Therefore, contract farming came in the agriculture sector as a boon to assist the needy or small and marginal farmers by providing seed, financial assistance, assured market for the produce, predetermined price, and also help to accelerate the produce by introducing new agricultural technology in agriculture field.

Contract farming is basically depending on the model of win-to-win under which both grower and purchaser are benefitted and getting low level of risk by producing high valued crops like vegetables, crops, flowers, and fruits.

The contract farming has emerged in the agriculture sector as a boon to assist the farmers particularly, small and marginal farmers by providing seed, financial assistance, assured market for the produce, pre-determined price of produce, and also help to accelerate the production by introducing new agricultural technology. Most of the states are encouraging the contract farming in different forms like written or oral, registered or unregistered. The corporate hype is created that the contract farming is really a boom for small and marginal farmers particularly dalit farmers.

The U.P. is the biggest state with large number of small and marginal farmers cultivating the small piece of land with outdated methods of cultivation. Majority of the small and marginal farmers are belonging to the SC and ST community. They are not getting adequate capital and technology for cultivation. Hence Majority of the small and marginal farmers are being attracted by the multinational companies for contract farming and corporate farming in the U.P. The multinational companies are offering to the small and marginal farmers' capital, seeds, fertilizers, technology, irrigation facility and market facility for their product. These facilities are attracting the farmers towards contract farming. But state has no mechanism or institutional system for contract farming. There is no assurance/security for farmers. Hence an attempt is made to analyze the economic viability of contract farming in Uttar Pradesh. It is very significant to highlight the conditions of the contract farmers in the state.

Agriculture has played a very crucial role in the economic development of India. It provides employment to nearly 55 percent of people of the country. The agriculture is contributing 14 percent of income to the Indian Gross Domestic Product (GDP). Agriculture sector is the most important sector of the Indian economy from the perspective of poverty alleviation and employment generation. Even though the share of agriculture in national income has been declining from 54 percent in 1960-61 to 16.16 percent in 2011-12, the workforce engaged in agriculture sector has exhibited only a marginal decline. The conditions of agricultural sector have not changed much as per requirement of the country economic development. The very high proportion of the dalits population is being engaged in the agricultural sector. Indian agriculture is still backward and characterized by low productivity and unequal distribution of land with high incidence of unemployment and poverty due to semi feudal structure.

After independence several attempts were made to improve the agrarian structure by abolishing large intermediaries conferring ownership rights to tenants reducing skewed distribution of land through imposition of ceiling on land holdings and redistribution of surplus land to the landless dalits and organized small and marginal holdings along with cooperative lines and to regulate wages of agricultural laborers..

These measures have not improved the agrarian structure to the desired extent. The success of agrarian reforms and institutional changes in bringing out rapid economic growth with social justice depends more or less on the right type of institutional arrangements. Hence, the policy makers to emancipate the peasants from the clutches of semi feudalism on one hand and to foster agricultural growth on the other hand initiated numerous institutional reforms.

The main aim of the massive institutional reforms in the option of congress agrarian committee under the Chairmanship of kumarappa was promotion of individual peasant farming on suitable unit of cultivation under the property. Ambedkar had observed that economic and social development could be achieved through the advancement of agriculture in rural areas dehumanized and discriminated individuals. He had examined the problems of subdivision and fragmentation of agricultural land holdings affecting agricultural production and formulated very scientific definition of economic holdings.

He said that existing holdings are uneconomic, not in the sense that they are small but they are too large in relation to the existing availability of agricultural inputs. This notion is applied to all rural populace equally. So there must not be any class division among the farmers. According to him, a solution to the ills of agriculture in India is relying in the matter of increasing capital goods like agricultural implements in right proportion to the farm size. Therefore, Ambedkar agrees that the proposal of enlarging the existing holding as a remedy for the ills of our agriculture. It is shown that farms have diminished land in size while the agricultural stock as increased in amount.

He argued that our bad social economy was responsible for the ills of our agriculture and scattered farms and existence of idle labor in agriculture. After independence, a series of attempts were made to improve the agrarian structure by abolishing intermediaries, conferring ownership rights to tenants, minimizing the skewed distribution of land through imposition of ceilings on landholdings and redistribution of surplus land to landless people and organizing small and marginal holdings along with cooperative lines and regulating the wages of agricultural laborers.

In 1960, almost all states imposed ceiling on landholdings which were further modified after the guidelines of National Commission on Agriculture in 1977. According to the National Commission on Agriculture 1972, semifeudal agrarian structure is the root cause for the state chronic crisis in which Indian agrarian economy was emerged before the attainment of freedom. Consolidation of land holdings is also undertaken as an independent development program. The land reforms have been introduced in India in the postIndependence period with a view of eliminating the intermediaries' interest in land providing security of tenure and ownership rights to tenants and reorganizing agriculture through land ceiling legislation, co-operative farming, consolidation of land holdings and poverty reduction. The progress registered was unsatisfactory. One of the major issues of Indian agriculture is the farming system.

While deliberating upon the choice of farm organization that would be appropriate in the socio-economic and culture of rural India, the Agrarian reforms committee had rejected the concept of capitalist farming as the form of agricultural organization on the ground that it would deprive the land rights and turn them into mere wage earners.

It would also create the problem of displacement. Agrarian Reforms Committee has apprehended that the Peasant farming would be the most appropriate form of cultivation above the basic land holdings, but the small land holdings should be brought under the scheme of co-operative farming. Co-operative farming was generated by the Government of India to improve the conditions of small, marginal, and landless farmers. A number of recommendations were made in the first three five year plans to encourage the co-operative farming in India. The government offered a number of incentives and facilities for the development of these societies like financial assistance, subsidies, technical assistance, supply of improved seeds, fertilizers and other materials. In fact, co-operative farming was seen as a panacea for all ills of rural sector and was propounded with much enthusiasm and excitement. However, the progress was extremely slow and disappointing.

So, this program had also failed to improve the socio-economic conditions of small and marginal farmers in general and dalit farmers in particular (Mallaiah, 2006). By the end of June, 1969, there were only 8,160 co-operative societies with 220,147 members and a total area of land 420,783 hectares in which only 0.38 percent of land was cultivated. Thus, this program also failed to improve the conditions of farmers and to enhance the production and productivity level of the produce in agriculture (S. K. Mishra & V.K. Puri, 2006). The Government of India has approved National Agricultural Policy (NAP) in the year 2000.

The new agricultural policy intends to seek private sector participation through contract farming by land leasing arrangements. The National Commission on Farmers (NCF) was also established in 2004 for the betterment of small and marginal farmers to increase the yield and income of farmers. In this way, the NCF prepared a draft of national policy for farmers. The GOI has approved the National Policy for Farmers in the year 2007. The NCF intends to involve the corporate sector in agriculture to accelerate the technology transfer, capital inflow and assured market for production, especially of oil seeds, cotton and Horticultural crops (S. K. Mishra & V. K. Puri, 2006). Similarly, National Commission for Farmers, 2007 initiated symbiotic contracts farming which provides benefits to both producers and purchasers for ensuring assured and remunerative marketing opportunities to the contract farmers. Contract farming is a well designed method of farming system which will be helpful to small and marginal farmers in getting good quality inputs, fair prices and prompt payment for their produce.

The farmers should not be alienated from their land under the contract farming system. Therefore, a monitoring committee may be set up by the state government by involving farmers' participation to encourage a new method of contract farming which should be followed by friendly based environment. The changes in the institutional set up are made by deliberate government policies in order to accelerate the agricultural development so that income of the rural people can be enhanced. The contract farming is one of such institutional initiative that is expected to overcome the agrarian problems which is accepted by Indian farmers since a long time in the agrarian field (GOI, 2007). Uttar Pradesh is the first state to bring out such a comprehensive policy, which focused on the betterment of small and marginal farmers. The state government accepted the model of contract farming as a major policy initiative for the rural development of the state in 2007.

Agriculture & Land reforms of Thoughts of Dr. Bhimrao Ambedkar: Dr. Babasaheb Ambedkar had made in-depth study of Indian Agriculture, wrote research articles, organised Seminars and Conferences in order to solve the problems of agriculture and farmers, also led farmer's movement. His thoughts on agriculture are found in his article "Small Holdings in Indian and their remedies"(1917) and also in "Status and minorities"(1947).He mentioned that holdings of lands by few

people is an acute problem of Indian agriculture which has various disadvantages, like difficulties in cultivation and utilization and resources, increasing cost, low productivity, inadequate income and low standard of living.

According to Dr. Ambedkar Productivity of agriculture is related to not only with the size of holdings of land but also with other factors such as capital, labour and other inputs. Therefore if capital or labour etc is not available in adequate quantity and quality, then even a large size land can become unproductive. On the other hand small size land become productive if these resources are available in plenty. With this thought the 'Land Ceiling Act' is passed after Independence. He also mentioned about the slavery and exploitation of Labour bounded under caste system is extremely bad for economical development and fought for its abolition. His other suggestion for solving agriculture problem are collective farming, economic holding of land or equal distribution of land, Large scale Industrialization, Provision of money, water, seeds and fertilizers by the government, cultivation of waste land by allotting waste land to landless labour, minimum wages to labours, control and regulation of private lenders of loan to farmers

According to Dr. Ambedkar, the socio-economic development of an economy depends primarily upon the availability of adequate finances and their proper utilization. In India, taxation was assigned the central task of collecting sufficient revenue to finance economic development program in spite of low ability to pay taxes due to extremely low levels of income and consumption. The essence of revenue function of taxation policy in the initial stage of development was to cut down the existing level of consumption, particularly of well-off sections, and mop up the 2 savings for public investment.

However, as income rose consumption levels were to be prevented from rising and additional revenue generated¹. The strategy was to channel an increasing proportion of incremental income into building development infrastructure. Taxation was the main fiscal weapon available to the government for this purpose and it has to be used to the hilt. Taxing at progressive rates partly as revenue and partly as equity measure, the government attempted to make both direct and indirect tax rates progressive. However, it is to be noted that the merit of progressiveness has been lost while implementing it in letter and spirit.

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