

livelihoods

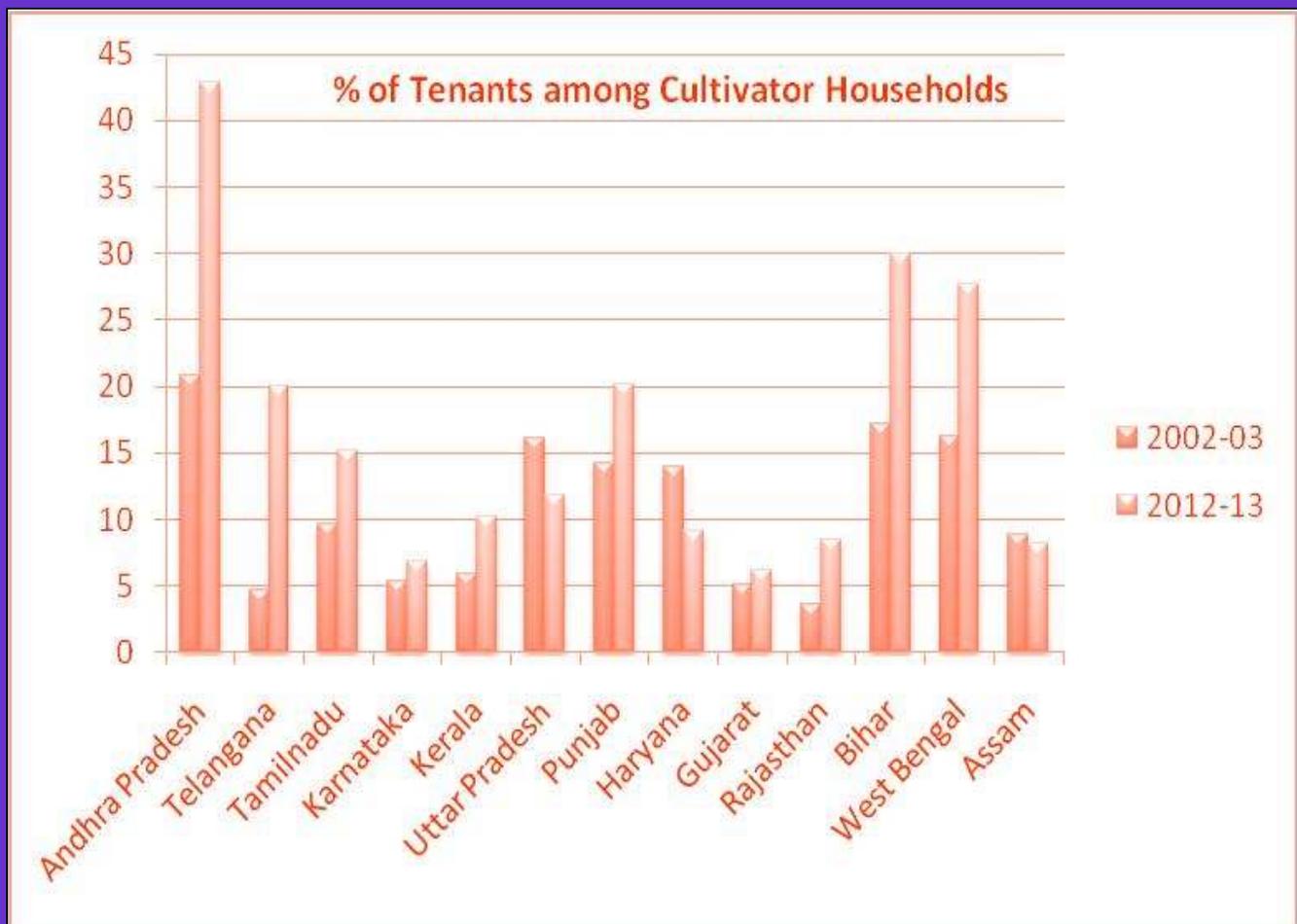
today and tomorrow

September 2018

‘Sukshetram’

Tenant Farmers

Tenant farmer is someone who takes a piece of land to cultivate, on rent. There have been large protests in recent past demanding land rights, especially the huge farmer protest in Maharashtra. Over 70% of the farmer suicides across the country have been that of tenant farmers. These suggest something is extremely wrong with tenant farming in the country.



Do Bigha Zameen, Lagaan, Ankur and many such movies gave cinematic representation to the reality of land relations, ownership and exploitation in India. Land is limited. Land is an emotional issue for Indian farmers. It is “Dharti Maa”. It is “Anna Daata”. But it is not with everyone. Some own it much more than others. Some own a little. Some own nothing. But still, over 60 % are dependent on land for their livelihood. What do they do when they don’t own any land? They need some land- owned, borrowed, rented, shared-to make a living. Tenant farming becomes a way of life for landless and a means of improving livelihood for small and marginal farmers.

Tenant farmer is someone who takes a piece of land to cultivate, on rent. There have been large protests in recent past demanding land rights, especially the huge farmer protest in Maharashtra. Over 70% of the farmer suicides across the country have been that of tenant farmers. These suggest something is extremely wrong with tenant farming in the country.

What ails Tenant farming?

The problem of tenancy is it is informal, insecure, and exploitative, deepens caste conflicts and has been a hindrance in addressing the problems agricultural productivity and rural poverty. Tenancy is embedded in socio economic power relations of our villages. The major issues are:

- There is no form of formal agreements between the land owner and tenant. This makes both insecure
- The insecurity of tenure does harm to the land as there is no incentive to invest in the development of land
- Land undeveloped for long period loses its fertility and the agricultural productivity remains stagnant. For example, India which has improved greatly the yields of wheat and Rice still ranks low in their productivity when compared globally. It ranks 38 in wheat and 50 in rice productivity. India, which is the largest producer and consumer of pulses ranks 138 in its productivity.
- Fragmentation of land holdings is doing no good for tenancy as the rented lands are also of small in size thus affecting the economies of scale
- Tenant farmers lack access to
 - ◊ Credit facilities
 - ◊ Insurance
 - ◊ Subsidies
 - ◊ Loan waivers
 - ◊ Better prices
- They are disadvantaged section when it comes to benefitting from public investment. Out of total investment in agriculture, nearly, 3/4th of the investment goes into subsidies, which benefits medium large farmers mainly and small and marginal farmers occasionally. This in no way benefits tenant farmers
- More than 50% do not own any land in rural India; 60% are dependent on agriculture; agriculture has a share of 12-15% in GDP. While the share of employment in agriculture is not shrinking significantly, the share of their income is declining rapidly. This impacts the tenant farmers badly as they have to not only face increased costs of production, reduced returns from agriculture but also pay rent in addition to other farmers. In larger context, it is not only the lives of tenant farmers that are vulnerable but also the issue of poverty reduction at stake.
- Tenant farmers do not receive any benefit in the event of land acquisition and are not stakeholders in the rehabilitation package
- Feminisation of Agriculture is a reality. Most women do not have any land rights. Troubles of tenancy along with gender inequality in our villages impacts our women tenant farmers adversely.

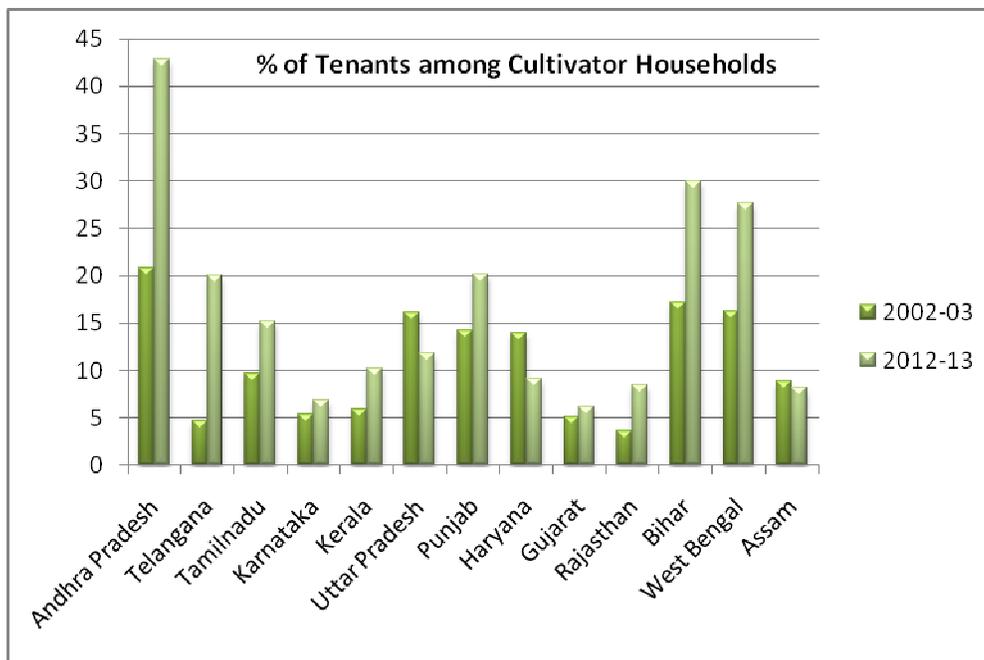
- The land relations and skewed land ownership is deepening caste equations and the socio economic inequality. Mismanaged agrarian relations, alienation from land have been the prime reasons for left wing extremism in the country.
- On the top of all these, Land being a state subject makes the whole issue complex

Has there been any improvement in the recent past? Various surveys point otherwise.

What does statistics speak about Tenancy and Tenant Farmers in India?

At the outset, there are huge spatial and temporal variations in the incidence of tenancy and in the country along with differences in the nature of tenancy. NSSOs Surveys of Land And Livestock Holdings (NSSO SLLH), Findings of National Family Health Survey on assets Agricultural census 2010-11 and Socio Economic Caste Census 2011 have been useful in understanding the land relations, ownership and tenancy in the country. At the outset, the major observations are:

- There has been significant increase in the incidence of tenancy between 2002-03 and 2012-13. It rose from 6.7% of operational landholding to 11.1%. This is in contrast to the earlier 3 decades.
- Most of the eastern coast from West Bengal to Andhra Pradesh has high prevalence of tenancy. This trend is exceptional and is alarming as there are no proper safeguards to tenant farmers in these states.
- Regional Variations in Incidence of Tenancy:



- ◇ High incidence of tenancy in some states imply that regulations governing tenancy are flexible or ambiguous in such states
- ◇ Steep rise in tenancy in certain regions mean, there is increased alienation of land along with decreased average size of land holding which is the national trend
- ◇ In certain states, tenant farmers are decreasing. This implies either many are moving away from agriculture or land consolidation happened along with it.
- ◇ In certain states, the overall tenancy is low because of implementation of tenancy reforms

From the vast variations across states, it becomes clear that no single approach or policy or law can address the issues related to tenancy.

- When ownership of land is analysed across social groups, it is found that resource poor, landless households

especially Scheduled Castes and Muslims are increasingly marginalised in the tenancy market. Not only historical land alienation a problem to these communities, even the access to land in the tenancy market is a problem to Scheduled Castes, Scheduled Tribes and Muslims in the country. When the distribution of all rural households, operated area and ownership landholdings are compared, the caste and social disparities are clearly visible.

Social Group	% of Rural Households	% of Operated area	% of Ownership Holdings
Scheduled Castes	20.2	10.3	9.3
Scheduled Tribes	11.9	12.3	12.7
Muslims	10.8	5.7	5.6
Others	57.1	71.7	72.4
Total	100	100	100

- Increase in incidence of fixed rent tenancy is another concern. Today over 55% of leased in land is under fixed rent tenancy. Fixed rent in the form of money accounted for 40% of total leased in land. Major implications from this trend are:
 - ◊ The associated reduction in the share of share cropping form of tenancy means tenant farmers are becoming more vulnerable to fluctuations in the farm produce as they are bound to pay fixed rent irrespective of crop failure or any reduction in the prices
 - ◊ Also, fixed money rent tenancy is extremely favourable to the rich farmers as they can pay the advances easily. Cash constrained poor landless households will be forced to accept high fixed rents and other forms of exploitative contracts.

These numbers and trends are not a manifestation of recent past. They are realities of deep social inequalities fostered by unjust policies for hundreds of years.

Roots of Land Alienation and Exploitation of Tenant Farmers:

Land has been the common resource of community, village in India. This changed gradually and private ownership of land became a reality. But, with the entry of British and their poor understanding of India’s traditional land relations, land relations have undergone sea change

Firstly, it begins with Zamindari or Permanent settlement system, where a Zamindar was responsible for collection of tax from the peasants, who remained owners as long as they paid the taxes. The zaminadr retained his right as long as he paid the share of state. But, over a period of time when zamindar failed to pay or when peasant failed to pay, money lenders entered the picture. This led to chain of intermediaries and absentee landlordism. Zamindari system was introduced in eastern India which covered approximately 19% of the area

Secondly, Ryotwari system introduced in Madras and Bombay province covering 51% of the area got rid of zamindar by establishing direct link between peasant and state. But once again, when farmer failed to pay the rent or tax, they had to depend on money lenders by mortgaging land at exorbitant interest rates.

Thirdly, Mahalwari system, which was implemented in western and northern part of British India, made village, Panchayat responsible for tax collection.

In all these, farmers were at the receiving end because:

- Farmers were treated as mere tenants instead of owners
- High rates of taxation in all the systems

- Disruptions of land relations permanently
- Entry of moneylenders into the agrarian system of India making less landed and landless vulnerable
- Increase in the number of landless labourers as farmers were evicted on non payment of taxes or as a result of debt trap

This clearly shows that the colonial policies systematically pushed farmers out of their lands and it takes generations of efforts to correct and make land relations equitable. Post independent India took up some measures to correct inequitable land relations and their results have been mixed.

Land Reforms in Independent India-Impact on Tenant Farmers:

1. Abolition of Intermediaries: This got rid of all the intermediaries and benefitted over 25 to 30 million occupancy tenants. It has been fairly successful because of public sentiment in the wake of independence struggle and strong political will. It has not benefitted subtenants, landless labourers who occupied highest share

2. Tenancy reforms: It included conferring of ownership rights to occupancy tenants, dealt with security of tenure for subtenants, share croppers and regulation of rent. Around 11 million benefitted from it as only 7 states implemented it well. Kerala and West Bengal implemented really well because of the socialist ideology of political establishment. Maharashtra, Gujarat, Himachal Pradesh, Assam and Karnataka implemented fairly well. Major roadblock in implementation was identification of share croppers. West Bengal took up “Operation Burga” and identified share croppers successfully

3. Ceiling on Land Holding: There were maximum limits put on the amount of land a family can own and these limits varied from state to state, land to land and even w.r.t. crop cultivated on the land. This was not successful because:

- a. Political will fizzled out by then
- b. Strong nexus between landlords and village land officials encouraged fraud land transactions
- c. Emergence of nuclear family to make land division possible and thus circumvent land ceiling
- d. Surrendering of inferior land. This was of no use as poor landless farmers have inadequate capacities to improve the land.

“Bhoodaan Movement” which encouraged voluntary ceiling and redistribution of land was successful in pockets and could not meet its goal of redistributing 20 million hectares.

4. Consolidation of Land Holding: This was successful only in Punjab and Haryana as it was vital to the input intensive green revolution. It was fairly successful in Uttar Pradesh, Himachal Pradesh, Gujarat, Jammu and Kashmir and Karnataka. But, the success rate was very poor. Emotional attachment to each piece of scattered land was and is a major roadblock in consolidation of land holdings. If consolidation is done, then tenant farmers will have access to larger pieces of land thus making it financially viable.

5. Cooperative Farming: This aimed to pool the land and make it economical without altering the ownership. The collective efforts failed to take off as conflicts on productivity of different farms arose.

6. Market led Reforms: Post liberalisation, market played important role in land ownership. This has worsened the condition of tenants as they had no recognition in land acquisition for public purpose or for Special Economic Zones or for development projects. Tribals in the resource rich regions began losing their land rights as market led development took priority over recognition of land rights. This is another watershed event after colonial policies which suddenly increased land alienation and victimised land tenants

7. Modernisation of Land Records: This aimed at recording and purifying the land records. This along with digitisation brought confidence and security of ownership to the land holders. Over, 2/3rds of civil cases are land disputes. In long-term, it would facilitate land leasing as the owner is no longer apprehensive about losing land.

8. Facilitating of Land Leasing: It is in the pipeline and would be of great benefit to the tenants and increase their access to land.

Despite the multiple reforms, the relation between land, land owner and rights of tenants is not equitable. Law stands as major roadblock. Efforts are made to improve the legal ecosystem governing land relations in the country.

Laws of the Land Vs Tenants of Land:

As land is a state subject, states came up with laws on tenancy in 1960s and 70s, which made land leasing prohibitive and is still affecting the plight of tenant farmers.

Restrictive Nature of tenancy Laws in Various States	
Category of States	Nature of Restrictions in tenancy Laws
Kerala and Jammu & Kashmir	Leasing out of agricultural land is legally prohibited without any exception
Telangana, Bihar, Jharkhand, Karnataka, Madhya Pradesh, Chhattisgarh, Uttar Pradesh, Uttarakhand and Odisha	Leasing out of agricultural land is allowed only by certain categories of landowners such as disabled, minors, widows, defence personnel...etc
Punjab, Haryana, Gujarat, Maharashtra and Assam	Leasing out of agricultural land is not specifically banned, but the tenant acquires the right to purchase the tenanted land after a specific period of creation of tenancy, except if land owner is disabled
Andhra Pradesh, Rajasthan, Tamil Nadu and West Bengal	There are no restrictions on land leasing, although in West Bengal, only share cropping leases are legally permitted
In Scheduled Tribe areas of Andhra Pradesh, Bihar, Odisha, Madhya Pradesh and Maharashtra	Transfer of land from tribal to non tribal even on lease basis can be permitted only by a competent authority. The idea is to prevent alienation of land from tribal to non tribal
Source: Department of Land Resources, MoRD	

Because of these complex and multiples laws across the country, tenancy faces legal hurdles and even is underreported. Owing to the complex laws, tenancy agreements remained informal leaving them insecure and reducing the operational mobility of landowners.

To bring in flexibility in land relations, improve agricultural efficiency, encourage occupational diversification and bring in equity, a special cell of NITI Aayog, headed by Tajamul Haque came up with Model Agricultural land Leasing Act.

Key Features of Model Leasing Act:

- Legalise land leasing to promote agricultural efficiency, equity and poverty reduction
- Legalise land leasing to ensure complete security of land ownership right for land owners and security of tenure for tenants
- Remove the clause of adverse possession of land in the land laws of various states
- Allow automatic resumption of land after the agreed lease period
- Allow the terms and conditions of lease to be determined mutually by the land owner and the tenant without any fear on the part of the landowner as well as tenant
- Facilitate all the tenants to access crop insurance and bank credit
- Incentivise tenants to make investment in land improvement

Potential benefits from the model leasing act are:

- Improve the access to land for a land less farmer. It will also help small and marginal farmers to increase the size of their land holdings. Presently over 101.4 million or 56.4% of rural households do not have access to any land.
- Bring over 25 million hectares of fallow land under cultivation, which is presently not leased out due to fear of losing by land owners
- The tenant and land owner can come to an agreement (say in the presence of village sarpanch) without going to the revenue department thus reducing the state intrusion
- Formally signed agreement can be used to access all the financial services
- Improve overall agricultural growth and could result in rapid rural transformation

Shortcomings of the Model Act and its implementation:

- It is being implemented by states in a piecemeal approach, such as Uttar Pradesh just removing the clause on losing of land ownership after some period of tenancy.
- It could encourage diversion of land from agriculture to commercial use as the act allows land leasing for allied activities, agro processing...etc. This can be harmful as the returned land post tenancy period many not be suitable for cultivation. This hampers the food security of the country
- The tenure of tenancy is not clearly defined and if it too short (some states prescribed it as 3 Years), it would not be suitable for horticultural crops which are vital in dry land farming
- Without any involvement of government in the agreement, the tenant may never get a real identity.
- There is still no ceiling on land, which could increase reverse tenancy where big farmers will accumulate more land and push the small and marginal into landless group.

These short comings have to be rectified. States like Telangana have started giving recognition cards to tenant farmers but the implementation falls flat. The Farmer Investment Support Scheme was not given to tenant farmers who are real investors in farming. In summation, what is being done is inadequate and farmers-everyone-particularly tenant farmers need much more.

What do Tenant Farmers need urgently?

- Identity-Formally Recognising them as farmers, tenant holders
- Removal of all restrictions prohibiting tenancy across all the states
- Strong political will to implement them
- Access to subsidies, loans, insurance and every other benefit that is given to every other farmer
- Special support as they are much more vulnerable than the farmers who own land
- Implementation of land ceiling, consolidation, redistribution
- Helping landless in improving fallow, waste land

The inequity and the exploitation of tenant farmers gave rise to the slogan of “Land to the tiller”. We as a society and political system failed in achieving that.

Let us try something feasible for the moment.

“Land to the Tiller” is a far gone by demand,

“Rights to the Tiller” is the only way ahead. ❖