

Why our agriculture is stranded

During the Second World War the country was faced with a problem of lack of food security owing to the lack of shipping and the attacks on ships. After Independence our leaders devoted considerable attention to increasing food production, particularly rice production. The objective was to make the country self sufficient in rice. D. S. Senanayake the first Prime Minister enthusiastically embraced this policy and restored ancient tanks and irrigation works in the Dry Zone.

Tanks like Minneriya and Parakrama Samudra were restored and the Gal Oya reservoir was built. Many ancient tanks were restored and minor irrigation tanks too were restored or built. During the time of the ancient kings the Dry Zone had produced a lot of paddy through cultivation by irrigation water. This was more dependable than rain fed cultivation. The ancient tanks had fallen into disuse and the land had reverted to the jungle.

Major colonization schemes

Now these jungles were cleared and major colonization schemes were initiated to settle the landless peasants from the Kandyan and other districts in the south in the Dry Zone.

The policy was to create a land-owning peasantry. The extent of paddy land allotted to

each peasant family was 5 acres and another 3 acres of highland. The Dry Zone came to be dotted with many major and minor colonization schemes. The criterion of selection for allottees was that they should be landless. B. H. Farmer in his book, Pioneer Peasant Colonization in Ceylon, analyzed these schemes, their strength and weakness. Many colonists who were selected were not interested in cultivation. Some were naturally improvident individuals and others were interested in making a fast buck and resorted to the manufacture of illicit liquor.

The unit of land alienated was too small to provide an adequate return for the allottee and his family. The idea was to restrict the allotment to what can be cultivated by a single family. So the Land Development Ordinance under which the land was alienated to these peasants placed strict restrictions on the subsequent alienation of the allotments. The land was to devolve on a nominated successor acceptable to the Government Agent. This meant that there was no free market in agricultural land. So the more enterprising allottees who wanted to expand the size of their allotment had to resort to leases of land from the less industrious and improvident.

Mr. V. A. J. Senaratne, a former Government Agent, in his memoirs (unpublished) record-

ed the findings of a survey carried out in 1977 in the Dewahuwa colony on the borders of the Matale & Anuradhapura districts. According to it, only 15% of the colonists were doing well. Even their prosperity was based not exclusively on paddy cultivation but on trade and other activities as well. The income of 70% of the allottees was at subsistence level. The other 15% were badly off. They, of course, were the ne'er-do-wells, who were addicted to liquor and other vices. Many of them had leased their allotments to richer neighbours unofficially and become labourers working for them.

The agricultural policy of the government was indeed flawed. The more enterprising farmers should have been permitted to expand their landholdings by buying the paddy lands of those who wished to sell their allotments. But the law prevented such expansion of their holdings.

Large farms

In England the Agricultural Revolution increased the productivity of agriculture owing to the adoption of scientific methods of cultivation. But the Agricultural Revolution was preceded by what is called the Enclosure Movement. The richer farmers expanded their farms by evicting the peasants who were tenant farmers. In USA too the pattern was large farms of

over one thousand acres. There are many farms over thousand acres in extent in that country. This made the mechanization of agriculture possible. The combined harvesting machine was introduced in wheat farms. It is the same in Australia where there are large farms for rearing sheep.

by Analyst

In the UK, the law of primogeniture meant that the first-born or the eldest in the family inherited the farms. This law prevented the fragmentation of the farmlands. The younger members of the family had to venture elsewhere and many of them went to the colonies in search of their fortunes. But the agricultural policy followed by our government prevented the expansion in the size of the farms. Instead the size of farms has tended to be reduced owing to the increase in the farming population. Although the Land Development Ordinance sought to prevent the fragmentation of the allotments, it was not successful. It only prevented the more industrious farmers from expanding the size of their holdings.

Cheap food

In the developed countries the small farmers left the villages for the towns where they were provided employment in

the new manufacturing industries. The movement of surplus labour from agriculture to industry benefited both agriculture and industry. It increased the productivity of the farms and also provided a cheap source of labour for the new industries. It is this agricultural revolution that made the industrial revolution possible by providing cheap food for the urban industrial worker.

Agricultural productivity is important for industrialization. Otherwise the wages of the industrial worker will have to rise to enable the worker to sustain his livelihood. But this would raise the labour cost of production. The attraction of labour surplus countries to foreign investors depends on the availability of cheap but efficient labour. But such cheap labour depends on the availability of cheap food, which in turn can arise only if agricultural productivity is high. Otherwise food will have to be imported to keep the labour costs down and make it attractive for investors to invest in industry. This is more or less the situation in our country.

The percentage of the population engaged in agriculture comes down with industrialization, but the quantum of agricultural production goes up and up reducing the prices of food to feed the new urban population employed in industry.

The law should not have prevented the free sale of paddy land since it militated against the increase in the size of the farms. Large farms make possible the introduction of more capital in the form of tractors etc. The developed countries grew rich by shifting labour from agriculture into industry and increasing the size of the farms while reducing the number of people engaged in agriculture. Agriculture became a commercial activity not a mere livelihood at subsistence level. It is easier to increase productivity in manufacture since manufacturing is subject to economies of scale. The more resources are employed in manufacturing the faster the growth in production and GDP.

Social discipline

Is it not possible to increase productivity in agriculture? Not as much as productivity increases in industry. But considerable improvements are possible in agriculture too. Science based production technologies have been developed. The genetically modified foods will go a long way to solve the problem of the world's hungry people. Commercial farmers more than peasant farmers can adopt these technologies more easily. Governments since Independence have concentrated on increasing the acreage under cultivation. Less emphasis has been placed on more intensive

cultivation.

During the rule of the ancient kings there was strict control of irrigation water. Cultivation had to be a collective effort. The British too realized the importance of irrigation water management and vested power in the Government Agent to hold a cultivation meeting to decide on common ploughing and sowing dates. Water would be issued by the Irrigation Department from the major tanks and by the Cultivation Officers under the minor tanks only according to the schedule of cultivation. The Vel vidanes were appointed to see to the maintenance of the minor tanks. In short cultivation under irrigation required collective discipline.

Since 1956 with the politicization of the public service this social discipline enforced by the Government Agent and the Irrigation Department has collapsed. Politicians now decide how to issue water and they do not enforce any discipline in water issue and connected matters. So paddy cultivation like every other activity has suffered from politicization. Strong social discipline is necessary to maximize paddy production under irrigation.

The state did much to promote the use of high yielding seeds and the promotion of agricultural practices.

Why our...

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We are a country with an abundance of labour but a shortage of agricultural land. The type of development must be appropriate to this endowment of factors of production. Most of the available agricultural land has already been brought into cultivation. Very little land is available to relieve the land hunger of the peasants. The average size of the farm gets reduced with the increase in population in the village.

The government could have taken a more active part in promoting agricultural marketing not only by purchasing the products at guaranteed prices but also by investing in roads & physical infrastructure. If transport time is cut down the products could reach the markets much quicker and provide a better price to the farmers.

Protecting agriculture

The rich countries spend a lot of money protecting their agriculture from imports. Many people in developing countries quote these developed countries and argue that agriculture must be protected. But we should bear in mind the costs of such protection and also make sure that the country is doing the best with its resources. The case for protection of agriculture however is not on all fours as for industry. There is the need for food security at least for basic foods. This means the food must be produced as close as possible to the consumer. But the primary problem in our agriculture is the lack of a modern marketing system for the produce of the small farmers. Whether such a modern marketing system can be organized by the government or by the small farmers getting together for a collective marketing effort, is an important issue.

What the government can do is to build the infrastructure of fast roads linking up the agricultural produce centres to the cities where the consumers live. Attempts by the government to establish a marketing organization have failed because of bureaucratic red tape and plain corruption. It is ultimately the farmers themselves who have to organize their co-operative societies or companies or whatever agency to market their produce and get the best price. The problem is linked to the supply of credit as well since it is the middlemen who buy the produce after supplying the credit. The farmers themselves must take the initiative and resolve to solve their own problems.

An efficient marketing system for agricultural produce is a crying need but it is unlikely that the government can do much. Someone has explained the problem of the farmer in these terms. The government through its extension services urges the farmers to go in for fertilizers, new seeds, pesticides etc. to increase the yield of the crops. But these innovations cost money and raise the costs of production. The government also indulges in inflationary policies, which push up the cost of input for farmers even more the market prices must then reflect these higher costs. But the government wants to provide cheap food for the industrial labour in the urban areas that might otherwise riot and the WTO wants no protection. So the farmer suffers as the government allows imported foods to come in.

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