

THE EMERGING ROLE OF JOINT FARMING IN THE AGRICULTURAL
DEVELOPMENT OF THE DEVELOPING COUNTRIES WITH REFERENCE
TO SRI LANKA

By

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A B S T R A C T

The present stage of agrarian transition of the less developed or developing countries has to be viewed in the context of the more or less well established goals of development such as economic growth, employment, self reliance and popular participation. The two types of production, plantation and peasant agriculture, found in many countries like Sri Lanka have become outdated in a modern world in which three types of farming organizations are emerging. They are: the large scale mechanized farm which is run like an industry, the modern family farm and, the multi-family or joint or collective farm. All three are highly profit-motivated and market-oriented in the market economies. The first and the third constitute the major forms of farm organization in the centrally planned economies.

The developing countries, in order to achieve their goals of growth with equity should opt for an agrarian set up that would enable a more even economic development. The individualised peasant farming that characterises the major part of the agricultural economy of the less developed countries like Sri Lanka, is generally backward. All attempts at modernising the peasant sector have been directed at transforming the individual peasant farm into a modern family farm. The results have been highly disappointing. Even the limited growth achieved has been largely confined to a minority of the farmers. The continuation of this trend has led to an uneven economic development in the peasant sector.

The situation has predicated a need for alternative forms of farm organization. In their search for models of reorganization several developing countries have chosen joint farming, as one of the possible ways out, to achieve the goals of development. It has been shown here, that joint farming is not a monopoly of the centrally planned economies. In the developing market economies two tendencies may be discerned as regards joint farming. One, is motivated by purely techno-economic considerations such as more efficient land and water use, standardization of techniques and diffusion of technology, more effective use of supportive institutions etc. The other, has been motivated by an overt political-ideological commitment to transform the entire rural economy towards a more egalitarian system, which is described by the governments concerned as Socialism.

An economic case for individual small holding, has been built by certain agricultural economists on the basis of limited and highly controversial empirical evidence that output per acre is higher in the small farm than in the large farm. The argument is supported by the fact that modern bio-chemical technology is highly divisible and therefore scale neutral. This line of thinking justifies redistributive land reform aimed at creating individual small holdings from an economic standpoint. It has been shown in this thesis that there is no economic case for the individual small holding from a national standpoint in the context of the goals of development stated earlier. The efficiency shown by some individual small holdings in terms of output per acre does not provide an adequate basis for a generalization. Moreover, we have pointed out that even the empirical

base used by the proponents of the small family farm as the way out for the developing countries is itself weak and controversial.

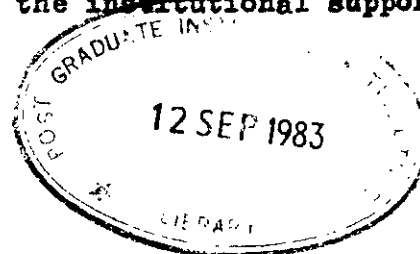
The major factors that contribute to the uneven development in the developing countries in general, and Sri Lanka in particular are discussed in this thesis. Institutional deficiencies, ecological factors, an uneven farmsize structure and individual variations in economic and entrepreneurial capacities have through their joint and cumulative effects thwarted the hopes of growth with equity. It is in this context, the role of joint farming as a transitional mode of production to achieve the development goals has to be assessed.

Our analysis of the agrarian situation in the peasant sector of Sri Lanka shows that it conforms to the general pattern of uneven and inadequate development that is observed in the developing countries. Sri Lanka's experience in dry zone colonization of land does not necessarily lead to an even economic development and distribution of income. In fact the evidence available overwhelmingly shows that uneven development is the rule in the colonization schemes due to inequalities in several other fundamental factors such as accessibility to institutions, initial economic strength, entrepreneurial skills, availability of irrigation water etc.

Within Sri Lanka's peasant sector the farmsize structure is uneven over a range of 0 - 10 acres and the age-old tenurial practices continue to exert a considerable impact. The smallness of the farm and the other above mentioned factors of heterogeneity prevent a

balanced use of resources at the farm level. In the dry zone, water management and land use call for group action. In the wet zone soil conservation and catchment preservation call for joint efforts by small and large holders. The structural dualism between plantations and small holdings has contributed an obstacle towards an integrated approach to development. The imperatives of economic and social integration of the plantation and the peasant sectors, compel an evolution of the peasant sector towards larger production units and diversification. This could be best achieved through joint farming, which may begin with group action at elementary levels and progress through consolidation at the land use level to higher stages of integration and co-operation.

Based on the social, economic and agro-ecological conditions in the two major climatic regions, viz: dry and wet zones, and the continuum of joint farming constructed by us on the basis of international experience, re-organization models have been outlined. The main areas of co-operation in the prescribed initial phase of the models are, in soil and water management, production programming, land preparation, crop management and investment on non-divisible innovations and infrastructure, group credit and a collective approach to extension and community development have been stressed. The economic potentials of joint action are very high, but the level of success in economic terms would depend on the social organization of the producers and the institutional support.



It is pointed out that in the current period after land reform, the techno-economic need for joint farming is even greater. This is due to the possible dangers the small farmers would face from larger farmers, in a competitive market economy as it develops. The survival of the small farmers as farmers, can be assured only by group action.