

UNIT – III

Agriculture, land and rural credit

Role · Problems · Green Revolution · Land reform

Explanatory Lecture Slides

Economic Development of India · Major-4 · Semester III

ECONOMIC DEVELOPMENT OF INDIA

Topics covered in this unit

01

State the role of agriculture

02

List problems of Indian agriculture

03

Evaluate the Green Revolution

04

State land-reform measures

05

Place agricultural credit and NABARD

06

Hook MSP, tenancy and the APMC debate

How this unit is organised

01	02	03	04	05	06
Role	Problems	Green Revolution	Land reform	Credit / NABARD	MSP & markets

Role

Employment, food security, raw material, a market for industry, exports (rice, spices), a political majority.

- Even as GDP share falls, voter share and employment share keep agriculture at the centre of the Budget.

Role

STILL DOES

- Employs the largest block.
- Feeds the PDS.

NO LONGER DOES

- Dominate GDP.

Problems

Small/fragmented holdings, rain-dependence, soil fatigue, disguised unemployment, market power of middlemen, farm-suicide districts, climate risk.

- A 16-mark is five problems, one measure each (irrigation, FPO, crop insurance, tenancy reform, storage).

Problems

STRUCTURE

- Size of holding.
- Tenancy insecurity.

RISK

- Monsoon.
- Price crash.
- Debt.

Green Revolution

HYV seed + fertiliser + irrigation + procurement, 1960s–70s, wheat/rice, Punjab-Haryana-West UP.

- Success: self-sufficiency in cereals. Costs: water table, regional skew, millet neglect, chemical load, landlord capture of surplus.
- A 10-mark that must have both sides.

Green Revolution

PLUS

- Food self-sufficiency.
- Marketed surplus.

MINUS

- Water.
- Inequality.
- Monoculture.

Land reform

Abolition of intermediaries, tenancy regulation, ceiling, consolidation, Bhoodan (a footnote). Implementation: uneven; benami; State-wise.

- Karnataka Land Reforms Act 1961 is the local statute to name. PTCL (PTCL Act 1978) protects granted land — already a law-paper neighbour.
- Operation Barga (West Bengal) is the all-India 6-mark of tenancy success.

Land reform

FOUR LEGS

- Intermediaries.
- Tenancy.
- Ceiling.
- Consolidation.

WHY THEY STALLED

- Politics.
- Record of rights.
- Litigation.

Rural credit and NABARD

Institutional (cooperatives, commercial banks, RRBs, NABARD) v non-institutional (moneylender). NABARD 1982: refinance and development.

- Priority-sector lending, KCC, interest subvention, farm-loan waivers (a 6-mark: relief v credit culture).
- RBI + NABARD is the regulatory pair.

Rural credit and NABARD

INSTITUTIONAL

- KCC.
- Cooperatives.
- RRBs.

STILL THERE

- Moneylender.
- Input dealer credit.

MSP, PDS, APMC

MSP is a policy price, not a constitutional right. PDS (NFSA 2013) is the food-security statute. APMC / farm-laws 2020–21 repeal is the political-economy 6-mark: do not sermonise, state the issue (who sets the market).

- Art. 21 + NFSA is the rights face of cereal policy (PUCL Right to Food litigation).

MSP, PDS, APMC

MSP

- Floor for listed crops at notified mandis.

NFSA

- Statutory ration — a justiciable frame.

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Cases a KSLU answer should name

CASE

PUCL v Union of India (Right to Food)

ongoing since 2001

Food security as an Art. 21 process — PDS is not charity.

CASE

K.T. Plantation

(2011) 9 SCC 1

Agrarian property and Art. 300A — land reform still needs authority of law.

CASE

State of Kerala v N.M. Thomas

(1976) 2 SCC 310

Equality that can carry rural/SC-ST development measures — the constitutional soil of agrarian justice.

Provisions & materials to quote

NFSA 2013

Statutory food security.

NABARD Act 1981

Rural refinance and development bank.

Karnataka Land Reforms

The local land-reform code.

PTCL Act 1978

Protection of granted land.

Art. 39(b)(c) / 48

Agrarian DPSPs, including animal husbandry / agriculture.

10 / 16-mark frames from this unit

Q1

Explain the role and problems of Indian agriculture.

Q2

Evaluate the Green Revolution.

Q3

Discuss land reforms in India. Why were they only partly successful?

Q4

Write a note on NABARD / agricultural credit / MSP.

Unit recap

- 1 Agriculture: fewer GDP points, still the largest employer.
- 2 Green Revolution: food, then water and inequality.
- 3 Land reform: four legs, weak implementation.
- 4 NABARD + KCC against the moneylender.
- 5 NFSA / PUCL is the rights caption of cereal policy.