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West Bengal: Agrarian Foundations of Industrial Transformation

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The drive to industrialise West Bengal on a modern technological basis has been perhaps the most prominent feature of the economic policy of the Government of West Bengal in recent years.

Each State Government in India has to seek manoeuvrability within the constraints imposed on it by Central policy, constraints that are particularly restrictive on governments that seek to improve the livelihoods and put purchasing power in the hands of the poorest. In West Bengal, strong agrarian foundations will have to underpin a progressive policy of State-level industrialisation. I shall discuss three features of the agricultural and rural economy of the State that are of foundational relevance to industrialisation today.

First, West Bengal's record of agricultural growth must be consolidated and built upon.

Current agricultural policy in West Bengal can be said to have four inter-related objectives:

- To protect and extend the achievements of the State with regard to rice production, thereby protecting and extending the basis for self-sufficiency in food production and for food security.
- To improve yields in rice production, thus releasing a significant proportion of cropped area in the State for the diversification of crop production, and, in particular, the production of oilseeds, pulses, fruit, vegetables and flowers and other non-food crops.
- To protect bio-diversity in West Bengal and develop agriculture and related activities – and plan land use for agriculture and non-agricultural purposes – in an ecologically sustainable way.

- To ensure that the development of agriculture and related activities is an instrument of employment-generation, income-enhancement and qualitative improvement in the living standards of the working people of the countryside.

West Bengal's rural economy was characterised by rapid growth in the 1980s and early 1990s. The major features of growth, which was particularly marked in the rice economy of the State, were rapid growth in aggregate production; growth in yields per hectare, particularly in the boro (or rabi) season, but also in the aman (or kharif) season; and an overall narrowing of the gap between districts with respect to production and yield performance. West Bengal is now India's leading producer of rice, and among the leading producers of potato, fruit and vegetables.

The West Bengal path to agricultural growth has been unique in post-Independence India. In those parts of the rest of India that saw a rapid and substantial growth in agricultural incomes, the major sources of surplus accumulation were capitalist landlords, rich peasants, and, in general, the rural rich. In West Bengal, by contrast, the moving force of agricultural change and of the dynamism of the rural economy in the 1980s and 1990s were small cultivators. Agricultural growth in West Bengal was made possible because of the removal, by means of land reform and the establishment of panchayati raj, of institutional fetters to growth.

At the same time, West Bengal has not escaped the overall depressor effect of all-India agricultural policy after 1991. The annual compound rate of growth of rice yield, which was 5.89 per cent in the 1980s, fell to 1.71 per cent in the 1990s and 1.64 per cent in the 2000s.

If we are to achieve our objective of preserving food security while releasing land for a variety of non-cereal and high-income crops, rice yields must grow rapidly. My colleagues and I have estimated, for instance, that if one million hectares of land on which rice is now grown were to be released for non-cereal production in 2011 (the terminal year of the 11th Plan), an average yield of 3.41 tonnes per hectare is required to maintain food security. Rice yields must grow at 5.65 per cent per annum to achieve this yield.

In order to achieve our agricultural objectives, the State shall have to progress substantially with respect to land use planning, irrigation development, rural credit and the provision of inputs at reasonable prices, information and extension, public procurement and infrastructure and post-harvest technology.

Secondly, the pattern of land use in West Bengal is such that land has very carefully to be identified for non-agricultural – infrastructural and industrial – use, and just and socially sensitive programmes of compensation for land acquisition have to be put in place.

We have recently attempted to update the data in the Government of West Bengal's policy document on land use. Some of our major conclusions are as follows:

- *Net sown area (or area actually under cultivation) predominates greatly in the reported area of the State.* The share of net sown area in the total area reported is about 61 per cent (2005-06). In India as a whole, by comparison, 46 per cent of total area is occupied by net sown area (2003-04).
- *The share of fallow land, unculturable land and pastures in West Bengal is very low.* It is noteworthy that four categories of land use – namely, fallow other than current fallows, culturable waste land, permanent pasture and other grazing land and barren and unculturable land – constitute 11.4 per cent of land under different uses in India (2003-04) but *only 1.2 per cent of land under different uses in West Bengal* (2005-06).
- *Fallows and unculturable land in the State are concentrated in specific regions of the State.* The district level analysis shows that much of the barren and uncultivable land, culturable waste land and fallows other than current fallow is concentrated in six districts, Paschim Medinipur, Purulia, Bankura, Darjeeling and Bardhaman. Extensive tracts of flat land are, of course, not characteristic of the hilly areas of Darjiling District. In Bardhaman District, the unculturable land is likely to be concentrated in the coal-mining areas (such as Raniganj, Andal, Jamuria, Pandabeswar Blocks).

As has been recognised by the land-use policy statement, there are two immediate steps to be taken in this regard. The State needs to create, in the short run, a land bank. In addition, the Government of West Bengal should begin an exercise to evaluate the demand for land in the State for different development activities. Evaluation should be made, in particular, of the demand for land for cultivation and related activity, urbanisation, housing, physical infrastructure, and industry for over a five-year and a ten-year period.

Thirdly, important unfinished tasks of basic economic development – for instance, with respect to universal schooling and health care, public food distribution, and employment and infrastructure-building – still remain.

I shall elaborate on only one such task, that of making universal, free and compulsory school education of good quality a reality in West Bengal. Formal education is a matter of intrinsic and instrumental importance, and West Bengal has a strong foundation on which to fulfil this historic duty. School enrolment and retention in rural and urban areas have improved greatly over the last quarter century. Successful literacy campaigns have been conducted in the State in the 1990s. West Bengal can also rely on its network of mass organisations and on the peoples' enthusiasm to help enrolment and to keep every child in school.

The policy of industrialisation in West Bengal can and must build on a foundation of agrarian and rural progress, and take into account the special conditions of land utilisation in the State.

(In writing this article, I have drawn on collaborative work with Aparajita Bakshi and Madhura Swaminathan.)