



# ON HIGH ROAD TO PROGRESS

CLIMATE, WOMEN AND SUSTAINABLE DEVELOPMENT

SILVER JUBILEE SPECIAL

CLIMATE AND AGRICULTURE

15

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## Structural transformation...

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1983-84. This share has increased to 42% in 2008. Households providing agricultural labour on others' farms declined from 22.6% of all rural households in 1983-84, to 16.9% in 1996 and 9.6% in 2008. Apart from the rural to urban migration of this category of households, there has also been a movement from farming to non-farming occupations within the rural areas. The occupational mobility of the land-poor households is being supported by opportunities of employment created in the rural trade and transport sectors with the expansion of rural roads, the increased marketed surplus of agricultural products, the linkage effects of agricultural growth and the improvement of literacy rates. Thus, agriculture has been releasing resources, both land and labour, for the more productive non-farming sectors, making a contribution to the growth of the overall economy. This transformation also suggests that the growth in land and labour productivity within agriculture has been faster than that indicated by the overall growth in agricultural production.

Capital accumulation within agriculture has also demonstrated an upward trend over the last three decades. The major actors involved in rapid growth in investment have been private investors in

small-scale irrigation equipment such as tube wells and power pumps. The number of rural households reporting ownership of irrigation equipment increased from 274,000 in 1983-84 to 933,000 in 1996, while the number of equipments owned increased from 3.12 lakh to 11.00 lakh – a phenomenal growth of 11% per year. The cultivated area irrigated by mechanised means increased from 20% in 1983-84, to 48% in 1996 and 3% in 2008. There has also been rapid progress in the mechanisation of other agricultural operations. Only 27,000 households reported ownership of power tillers/tractors in 1983-84. The number increased to 141,000 in 1996 and 162,618 in 2008. The substitution of capital for the declining labour resources available to crop agriculture must also have contributed to an increase in labour productivity and improved the capacity of the farmers to pay higher agricultural wages.

### Changes in the organisation of production

Due to the extreme pressure of population on limited land resources, agriculture is dominated by small and marginal farmers. Only 28,000 households owned land holdings in sizes of more than 10 hectares (24.7 acres) in 1983-84; this number was reduced to 19,000 in 1996 and 13,721 in 2008. On the other hand, nearly 5.4 million households (46% of total rural households) were functionally landless (owning less than 0.2 hectare or 0.49 acre) in 1983-84; this number grew to 10 million (56% of total rural households) in 1996 and 16 million (63% of total rural households) in 2008.

Medium and large holdings have been subdivided under demographic pressures, leading to an increase in the number of small and marginal farms. In 1996, small and marginal holdings accounted for 81% of farms operating 41% of the total land. These numbers

have increased to 84% and 50% respectively in 2008. It appears from these numbers that designing of an agricultural support services program by following a targeting approach would not be very meaningful or administratively expedient for Bangladesh since most farmers have holdings of less than 2.0 hectares in size.

The land tenure situation has also undergone substantial changes. Most of the tenants are owner-cum-tenants who have land of their own and rent more land for better capacity utilisation of the farm establishment such as family workers and draft animals. The average size of tenant holdings was higher than that of owner holdings, which was recorded in all previous agricultural censuses including the 1960 census. The proportion of area under tenancy has, however, increased from 17% of the total operated area in 1983-84 to 22% in 1996 and 27% in 2008. This change may be due to an increase in area under absentee land-ownership with the rapid urban-rural migration of the rural population, and the abandonment of marginal landholdings in favour of taking up rural non-farming occupations by the resource-poor households.

There is also a dramatic change in the structure of tenurial arrangements. The exploitative sharecropping tenancy, which provides disincentives to agricultural investments and the adoption of input-intensive new technology, is giving way to fixed-rent tenancy and medium-term leasing arrangements. The area under share tenancy has declined from 91% of the total area under tenancy in 1960 to 74% in 1983-84, 62% in 1996 and 39% in 2008. Bangladesh's agrarian institutions are thus undergoing changes due to market, social and demographic forces to adopt new technologies.

The writer is Former DG, BIDS.

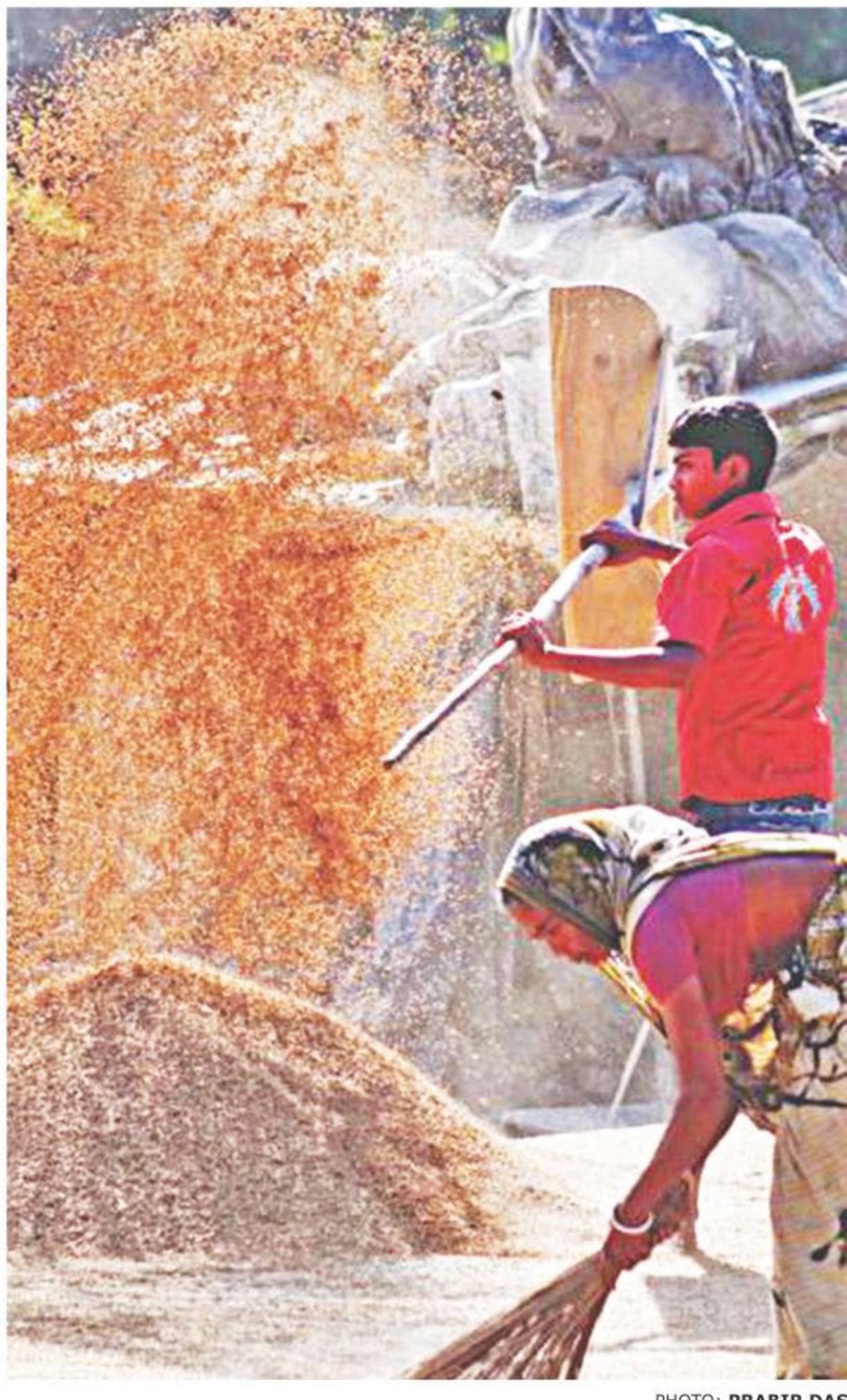


PHOTO: PRABIR DAS

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