



## Ambedkar's Idea of Land Reforms and Agricultural Development in India

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### Abstract

*Dr Bhimrao Ambedkar, a renowned Indian jurist, economist, and social reformer, had a far-sighted vision of India's land reform and agricultural development. In this article, we explore his ideas and insights on material ownership of land as the foundation of caste and the need for a comprehensive land reform policy. We delve into the debate on small landholdings and analyse the various perspectives on their role in promoting agricultural development. We also examine Ambedkar's views on the importance of industrialisation and the systemic changes needed to support it, including abolishing the Khoti and Zamindari systems. Additionally, we critically evaluate his position on state socialism and the nationalisation of agriculture, highlighting these approaches' potential benefits and drawbacks. Overall, Ambedkar's contributions to the discourse on land reform and agricultural development continue to hold relevance and significance for India's contemporary development agenda.*

**Keywords:** - Agriculture, Development, Small Holding, Caste, Khoti, Zamindari, System, State Socialism, and Nationalisation

### Introduction

Ambedkar believed that agriculture was the backbone of the Indian economy, and its development was crucial for the progress of the Indian economy. He argued that agriculture was the primary industry of the Indian economy. It was concerned with extracting valuable substances from the earth, soil, water, hunting, fishing, animal husbandry, lumbering and mining. The primary industrial importance of agriculture was undeniable from the national perspective, and farming was of the utmost importance from an individual's perspective.

According to Ambedkar, agriculture was the oldest and essential industry for all, and it was related to the production of food items. In a country like India, where dependence on agriculture is high, the problems related to agriculture must be considered seriously. He believed that the importance of agriculture increased even more in the present-day context. He was also aware of the challenges faced by farmers and rural communities in India, such as small land holdings, low productivity, low income and poverty among farmers. He advocated for land reforms and redistribution of land holdings to provide land access to the landless. He formulated a scientific definition of economic holding to ensure farmers had access to resources and productive tools.

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Furthermore, he believed that industrialisation was crucial for developing the Indian economy and that agriculture had a vital role in this process. He advocated for the adoption of modern technologies and techniques in agriculture, as well as the development of agro-based industries

### **Material Ownership of Land: The Foundation of Caste System**

Ambedkar was profoundly concerned with the country's economic issues, particularly agriculture. In his seminal work, *"The Annihilation of Caste,"* Ambedkar offers a scathing critique of the Indian agricultural system, which he believed to be deeply unjust and exploitative. At the heart of Ambedkar's critique was the caste system, which he believed had a profound impact on the structure of Indian agriculture. According to Ambedkar, the caste system had created a rigid hierarchy in which certain castes, particularly the upper castes, held disproportionate power and wealth. This power imbalance was reflected in the agricultural system, characterised by large landholdings owned by wealthy landlords, who employed large numbers of landless labourers to work on the land. He argued that this system was inherently exploitative, as the landless labourers were forced to work in challenging conditions for little pay or benefits. This created a cycle of poverty and oppression that was nearly impossible to escape, as the labourers were often trapped in debt and unable to find work elsewhere. Moreover, the system perpetuated the social inequalities inherent in the caste system, as the landowners were almost invariably members of the upper castes.

Ambedkar believed that the only way to address these issues was to reform the agricultural system. He proposed several measures to achieve this goal, including land reforms, which would break up large landholdings and distribute land to the landless labourers, and the establishment of cooperatives, allowing farmers to work together and pool their resources to achieve greater economic and social power. In addition to these reforms, he also advocated for more significant government intervention in the agricultural sector. He argued that the government was responsible for ensuring farmers could earn a decent livelihood. This could be achieved through various measures, including subsidies, price controls and credit facilities. He believed these interventions were necessary to level the playing field and ensure that all farmers had a fair chance to succeed.

Despite Ambedkar's advocacy for agricultural reform, progress in this area could be faster and more balanced. The Indian Government has implemented some land reforms, but political and social pressures have often undermined these, and many farmers remain landless and impoverished. Similarly, while cooperatives have been established in some areas, they have not been as widespread or successful as Ambedkar had hoped.

Nevertheless, Ambedkar's ideas continue to inspire and inform discussions about agricultural reform in India today. His focus on social justice and equality remains as relevant now as it was in his time, and his critique of the pastoral system still resonates with many farmers and agricultural workers in India. While much work remains to be done to create a fair and equitable agricultural strategy in India, Ambedkar's vision of a just and sustainable agricultural sector continues to guide and inspire those seeking change.



## **The Debate on Small Landholdings: Perspectives and Analysis**

Ambedkar recognised that the agrarian question in India was complex and multifaceted, with numerous smallholdings and social stratification within the peasantry as contributing factors. He demonstrated a keen interest in agriculture, evident in his early paper, *Small Holdings in India and their Remedies* (1918), which focused on the economic inefficiency of smallholdings in Indian agriculture.

Ambedkar's analysis of the Indian agricultural system under British rule was critical. He argued that British policies had created an economic system favouring the interests of British landlords and industrialists over the needs of Indian farmers and rural communities. The British policies had led to the concentration of land ownership in the hands of a few wealthy landlords, leaving the majority of Indian farmers with small and unproductive land holdings. He believed that the concentration of land ownership was the primary cause of poverty and underdevelopment in the Indian agricultural sector. He argued that the British Government should implement land reforms to redistribute land to the landless and break up extensive land holdings.

Ambedkar made several recommendations for developing the Indian agricultural sector during British rule in India. His recommendations aimed to improve the lives of Indian farmers and rural communities by addressing the problems facing the agricultural industry.

Ambedkar identified the small size of landholdings as one of the primary problems facing Indian agriculture during the British era. The majority of farmers were smallholders, with holdings of less than five acres. This led to low productivity, poverty, and indebtedness among Indian farmers. The small size of landholdings also made it difficult for farmers to make investments in modern technology and agricultural practices.

Ambedkar's paper proposed several remedies to address these problems. He suggested land consolidation, which would involve merging small, fragmented holdings to create larger, more viable farms. He also advocated for introducing agricultural cooperatives to provide farmers access to credit, technical support, marketing and distribution channels.

Ambedkar's definition of smallholding went beyond the landholding size; he also considered other crucial factors necessary for optimal crop yield. He believed that the size of land a farmer should own and cultivate for maximum efficiency and productivity should be determined based on production rather than consumption norms. In his view, a farmer's family should only be considered regarding the labour supply necessary for the farm operation, and surplus labour not utilised on the farm should not be counted towards determining the economic holding size.

Ambedkar's position on economic holding was more than just theoretical. He advocated for a scientific definition of economic holding based on empirical research and data analysis. He rejected the notion that more extensive land holdings were inherently more economically viable and instead advocated for a more nuanced approach that considered factors such as soil quality, irrigation facilities, and cropping patterns in determining the optimal size of the economic holding. Ambedkar's emphasis on data-driven decision making differed from prevailing practices, often relying on anecdotal evidence or conventional wisdom.



Ambedkar's ideas on economic holding were driven by a desire to develop Indian agriculture. He believed that more efficient and productive land use could reduce poverty and inequality in rural areas. He recognised that land reform was essential for achieving this goal and saw economic holding as a critical component of such reforms. Ambedkar's proposals on economic holding were more comprehensive than theoretical discussions.

Further, Ambedkar provides a precise analysis of the state of Indian agriculture, indicating that the sector is burdened by a significant amount of "idle labour." Due to the lack of alternative employment opportunities, this surplus labour puts significant pressure on land, leading to a premium on landholding, regardless of the holding size. However, due to lack of capital, agricultural productivity remains low and cannot support a reasonable standard of living. Therefore, he also did not agree to the remedies discussed by Keating for enlargement and consolidation, as these remedies are likely to add surplus and idle labour and advocated different remedies while paying primary importance to the problem of idle labour. Instead, the transformation of agriculture would require the simultaneous development of industries and an adequate amount of capital to absorb the surplus labour from agriculture and alleviate the pressure on land.

Firmly, Ambedkar believed that industrialisation was crucial in solving the problems of the agriculture sector in India. He recognised that agriculture was a primary industry in India, and its importance in the national economy could not be ignored. The lack of modern techniques, equipment, and infrastructure resulted in low agricultural productivity, due to which farmers often faced poverty and debt.

To address these issues, Ambedkar proposed the industrialisation of the country. He believed that industrialisation would create new employment avenues and increase the demand for agricultural products. According to Ambedkar, industrialisation would lead to the growth of urban centres and create new markets for agricultural produce, thereby stimulating economic development in rural areas. Employment opportunities in rural areas could be generated by developing industries such as textiles, food processing and machinery, reducing the pressure on agriculture to provide jobs.

Ambedkar further argued that industrialisation would bring a significant shift in the country's economic structure. By promoting industrial growth, the government could move away from the traditional agricultural economy, which had been the source of poverty and exploitation for many farmers. A new economic model based on modern industries and technologies could be established, leading to higher living standards and greater social equality.

Ambedkar's views on industrialisation were based on his belief that it was essential for achieving overall economic development in the country. He understood that the agricultural sector alone could not provide the necessary impetus for growth, and industrialisation was required to create new opportunities and improve all living standards. Ambedkar believed the government could create a self-sufficient and prosperous nation by industrialising the country.

In Ambedkar's vision, industrialisation was not just about economic growth but also about achieving social justice. Industrialisation would create new opportunities for the lower castes and marginalised sections of society, who had long been excluded from economic development benefits. By promoting industrialisation, the government could create a more equitable society where everyone could access economic growth benefits.



Ambedkar's vision of industrialisation was more than just a theoretical concept. He actively promoted industrialisation as the first Law Minister of India. His role was vital in establishing several industrial and financial institutions, including the Reserve Bank of India, the Industrial Finance Corporation of India and the Planning Commission.

### **Khoti System and Zamindari System**

Ambedkar argued that a complete analysis of agrarian reforms requires examining the abolition of the Khoti system, the prevalent land tenure system in Bombay's Presidency. The khoti system was a land tenure system wherein the government employed the services of a khot to collect revenue from the inferior holders of the land. However, this system was often abused by the Khots, who subjected the cheap holders to exactions and reduced them to a state of abject slavery. Ambedkar felt that the system was sucking the blood of the depressed classes and introduced a bill seeking the abolition of the Khoti system in Bombay's provisional legislative Assembly on September 7, 1937.

Ambedkar's bill aimed to establish a direct relationship between the government and those in possession or occupation of the land, which was under the management or beneficiary enjoyment of the Khot. Additionally, the bill proposed to make provisions for the payment of reasonable compensation to the Khot for the loss of his rights and to give those inferior holders who are the actual occupants of the land the status of occupants.

Ambedkar believed that the abolition of the Khoti system was necessary to ensure that the oppressed and marginalised sections of society had access to land and were not exploited by the Khots. He argued that land reforms were necessary to bring about social justice and economic development in India, which could only be achieved if the landless and poor farmers were given access to land and adequate support and protection.

Ambedkar's bill on abolishing the Khoti system proved to be a forerunner to land reform legislation in post-independent India. The land reforms implemented after independence aimed to redistribute land from large landowners to landless farmers and provide them with the security of tenure, access to credit, and technical support. These reforms also aimed to improve agricultural productivity and increase rural incomes, reducing poverty and inequality.

Ambedkar's analysis of agrarian reforms emphasized the need to examine the abolition of the khoti system, which he believed was exploitative and oppressive for the poor and marginalized farmers. His bill on abolishing the Khoti system proved to be a forerunner to land reform legislation in post-independent India, which aimed to provide landless farmers with the security of tenure, access to credit, and technical support. These reforms were essential for India's social justice and economic development, reducing poverty and inequality and promoting inclusive growth and development that would benefit all its citizens.

Lord Cornwallis, who served as Governor-General of India from 1786 to 1793, was instrumental in reforming the Zamindar system. In 1793, he introduced the Permanent Settlement Act to create a more stable and predictable land ownership and taxation system. Under this act, the British government recognised certain zamindars as permanent landowners and fixed their rent at a certain level for perpetuity. This allowed the Zamindars to make long-term investments in their land and provided a stable source of revenue for the British government.



Ambedkar recognised the need for land reforms to address the inequalities in land ownership. The Zamindari system created a landlord class controlling vast land and exploiting tenant farmers. The Zamindars were responsible for collecting revenue from the peasants who worked on their land and were given a significant degree of autonomy in managing their estates. The system was marked by a lack of centralisation and accountability, leading to the zamindars' widespread exploitation of the peasants. It resulted in the exploitation and impoverishment of the peasant farmers who were forced to pay high rents and taxes to their Zamindars.

While the Permanent Settlement Act had some positive effects, it also had many negative consequences. The fixed rents meant that the Zamindars needed more incentive to improve the land or support the peasants who worked on it. As a result, many peasants were forced to pay high rent and work under harsh conditions. In addition, the act helped to institutionalise the caste system, as zamindars were often members of the upper castes and had little incentive to share their wealth with the lower castes. Ambedkar proposed redistributing land from large landowners to landless and small farmers to reduce inequality and increase agricultural productivity.

The Zamindari system was abolished throughout India in 1951 through the Zamindari Abolition Act. However, its legacy continues to be felt in many parts of India, particularly in the persistence of landlordism and the concentration of landownership in a few influential families.

### **States Socialism**

Ambedkar, in his book "States and Minorities," put forth his vision for a state-controlled agriculture industry in India. He believed the State should acquire all agricultural land from private owners and compensate them fairly for their loss. The acquired land should then be distributed among farmers based on an "Economic Unit," with collective farming without discrimination based on caste or creed.

To support this system, Ambedkar proposed that the State should provide water, draft animals, agricultural equipment, and seeds to farmers. The farms should be cultivated according to rules and regulations issued by the government. Ambedkar referred to his proposal as "State Socialism" and considered it necessary for achieving economic development and social justice in India.

However, Ambedkar also recognized the challenges in implementing his vision without resorting to dictatorship. He believed that it was crucial to retain Parliamentary Democracy while prescribing State Socialism through the Constitution. By doing so, it would be beyond the reach of a parliamentary majority to amend or abrogate it. This approach would enable the triple objective of establishing socialism, retaining Parliamentary Democracy, and avoiding dictatorship.

Ambedkar saw a critical role for the State in economic development, not just in agriculture but also in industry. He believed that the State should have limited control over industries and provide capital to agriculture to drive economic growth. He also proposed the nationalisation of insurance to provide individuals with greater security than private insurance firms and provide the State with scarce resources for financing its economic planning.



Ambedkar's vision for State Socialism in India reflects his commitment to social justice and economic development. He recognised that the unequal distribution of land and resources in India's agricultural sector perpetuated poverty and inequality. His proposal addressed these issues by providing a fair and equitable system of land distribution and collective farming. He believed that the State should play an active role in economic development and work towards the welfare of all sections of society.

### **Nationalisation of Agriculture: A Critical Analysis**

Ambedkar's idea of nationalising agriculture has been debated for many years. However, his ideas may need to be more practical in the present context. The experience with public sector industries reveals several areas that require improvement in management, which may not be suitable for the Indian system. Similarly, the concept of collective agriculture, where all members have equal claims on the enterprise's net revenue, has several challenges.

One of the challenges of collectivised farming is the need for more individual incentives. Since only members can exercise claims on the enterprise's revenue, there is no personal incentive for any individual to work harder or increase productivity. This can lead to a lack of initiative in the enterprise and, consequently, a decline in overall output. Additionally, due to the standard property system, there may be disincentives to expand employment in the enterprise. The experience shows that common property does not enable individual responsibility, leading to a lack of cooperation and coordination among various departments covering comprehensive agricultural operations in these farms as many state departments manage these farms. As a result, these farms become casualties of non-cooperation. Ambedkar's ideas on collective farming were grounded in empirical evidence, but he needed help visualising technology's impact on agricultural and industrial production. Additionally, there is a fast-emerging neo-rich in rural India among the weaker sections, which indicates that Ambedkar's vision may be less applicable to contemporary times.

Recent developments in socialist economies have shown that collective farming has several disadvantages and limitations. Despite this, a few Ambedkar followers continue to champion the case for collective farming. However, sometimes, state control combined with organised labour and the organised sector may deprive society's poor and underprivileged sections.

In light of these challenges, there is a need to reconsider Ambedkar's economic ideas, especially on agricultural development, planning, and state socialism, to meet the present-day needs of the deprived sections of society. The idea of nationalising agriculture needs to be re-evaluated, and alternative strategies for agricultural development, such as investment in education and training programs for farmers, need to be explored.



## **Conclusion**

Ambedkar's vision of collective farming through the nationalisation of agriculture entailed the acquisition of entire agricultural land for farming by the government, with the land being divided based on economic holdings. However, nowadays, the government acquires land for non-agricultural purposes and fails to compensate landlords adequately. This is a pressing issue, and we can learn from Ambedkar's ideas. Ambedkar's proposition of nationalising agriculture is still relevant today, as it can help address problems such as farmer suicides. Despite the controversy surrounding the government's acquisition of land for Special Economic Zones (SEZ), acquiring land for agricultural purposes aligns with Ambedkar's land reforming ideals, which can contribute to India's economic progress by eradicating poverty and unemployment.

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