

Comparative Analysis of Tenancy Statistics : Implications for Concealed Tenancy

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Reliability of leased out area reported under the household ownership holding distributions of the National Sample Survey is doubtful. It suffers from significant negative bias due to underreporting of tenancy by landlords. The degree of bias was found to vary substantially across the states for 1981-82 (37th Round). The author argues that its variation over the ownership size class, too, must be unequal and therefore warns against an elaborate analysis of leased out area statistics.

More important is the implication of direct and significant relationship of the size of negative bias with the value of output per hectare and incidence of rural poverty. Indeed, in areas with high concentration of tenancy and poverty, growth in informal tenancy has been distressingly high.

Introduction

The main objective of this study is to assess reliability and limitations of the alternative tenancy data available from the National Sample Survey (NSS) on distributions of land holdings in India. Of all the five rounds (i.e., 8th, 16th, 17th, 26th and 37th) the latest i.e., 37th Round provides elaborate information regarding the nature of tenancy transactions covering both leased out and leased in land. For the first time in 1982 under the 37th Round of the NSS, data were collected on statewide distributions of land leased out to different types of lessees or tenant households, as also the distributions of land leased in from various categories of lessors, by the households in rural areas. Our attempt would, therefore, be to make use of these distributions for critical examination of the alternative sets of data on tenancy and comment upon their comparability and limitations. As our main interest is in agricultural tenancy, analysis that follows is restricted to the NSS statistics for rural areas only.

Three types of estimates of area under tenancy, both at all India level and for states, are generally available from the NSS data. The first one refers to leased in area under all the operational holdings (A1) in the rural sector. The second estimate is given by the area reported to be leased in by all the rural households (A2). The third one is of area leased out by the rural households (A3). On the basis of these three different estimates of area under tenancy, the 37th Round of the NSS provided three alternative estimates of incidence of tenancy. They are :