

## Tenancy Structure in Orissa: Implications for Agricultural Growth

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*This article critically examines basic features of tenancy in Orissa with data from various rounds of NSS. Orissa belongs to the category of high tenancy states in India. Major manifestation of tenancy in Orissa is sharecropping. Both the lessors and lessees predominantly hail from marginal and small farm category. The terms and conditions of tenancy contracts are inequitable and regressive in nature favouring the lessors. Contracts are oral, unrecorded, insecure with high rent and characterised by absence of input cost sharing. Though tenancy is legally forbidden in the state, its prevalence suggests that in the specific socio-economic context of labour abundance, land scarcity and dire hunger for land; tenancy seems to play a useful role by providing means of livelihood to the landless and land-poor peasants. Therefore, it is advocated that tenancy should be legalised and recorded. This will facilitate resource adjustment and increased agricultural production by transferring land use right from those who are not able to cultivate to those who are willing to cultivate while keeping the landownership right intact and ensure security of tenure and fair rents to tenants.*

### Introduction

The role of agrarian structure in affecting agricultural productivity needs no emphasis. Land being the prime input required for crop production, its ownership pattern and mode of operation significantly influence application of other yield enhancing inputs and agronomic practices. Land area operated by a farmer may either be his owned land or tenanted land being leased in from other landowners. And land tenancy can manifest itself in three major forms viz., share tenancy, fixed kind and fixed cash tenancy. In the case of share tenancy the tenant pays the landowner a fixed proportion of gross produce as rent whereas in fixed tenancy he pays a fixed quantity of crop or cash as the case may be.

Different types of land tenure systems have differing impact on crop productivity depending on their incentive structures and risk factors for cultivators. In the case of share tenancy a part of increased proceeds due to improved input use is appropriated by the lessor who does not share in additional effort or cost. Thus, it discourages a tenant to use costly yield enhancing inputs and make any fixed investment in leased land. But the production risk is shared between the landowner and the tenant in the ratio of crop share. If it is half-cropping or the crop share is fifty per cent the production risk is equally divided between the landowner and tenant. Under fixed kind or fixed cash lease contract, the tenant is required to pay a specified quantity of crop or cash to the landowner

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