

Brigitta Bode, Anowarul Haq, and Bipul Chandra Dev
Forms of Land Tenure in the Northwest of Bangladesh ¹

Introduction

In September / October 2002, Go-Interfish and several of its PGNOs ² conducted a survey on sharecropping, mortgaging and leasing arrangements in eight upazillas throughout the Northwestern region of Bangladesh.³ This issue contains the first of a series of articles in which we discuss the findings of this study. This first essay focuses on the ways in which land concentration shapes the types of land tenure arrangements that prevail in remote and non-remote areas ⁴ as well as the particular forms that sharecropping arrangements take.

Background

Discussions of the landownership patterns in Bangladesh generally point to a concentration of landholdings in the northwest, with large and medium landowners controlling the majority of cultivable land. Aggregate numbers (comprising the districts that constitute the northwest) confirm this trend: marginal (< 0.49 acres) and small (0.50-2.49 acres) farmers constitute 75 percent of all cultivators holding 38 percent of all cultivable land, while medium (2.50-7.49) and large (>7.50 acres) farmers constitute 25 percent of all cultivators holding 62 percent of all cultivable land. (Bangladesh Bureau of Statistics, 1996). Disaggregating these numbers, however, shows considerable variation among districts, *upazillas*, unions and *paras*. Table 1 shows the distribution of landholdings in the study area and points to the considerable differences within the region.

Table 1. Size Distribution of Land holdings (excluding homestead) in the Study *Upazillas*

District	High				Medium				Low							
	Rangpur		Dinajpur		Dinajpur		Nilphamari		Nilphamari		Rangpur		Kurigram		Kurigram	
Upazilla	Badarganj		Bochaganj		Chirirbandar		Kishoreganj		Jaldhaka		Mithapukur		Rajarhat		Chilmari	
	Holdings %	Area %	Holdings %	Area %	Holdings %	Area %	Holdings %	Area %	Holdings %	Area %	Holdings %	Area %	Holdings %	Area %	Holdings %	Area %
Marginal	24	6	30	6	28	5	31	11	41	16	39	12	40	18	50	25
Small	37	22	31	20	28	19	38	32	33	24	36	29	41	37	36	36
Medium	32	41	29	39	35	42	25	37	22	41	22	42	16	28	12	27
Large	7	30	10	34	9	34	6	21	3	19	4	18	3	17	3	12
Total	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100

¹ “Land tenure” refers to the terms under which land is held and the rights and obligations of the holder of the land.

² We would like to thank the following Partner NGOs for their dedicated support to this study: Gono Unnayan Kendra; Rangpur Development Samajik Sangstha; Ramnathpur Bahumukhi Nobayan Sangstha; Kurigram Development Sangstha; Rostomabad Mohila Unnayan Samity; Gopinathpur Boardhat Jubok Samity; Thikana Sangstha; Manob Kallayan Swabolombi Sangstha; Zibika.

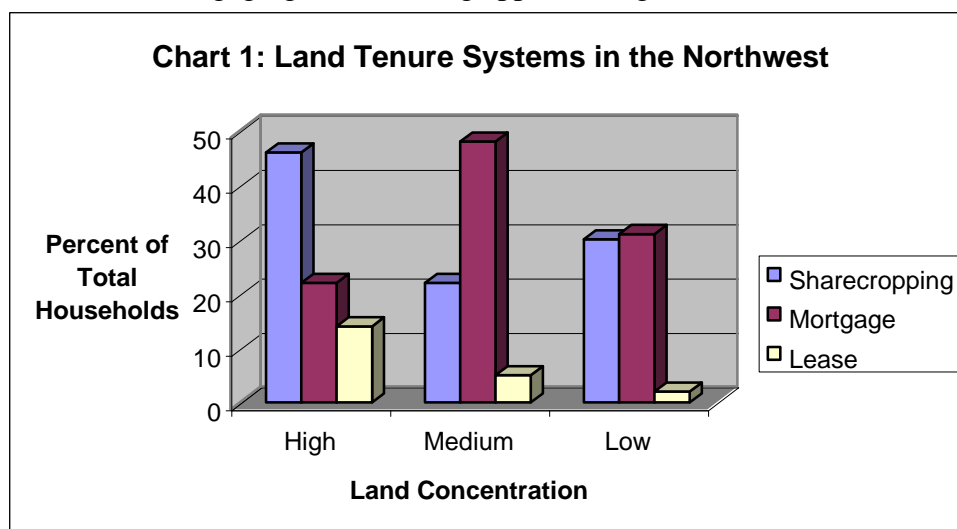
³ Dinajpur (Chirirbandar and Bochaganj), Rangpur (Mithapukur and Badarganj), Nilphamari (Jaldhaka and Kishoreganj), and Kurigram (Rajhat and Chilmari).

⁴ The distinction between remote and non-remote refers to the distance to upazilla and road conditions. Remote and non-remote are approximately synonymous with non-project and project areas, respectively.

Source: DAE Block Supervisors, 2002. Please note that this table excludes landless households.

Forms of Land Tenure in the Context of Land Concentration

Chart 1 below indicates that the extent of land concentration ⁵ shapes the types of land tenure arrangements (sharecropping, mortgaging and leasing). In high land concentration *paras*, sharecropping is the predominant form of land tenure, with mortgaging and leasing comprising a mere 20 and 12 percent of land tenure arrangements. In medium land concentration *paras*, on the other hand, mortgaging is the predominant type of land transaction, with sharecropping and leasing making up 20 and 5 percent of land transactions.. Whereas in areas of low land concentration, nearly 30 percent of households sharecrop and 30 percent of households are involved in mortgaging. Here leasing appears insignificant.



These findings indicate that sharecropping is more likely to occur in *paras* with high land concentration, reflecting the presence of a significant number of large land owners who have diversified their economic activities and maintain their

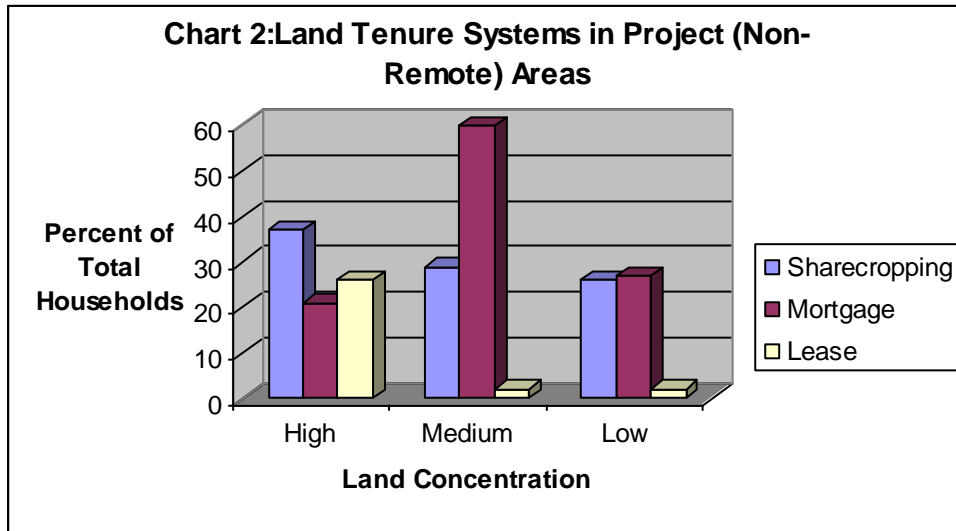
landholdings through sharing land out to minimize transaction costs, particularly the supervision of labor. Whereas, in *paras* in which medium and small landowners control more than 60 percent of the cultivable area mortgaging predominates. ⁶ This points to a more active land market and thus greater economic mobility in *paras* with medium land concentration.

Further disaggregation of the high medium and low land concentration areas into remote and non-remote reveals significant differences. Chart 2 points to the overwhelming incidence of sharecropping in high concentration *paras* in remote areas, whereas in non-remote areas (Chart 3) the practice of leasing is becoming more and more prevalent. This phenomenon reflects the differences in labor markets, access to information (particularly DAE extension services),

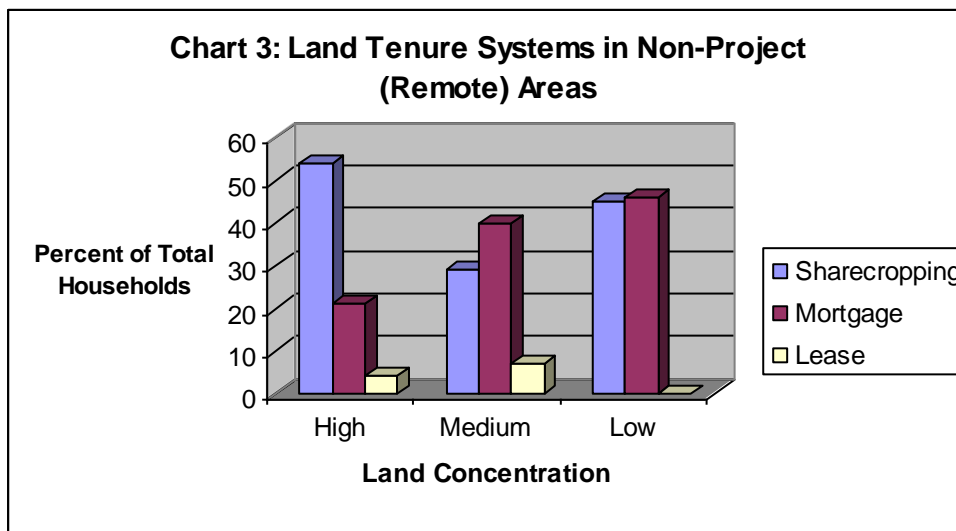
⁵ By land concentration we are referring to the distribution of cultivable land among households with different landholding sizes (Bangladesh Bureau of Statistics). Thus, *paras*, villages, unions, upazillas in which more than 30 percent of the total cultivable land is owned by large farmers were classified as high land concentration areas; whereas areas in which more than 60 percent of the total cultivable land is owned by medium and small farmers were categorized as medium concentration, and areas with more than 50 percent owned by small and marginal farmers were categorized as low land concentration.

⁶ Here mortgaging, a contract which commits land as a security for a loan, is the predominant form of land transaction. These mortgages do not involve official lending institutions (banks, etc.) where the land remains with the mortgagor, but are possessory mortgages, where the lender takes possession of the land as soon as the mortgage is made and holds it until the debt is repaid. There is generally no direct interest on these types of loans, because the lender can earn an income from the land given as security.

agricultural inputs, and markets. In non-remote areas it is more difficult for the landowner to share land out, as marginal and small farmers have greater employment and business



opportunities, and are therefore less likely to enter into the types of dependency relationships that sharecropping presents. Here, large farmers, unwilling to cultivate their own land, are leasing their lands to medium or other large farmers.



Similarly, in medium land concentration areas in non-remote areas, mortgaging is the predominant form of land tenure. Comparing areas of medium land concentration in remote and non-remote areas indicates that in non-remote areas,

mortgaging is significantly higher than in remote, with nearly 60 percent of households engaging in this type of transaction. This trend reflects the greater economic mobility that characterizes the livelihoods of the rural population in these areas.

These findings are important for our project activities. Forms of land tenure provide an indication as to the types of dependency relationships that exist between elites and non-elites. Restricted Voice – high concentration – rights based work more difficult Whereas in medium and low – easier for marginal and small farmers (our target beneficiaries) to exercise their rights

Sharecropping Arrangements

Our findings on the types of sharecropping arrangements indicate that:

- In all three types of land concentration, regardless of the distance from the upazillas, the majority of sharecroppers (*bargachasis*) are marginal landowners (0.05 – 0.49 acres). This may largely be due to the practice of *bargachasis* bearing the initial production costs (seeds and fertilizers), indicating that access to land (even in the form of sharecropping) requires some form of financial capital, therefore excluding the landless.
- Contrary to the general understanding of sharecropping, emphasizing the exploitative relations between *bargadar* and *bargachasi*, *tebhaga*, the presently legal mandate, is practiced in two-thirds of all *boro* (irrigation necessary) contracts in non-remote and nearly half of all *boro* contracts in remote areas.⁷ Whereas during *amon* (rain-fed), the more profitable of the two season, the harvest tends to be divided equally, despite the fact that the *bargachasi* generally provides 100 percent of the inputs.
- The majority of sharecropping arrangements, across the various types of land concentration and distance from upazillas, occur within the *gushti*. This highlights that socio-economic differentiation is underpinned by traditional forms of social organization.
- Our findings challenge the largely accepted understanding that sharecropping is limited to the *boro* season. We found that more than 80 percent of all sharecropping contracts take place in both *boro* and *amon* seasons. Furthermore, around half of all contracts have existed for more than 5 years in non-remote areas, and two thirds of all contracts have existed for 5 years in remote areas. Yet contrary to sharecropping laws, the majority of sharecropping arrangements are informal, lacking a written contract, therefore providing no form of guarantee to the *bargachasis*.

Despite some of the positive findings, sharecropping in the Northwest continues to be characterized by exploitative relations:

- Twenty-five percent of all *bargachasis* (across the various land concentrations) take production and consumption loans from the *bargadars* in the non-remote areas, and fifty percent of all *bargachasis* take such loans in remote areas. Half of all *bargachasis* (in both remote and non-remote) repay these loans in labor and / or kind (crops). Interestingly, quite a few of the *bargachasis* who are taking these loans answered “no” to the question whether or not they pay interest. However, during the discussion of how loans are repaid it was revealed that a) if repayment takes place through labor services, the pay rate is lower than the market rate; and similarly b) if repayment takes place in kind (crops), the price of the grain is lower than the market rate. These practices suggest hidden forms of interest.

⁷ See issue-5 For a discussion of the laws pertaining to sharecropping, mortgaging and leasing.