
UNIT 8 IMPACT OF LAND REFORMS ON RURAL ECONOMY AND SOCIETY

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8.0 OBJECTIVES

After reading the unit, you should be able to:

- describe the different components of land policy in the post-independent era;
- understand the changes brought about by these policies in the society and economy;
- identify the successes and failures of land reforms; and
- outline future prospects and problems.

8.1 INTRODUCTION

Land reforms have been a major issue in developing countries because of their dependence on agriculture. Recognizing its importance in the post-Independent India the Planning Commission in its First Five Year Plan declared that ‘the future of land and cultivation constitutes perhaps the most fundamental issue in the national development’. However, according to the Constitution, agriculture and land belong to the State List and it is the states’ responsibility to implement the land reforms. The central government’s role is restricted to providing overall guidance and support to the states. Therefore, we find that the right after the Independence considerable variations in the way different states have formulated policies and implemented them. Some states have moved quickly by-passing necessary legislations, while other states have adopted a slower and piecemeal approach in this regard. Consequently, there are considerable variations in the results achieved by different states. We will keep this in mind while studying the impact of land reforms on society and economy.

The Planning Commission, set up in 1951, began to look at land reforms from a national perspective. Land policies evolved over time according to the priorities identified by the Planning Commission. The Planning Commission also learnt from the experiences and made necessary changes in the policies.

The five components of land reform are:

- 1) Abolition of the Intermediaries,

- 2) Tenancy Reforms,
- 3) Ceiling on landholdings,
- 4) Consolidation of holdings, and
- 5) Compilation and updating of land records.

As you are already aware of components from your earlier block, we will focus more on the impact they had on society.

8.2 IMPACT OF ABOLITION OF INTERMEDIATARIES

Intermediaries literally means individual or individuals between two parties. According to Appu (1996: 48) intermediary interest in Indian land reform terminology “connotes the hierarchy of proprietary interests that existed between the state and the actual occupier of the land”. Intermediaries were thus placed between the cultivator (the person who pays the rent) and the state (the final receiver of the rent) and they appropriated part of the rent they received from the lower layer before passing it to the next higher layer. It is estimated that in certain places there were upto 50 intermediaries. The cultivators had to pay 5 times and, in many cases, 7.7 times the revenue they were officially required to pay to the government. Intermediaries thus got part of the land revenue without either owning or cultivating the land or making any investment in it.

Three broad tenure systems existed in the country – the Zamindari System, the Ryotwari System and the Mahalwari system. According to Thirumalai the percentage of area under zamindari, ryotwari and mahalwari were 57 per cent, 38 per cent, and 5 per cent respectively. The British had political and economic reasons for opting for these methods of land revenue. Owing their existence and continuation of them, the intermediaries gave the British rule political support as there. Secondly the British found the multiple and haphazard land tenure prevalent in those times confusing and simplified the land revenue administration by handing it over to the intermediaries.

The first step in the land reforms programme of the Government was to end this exploitative system. All intermediaries between the government and the cultivator were removed and the cultivators were brought in direct relationship with the government. Land revenue had to be paid directly to the government at rates fixed by the government.

The general pattern of abolition of intermediaries comprises the following measures:

- 1) Common lands such as waste lands, forests, abadi-sites etc., which belonged to intermediaries, were vested in the State Government for purposes of management and development.
- 2) Home-farm land and land under the personal cultivation of intermediaries were generally left with them and lessees of home-farms continued as tenants under them. In some States, however, tenants of home-farms of intermediaries were also brought into direct relation with the State and the rights of intermediaries over their tenancy land were abolished.

These include Uttar Pradesh, Madhya Bharat (Jagirdari areas), Delhi, Ajmer, and Bhopal. In Rajasthan and Madhya Bharat (zamin-dari areas) an optional right to purchase ownership was given to such tenants. In most of the States, intermediaries were not allotted any land for personal cultivation over and above lands already in their cultivating possession and included in their own home-farms. In a few States, however, such as Hyderabad and Mysore (in the case of Imams), Rajasthan, Saurashtra, Ajmer, Bhopal, and Vindhya Pradesh, intermediaries were allotted land for personal cultivation if the area already held by them was less than that specified in the legislation.

- 3) In most of the States tenants-in-chief holding land directly from intermediaries were brought into direct contact with the State, with some exceptions such as Bombay (in respect of several classes of intermediaries) and in Hyderabad and Mysore (in the case of some imams). In these States, intermediaries were in some cases allotted land held by the tenants. In some States tenants possessed permanent and transferable rights and it was not necessary to confer further rights upon them. These included Assam, West Bengal, Bihar, Orissa, Bhopal, and Vindhya Pradesh. There were other States such as Bombay, Uttar Pradesh, Madhya Pradesh, Hyderabad, Mysore, and Delhi where tenants were required to make payments in order to acquire rights of ownership. In a few States, such as Andhra, Madras, Rajasthan, Saurashtra (barkhali areas), Madhya Bharat, Hyderabad (jagir areas) and Ajmer, either larger rights were conferred upon tenants, or their rents were reduced without any direct payment being required of them. (Second Five Year Plan)

A summary of the legislations and the results achieved in various states are given below.

Andhra Pradesh

The state had different land tenure system in Telengana, Andhra and Schedule Area.

The Jagir Abolition Regulation (1949), Hyderabad Abolition of Cash Grants Act, 1952, the Andhra Pradesh (Telengana area) jagir (Commutation) Regulation 25 of 1948 and the Andhra Pradesh (absorbed) enclaves (Hyderabad Jagirdars) (commutation) sum and allowances Act 1955 abolished all the 975 jagirs in Telengana. Similarly in the schedule areas (parts of Madras presidency and coastal areas) the Madras Estates (Abolition and Conversion into Ryotwari) Act, 1948 abolished the intermediaries. In the rest of Andhra Pradesh (Andhra Area) Estates (Abolition and Conversion into Ryotwari) Act, 1948 and the Andhra Pradesh (Andhra Area) Inam (Abolition and Conversion into Ryotwari) Act, 1956, 11137 estates were acquired by the government and 1.06 million minor inams were abolished.

According to the study by A.M. Khusro the most important effect was the decrease in the land revenue which had to be paid by the cultivating landowners. However, the cultivating tenants had to pay higher rents and did not benefit from reductions in the land revenue. More recent studies, however, show that tenants who gained ownership rights showed greater interest in adopting new technology to increase productivity.

Assam

The Assam State Acquisition of Zamindari Act, 1951 and Assam Lushai Hills District (Acquisition of Chief Rights) Act, 1954 abolished intermediary rights in the permanently settled areas, involving 0.67 million hectares of land. The temporarily settled areas did not have intermediaries.

Bihar

The Bihar Land Reforms Act, 1950 was one of the earliest efforts to implement land reforms, but it failed due to successful litigations by the zamindars and lack of administrative support. The delay allowed the zamindars to retain much of their land. Bihar, therefore, remains a poor performing state regarding land reforms.

Gujarat

The Bombay Tenancy and Agriculture Lands Act, 1948 (amended in 1955) apart from abolishing the intermediaries also gave the tenant the opportunity to purchase the land from the landlord. This enabled more than 13 lakhs tenants to acquire land in about 24 lakhs acres.

Haryana and Punjab

There were no zamindari settlements in these regions and landlords generally used tenants mainly as tenants-at-will. It is estimated that around 6,47,740 occupancy tenants got proprietary rights in the around 1.85 million acres.

Jammu and Kashmir

The state abolished all jagirs and muofils in 1948. Tenants were protected under the Tenancy Act, 1923. In 1972 the Jammu and Kashmir Agrarian Land Reforms Act abolished all tenancies.

Karnataka

The state had the ryotwari system and therefore did not have any intermediaries. The Mysore (Personal and Miscellaneous) Inam Abolishment Act, 1955 and Mysore (Religious and Charitable Act) Inam Abolishment Act, 1955 abolished the intermediaries in areas which formerly belonged to erstwhile Madras Presidency and Bombay Presidency. The land obtained by the government after these measures was around 9 lakh hectares.

Kerala

The Kerala Land Reforms (Amendment) Act, 1969, effective from 1970, was passed after the earlier Act was struck down by the Supreme Court. More than 1,40,000 hectares were acquired from intermediaries like Edaval Estates, Pattzhi Devasom Land, Jenmis, Kandukrishi, Sreepadam Land, Thiruppuvaram Land and Sreepandaravagal Land, after these measures were implemented.

Madhya Pradesh

The Madhya Pradesh Abolition of Proprietary Rights (Estate, Mahals, Alienated Land) Act, 1950, The United State of Gwalior, The Indore, and Malwa Zamindari Abolition Act, 1951, The Abolition of Jagir Act, 1951, and the Vindhya Pradesh Abolition of Jagir and Land Reform Act, 1952 were enacted to remove intermediaries and to enable tenants to own land. However, the tenants at will and sharecroppers could not benefit from these measures.

Maharashtra

The state passed several Acts to remove imams, jagirs and other intermediaries. Around 7.3 lakh hectares of land were vested with the government. However, the erstwhile intermediaries retained much of the land.

Orissa

The Orissa Estate Abolition Act, 1951 abolished the intermediary interests and later in 1972 the Orissa Land Reforms Act was passed which entitled the tenant to acquire the land he cultivated.

Rajasthan

The Rajasthan Land Reform and Resumption of Jagir Act, 1952, the Rajasthan Zamindari and Biswedari Act, 1959, the Ajmer Abolition of Intermediaries and Land Reform Act, 1955 and the Bombay Merged Territories and Area (Jagir Abolition) Act, 1953 abolished the intermediaries. 236, 618 jagirs were abolished and one lakh tenants got ownership rights over 7 lakh acres.

Tamilnadu

The Tamilnadu Estates Abolition and Conversion into Ryotwari Act XXVI of 1948 and other laws were enacted to abolish various types of intermediaries and around 3.65 million hectares were acquired by the state. However, there was no provision for purchase of land by the tenants.

Uttara Pradesh

The Uttar Pradesh Zamindari Abolition and Land Reform Act, 1950 after some amendments, abolished the zamindari system in about 60.20 million acres of land. But here too many of zamindars converted themselves into landlords by retaining large tracts of land.

West Bengal

The West Bengal Estate Acquisition Act, 1953 abolished all the intermediaries. The Act also provided for the ceiling on landholdings, which prevented the intermediaries from holding on to large amount of land for personal cultivation. The government gained the ownership of 3.86 million hectares of land and 3.93 million hectares of forest land.

Achievements and Failures

The most significant impact of the abolition of intermediaries was that it ended the exploitative system in which state power was exercised arbitrarily by non-state actors, with no, or few, checks and balances. The task of revenue collection was that of the government and by allowing the intermediaries perform its function, it allowed for the growth of an exploitative system. The abolition of the intermediaries ended the political power of the feudal landowners. However, the former zamindars retained large tracts of land and converted themselves into large landowners which did give them political power. Nevertheless, the abolition of intermediaries was an important step towards an egalitarian society. Even those observers who pointed out the numerous lacunae in its implementation, accepted that it brought about major changes in rural areas. Summing up his observation, on these steps, Gunnar Myrdal agreed that “Despite the weakness of the Indian legislation to abolish

intermediaries, the reforms should not be taken lightly dismissed.” (Myrdal;1968; 1310) It also brought about changes in the rural power structure in so far as it transferred power, which go with landowning, from the absentee landlords to local landowners and peasants. Another keen observer of Indian agriculture Wolf Ladejinsky observes that despite its obvious limitations “the effort (abolishing intermediaries) was a great effort towards reconstruction of Indian agriculture. (Quoted in Appu;1996; 73)

The Planning Commission estimates that at least twenty million tenants were brought into direct relationship with the governments. According to Appu the figure could be higher at about 25 million, as there were 16 million cultivators in UP and 6 million in West Bengal alone. These cultivators paid revenue directly to the government. The total area which was released from the control of the intermediaries is estimated to be around 63 million hectares.

Another achievement was that the ownership of common property resources like forests, lakes, ponds was vested in the government. The forests were placed under the authority of the Forest Departments. Later the wastelands, amounting to some 6 million hectares, were distributed among the landless. However, many of the beneficiaries could not obtain or retain the land as they were not given any assistance to transform the land to make it fit for cultivation.

There were also many failures or shortcomings in the implementation of these legislations. The first major problem with the implementation of the programme was that a longer period taken by the various Legislative Assemblies to pass the legislations. The states took four to nine years to formulate the proposals, discuss them in the assembly and finally pass them. This lengthy period was enough for the intermediaries to prepare for the eventual implementation of the Act. Some of these steps included registering excess land under relatives' names and or even fictitious persons, manipulating land records and reclassifying land under different heads. This greatly reduced the effectiveness of these legislations.

Secondly, when the legislations were finally passed the intermediaries went to court against them. The courts in most cases gave verdicts in favour of the intermediaries and declared the legislation *ultra vires*. It was only after the land legislations were put in the IXth Schedule of the Constitution and made non judiciable that the legislations were allowed to take effect. A case in point is the fate of the Bihar government's efforts to abolish the intermediaries. It passed a Resolution in 1946 and, after lengthy consultations, the legislation was formulated that came into affect in 1949. Immediately the landlords approached the courts and the government too felt it necessary to repeal the legislation. New legislations with some changes were brought into effect in 1950 and again the landlords approached the courts. Again, after the law was finally implemented the landlords refused to cooperate with the revenue authorities and tried all means to scuttle it implementation. A full seven years had passed by for the intention to become a reality.

The most adverse effect, however, was the ejecting of many tenants by claiming their land for personal cultivation. Most legislations allowed the intermediaries to retain ownership of land if they themselves were willing to cultivate their land. Except for West Bengal and Karnataka, no state had set any limits for landholding, which meant that the erstwhile zamindars could

retain large tracts of land claiming that they intended to cultivate the land personally. This led to the eviction of many tenants. It is estimated that in the Punjab alone, more than 500,000 tenants were evicted. Ledejinsky observed in this context that a reform which results in eviction of so many cultivators is reform in the real sense.

Many problems were the result of using the term “personal cultivation” in the legislations. On paper the term ‘personal cultivation’ looked reasonable, but when applied in the field, was confusing and subject to multiple interpretations. Did personal cultivation mean exactly which person could cultivate with his own hands and his family hands or did it mean land of reasonable size which a person could cultivate with the help of hired labour? There were no definite answers in the various legislations where the concept was vaguely defined. The result was that these legislations gave the right to the intermediaries to eject their tenants by claiming that they needed the land for personal cultivation. Superior tenants had records to support their claim over the land, while majority of the inferior tenants did not have the proper records. Their rights to land were customary in nature. In the absence of records, these tenants could not resist the actions of the zamindars and were evicted from the land they were cultivating. Many State Acts also gave the right to the intermediaries if the tenant voluntarily gave up his tenancy. Here too the right was misused by the intermediaries. Force and threats were often used to evict the tenants, where it was shown as voluntary surrenders. Daniel Thorner observed that many of these ‘voluntary surrenders’ were anything but voluntary. Thus, for these tenants the result of the legislation was the loss of their customarily rights over their land. Ironically legislations to help the actual cultivators of land had resulted in the loss of their rights on the land they cultivated.

Check Your Progress 1

Note: i) Space is given below for each question for your answer.

ii) Check your answer(s) with the text.

1) What are the five components of the land reforms policy in India?

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8.3 IMPACT OF TENANCY REFORMS

Tenancy is derived from the word ‘tenure’ which means ‘to hold’. The various conditions under which land (or anything else like buildings), is held is called tenancy. When individuals take land on rent for their use it is called ‘lease in’ the land and when rent out their land to others it is called ‘leased out’. Tenancy rights can be seen as a set of rights that tenants get over the land and these rights vary according to types of tenancy.

Tenants can be categorized according to the rights they have in relation to the land.

- 1) **Superior tenants:** These are hereditary tenants, occupational tenants, and permanent tenants and, they have almost the same rights as the owners. They can sell, mortgage, or rent out the land. The land is hereditary. The only difference between the owners and the superior tenants is that while the owners pay revenue to the government, the superior tenants give rent to the owners. Their rights over the land are secure and they cannot be evicted against their will.
- 2) **Inferior tenants, also called tenants at will, subordinate tenants, temporary tenants:** These tenants have limited rights over the land. They cannot sell or mortgage the land. They can be evicted. They pay rent to the owners.
- 3) **Subtenants:** Their position is more insecure than the inferior tenants. They have leased in the land from other tenants, and they can be evicted easily.
- 4) **Landless labours and sharecroppers:** They have no rights whatsoever on the land. Labourers work for wages which may be paid in cash or in kind. Sharecroppers cultivate other person's land for a share in the returns. The equipment and items may be provided by the landlord or by the sharecroppers themselves.

Tenancy was seen as an exploitative system as it was constituted of the individuals who had no land or had insufficient land and who were forced to become tenants. The U.P. Zamindari Abolition Act abolished tenancy, but the effects have been largely negative, as tenancy went underground creating more problems for the tenants. In addition, it was recognized by the governments that certain category of persons, like members of armed forces and widows, may not be able to cultivate their land themselves and would therefore have no option other than to lease out their land to others.

Tenancy reforms in India had basically three elements: (1) Security of Tenure, (2) Regulation of Rent, and (3) Ownership of land.

Security of Tenure

The first step needed to protect the tenants was to provide them protection against arbitrary eviction. The Five-Year Plans recommended that, in ordinary conditions, a tenant should be given security of tenure for the period of five years.

According to Appu, there were the following factors on which the actual protection was available to the tenants – definition of the tenants, right of the owner to resume personal cultivation, provision for regulating voluntary surrender of tenancy, and status of land records. Some Acts defined tenants in a very limited way and excluded sharecroppers from the definition. For example, the U.P. sharecroppers were not included in the category of the tenants, whereas the West Bengal land reforms Act was amended to include sharecroppers (bargadars). According to the West Bengal Act, the tenant (including the bargadars) cannot be evicted, unless on these grounds (i) Failure to cultivate the land; (ii) failure to cultivate the land personally, (iii) failure to render the share of the landowner and a bona fide case of landowner wanting to cultivate the land himself.

Regulation of Rent

The landowners were allowed to resume cultivation, subject to ceilings and they could evict their tenants, if necessary. The term 'personal cultivation' was interpreted in many ways and was often used to the advantage of the landowner and to the disadvantage of the tenants. Similarly, there was a provision of voluntary surrender of tenancies, which was abused by the landowners. The Third Five Year Plan took note of this and made voluntary surrender of land conditional; the voluntary surrenders had to be registered and was subject to the right of resumption, permitted by law.

Lastly, the actual exercise of the tenancy rights could be done only when there are proper land records and they are properly maintained. Land records in most areas were in poor condition. This was true especially in those areas where Permanent Settlement was in force.

Ownership of Land

The third element was conferring the rights of ownership to the tenant. The Plan recognized that while the tenants had to be given rights of ownership, the rights of the landowners too had to be protected to the extent possible. Keeping these two demands in mind, the First Five Year Plan divided the existing landowners into two categories based on landownership namely large landowners, and middle and small landowners.

The large landowners were allowed to retain as much land as permitted by the land ceiling Acts. The rest of the land was to be distributed among the tenants who would be given first preference and the remaining land, if any, among the other landless. In the case of the middle and small landowners the Plan recommended that they be allowed to retain land upto three family holdings and the size of one family holding would be the area which one family can cultivate with or without the support of hired labour. The actual size would differ from place to place, depending on soil conditions, irrigation facilities etc. In such cases the Plan recommended that the tenant should be given at least half of the family holding.

The ownership of land to the tenants was part of the land reforms programme only in some states. Appu's study related to granting of rights of ownership to tenants and the progress made by various states in this context summed up as there was no provision of conferring ownership rights to tenants in Tamilnadu and certain parts of Andhra Pradesh. Sharecroppers in U.P. and West Bengal did not have rights to acquire land that they cultivated, in Rajasthan the tenant admitted after 1961 are not entitled to gain ownership rights nor do they have any security. In Bihar, Punjab, and Haryana tenants whose landowners own land below the ceiling limit are not entitled to the rights of ownership. All other states have conferred the rights of ownership to tenants. (Appu 1996 p.103)

Andhra Pradesh

The Andhra Pradesh (Telengana Area) Tenancy and Agricultural Land Act, 1950 (amended in 1954) applicable in the Telengana regions gave tenants who held land for 6 years, the status of protected tenants and their landowner could not resume cultivation there. Besides, ordinary tenants were to have minimum period of lease and all voluntary surrenders were to be verified. It is estimated that 13,611 protected tenants got ownership rights. The Andhra Pradesh (Andhra

Area) Tenancy Act gave no right of ownership to the tenants. As of 2005, 1.07 lakh tenants obtained the rights of ownership, or security of tenure over the area of 5.95 lakh acres.

It is observed that the superior tenants and big farmers benefited from reforms as they leased in the land that was more than the small and marginal farmers. Moreover, in most tenancies involving small and marginal farmers, the nature of agreement was oral which made it difficult to enforce the law related to the protection of tenants. Hence, the measure was largely seen as having failed to provide full protection to the tenants.

Assam

The Assam (Temporarily Settled Areas) Tenancy Act made two categories of tenant's occupancy tenants, who held land for at least three years, and non-Occupancy tenants. The former was given protection against eviction and were allowed to buy the land on certain conditions. The later would become Occupancy tenants if they could continue their tenure for three years. As of 2005, 29.08 lakh tenants obtained the rights of ownership, or security of tenure, over the area of 31.75 lakh acres.

Bihar

The Bihar Tenancy Act, 1885 (amended in 1970) gave the tenant the right of occupancy if they were in continuous possession of land for twelve years on certain conditions. However, its major limitation is that it does not have any specific provisions for the protection of tenants of oral agreement. The result has been that the exploitation of small and marginal landowners, especially those of tribal community. Often, they lease-out their land to the larger farmers on minimal rents and at the same time work as labourers for low wages.

No information is available, as of 2004, on the number of tenants, or the area which has benefited from these measures.

Gujarat

The Bombay Tenancy and Agricultural Land Act, 1948 (amended in 1955 and 1960) gave the tenants the rights of ownership if they had continuously held the land for one year. Also, specific protection was given, such as establishment of Tribunals, voluntary surrender to be registered and disposed to the district collector, non-eviction of SC/ST farmers etc. The number of tenancies went down because of this. However, the incidence of oral lease agreement to the detriment of tenants continued. Around 1.38 million tenants were offered land but only 0.82 million could gain ownership as remaining land, was held up in litigation or bureaucratic procedures, malpractices, delays etc. As of 2004, 12.76 lakh tenants over 25.92 lakh acres of land benefited from the measure.

Harayana

The Punjab Security of Land Tenure Act, 1955 and Punjab Tenancy and Agricultural Land Act, 1955 provided the tenant the right of security of ownership of land if he is in continuous possession of land for 12 years and the land is not more than 15 acres. There is no bar on future leasing. In Punjab, it is observed that the instances of leasing-in by larger farmers from smaller farmers is extensively prevalent and protection of tenants gives protection to them at the cost of the latter.

Himachal Pradesh

The Himachal Pradesh Tenancy and Land Reform Act, 1932 (amended in 1976) prohibited leasing except by special categories like widows, soldiers etc. It also gave the right of ownership. However, only 40,626 tenants could acquire ownership of 39,899 acres of land. As of 2004, the number of tenants rose to 4.08 lakh tenants. The problems of illegal eviction, absence of regulatory authority etc. prevented the proper implementation of the land reforms in the state.

Jammu Kashmir

Till the Jammu and Kashmir Agrarian Reforms Act was passed in 1976, the tenants in the state had virtually no rights. But after the Act was passed ownership rights was conferred to the tenants, subject to certain conditions of the income and size of the land. However, here too the sharecroppers did not derive any benefit from the legislation. As of 2005, 6.10 lakh tenants benefited from the measure.

Karnataka

The Mysore Land Reform Act, 1961 (amended in 1973) allowed the landowner the right to resume personal cultivation on half the leased land and the tenants on the other half got the right to come in direct contact with the state and subsequently become landowners. Also, leasing was prohibited except for soldiers. The performance of the state is considered better than in other states. Quoting M.S.A. Rao Appu says that a small proportion of cultivated holdings changed hands through the abolition of tenancies (11 per cent) and the landless could be relieved to a limited extent (12 per cent). However, like in other states, there were large scale evictions of tenants. By 1992, 6.05 lakhs gained ownership over 26.32 lakhs, which was about 9 per cent of the operated land.

Kerala

The Kerala Land Reform Act, 1963 (amended in 1969) conferred security of tenure and provided for transfer of ownership rights to all tenants, including the sharecroppers and the homestead dwellers. Upto 2.8 million tenants, over the 14.5 lakh acres could become ownership of leases land. Area under tenancies reduced from 13.4 per cent to 1.4 per cent. However, there were large numbers of concealed tenancies taking place. Also, there were high incidences of leasing-out by small and marginal to the larger farmers and many of them lost their land to the later.

Manipur

The Manipur Land Revenue and Land Reforms Act, 1980, gave the tenant the security of tenure upto the maximum of 1.2 acres and in 1975 (through an amendment) the right to gain ownership of land by paying a maximum of 30 times the land value. No up-to-date data is available.

Madhya Pradesh

The Madhya Pradesh Land Revenue Code 1939 prohibited leasing except by special categories and gave the right of ownership to the tenants. 3 lakhs 60 thousand tenants benefited from the step till 1973. However, it was also observed the area under tenancy increased from 1 per cent to 2.1 per cent

between 1971 and 1976-77, revealing the limitations in the implementation of land reforms. As of 2005, there is no tenancy prevalent legally.

Maharashtra

Bombay Tenancy and Agricultural Act, 1948, Bombay Tenancy and Agricultural Lands Act, 1958 and the Hyderabad Tenancy and Agricultural Lands Act, 1950 were applicable in different areas of Maharashtra. These Acts gave the right to the tenant to purchase the land from the landowners' non-resumable part of land. About 14.92 lakh tenants over the area of 42.9 lakh acres, benefited from the step. However, many tenants could not afford the large sum of money that was needed to purchase the land. Tenancies continued in significant parts of cultivated area of the state.

Orissa

The Orissa Land Reform Act, 1980 (amended in 1973), like many other Acts, gave the tenant the security of tenure on at least over half the area held by him and the right to purchase the non-resumable part after paying 10 times the fair rent. Sharecroppers did not benefit from the step. Similarly, the small and marginal farmers could not benefit from the legislations as many tenancies were not recorded and could not be proved. As of 2004, 1.65 lakhs tenants over the area of 0.98 lakhs acres, benefited from the measure.

Punjab

The Security of Land Tenures Act 1953 and the Pepsu Tenancy and Agricultural Land Act, 1955 gave the tenants the security of tenure for those above the maximum acres (the number varied with the Act applicable in different areas) allowed for a landowner. The tenant in the permissible (below the maximum area allowed by the Act) area could be evicted only if a certain amount of land was left with the tenant. An optional right to purchase the land was given. As mentioned earlier, the provision for voluntary surrender was abused by the landowners resulting in large scale eviction of tenants.

The Green Revolution made agriculture profitable, leading to large farmers requiring greater amount of land for cultivation. They mostly fulfilled this requirement by leasing-in from small farmers who were forced to lease-out due to shortage of capital. Eventually many of them were forced to work for wages on their own land. No data is available as of 2005.

Rajasthan

Rajasthan Tenancy Act, 1955 gave the security of tenure to the tenants and optional right to purchase the non-resumable area. The tenant could be evicted only on the grounds of non-payment of rent, subletting without permission or willfully damaging the land. It is estimated that about 1, 30,000 tenants gained ownership over 6,70,000 acres. As of 2005, the numbers of tenants increased to 1.8 lakhs. The land reforms, thus, had marginal impact on the landowning pattern of the state.

Tamilnadu

The Madras Cultivating Tenants Protection Act, 1955, gave security of tenure to the tenant and gave the right to regain alienated land. Except on certain conditions like non-payment of rents etc, the landlord could not evict the tenant.

Landlords were given rights to resume cultivation in the half of the leased-out areas. A ceiling was fixed beyond which the landowner could not resume cultivation. Further, the Tamilnadu Occupants of Kudiyirippu (conferment of ownership) Act 1971 and Tamilnadu Rural Artisans (conferment of ownership) Act, 1976 gave right of ownership of land to the agricultural labourers and the rural artisans. Like in other area where agriculture has become a profitable venture leasing-out by small and marginal farmers to large farmers has taken place. Besides the position of the tenants in many areas are insecure. As of 2004, 4.98 lakh tenants over the area of 6.95 lakh acres benefited from these measures.

Tripura

The Tirpura Land Revenue and Land Reforms gave the security of tenure to the tenant over non-resumable area of the landlord and the optional right to purchase the land. The performance of the state is better than of other states. As of 2004, 0.14 lakh tenants over the area of 0.39 lakh acres benefited from these measures.

Uttar Pradesh

The Uttar Pradesh Abolition and Land reforms Act, 1950 gives the tenants security of tenure without any right of resumption by the landlord. Leasing has been prohibited but continues in a disguised form. No data therefore is available from the state.

West Bengal

The West Bengal Estates Acquisition Act, 1953 brought all cultivators in direct contact with the state and gave them permanent, heritable, and transferable rights over the land. West Bengal is considered a better performing state. As of 2004, 14.60 tenants benefited from the measure.

Achievements and Failures

According to the 2005 Annual report of the Ministry of Rural Development the number of beneficiaries of the tenancy reforms is 124.22 lakhs and the total area over which their rights have been protected is 156.30 lakh acres. The state wise details are shown in Annexure I. However, progress has been less than satisfactory. The Third Five Plan reviewing the tenancy legislation, said that “in practice the impact of tenancy legislation on the welfare has been less than was hoped for”. Here too, some states account for most of the successful implementation of the tenancy legislation. Kerala, West Bengal, Maharashtra, and Assam accounted for the more than 60 per cent of the tenants protected. Based on the report of the 37th N.S.S., Appu calculates that tenant got ownership on about 4 per cent of the operated land.

Kerala and West Bengal are two states where tenancy reforms have been relatively successful. Political will, mass organizations of insecure tenants rather than superior tenants and presence of these sections in the political parties, are the important reasons for the success. In Kerala the tenants got tenancy rights, and this included hut dwellers who were landless. In West Bengal the sharecroppers were given security of tenure and right against arbitrary eviction under Operation Barga. Rents were regulated and the rights were made hereditary. It is estimated that around 14 lakh sharecroppers/bargadars benefited from the process.

There were major failures also. The whole process of reform was carried on in an unsatisfactory manner. Again, like in the abolition of intermediaries, there was no support from the administration. Tenancy reforms can only be implemented if there is proper recording of the tenancies. This was not always available because most of tenancies were done orally and often not recorded.

However, the most negative consequence was the actual loss of tenant's rights in many areas. Here too the landowners took advantage of the right to resume personal cultivation. Thus, ironically in many places where tenants previously had customary rights, they lost even that after the tenancy reforms. One estimate put these loses at about 30 per cent of the total operated land. (Ray, S.K in Rao and others (ed) 2005; 220-237)

The incidence of tenancy has fallen according to the National Sample Survey estimates, but it is still a long way before it become done away with. On the other hand, there has been increasing tendency for small and marginal landowners leasing-out their land to larger farmers. This is especially true of the Green Revolution areas, where large farmers using big capital and modern technology, have converted agriculture into a capitalist mode of production. In such cases laws to regulate tenancies are working adversely for the small and marginal farmers.

Check Your Progress 2

Note: i) Space is given below for each question for your answer.
ii) Check your answer(s) with the text.

1) What are the types of tenants present in India and how has land reforms benefited them?

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8.4 IMPACT OF LAND CEILING AND DISTRIBUTION OF SURPLUS LAND

The meaning of land ceiling is that 'there should be an absolute limit to the amount of land which any individual may own'. These limits become necessary as there are large inequalities in land ownership in the countryside. Land ceiling was implemented in two phases: (1) From Independence to 1972, and 2) from 1972 to the present.

Phase I

The major issues related to land ceiling according to the Second Five Year Plan are:

- a) Where should land ceilings be applied
- b) The levels at which the ceiling may be fixed

- c) What exemptions should be made
- d) What steps are necessary to prevent malafide transfers
- e) What should be the required rate of compensations, and
- f) How should redistribution of lands be done.

The Second Plan discussed the level at which the ceilings to land should apply. One option was to fix the ceiling at the individual level i.e. individual holding and another option was to fix the ceiling at the family level i.e. family holding which is calculated according to the number of adults in the family. In case the number of family members were more than five ceiling on the family was raised to the maximum of six members. The states were allowed to choose the level where land ceilings should apply. The Plan suggested that the ceilings should be fixed at three family holding; a family holding being equivalent to a plough unit or a work unit for a family working with such as is customary in agricultural practices. Here too the states were given freedom to fix the size of the agricultural holding according to the soil conditions, irrigation facilities etc. The Plan suggested ceiling exemptions to certain categories of land like tea, coffee and plantations, orchards, specialised farms engaged in cattle breeding, dairying, efficiently managed farms on which heavy investments and structural improvements can be done. Regarding the compensations to be paid by the landowners, it suggested that they be paid in bonds which can be redeemed over long periods like 20 years, Land obtained after ceilings should be distributed to the landless, the displaced tenants and the farmers with uneconomic holdings.

West Bengal and Jammu & Kashmir were the two states which formulated and implemented the land ceiling Acts before 1961. Both these states had fixed area of ceiling. In J&K the ceiling was fixed at 22½ acres for a landowner without any allowance for differences in quality of land and size of the land. According to Appu (ibid; 144) the performance of these two states were good. By 1961, all the states had passed ceiling Acts. But their performance was less than satisfactory. By 1970 the land that was declared surplus stood at a meagre one million acres and in that only about half million was distributed.

Phase II

A renewed effort by governments to enforce land ceilings and reduce the level of land ceilings was initiated in 1960s, as it became clear that the progress was tardy. A meeting of Chief Ministers was held in Delhi in 1969 and reviewed the measure undertaken for land reforms after the introduction of High Yield Variety Seeds and intensive cropping. It was felt that with the new agricultural technology available, even small sized farms of 1-2 hectares became economically viable. It also noted the increasing agrarian tension and identified lack of land for large numbers of rural poor as the major cause. It recommended that suitable amendments be made to (a) reduce the existing ceiling limit, (b) make conditions of transfer more stringent to prevent malafide transfers, and (c) reduce evasions due to liberal exemptions. Some states like Kerala and Tamilnadu immediately reduced the land ceilings in their respective states.

Another meeting of Chief Ministers was held in 1972, which recommended the following changes: (a) reduction of land ceiling to 10-18 acres for land which could produce two crops a year, upto 27 acres for one crop land and 54 acres

for other types of land, (b) the family with husband and wife was to be the unit of application of ceiling, and (c) exemptions were to continue for certain limited categories.

The ceilings have been reduced according to the guidelines in all states, except in Rajasthan, Uttar Pradesh, Karnataka, and Himachal Pradesh.

Achievements and Failures

Since inception till March 2003, the total quantum of land declared surplus in the entire country is 73.36 lakh acres, out of which about 64.81 lakh acres have been taken possession of, and 52.93 lakh acres have been distributed to 56.73 lakh beneficiaries, of whom 36 per cent belong to Scheduled Castes and 15 per cent belong to Scheduled Tribes. An area of 8.49 lakh acres has been involved in litigation. *Annexure II shows the list of the states with their performances. The numbers of SC & ST beneficiaries are also given.*

The land which has been declared surplus and distributed constitute less than 2 per cent of the total cultivated land. Hence, it cannot be said that there was a major impact on the land distribution in the country due to this step. However, can be claimed that the step has prevented further concentration of land. One indicator of this is the reduction in the percentage and absolute land below 10 hectares.

Also, there was a serious failure with the implementation of the land ceiling and distribution of land components. Absence of land records, benami records, corrupt patwaris, indifferent bureaucratic leadership and lack of political will, contributed to the failure of the programme.

8.5 CUMMULATIVE IMPACT OF LAND REFORMS ON THE SOCIETY AND ECONOMY

Impact of Land Reform on Social Structure and Political System

Most observers of the land reform have judged its performance as a limited success. Daniel Thorner and Ladejinsky, while pointing out the limitations and failures, affirm the view that land reforms have made some major changes in Indian society.

Reducing inequalities in rural areas: Land reforms, along with other factors like increased democratization, rising political consciousness and participation and mobilization, has played an important role in the reducing inequalities in rural India. Landlessness and insecure tenancies forced most of the rural population to be dependent on the landed minority which often lead to exploitation. The problem also has a caste dimension. Generally, it is the upper castes which owned most of the land while the shudras and the untouchables were mostly tenants and agriculture labourers. Consequently, caste-based inequalities and oppression is related to land ownership. This situation went against the letter and spirit of the Constitution, which promised justice – social, political, and economic. Thus, the land reform programme was a step towards the realization of these goals. In areas where land reform has not been implemented, the inequalities have persisted, caste oppression is most acute and have generally experienced low socio-economic development.

Rise of new political forces: The political process in the decades after Independence was dominated by the client patron model. The rural elite usually from the dominant castes would persuade or force the lower caste members to vote for the candidates of their choice. Therefore, the major concern of the political parties was to ensure that the dominant caste members of the rural areas support them. However, along with other changes like growing political consciousness, greater competition among elite's land reforms paved the way for the rise of new political forces in the country. Most of the new forces were from the sections which can be called superior tenants. They belonged to the middle Shudra castes – the Yadavs, the Jats and the Ahirs. They were the major gainers in the land reform programme and it gave them sufficient economic strength and independence to assert themselves politically. These sections were also able to take advantage of the government initiatives to increase food production through use of hybrid seeds, fertilizers, and provision of irrigation facilities. Rudolph and Rudolph (1987) have called these groups 'bullock capitalists'. Many of these groups began to organize themselves politically and were able to gain political power directly or indirectly. They constitute a pressure group, which no government can afford to ignore and many of their demands like subsidised power, fertilizers etc. have been almost always met. The participation of the backward classes deepened Indian democracy and made it more participatory and inclusive. It has also made the political system more competitive and complex.

Consequences of incomplete land reforms: On the other side, the failure of the land reforms to benefit the agricultural labourers and the landless most, of who belong to Schedule Castes and Schedule Tribes, has been a growing concern. The lack of growth in jobs in the non-agricultural sector has further contributed to poor condition of these groups. Related to this is the problem of Left extremism, popularly called, Naxal movement. The core issue that attracts the people to such movements is landlessness and tribal land alienation. Again, it is mainly in areas where remnants of feudalism still survive that the support bases of these groups exist and flourish.

Land reform and land inequality: Land reform is basically aimed at asset distribution for a more egalitarian society. Has land reform made a major influence in the land ownership pattern in the country? As we have already seen, only about two per cent of the cultivated land was distributed, which could not have had a large impact on the landowning pattern. The Gini coefficient of ownership holding was 0.710, 0.713 and 0.716 and of operational holding were 0.586, 0.629 and 0.672 in 1971, 1981 and 1991 respectively, indicating that landholding patterns have become more and more skewed over the years. However, this does not mean that there has been no significant change in the land ownership pattern.

The distribution of ownership holdings in rural India from 1952-53 to 1982 shows certain changes. In 1952-53 large holdings was 52.51 per cent of all landholdings and households owning these holdings constituted 7.72 percent of all landowning households. By 1982 the percent of large holding to all holdings had declined to 33.26 per cent and the households owning these holdings were only 3.98 per cent of all landowning households. The number of landless households experienced a percentage decline from 23.09 per cent to 11.33 per cent. During the same period, the share of area under sub-marginal holdings, marginal holdings, small holdings, and medium holdings increased from 1.36

percent to 2.75 per cent, from 4.86 percent to 9.47 per cent, from 12.40 per cent to 16.49 per cent and 31.18 per cent to 38.03 per cent respectively. Similarly, the percentage of households holding sub-marginal holdings, marginal holdings, small holdings, medium holdings, increased from 24.18 per cent to 36.88 per cent, from 13.98 per cent to 18.43 per cent and from 13.49 per cent to 14.70 per cent. Medium holdings showed a decline from 17.54 per cent to 14.68 per cent. Thus, there has been an increased concentration of land in the middle, especially in the categories of marginal and small holdings. However, there are interstate differences. While the middle concentration of land is more pronounced in the states of Andhra Pradesh, Assam, Madhya Pradesh, Orissa, Rajasthan, and West Bengal, in other states like Bihar, Jammu and Kashmir, Punjab and Haryana, Maharashtra, Tamilnadu and Uttar Pradesh concentration of land has increased. Another important characteristic has been that the percentage of land owned by the top 40 per cent has not changed in majority of the states, except Assam, Jammu and Kashmir, Kerala, Orissa, and Rajasthan. The major causes, apart from land reforms, include the growing population which lead to fragmentation of large holdings.

Did land reform contribute to decline in poverty in India? Besley and Burgess (2000) study of fourteen states show that even the limited land reforms which was implemented in India made a significant impact on the poverty levels. Land reform in general appears to be associated with reduction in rural poverty, with these effects most strongly attributed to tenancy reforms. There was less so due to distribution of surplus land. This is not surprising that less than 2 per cent of the operated land was distributed. The increased security of tenure and removal of fear of arbitrary eviction allowed the tenants to invest more capital and adopt new technologies. Consequently, returns improved and incomes improved. For agricultural labourers, the abolition of intermediaries resulted in the increase in bargaining power, which in turn increased wages contributing to the decline in poverty rates. These observations have been supported by micro studies conducted at regional levels. However, it is conceded that indifferent implementation by the administration limited the efficacy of the reforms.

Check Your Progress 3

Note: i) Space is given below for each question for your answer.

ii) Check your answer(s) with the text.

1) What are the major consequences of land reforms?

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8.6 LET US SUM UP

Land reforms, in spite of its limitations and shortcomings, did have a significant impact on the Indian society and economy. But at the same time, the impact was

not so significant as was expected, nor was it as much as it was in other countries, like China and Soviet Russia. However, it did result in increased democratization of Indian polity and reduction in influence of the dominant sections of the society.

Land reforms were a major issue in the first few decades after Indian independence. But in the recent years the issue has taken a back seat, the major reasons being that the industrial sector and the service sector became priorities for the government and because it began to be felt that further land reforms cannot be implemented due to the non-availability of land. Increased fragmentation of land was not desirable as it resulted in loss in productivity and increased production costs. The government of India is now focusing on the computerization of land records which is a crucial component of land reforms. As seen in this unit the absence of proper and updated records has caused the failure of many policies of the government.

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