

'LAND REFORMS REMAIN AN UNFINISHED BUSINESS'

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If China has continued to be stable in spite of its size, defying the biological dictum that corpulence is a sign of decay, China watchers ascribe it to their land reforms. In India everyone was talking about land reforms but this vital area has taken a back seat with nothing being done.

Land reforms have been half-heartedly attempted at various times and this has proved to be a case of the remedy being worse than the disease. Commenting on the process of land reforms, Prof. M.L. Dantwala observes; "By and large land reforms in India enacted so far and those contemplated in the near future are in the right direction; and yet due to lack of implementation the actual results are far from satisfactory".

Joshi observes: "There is no doubt that during the past twenty five years land reforms in India have not assumed the form of gigantic revolutionary upheaval as in China, or that of a dramatic change brought about from above as in Japan. But from this to jump to the conclusion that the land reforms programme has been a hoax or a total fiasco is to substitute assertion for a detailed empirical examination. India has also witnessed important changes in the agrarian structure, which have gone unnoticed because of the absence of a down-to-earth approach in assessing these changes.

Evaluating the Indian land reforms, a recent comment from G.S. Balla is apt. He observes: "The Indian Government was committed to land reforms and consequently laws were passed by all the State Governments during the Fifties with the avowed aim of abolishing landlordism, distributing land through imposition of ceilings, protection of tenants and consolidation of land-holdings. One of the significant achievements of these acts was the abolition of absentee landlordism in several parts of India. However, land reforms were half-hearted with regard to the imposition of ceilings and security of tenure. Consequently, the skewness in land distribution was not reduced in any significant manner. Further, a very large number of tenants were actually evicted in the name of self-cultivation. In spite of it, land reforms brought about a significant change in land relations in so far as self-cultivation, rather than absentee landlordism, became a predominant mode of production.

The Government of India is aware that agricultural development in India could be achieved only with the reform of India's rural institutional structure. It was said that the extent of the utilisation

of agricultural resources would be determined by the institutional framework under which the various inputs were put to use. M. Dandekar observed: "Among the actions intended to release the force which may initiate or accelerate the process of economic growth, agrarian reform usually receives high priority". The First Five-Year Plan stated: "This (land reform) is a fundamental issue of national importance. The former Prime Minister, Indira Gandhi, emphasised: "Land Reforms is the most crucial test which our political system must pass in order to survive." Land reforms therefore became one of the vital aspects of the agricultural development policy especially after the concept of the Five-Year Plan came to stay.

The important objectives of land reform measures in India were: (1) to enhance the productivity of land by improving the economic conditions of farmers and tenants so that they may have the interest to invest in and improve agriculture, (2) to ensure distributive justice and to create an egalitarian society by eliminating all forms of exploitation, (3) to create a system of peasant proprietorship with the motto of land to the tiller and (4) to transfer the incomes of the few to many so that the demand for consumer goods would be created.

The Second Five-Year Plan emphasised the objectives of the land reforms thus:

- i. To remove the impediments in the way of agricultural production as may arise from the character of agrarian structure and to evolve an agrarian economy conducive of high levels of efficiency and productivity;
- ii. To establish an egalitarian society and to eliminate social inequality;

Again in the Third Plan, the Planning Commission summed up the objectives of land reforms thus "The first is to remove such impediments to increase in agricultural production as may arise from the agrarian structure inherited from the past. This should help to create conditions for evolving as speedily as possible an agricultural economy with a high level of efficiency. The second objective, which is closely related to the first, is to eliminate all elements of exploitation and social injustice within the agrarian system to provide security for the tiller of the soil and assure equality of status and opportunity to all the sections of the rural population". Thus the land reforms in India aimed at the redistribution of ownership holdings and reorganising operational holdings from the view point of optimum utilisation of land. It has also aimed at providing security of tenure, fixation of rents and conferment of ownership.

After Independence, attempts had been made to alter the pattern of distribution of land holdings

on the basis of four types of experiments, namely;

- i. Land reforms "from above" through legislation on the lines broadly indicated by the Central Government, enacted by the State legislators, and finally implemented by the agencies of the State Government.
- ii. Land reforms "from above" as in the case of Telengana and the naxalite movement also to some extent in the case of the "Land Grab" movement.
- iii. Land reforms through legislative enactments "from above" combined with peasant mobilisation "from below" as in the case of controlled land seizure in West Bengal and protection of poor peasants in Kerala.
- iv. Land reforms "from below" through permission of landlords and peaceful processions by peasants as in the case of Bhoodan and Gramdan.

The land reform legislation was passed by all the State Governments during the Fifties touching upon these measures;

1. Abolition of intermediaries.
2. Tenancy reforms to regulate fair rent and provide security to tenure.
3. Ceilings on holdings and distribution of surplus land among the landlords.
4. Consolidation of holdings and prevention of their further fragmentation and
5. Development of cooperative farming.

The Zamindars acted as the intermediaries. Until Independence, a large part of agricultural land was held by the intermediaries under the zamindari, mahalwari and ryotwari systems. Consequently, the tenants were burdened with high rents, unproductive cultivation and other forms of exploitation.

By 1972, laws had been passed in all the States to abolish intermediaries. All of them had two principles in common: 1) abolition of intermediaries between the state and the cultivator and 2) the payment of compensation to the owners. But there was no clear mention about just and equitable compensation. Therefore, the Zamindari Abolition Act was challenged in the High Courts and the Supreme Court. But the Government accomplished the task of abolishing intermediary tenures bringing nearly 20 million cultivators into direct contact with the state. Nearly 57.7 lakh hectares were distributed to landless agriculturists after the successful

completion of the Zamindari Abolition Act. The abolition also had a favourable economic impact on the country. By conferring the ownership of land to the tiller, the Government provided an incentive to improve cultivation. This paved the way for increase in efficiency and yield. This was an important step towards the establishment of socialism and the Government revenue increased. It also ushered in cooperative farming.

The efficacy of the legislation was, however, considerably reduced for the following reasons;

1. The act did not benefit sub-tenants and share croppers, as they did not have occupancy rights on the land they cultivated.
2. Intermediaries were abolished, but the rent receiving class continued to exist.
3. Many landlords managed to retain considerable land areas under the various provisions of the laws. Benami holdings became the order of the day in many States.
4. The problems of transferring ownership rights from the actual cultivators of the land, the tenants, the sub-tenants, share croppers, therefore, remained far from resolved.

Result, land reforms remain incomplete and unfinished.

The tenancy reform measures were of three kinds and they were 1) regulation of rent 2) security of tenure and 3) conferring ownership to tenants.

After independence, the payment of rent by the tenants of all classes and the rate of rent were regulated by legislation. The first Five-Year Plan laid down that rent should not exceed one-fifth to one-fourth of the total produce. The law along these lines has been enacted in all the States. The maximum rate of rent should not exceed that suggested by the Planning Commission in all parts of the States. Maximum rents differed from one State to another - Rajasthan, Maharashtra and Gujarat fixed one-sixth of the produce as maximum rent. In Kerala, it ranges between one-fourth and one-third and in the Punjab one-third. In Tamil Nadu, the rent varies from one-third to 40 per cent of the produce. In Andhra Pradesh it is one-fourth for irrigated land. The rent could be paid in cash instead of kind.

With a view to ensuring security of tenure, various State Governments have passed laws which have three essential aims 1) Ejectment does not take place except with the provisions of law, 2) the land may be taken over by the owners for personal cultivation only, and 3) in the event of resumption the tenant is assured of the prescribed minimum areas.

The measures adopted in different States fall in four categories; First, all the tenants cultivating a portion of land have been given full security of tenure without the land owners having any right to resume land for personal cultivation. This is in operation in Uttar Pradesh and Delhi. Secondly, land owners are permitted to resume a limited area for personal cultivation, but they should provide a minimum area to the tenants. This is in vogue in Assam, Maharashtra, Gujarat, Punjab and Rajasthan. Thirdly, the landowner can resume only a limited extent of land and the tenant is not be entitled to any part of it. This is operating in West Bengal, Jammu and Kashmir.

In Tamil Nadu, Karnataka, Kerala, Andhra Pradesh and Orissa, measures in the form of an order for staying ejectments have been adopted to give temporary protection to the tenants.

Fourthly, legislative measures have also indicated the circumstances under which only ejectments are permitted. These grounds are (a) non-payment of rent (b) performance of an act which is destructive or permanently injurious to land (c) subletting the land (d) using the land for purpose other than agriculture and (d) reclamation of land for personal cultivation by the landlords.

The ultimate aim of land reforms in India is to confer the rights of ownership to tenants to the larger possible extent. Towards this end, the Government has taken three measures: (1) declaring tenants as owners and requiring them to pay compensation to owners in suitable installments (2) acquisition of the right of ownership by the State on payment of compensation and transfer of ownership to tenants and (3) the states' acquisition of the landlords' rights bring the tenants into direct relationship with the States.

As a result of all these measures, 92 per cent of the holdings are wholly owned and self-operated in the country today. In spite of the progress made in this regard, the tenancy reforms are still plagued by deficiencies some of which are: 1) the tenancy reforms have excluded the share croppers who form the bulk of the tenant cultivators, 2) ejection of tenants still takes place on several ground 3) the right of resumption given in the legislation has led to land grabbing by the unscrupulous 4) fair rents are not uniform and not implemented in various States because of the acute land hunger existing in the country 5) ownership rights could not be conferred on a large body of tenants because of the high rates of compensation to be paid by the tenants. The proof of continuous possession for 12 consecutive years to get occupancy rights also led to

tardy implementation of tenancy reforms.

One of the controversial measures of land reforms in India is the ceiling on land holding. By 1961-62, ceiling legislation had been passed in all the States. The levels vary from State to State, and are different for food and cash crops. In Uttar Pradesh and West Bengal, for example, the ceiling on existing holding is 40 acres and 25 acres and on future acquisitions 121/1 acres and 25 acres respectively. In Punjab, it ranges from 27 acres to 100 acres, in Rajasthan 22 acres to 236 acres and in Madhya Pradesh 25 acres to 75 acres. The unit of application of ceiling also differs from State to State. In Andhra Pradesh, Assam, Bihar, Punjab, Haryana, Uttar Pradesh, West Bengal, Madhya Pradesh and Maharashtra, it is on the basis of a 'land holder', whereas in the other States it is on the basis of a 'family'.

In order to bring about uniformity, a new policy was evolved in 1971. The main features were:

- a. Lowering of ceiling to 28 acres of wet land and 54 acres of unirrigated land
- b. A change over to family rather than the individual as the unit for determining land holdings lowered ceiling for a family of five.
- c. Fewer exemptions from ceilings
- d. Retrospective application of the law for declaring benami transactions null and void; and
- e. No scope to move the court on ground of infringement of fundamental rights

Besides, national guidelines were issued in 1972, which specified the land ceiling limit as;

- i. The best land 10 acres
- ii. For second class land 18-27 acres; and
- iii. For the rest, 27-54 acres with a slightly higher limit in the hill and desert areas

According to the figures available till the beginning of the Seventh Plan, the area declared surplus is 72 lakh acres; the area taken over by the Government is 56 lakh acres; and the area actually distributed is only 44 lakh acres. Thus, 28 lakh acres of land declared surplus have not been distributed so far. Of this, 16 lakh reserved for specific public purposes.

The process involved in the distribution of surplus land was complicated and time consuming thanks to the intervention of the court. Many land owners surrendered but only inferior and uncultivable land. The allottees, in many cases, could not make proper use of the land as they

did not have the money to improve the soil.

Several States have passed the Consolidation of Holdings Act. Statistics reveal that 518 lakhs of hectares had been consolidated in the country at the beginning of the Seventh Five Year Plan, which constitute about 33% of the cultivatable land. The food and the agricultural organisation (FAO), after studying the position in Punjab and Uttar Pradesh regarding the operation of the consolidation of holding act, remarked;" A significant reduction in the cost of cultivation, increased cropping intensity and a more remunerative cropping pattern were developed in these two States."

The Planning Commission in the first three Five Year Plans, chalked out detailed plans for the development of cooperative farming. Only two per cent of the agriculturists have formed cooperative societies farming only 0.2 per cent of the total cultivable area. Cooperative farming has certain difficulties to surmount. The big and marginal farmers are sceptical and the small peasants are not easily convinced that the movement would help them.

Assessed from the point of view of two broad objectives namely, social justice and economic efficiency, land reforms, one might say, has been partially successful. Since the adoption of land reforms, the pattern of ownership in the country is changed but one wonders whether it will ensure social justice in the country. Indian agriculture is in a stage of transition, from a predominantly semi-feudal oriented agriculture characterised by large-scale leasing and subsistence farming to commercialised agriculture or marker oriented farming. Another noteworthy feature is the emergence of modern farmers who are substantial landholders and cultivate their land through hired labourers using new techniques.

One of the major negative features of agrarian transition in India is the continued concentration of land in the hands of the upper strata of the rural society. This has not undergone any change in the past five decades, despite the reforms. In fact, leasing in by the affluent farmer is common place.

An outstanding development of Indian Agriculture was the rapid growth of landless agricultural labourers. They constitute about 10 per cent of the agricultural population and make up about 25 per cent of the labour force.

It may be inferred that the steps taken by the Government have not made any significant impact on the agrarian structure to reduce, let alone eliminate the inequality in the distribution of land or

income or to afford to lend the poor the access to the land. It is also true that the land reforms did not seriously jeopardise the interest of the landholders. The structural impediments to production and equitable distribution of rural resources are very much in existence. Social, political and economic power still rests with the elite group who were elite prior to 1947 also.

On the question of increasing productivity, it is difficult to assess the exact contribution of land reforms because productivity has been more related to the technical revolution ushered in the Indian agricultural sector. As Dhingra says, "It is difficult to say either (a) that land reforms did not contribute at all to an increase agricultural production or b) that institutional arrangements alone should be credited with an increase in agricultural production. It is for the future research workers to determine what has been the relative share of institutional and technological factors in agricultural development.

There are many factors responsible for the tardy progress but important among them are the lack of adequate direction and determination, lack of political will, absence of pressure from below, inadequate policy instrument, legal hurdles, absence of correct-up-dated land records and the lack of financial support.

In order to achieve success, the Asian Development Bank has recommended a strategy on these lines; political commitment at the top, administrative preparedness including the improvement of the technical design of enactments, the provision of financial resources and the streamlining of the organisational machinery of implementation, creation of necessary supporting service for the beneficiaries and finally the organisation of beneficiaries themselves.

In this background, the following suggestions may be considered for improvement; breaking up the landlord-tenant nexus, effective implementation of ceiling legislation and distribution of surplus land and simplifying legal procedures and administrative machinery and lastly the potential beneficiaries should be made aware of the programmes.

It is time we thought seriously of land reforms when especially a "humble farmer" is on top. If in the new century we still talk of reforms without effective implementation we will surely miss the bus.