

## A REVIEW OF LAND REFORMS IN INDIA

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### **Abstract**

The levels of living in rural areas to a large extent depend upon the success of agricultural sector. Performance of agricultural sector in turn depends on the success of technological and institutional reforms. Two of the major reasons for rural poverty were unequal distribution of land and exploitation of poor landless tillers by the rich landlords. Given the institutional constraints, even the implementation of technological reforms were not expected to succeed in increasing agricultural productivity, farm incomes and standards of living of the rural poor. Uneconomic size of the land and lack of incentive for increasing land productivity due to absence of ownership were the main bottlenecks which would not allow the technological reforms to succeed. Unless the land-reforms were implemented successfully, the technological reforms were going to be of little use. In this context, the current paper strives to review the land-reforms implemented in India. It tries to assess the scope, measures and limitations of the land reforms. The main objective of the paper is to find out the reasons for the failure of the institutional reforms in bringing about the redistribution of land in favour of the landless tillers and increasing the agricultural productivity.

**Keywords :** Land Reforms, Institutional Reforms, Rural Poverty, Agricultural Productivity

### **INTRODUCTION**

One of the major reasons for poverty in rural areas is low agricultural productivity. Agricultural productivity mainly depends on two factors, *technological* and *institutional*.

The technological factors include use of chemical fertilizers, high yielding variety of seeds, modern equipments and irrigation facilities.

The institutional reforms include the redistribution of land ownership in favour of cultivating class and removing the exploitation of the poor landless farmers.

Just as poor technology and lack of quality inputs is responsible for poor agricultural productivity, institutional factors such as the existence of feudal relations, small size of farms, sub-division and fragmentation, insecurity of tenancy rights, high rents also act as disincentives to the farmers to increase the production.

Of late, the economists and experts believe that land reforms and technological changes are not mutually exclusive. They are actually complementary to each other for the success of agricultural production and productivity.



## OBJECTIVES:

The main objective of this paper is to list down the institutional limitations responsible for low agricultural productivity and rural poverty, review the measures carried out under the land reforms and finally evaluate them in the context of their aims.

### 1. Institutional Factors Responsible for Rural Poverty:

- a. **Existence of intermediaries:** Zamindari system was introduced by Lord Cornwallis in 1793 in Bengal and then it gradually spread in the various parts of the country in different forms. The East India Company appointed few selected people with the responsibility of collecting the land revenue and submit it to the company. These revenue collectors were raised to the status of landowners. Thus a class of intermediaries was born. These intermediaries used to rent their lands to the actual tillers and charged exorbitant amounts of rent from them.
- b. **High rents:** The actual tillers used to put in a lot of hard-work to produce the crop. However, a large part of this output had to be sacrificed to the landlords or zamindars in the form of rent. At times, they had to give up 50% to 75% of their produce as rent. This gradually discouraged farmers from producing more output as a large part of their additional output would be going to the land-owners due to high rents.
- c. **Insecurity of tenure:** The actual tillers who were the tenants had no security of tenure. They were evicted on minor pretexts of several kinds. The actual cultivators did not know for how long they would be allowed to cultivate on the land they were currently cultivating resulting in to great insecurity and stress.
- d. **No ownership rights:** The biggest factor responsible for low agricultural productivity and efficiency in rural areas was absence of land ownership for the actual tillers. Majority of the cultivators were tenants and did not have ownership rights on the lands on which they were farming. As a consequence, there was no incentive to make efforts towards the improvement in the quality of land.

### 2. Scope of Land Reforms:

In the context of the above-mentioned institutional issues and bottlenecks, the government decided to introduce land reforms with the following objectives.

- i) Abolition of intermediaries
- ii) Tenancy reforms like regulation of rent, security of tenure to the tenants and conferment of ownership on them
- iii) Ceiling and floors on land holdings
- iv) Consolidation of holdings and prevention of sub-division and fragmentation of land
- v) Organization of cooperative farming

In a broader sense, land reforms were aimed at reducing rural poverty in the following ways:

- i. Redistribution of land towards the landless by taking away the surplus lands from the large land holders
- ii. Providing security of the tenure and ownership rights to the tenants
- iii. Regulation of rent payable by tenants to the landlords
- iv. Protection of the interests of tribals and preventing non-tribals from encroaching the tribal lands
- v. Promotion of the consolidation of the land holdings to improve the size of operational holdings for increasing the productivity
- vi. Development of public lands thereby providing better access to rural poor to obtain fuel-wood and fodder
- vii. Providing access to women to land and other productive assets
- viii. Providing rural poor with sites to enable them construct residential houses.





### 3. Measures:

1. **Abolition of Intermediaries:** Concrete measures towards abolition of intermediaries started since 1948. Legislation was enacted in almost all the states. Due to the conferment of rights, about 30 lakh tenants and share-croppers acquired ownership rights over a total cultivated area of 62 lakh acres throughout the country.
2. **Regulation of rent:** The legislation for abolition of intermediaries was aimed at providing land to the tiller but it did not put an end to the problem of tenancy. Some leasing was bound to remain. Even with the limit of ceiling, it may not be possible for a family to cultivate the entire land and so some sub-letting is unavoidable. As the tenancy was going to continue, some measures for minimizing the evils of tenancy were inevitable. The rates of rents prevalent were one half of the produce or more. These rents were excessive by any standard of social justice. Consequently, the first and second plan recommended that rents should not exceed one fourth or one fifth of the gross produce. Despite some variations, various states have passed necessary legislation regulating rents.
3. **Security of tenure:** The personal interest of a cultivator in land with rights of temporary tenancy is very less. Tenants therefore take much less care in preparing land, investing capital in the form of wells or tube-wells and putting up permanent fence. The fear of loss of tenancy right discourages all initiatives to make improvements on land, reclaim waste land or make long term schemes for improving soil fertility. Thus for ensuring social justice as well as for maximum agricultural production, it was necessary to enact a law providing security of the tenure. Hence the owners have been given the right to resume a limited area subject to a minimum area is left with the tenant. The ultimate purpose of this legislation is to confer the rights of permanent occupancy or ownership to the actual tillers.
4. **Ceiling on land holdings:** Land reforms in India are based on the belief that all lands belonging to the landlords beyond a certain limit would be taken away by the state and allotted to the landless tillers. Legislation for ceiling on existing holdings and unit of application has been enacted in two phases. During the first phase which lasted up to 1972, ceiling legislation largely treated land holder as the unit of application. However, after 1972, it was decided to have family as the basis of holding. Further the ceiling limit was also reduced to bring about a more equitable distribution of this scarce asset.

### 6. Appraisal of Land Reforms:

The land reforms in India were started with a lot of enthusiasm and aggression. However, soon the enthusiasm subsided and there were some serious limitations in the implementation.

According to Professor, M L Dantwala, "by and large the land reforms in India are in the right direction and yet due to the lack of implementation, the actual results are far from satisfactory."

As far as the land ceiling act was concerned, a very large number of loopholes were left in the ceiling legislation. Consequently, evasion was possible even within the legal provisions. Hence, there was a very little surplus that could be acquired after the imposition of the ceiling. Secondly, the law provided a number of exemptions for sugarcane farms, orchards, mango groves, grazing lands, lands for charitable and religious trusts, cattle breeding farms etc. All these provisions of exemption were used by the vested interests to evade ceiling on holdings.

Similarly, owing to the weak position of the tenants, the law regulating rents is observed more in its breach than in its compliance. When there is pressure on land and the social and economic position of tenants in the village is weak, it becomes difficult for them to seek the protection of law. Moreover, resort to legal processes is costly and generally beyond the means of tenants. Thus, in many ways, despite the legislation, the scales are weighed in favour of the continuance of existing terms and conditions.

The principal reasons for poor implementation of land reforms were lack of political will, absence of pressure from below because the poor peasants and agricultural workers are passive, unorganized and inarticulate, lukewarm and often apathetic attitude of the bureaucracy, absence of up-to-date land records and legal hurdles in the way of implementation of land reforms.





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