UNIT 1  LAND RELATIONS IN PRE-BRITISH INDIA

Structure

1.0 Objectives
1.1 Introduction
1.2 Land Tenure System in Pre-Mughal Period
1.3 Land Tenure System During Mughal Period
   1.3.1 Land Revenue System
   1.3.2 Intermediaries and Land Rights
   1.3.3 The Jagirdars
   1.3.4 The Zamindars
   1.3.5 The Village Community
   1.3.6 The Peasant and the Ownership of Land
1.4 Land Relations in Eastern India
1.5 Western India: Land Revenue and Rights
   1.5.1 Land Revenue
   1.5.2 Land Rights
1.6 South India: Land Revenue and Tenancy
   1.6.1 Land Revenue
   1.6.2 Land Tenure Structure
   1.6.3 Tenancy
1.7 Let Us Sum Up
1.8 Key Words
1.9 Some Useful Books
1.10 Answers/Hints to Check Your Progress Exercises

1.0 OBJECTIVES

On going through this unit, you will be able to explain:

- the nature of land relations during the pre-British rule, particularly the Mughal period;
- the presence of intermediaries between the state and the peasant; and
- regional variations in revenue collection arrangements and property rights.

1.1 INTRODUCTION

It is true that technological factors such as fertilizers, HYV seeds, controlled irrigation and scientific implements play an important role in agricultural development. But ‘institutional factors’ such as owner or tenant cultivation, absentee landlordism, indebtedness of the cultivators, etc. also play a significant role in stimulating or obstructing agricultural growth. In fact, application of technology in agriculture itself substantially depends upon the kind of institutions, which exist in a particular region. The more successful forms of peasant agriculture appear to have emerged where owner-cultivation was dominant. It is observed that the green revolution technology has been more successful in rorlwari and mahalwari areas dominated by peasant proprietors. And since the existing tenurial structure is the result of gradual process of evolution, influenced by social, political and economic factors, it becomes essential to look into the process of evolution of tenurial structure.
In this unit we will discuss some of the basic issues related to ownership and cultivation of land during the pre-British India. During that period land was relatively abundant compared to demand. Moreover, wasteland was easily available for reclamation in some areas. In this environment some basic issues arise: whether the owner cultivated his land or leased it out; whether the owner was allowed to sell his land; whether land was inheritable or not; how land tax was collected from the cultivator; what percentage of the agricultural produce was collected as tax; and what the punishment was for non-payment of tax.

1.2 LAND TENURE SYSTEM IN PRE-MUGHAL PERIOD

We cannot hold a detailed discussion of land tenure system in the pre-Mughal India in the present course. However, before giving an account of the tenurial system of the mughal period, it is worthwhile to have a brief idea about the nature of ownership of land during ancient period.

The question of ownership in land has been discussed by economic historians and their conclusions are largely confined to two options, the state or peasant ownership. Various combinations of the state’s and the peasant’s rights have also been suggested. It is argued that the proprietorship in land originated with the act of reclamation, and the peasant who reclaimed and converted the forest into arable land became the proprietor of that land. The king did not have any property right in land except the right to a share of the produce in return for ‘affording protection to his subjects’. However, D. N. Jha argues that an individual proprietor exercised only a qualified ownership over his land, the king being its ultimate lord. On the other hand, Irfan Habib accepts the existence of private property in land but at the same time notes that peasant did not have the right to free alienation of land. But most scholars agree that the peasants held permanent and heritable occupancy rights in land and the king was not expected to evict them. In those early days, cultivation of land was strongly insisted upon. The individual peasant enjoyed the right of use as long as he cultivated the land. Sir Henry Maine points out that each family had the duty of submitting to the common rules of cultivation and pasturage. Grazing ground and forest tracts adjoining the village were the common ownership of the entire village community.

The revenue paid by the peasants was generally a share of the produce. The method adopted was either through actual division of the peasant’s produce or state’s share was estimated by inspection of the growing crop. Even sometimes an average or standard figure was determined for the state’s share from the unit area of each crop. The collection of revenue was generally through various officers. They were authorized by the king to collect state’s share of revenue and to retain a portion of it as payment for their services. Gradually, these offices became hereditary. Consequently, layers of intermediaries developed between the state and the cultivators.

1.3 LAND TENURE SYSTEM DURING MUGHAL PERIOD

The discussion in this section is in general relevant for the whole of Mughal India. But, particularly, it conforms more to the northern and central parts where Mughal rule was more entrenched. Distinguishing features of land tenure systems in other regions will be investigated later in the sections on Eastern, Western and Southern India. We will discuss two aspects, viz., land tenure and taxation on land. Both these aspects are not independent of each other, which makes the identification of different types of land rights in India difficult. So to understand the land tenure structure we will start our discussion with land revenue system.
1.3.1 Land Revenue System

The simplest form of land revenue was crop sharing. From this simple sharing, we can trace the evolution of other systems of assessment, which were designed to reduce the burden of work and expenses for the Mughal administration. One such method of assessment was *Kankut* (Kan = grain, Kut = estimate). Initially under this method production of each crop was estimated first by estimating yield per unit of land at the current harvest and then multiplying it with area under that crop. Tax was calculated on the basis of the proportion it was supposed to bear to the produce. Later on, to remove the discretion of officials, the *Kankut* was modified into *Zabt* (measurement) where instead of leaving the yield to be fixed at each harvest, a standard schedule for different crops was promulgated for a longer period. During Akbar’s time, on the basis of detailed information collected for the period of ten years on yields, prices, and areas cultivated for each locality, the revenue rates were fixed directly in cash for each crop. However, in addition to this standard system of cash revenue, other methods of assessment such as crop-sharing (*batai*) and *Kankut*, continued in certain villages or for certain crops. Moreover, during crop failure, due concession was made in collection of tax in ‘crop-less’ areas.

Whatever may be the methods of assessment and collection, one major aim of the Mughal administration, according to Irfan Habib, was to take away the bulk of the peasant’s surplus. The shares of the crop taken under the ‘*batai*’ or Kankut varied with crops and localities. The norm seems to be one-half in the less fertile regions, and substantially more in the more fertile regions.

In Northern India, the unit of assessment was the village. The revenue due from a village was fixed with reference to its productive capacity usually for the year. But this sum was not distributed by assessors over the individual peasants. Inside the village the individual peasants contributed to this revenue on the basis of one or other of the familiar systems - either on an estimate of the produce gathered, or by rates on the area sown, or by lump sum payable for the land holding.

The collection of revenue was enforced by several methods. Non-payment of revenue was deemed equivalent to rebellion. While eviction was not unknown as a punishment, the more usual method seems to have been imprisonment and torture of the village headmen, followed by the massacre of the adult male population and enslavement of women and children.

1.3.2 Intermediaries and Land Rights

Theoretically the king was the sole claimant to the land revenue. But, as a matter of fact, the assessment and collection of the revenue was largely through the members of a small ruling class. Large areas of cultivated land were given to them revenue-free; and where revenue was levied on their land it was often at substantially lower rates. We discuss below about the intermediaries.

1.3.3 The Jagirdars

The *jagirdars* were the king’s officers enjoying land-gifts. These were the persons who held ranks (*mansabs*) granted by the emperor. Each rank entitled its holder (*mansabdar*) to a particular amount of pay which was usually met by assigning an area (*Jagir*) that was officially estimated to yield an equivalent amount of the revenue. These ranks (*mansabs*) were not inheritable, though it was normal practice to allow the relations of higher mansab-holders to continue with their mansabs. The temporary character of *Jagir* strengthened the control of the emperor over the *Jagirdars*. According to Abul Fazal, a mansab-holder was entitled to a *Jagir*, but not to a particular tract of land in Jagir, and not the same land year after year. The *mansabs* (and hence *Jagirs*) were revised from time to time to award promotions or demotions.
Thus it seems that a Jagirdar had no permanent rights on his assigned area. Theoretically his claims were also confined to the authorised land-revenue and taxes. But, in practice, the Jagirdar was a much more powerful person specially if he happened to be a big assignee enjoying police jurisdiction as well. In fact, a large proportion of land was under such Jagirs. It is estimated that, in 1646, a mere sixty-eight princes and nobles at the top claimed 36.6 per cent of the total revenue demand of the empire and the next 587 officials claimed nearly 25 per cent. The remaining 7,555 mansab-holders claimed between a quarter and a third of the revenues. Thus the larger portion of the land lay within Jagirs.

In Irfan Habib’s opinion, it was within the powers of a Jagirdar to remove a zamindar. As for peasants, the Jagirdars claimed powers to detain them to land, like serfs, and bring them back, if they ran away. It is widely believed that in the later period of Mughal empire the Jagirdars resorted to oppression and extortion of the peasants because, unsure of holding particular areas for a longer time they had no regard for the long-term prospects of revenue collection.

As mentioned earlier, during Mughal period, revenue demand was very high and more than half of the gross produce was taken away from the peasants. Though peasants held permanent and heritable occupancy rights in land, bulk of the agricultural produce of the empire was placed in the hands of numerically very small class of Jagirdars.

1.3.4 The Zamindars

The Zamindar is a Persian term which means holder of land (zamin). The frequent use of this term began from Akbar’s time onwards for any person with any hereditary claim to a direct share in the peasant’s produce. The basic right of Zamindar was his claim to impose certain levies on the peasants over and above the land-revenue assessment. Irfan Habib also refers to other cesses and perquisites of Zamindars such as house tax and levies on forest and water produce, since these are specified among the rights transferred in zamindari sale deeds.

Though claims of zamindars were originally distinct from land revenue, the role assigned to them in the Mughal revenue system tended to blur these distinctions. In a large part of the Mughal empire, the Zamindar was expected to collect the tax from the primary cultivators, in return for an allowance of one-tenth of the collections, given either in cash or in allotment of revenue-free land.

The zamindars often claimed to derive their rights from settling a village and distributing its lands among the peasantry. Theoretically, they also had the right to evict peasants, but land being more abundant than labour in practice the right to evict the peasant had much less significance.

In Irfan Habib’s opinion the zamindari right was in itself an article of property. It was inherited according to the same laws and customs as governed the inheritance of other property. Zamindari right was also freely sold. Some zamindaris were actually mortgaged to professional money-lenders. Provision for transfer of zamindari rights also enabled persons who had accumulated wealth out of the extraction of land revenue, such as petty officials, revenue grantees, etc., to transform themselves into zamindars. But it was rare to find merchants buying up zamindaris.

Zamindar and peasant-held villages were found side by side in the same district in Mughal empire. Even sometime in a peasant village, Mughal administration created new zamindaris. During the decline of Mughal empire, zamindari rights was created even by force. Sometimes peasants of a village also sold away their rights to a person, who became the zamindar of that village. At the same time, there are numerous instances of fresh villages being settled without the intermediation of zamindars.
Thus during the Mughal period two groups of revenue extractors, viz., jagirdars and zamindars, whose involvement in agricultural production was almost nil, were of enormous importance. What the producer was supposed to pay was fixed in law by imperial regulations. What was actually taken depended on the power and inclinations of Jagirdars and Zamindars. During the declining days of the Mughal empire this system became quite oppressive.

1.3.5 The Village Community

A notable feature of village life in pre-British period was the combination of agricultural work with manufacturing processes with an unalterable division of labour. Production was mainly for direct use and the surplus after payment of revenue was marketed. Relationship of the village with town was one way and it hardly received anything in return and provided for almost all of its needs from within the village. Normally the peasants of the village claimed the same ancestry and so belonged to the same brotherhood (bhaichara). This fraternity by invoking ties of blood bound the peasants in unity far stronger than could have been expected among mere neighbors. Authority in the village was exercised by a group of elders, traditionally a council of five persons, the Panchayat.

But the earlier contention that peasants had common ownership in land is disputed by many scholars. It is suggested that the individual families had their separate holdings and only the forest and grazing grounds were held commonly. Of course there were certain other spheres, outside production, where peasants acted collectively. In the village every peasant paid his share into the common financial pool from which the land-revenue, the demands of officials, the repayment of any common loan (specially raised during natural calamities to pay the part or whole of the land revenue of the village), and expenses for the economic, social, and even spiritual benefit of the village were met. Even in the case of abandoning of a village and migration to some other areas, villagers normally decided collectively.

Views also differ over the homogeneous nature of peasantry. Economic differentiation within the peasantry had emerged during the Mughal period. Irfan Habib point out that in Northern India as well as in other parts of the Mughal empire there were some large cultivators raising crops for the market; and there were small peasants, who could barely produce foodgrains for their own subsistence. Beyond this differentiation among the peasantry, there was still sharper division on the basis of caste. Depending upon their resources in seed, cattle and money, peasants might cultivate larger or smaller plots. But larger land holdings were linked to, and often resulted from, superior position or status secured either as headmen (muqaddams) or as members belonging to dominant elements of the village (kalantran), in contrast to the small peasantry (rezariaya). The village headmen often had revenue-free allotments, amounting to 2½ per cent of the total, and the superior elements were often assessed at lower rates of revenue than ordinary peasants.

Another source of strength of the rich peasantry was associated with the land-revenue system. The basic units of revenue assessment and collection being a village, it was natural for the revenue authorities to rely upon the headmen or a small group of upper peasants. This dominant group fixed tax rates for each peasant, collected it, and put it in a pool. From this pool the land revenue would be paid, so also certain other common expenses including the fees and perquisites of certain officials. Those who controlled the pool usually evaded paying their own due share of revenue. Lower rates were also levied upon some favoured elements. The smaller peasants, forming the bulk of the peasantry, were thus called upon to pay more than their due share of the revenue in order to make up the total. Thus the internal contradictions started emerging within the peasant communities.
1.3.6 The Peasant and the Ownership of Land

Now let us consider the crucial question of who was the landowner. This was the question which, after the conquest of India, British administrators addressed to themselves. In fact in the years preceeding the Permanent Settlement in Bengal, the English circulated some questionnaires with a view to eliciting 'official' opinion concerning various land rights. The question most often asked was “who is the owner of the land-the ruler (hakim) or the zamindar?” It will be noticed that the question as formulated excluded the peasants from consideration altogether.

However, most of the scholars today agree with the view that king was not the owner. Numerous Mughal government documents refer to private persons as owners (maliks), holding malkiyat or ownership of land. In Aurangzeb’s farman to Muhammad Hashim the terms maliks and arbab-i-zamin (landowners) are clearly used for ordinary cultivators or peasants. But the crux of the matter really is whether the substance, not merely the name, of the peasant’s right was such as to deserve the application of the term ‘proprietary’ in its strict juridical sense.

On the one hand, there was general recognition of the peasant’s title to permanent and hereditary occupancy of the land he tilled. In case he was found incapable of cultivating land or had abandoned it altogether, land was given to another peasant for cultivation. But if at any time, the malik recovered his ability to cultivate it or came back to it, the land was to be resorted to him. On the other hand, there was no question of really free alienation, which is an essential feature of modern proprietary right. The readiness with which authorities recognized the peasant’s right of occupancy and the anxiety they showed to prevent him from leaving the land were both natural in an age when land was abundant and peasants scarce. Sale of land might also not be possible because there was no scarcity of land and the revenue burden was quite heavy. The peasant, in such a situation, might not often succeed in finding buyers. The peasants thus enjoyed the permanent and hereditary right of occupancy but did not possess the right of free alienation.

In fact, the rights which in aggregate constitute ownership, in the true sense of the word, were not as a rule vested in one-person, but were distributed irregularly among the various parties connected with the land. Moreover, the collapse of the Mughal administration had produced an environment in which might (force) counted more than right. The interests were traditionally multiple and the notion of an absolute and exclusive form of proprietorship was alien to India.

Check Your Progress 1

1) Why is it that the peasant ownership of land during Mughal Period is so debatable? Answer in 50 words.

................................................................................................................................................
................................................................................................................................................
................................................................................................................................................
................................................................................................................................................
................................................................................................................................................
................................................................................................................................................
................................................................................................................................................
................................................................................................................................................
................................................................................................................................................
2) Point out the features of the Indian village community during the pre-British period in 3 sentences.

........................................................................................................................................
........................................................................................................................................
........................................................................................................................................
........................................................................................................................................

3) State whether True or False:
   i) During Mughal period more than half of the gross produce was taken away as revenue.
   ii) It was within the power of a zamindar to remove a jagirdar.
   iii) In the Mughal regime both zamindar and peasant ownership were prevalent.
   iv) During the Mughal period revenue actually taken away was more than that fixed by imperial law, depending upon the power of the intermediaries.

1.4 LAND RELATIONS IN EASTERN INDIA

The investigation of land relations during Mughal period in Bengal is of particular interest, because it was here that the early British administrators acquired the terminology which they carried with them to the North. Bengal stood apart from other provinces because the revenue system in force here was the one known as mugtai, a fixed demand. The revenue was levied in cash, at rates per unit of land, or in lump sums covering entire villages, the same amount being levied year after year, until, as a special measure, there might be a revision or enhancement. According to James Grant, initially the revenue demand fixed in 1582 by Todar Mal represented around one-fourth of the average produce. In 1658 there was an enhancement of 13 per cent. After that successive levies were made on the zamindars in the form of cess, although the basic demand remained unchanged. But Moreland does not agree with James Grant’s account, specially, his statement that the basis of assessment was one-fourth of the produce. Moreland considers that in Todar Mal’s time the state’s claim was uniformly one-third.

Unlike northern India, in Bengal the imposition of revenue-demand was not upon the peasants but upon the zamindars. Bengal zamindars were different from the zamindars in other parts of Mughal empire. Here the zamindar was called upon to answer for the payment of land revenue within the area of his zamindari. He collected the land tax (or rent) from the peasant at rates fixed by custom or by himself and paid the amount imposed upon him by the administration. The balance left with him constituted his income. In other parts of the Mughal empire the zamindar was expected to collect cash and allot revenue-free land.

Land revenue system in Assam, which had evolved during the long Ahom rule (1228-1818) was entirely different. According to B. Chaudhuri, under Ahom rule the payment of revenue in the form of cash or produce was of a limited extent. The fiscal system in Ahom rule was based on labour services of the entire community, mostly in connection with the defence of the kingdom as the Ahoms had no regular standing army. Occasionally, people were engaged for the maintenance of public works also. The male population was divided into groups called khels, each khel being further divided into smaller units (gots), composed of three to four males (paiks). In times
of peace only one paik of each got served the state, usually for three or four months in a year, the other members looking after the cultivation of his land. During wars all the male members were called up, with the women and children looking after the entire cultivation. Each paik family, in return for such services, got free of rent two puras (about 2.66 acres) of wet land, in addition to a piece of land, also rent free, suitable for homestead or garden, and could add to its holding by reclamation of wasteland where this was plentiful. The Ahom king entrusted the administration and the defence of the realm to the Assamese aristocracy. The economic power of this group was largely derived from the income from their rent-free estate, which were worked mostly by servants and also partly by free paiks.

1.5 WESTERN INDIA: LAND REVENUE AND RIGHTS

Western India comprises roughly the narrow coastal area from the Rann of Kutch to north Kanarah, the wide flat Gujarat plains and the Deccan Plateau. Most of this region had been under Mughal empire.

1.5.1 Land Revenue

As described by H. Fukazawa, in this region, the village agricultural land was normally divided into (1) ordinary owned land (miras jamin) (2) gifted or exempted land (inam jamin) (3) state land (khalsa jamin) and (4) land of extinct families (gat kul jamin) or wasteland.

In the official documents a distinction is made between the imposition upon miras land to be paid to the state and that upon inam land to be paid by tenants to inam holders. The former imposition was called land tax (sera) while the latter was called rent (dhara). Similarly imposition upon the khalsa land as well as newly cultivated wasteland was also termed dhara. But in actual practice this distinction may not be much significant because land revenue, whether tax or rent, was as a rule assessed and levied in cash on different soils and different crops through very complicated procedure. Revenue was sometimes also assessed on crop-sharing basis. Shivaji fixed the revenue burden between one-third to two fifths of the produce. In general, the revenue rate was gradually increased during the eighteenth century due to the financial difficulties of the Peshwa government. Of course, Brahmans and government officials were usually treated with special favour in revenue matters under the Peshwas. On the other hand, the Maratha government also encouraged the extension of cultivation to wastelands by offering various favorable terms to the peasants especially to the aparts (temporary peasants) of other regions.

A large portion of the revenue was more or less assigned temporarily to the state officials and aristocrats as their salary. The officials responsible for the collection of revenue from the village headmen in their assigned areas were hereditary chiefs called desmukhs (desai in Gujarat) and hereditary accountants, despande. They were often called zamindars in the official documents. In the Deccan Muslims kingdom the assignees widely exercised administrative authorities over their assigned territories. However, when the Mughals conquered the Deccan during the seventeenth century they successfully curbed such authority and specified the amount to be collected.

1.5.2 Land Rights

Fairly complete private ownership was recognized in miras land as well as inam land. Maratha government never forfeited miras land for failure to pay the land revenue, but had to resort instead to temporary possession of the land, imprisonment of the mirasdar, or collection from other mirasdars. Some scholars are of the view that
government could not increase the land revenue on miras lands; but since it could always levy additional cesses, and frequently did, this theoretical prohibition had not much force. *Inam* land, on which the land revenue was very low, was held by temples, village officials, artisans and servants. When land-holding families died, their land lapsed to the village and were treated like the wasteland of the village. The village headman (*patil*) might convert this land into *miras* land for himself or the village assembly could gift it to some willing peasants or sell it as *miras* land. In addition to it, state land was also in abundance all over Maharashtra.

In each village there were hereditary village officers such as headman (*patil*), accountant (*kulkarni*) and assistant headman (*chaugula*). These officers used to own more or less large *miras* land. They were allowed by the government to have some *inam* land as well. Moreover, they were entitled to receive some amount of produce from peasants and village artisans. Their office and accompanying *inam* land as well as privileges were called *watan*. This was not only heritable but saleable and transferable with the acknowledgement of state authorities and village assembly. A second group of people in the village was proprietary peasants called *mirasdars*. Mirasdar peasants, mostly *kunbis* by caste, were permanent resident of the village and paid both the regular revenue and miscellaneous cesses for the state on their miras land.

A third group in the village was of *upari* (literally ‘stranger’) peasants or tenants. They were temporary residents of the village, who had left their home village due to famine, devastation caused by wars, etc. and became migratory. The *upari*’s assessment could be raised from year to year, and his tenancy terminated at the end of the annual lease. They had no hereditary claims to the land, no matter how long they or their families might have been in cultivation, nor could they take part in governing village affairs. However, according to some scholars, they were only a small minority of peasants in the seventeenth century.

Lastly, village servants and artisans called *balutedar* were also a part of the village population. Their composition was fairly uniform though number varied according to the size of the village. They were expected to serve villagers whenever required in their respective capacities fixed by their castes, and were paid the remunerations at the time of two harvests of the year, usually in kind. Besides many of them were given by the village a small plot of *inam* land which was as a rule cultivated by themselves.

### 1.6 SOUTH INDIA: LAND REVENUE AND TENANCY

South India comprises roughly the present states of Andhra Pradesh, Karnataka (but excluding north Kanara, Belgaum and Bijapur, formerly part of Bombay presidency), Kerala, Tamil Nadu and the Marathwada district of Maharashtra. Political boundaries shifted rapidly in this region in the eighteenth century. By 1772 nearly all of south India was under three Muslim rulers: the Nizam in the north (Hyderabad state), the Nawab of Carnatic in the south-east and Haider Ali in Mysore and parts of Kerala. Only Travancore and Thanjavur were under Hindu rulers.

#### 1.6.1 Land Revenue

Not much information is available about pre-British modes of taxing the peasantry in southern parts of India. But at the village level the revenue was collected through the village headmen and village accountant. In many *mirasdari* areas, there were no hereditary village headmen and the mirasdars as a group performed the function of revenue collection. There is, however, a controversy whether these taxes were paid to the king, local chieftain or local assembly. The political turmoil of the eighteenth century also added to this confusion. Zamindars behaved as independent rulers.
Towards the end of the eighteenth century they were occasionally joined by Europeans. In 1800, the year before the company took over Tirunelveli, the Nawab mortgaged several villages to a European who collected the land revenue and threw the defaulters into prison.

1.6.2 Land Tenure Structure

Agarian structure in pre-British south India was quite complex with many variations. One important reason for these variations was availability or non-availability of water. Agrarian structure was more stratified in coastal areas where yields were high and risks were relatively low. These were the regions which could afford to support large temples, settlements of Brahmins and a variety of artisans to whom inam lands were given which were either free of revenue or lightly assessed. Inam lands were also given to village officials who were generally more powerful in the dry areas.

According to Dharma Kumar, one special feature of the south Indian scene was the existence, particularly in the irrigated Tamil plains and some Telugu areas, of a communal system of holdings, especially in the Brahmin settlements. In these villages, the holdings were expressed as shares of the total. The shareholders had the right to cultivate their shares and also to participate in the management of village lands leased out, and in the profits from the orchards, forests, tanks and other property held in common, in proportion to their shares. The shares did not necessarily specify a particular plot of land, specially in those villages where the lands allotted to each shareholder for cultivation were periodically redistributed. Though these shareholders acted collectively in certain matters, yet their cultivation was almost always individually organised. These shareholders were called mirasdars (having hereditary rights in land) in the revenue records. During the eighteenth century their holdings were very unequal in size, whatever might have been their original distribution. In almost every village there were a few large landholders; as dominant landlords.

1.6.3 Tenancy

Because Brahmins were forbidden to touch the plough, the lands of Brahmin landholders were cultivated by others. Even in the case of some large non-Brahmin landholders, lands were leased out. Many landholders with small holdings and the landless with a pair of bullocks and a plough acted as tenants on these lands. The terms of tenancy differed in different cases. The main distinction was between the resident of the village (ulkudi) and the outsider (parakudi). The ulkudi had greater security of tenure, sometimes even hereditary rights of occupancy. The parakudi generally had yearly leases. The rent was normally a share of the gross produce though occasionally fixed amounts of cash or kind per acre were also paid. On wet lands the rents usually ranged from 50 to 82 per cent of the gross produce, after deduction of the land revenue. Most commonly, in Thanjavur, it was between two-thirds to three-fourths of the gross crop. Rental shares varied with the security of tenancy, the element of risk and cost sharing arrangements between the landlord and tenant. In fact, sometimes it was difficult to distinguish between a labourer and a sharecropper receiving a fifth or less of the crop.

Check Your Progress 2

1) How was land revenue assessed in Western India?
2) Who were the intermediaries in land tenure system in Eastern India?

.......................................................................................................................
.......................................................................................................................
.......................................................................................................................
.......................................................................................................................
.......................................................................................................................
.......................................................................................................................

3) State whether True or False:
   i) In Bengal, zamindars collected the tax on land.
   ii) Paiks were part of the zamindari system.
   iii) Brahmins in south India cultivated the land themselves.

1.7 LET US SUM UP

In this unit we have discussed the prevailing institutional land relation structure growth during the pre-British period. The land tenure system has not been uniform over time and space throughout India. The property rights and rights to alienation have been controversial issues. But most scholars agree that the peasants held permanent and heritable occupancy in land and the king was not expected to evict them. The peasant had to submit a part of the produce as tax. This extraction from the peasant, although invariably on the higher side, became exorbitant with the creation of various layers of intermediaries.

1.8 KEY WORDS

Alienation : It refers, in this context, to the transfer (may be through sale or inheritance) of title to property from one person or organisation to another.

Reclamation : The restoration of natural resources, such as land, to productive use. Examples may be reclaiming deserts through irrigation and forests, and reclaiming eroded fields and hillsides through proper cultivation and replanting, etc.

Rental : Rent, in a broader sense, is the payment for the use of a resource, whether it be land, labour, equipment, ideas or even money. Typically the rent of labour is called ‘wages’, the payment for the use of land and equipment is called ‘rent’; the payment for the use of an idea is called a ‘royalty’ and the payment for use of money is called ‘interest’. Rental is the amount of rent paid or received. The rental of estates, for example, refers to the rent to be paid for the use of it.

1.9 SOME USEFUL BOOKS


UNIT 2 AGRARIAN RELATIONS DURING BRITISH RULE IN INDIA

Structure
2.0 Objectives
2.1 Introduction
2.2 Impact of British Rule in Eastern India
   2.2.1 Permanent Settlement
   2.2.2 Transfer of Zamindari Rights
   2.2.3 Indebtedness and Alienation of Land
   2.2.4 Tenancy
   2.2.5 Tenancy Acts
2.3 Impact in Northern and Central India
   2.3.1 Impact of Land Revenue System
   2.3.2 Land Transfers
   2.3.3 Landholding Structure and Tenancy
2.4 Impact of British Rule in Western India
   2.4.1 Changes in Agrarian Society
   2.4.2 Stratification
   2.4.3 Tenancy
2.5 Impact of British Rule in South India
   2.5.1 Changes in Agrarian Structure
   2.5.2 Tenancy
2.6 Agricultural Labourers
2.7 Land Tenure System and Agricultural Growth
2.8 Let Us Sum Up
2.9 Key Words
2.10 Some Useful Books
2.11 Answers/Hints to Check Your Progress Exercises

2.0 OBJECTIVES

On going through this unit, you will be able to explain:

- regional variations in landed property relations during British Rule;
- the impact of British rule on village economic system; and
- the poor agricultural growth during colonial regime.

2.1 INTRODUCTION

During the British rule there was widespread destruction of village communities, formation of land market, rising rents, indebtedness, formation of layers of intermediaries, frequent famines and impoverishment of the population as a result of some direct and indirect influences of the British rule.

There is a subtle difference between ‘agrarian relations’ and ‘land relations’. Agrarian relation is a much broader term and includes credit and marketing facilities apart from land relations. On the other hand, land relation depicts the land tenure system and ownership. In this Unit we will discuss the agrarian relations during the British rule in India. As there were considerable variations in the land tenure system across regions we bring out the important features of this regime at a regional level.
2.2 IMPACT OF BRITISH RULE IN EASTERN INDIA

The East India Company took over the Dewani (financial rights) of Bengal, Bihar and parts of Orissa in the year 1765. Immediate interest of the company was to collect the maximum amount of income in the quickest possible time. The company required large amount of money to (a) finance trade and commerce, and (b) maintain the army for strengthening and expansion of the rule. To realize the higher land revenue, the zamindari were auctioned to the highest bidders.

The policy of maximizing land revenue altered the composition of landed society. Many old zamindars could not compete in the race. The highest bidders at the public auction in many cases were people who made fortunes through their association with the new administration and through participation in the new trade and commerce. The peasants were literally robbed by these zamindars, in order to pay up the company’s dues, and were often forced to abscond. This reckless process, which continued till the permanent settlement, resulted frequently in famines, loss of human life and large areas of land were rendered as waste. Between 1765 to 1793 the revenue demand of the company nearly doubled.

2.2.1 Permanent Settlement

The Permanent Settlement of 1793, in Bengal and Bihar, besides declaring the zamindars ‘proprietors of the soil’, fixed forever their dues to the state. It was argued that this would ensure not only the security of revenue, but also the prosperity of the company’s commerce. A thriving commerce was the vital need of the British and agriculture provided variety of goods for export. It was more important also because that was the time of the commencement of the Industrial Revolution in Britain. It was thought that the creation of private property in land would create the right conditions for investment in agriculture. Landed property would acquire a value and the large capital possessed by many natives in Calcutta, which they were employing in usury, or monopolizing salt, or other necessaries of life would be appropriated to the more useful purpose of purchasing and improving lands. Moreover, the creation of a class of loyal supporters (zamindars) for the stability of British rule was another important objective.

However, their expectations were only partially fulfilled. As far as the creation of a class of loyal supporters is concerned, the British substantially succeeded in it. But zamindars, new as well as old, failed to become agarian capitalists, and preferred to remain feudal landlords. Capital was invested not for agricultural development but for purchasing of land. Moreover, in due course of time, a long chain of intermediaries cropped up between the state and the tiller. The Zamindars were expected to pay a fixed sum as revenue to the government. This revenue amounted to 90 per cent of the rent collected by the zamindars, in 1793. However, with increase in prices, the value of money eroded. The state lost because its revenues in terms of money were permanently fixed while the value of money had drastically fallen. The peasant lost because rents were not regulated and the increased value of agricultural produce was transferred to the hand of the zamindars and intermediaries.

The Bengal model was, however, not replicated in parts of Orissa and Assam. It was realized that the freezing of the land revenue demand, which constituted by far the most important source of the government income at that time, would be sheer folly. Both in Orissa and Assam settlements were temporary and the revenue demand was increased form time to time.

In Orissa, between 1805 and 1897, land revenue of the government increased by 93 percent. But in Assam the peasants surrendered to the State a larger proportion of their total agricultural output than peasants in other parts of eastern India. Since the
British had their distinct professional army and an elaborate administrative bureaucracy, the labour services of the paiks became redundant (see unit 1). The paiks were given a cash tribute, which was quite high as compared to the nominal tax on paik’s land during Ahom rule. Moreover, the old Assamese aristocracy, to which the Ahom king trusted the defence of the state and a large part of the administration, also became superfluous under the new system. Their revenue-free estates were gradually confiscated.

2.2.2 Transfer of Zamindari Rights

As we know, the high land revenue demand, specially during the early British period, and the unprecedented rigour in its collection, created serious difficulties for many zamindars, which led to ruin of their estates. Moneyed persons were interested in buying these, and a market in land gradually developed. In addition to selling land, zamindars also leased out portions of their zamindariss thus creating further layers of intermediaries between the state and actual cultivators.

2.2.3 Indebtedness and Alienation of Land

Whatever was the condition before British rule, the pervasiveness of rural indebtedness during British rule remains an incontrovertible fact. Rural credit provided two sources of control: the dependence of a considerable number of peasants on a regular supply of credit, eventually involving surrender by them of a large part of their produce to the creditors, and the acquisition by creditors of the lands of defaulting peasants.

An important source of peasants’ miseries was their undefined rent relations with zamindars, who abused their legal powers towards increasing their rental income. There was an increase in cultivation of cash crops such as indigo, opium and jute, during British rule. However, it contributed to the growth of rural indebtedness. An unremunerative indigo cultivation was largely forced on the cultivators by European planters through various devices. Opium cultivation, though not always forced, was vulnerable to the fluctuations of weather which resulted in frequent losses and indebtedness of the peasants. The cultivators of jute normally borrowed money from money lenders and jute traders, and, in return surrendered part or whole of their crops to the creditors, at lower prices. This affected them adversely thus perpetuating their indebtedness. Sudden slump in jute prices also affected them adversely thus increasing their dependence on moneylenders. Indebtedness of the peasants resulted in distress sale of land holdings and such sales increased in number over the years. Indebtedness and certain other factors converted the peasants into agricultural labourers.

2.2.4 Tenancy

The peasants who thus lost land were not necessarily driven out of land, except where the new owners cultivated them directly with hired labourers. The old peasants many a time cultivated their sold plots on a crop sharing basis. The share-cropping (barga) system did not result from rural credit relations alone, though its growth was considerably due to these. The barga system also prevailed where the owners, for various reasons, were unable to organise the cultivation of their lands. Some owners preferred the barga system where this ensured an increased rental income. Because of an increased demand for land by the peasants, share-cropping became more profitable for the land owner.

2.2.5 Tenancy Acts

With the Permanent Settlement the zamindars acquired exclusive property rights in land. Moreover, the entry of new zamindars destroyed all the customary rights of the peasants. The zamindars who bought the zamindari estates were trying to obtain
maximum return for their investments. To get the maximum out of the peasantry, they committed such excesses that the government was forced at times to intervene to stop a possible revolt. Two major tenancy acts were enacted in Bengal after the Permanent Settlement: the Rent Act of 1859 and the Bengal Tenancy Act of 1885, which was amended a number of times in the 1920s and 1930s. The tenancy act put some restrictions on the rights of the landlords to check the excesses committed by them.

Under the tenancy act occupancy rights were conferred on those ryots and under-ryots who had been in possession of any land for twelve consecutive years. The ‘occupancy rights’ of a ryot or an under-ryot also included rights of inheritance, transfer and mortgage. The occupancy ryot could not be ejected right away by the landlord even for non-payment of rent. However, court could sell his land for failure to pay rents. Rents of these tenants could be enhanced only under certain specified conditions.

Such occupancy ryots did not necessarily cultivate their holdings on their own and many of them, specially some big ryots, further leased out their lands to the tenants and share croppers rarely having any tenancy rights (non-occupancy tenants). One of the motives of the big ryots behind subletting their holdings was the considerable margin between the rent that the non-occupancy-tenants paid and the one they themselves paid. There was no legal protection against an increase of rent of these non-occupancy tenants and share-croppers by the occupancy tenants. By the year 1940, as many as one-third of peasants households were constituted of such inferior tenants, cultivating as much as one-fifth to one-fourth of all land.

Check Your Progress 1

1) What was the immediate impact of the East India Company taking over Dewani rights of Bengal, Bihar and Orissa?

........................................................................................................................................
........................................................................................................................................
........................................................................................................................................
........................................................................................................................................

2) What were the objectives behind Permanent Settlement?

........................................................................................................................................
........................................................................................................................................
........................................................................................................................................
........................................................................................................................................

3) In what respect was the Government at loss due to Permanent Settlement?

........................................................................................................................................
........................................................................................................................................
........................................................................................................................................
........................................................................................................................................
2.3 IMPACT IN NORTHERN AND CENTRAL INDIA

In Northern India there was an intermixing of various kinds of revenue systems. Both Zamindari and Mahalwari systems were introduced in this region. Initially it was Bengal type permanent settlement that was favored, but later, after 1811, considerations of enhancement of revenue led to abandonment of fixed revenue system. So even in the case of zamindari areas only a small proportion was under permanent settlement, the rest were settled temporarily. In Punjab and parts of United Provinces, Mahalwari system was introduced where the unit of assessment was the village and payment of revenue became the joint responsibility of the village proprietary body. Each individual cultivator contributed his share in the revenue. Initially the burden of revenue was very heavy. The British laid claim to about 85 per cent of the rental. In principle it was reduced to two-thirds after 1833 and to one-half after 1855. But in actual practice this principle was not adhered to.

In the central parts of India, in the early decades of British rule, heavy assessments were the rule. They assessed the lands too high, demanded an impossible revenue, and impoverished the people. The mistake was realized at a later date and was condemned in the strongest terms. It was only in 1834 that a long settlement for twenty years was concluded in these territories, which was allowed to continue till the early 1860s. Under the new settlement of 1864, that was introduced in the Central Provinces, malaguzars or revenue-payers were recognized as the proprietors of the soil with a right to sell or mortgage their property. Tenancy rights were conferred on the cultivators. In principle it was decided that the land revenue would be limited to one-half of the rental of estates. But the principle was not adhered to when the assessments were made. Settlement officers did not accept the actual rental of estates. They estimated what the rental should be from their own calculations, and based the land revenue demand on those estimated rentals. Thus, the rental considered as the basis of assessment was higher than the actual rents received by the land owners. As a result, land revenue demanded was higher than 50 per cent of actual rental.

2.3.1 Impact of Land Revenue System

We noticed that land revenue was to be paid in cash, not in kind. Secondly, the amount of revenue was kept fixed for a period of twenty or thirty years, under permanent settlement. Consequently, the revenue of the state did not increase. On the other hand, the payment of revenue in cash generated a pressure on the cultivators. They were forced to produce cash crops like indigo, sugarcane and wheat. Moreover, they had to borrow money for payment of tax. Sometimes they took advance from the village money lender. Everywhere the local grain dealer-cum-moneylender, who was in some cases also the village accountant (patwari), found his position strengthened. The cultivator was moved more by his immediate cash requirements to meet revenue
Indian Agriculture: Institutional Perspectives

and rent installment and to pay marriage expenses rather than by the mere prospect of higher profits from valuable crops. In fact, the profits tended to make their way into the middleman’s pocket. In the Shahjahanpur district the fatal effects of accepting the inducement of urban Khandsaris or sugar factories became so notorious that the Chandel Rajputs inhabiting the Ramganga tract in the Khundur pargana refused to grow sugarcane rather than risk the loss of their independence and proprietary title to alien creditors.

2.3.2 Land Transfers

With the introduction of transferable proprietary rights in land, the land sales increased. The Board of Revenue on revenue administration of North West Province commented in 1854. “In no country in the world probably do landed tenures so certainly, constantly and extensively change hands. These mutations are effecting a rapid and complete revolution in the position of the ancient proprietors of the soil.” Behind this alienation and mortgage of land lay the much larger problem of indebtedness. It was estimated that 10 per cent of agricultural land had already passed into the hands of what district officers termed ‘the wily mahajan and sleek, impassive bania’. Yet official opinion remained opposed to any tampering with free trade in land. It was because of the realization that legislative inference might seriously upset the provision of rural credit and jeopardize the security of the land revenue. Similarly in the districts of Central Provinces, by the time of the 1864 Settlement almost the whole of the profits was taken away by the moneylenders. While mortgage was growing rapidly, decrees were being carried out through the civil courts in the 1870s. Continuous transfer of land from cultivators to moneylenders prompted legislation in the shape of Bundelkhand Alienation Act of 1903. But despite the Alienation Act the professional moneylenders in Bundelkhand remained a permanent part of the rural scene and sustained their hold over peasants. These moneylenders-cum-traders were more interested in rent-receiving or in controlling the disposal of peasant grown cash crops than in directly engaging in agriculture. So the introduction of legal private property rights in land tended to lengthen the claim of intermediaries above the actual cultivator and left the peasant based small scale traditional cultivation intact. British hopes of the emergence of capitalist agriculture, which would take benefits of economies of scale, did not materialise.

2.3.3 Landholding Structure and Tenancy

The picture presented by the Zamindari Abolition Committee’s report of 1948 was a startling one. In North Western Provinces, the landholding structure was such that the greater part of land was held by relatively small group of large landholders. Altogether a mere handful of zamindars, just 1.3 per cent of the total population held more than half of the land. Yet it must be remembered that large proportion of such ‘estates’ had no physical existence as larger local landholdings but were simply bundles of rent-collecting rights over scattered parcels of land. Thus a large part of land in this region was cultivated by one or the other type of tenants. Similarly, in Punjab just 3.5 per cent of the total landowners owning above 50 acres of land owned more than one-fourth of the total area in 1924. By 1939 their proportion in total landowners came down to 2.4 per cent but area owned increased to 38 per cent. Invariably these bigger owners in Punjab were leasing out their lands to the tenants. This is also borne out by the fact that in 1924 around 120,900 owners owned more than 50 acres of land whereas only 20,000 cultivated more than 50 acres. In Punjab, which was generally considered as the land of peasant proprietors, between 1891-92 and 1939-40, area cultivated by the tenants increased from 10.6 million acres to 17.8 million acres whereas its proportion in the total cultivated area increased from around 46 per cent to 57 per cent (total cultivated area also increased from 23.1 million acres to 31.2 million acres during this period). Around 85 per cent of all the ‘tenants at will’ were without any security of tenure and they were normally paying very high rents.
2.4 IMPACT OF BRITISH RULE IN WESTERN INDIA

The system of revenue collection adopted in this part was basically the ryotwari system. Settlement was normally for a fixed period of 30 years, which meant that the revenue demand could be enhanced after that period. Under the ryotwari settlement, the ryoti cultivator is directly under the state. He is recognized as proprietor and can sublet, mortgage or transfer by gift or sale his plot of land. He cannot be ejected so long as he pays the revenue, which is fixed.

With the introduction of new land revenue system in Western India, the miras and upart tenures were merged and the occupant of the land had the same rights irrespective of their earlier status. The hereditary village and higher officials (patils, desais and desmukhs) were prohibited from collection of customary perquisites from people. In addition to this, exclusion of these hereditary officials from revenue administration also tended to lower their independence.

2.4.1 Changes in Agrarian Society

In the 1860s the American Civil War stimulated the international demand for Indian cotton (which was earlier fulfilled by North America) and large investments in railways and irrigation also facilitated exports. During this period, there was a sharp rise in prices of agricultural commodities, specially of cotton. The first to benefit from the boom were the traders and moneylenders but cultivators also got some benefit. But new settlements were due in many districts in the late 1860s. On the basis of prevailing high prices the new settlements of land revenue raised the assessment. Between 1856-57 and 1870-71 the total revenue of Bombay Presidency went up by 37 per cent (and by a further 18 per cent by 1890). Prices began to decline after 1870 and by 1876 many agricultural prices had fallen to 1860 level. Thus it became difficult for the ryots to pay the increased revenue and they went to the moneylenders for loans. Increasing indebtedness of the cultivators culminated in the Deccan riots in 1875 against moneylenders.

In addition to heavy land revenue demand, the new legal system had also given the village moneylender more freedom. As we know from the previous Unit, during the Maratha rule, the moneylenders knew that the government would not support them if they tried to confiscate peasant’s land for recovery of debt. But the British courts were much more rigid in enforcing the land transfer and the cultivators were often ignorant of the new laws.

But what the banias were interested in, was control of the crops, and the trade. By the middle of the nineteenth century the moneylenders controlled nearly all the internal trade in both grains and cotton in the Deccan. Their main interest was to preserve this control through advancing loans to the peasants who were required to sell their crops to them at a much lower price than prevailing market prices. However, not only the banias but the prosperous members of the traditional cultivating castes, the kunbis, also took to moneylending. In fact these agriculturist moneylenders had a much greater appetite for land than the mercantile castes and possibly the land transfers in favour of the kunbis may have been of greater importance than transfers to traditional moneylenders. In 1930, it was reported that only 29 per cent of the peasants in Konkan were free from debt, and in the north Konkan much of the land held by peasants had passed into the hands of creditors, whether professional moneylenders or large peasants.

2.4.2 Stratification

There was rise of the rich peasantry and increasing stratification of the peasantry during the late 19th and early 20th centuries. The cultivation of cash crops such as
Indian Agriculture: Institutional Perspectives

Sugarcane, tobacco, groundnut and cotton expanded. The small section of the cultivators who had a surplus to market made large profits, and invested them back into agriculture mainly into irrigation. They also bought carts and instead of handing over their grain to the local shahukar at his price they could seek better markets. These rich farmers, who had been able to seize the new market opportunities, often replaced the traditional moneylenders as sources of credit in the village. These commercialized agriculturists also often purchased the land of small cultivators, who were often in heavy debt. Data collected for the Royal Commission on Agriculture showed that in 1924-25, 86 per cent of the total cultivated area was held by large owners each having more than 25 acres and they formed just 12 per cent of the total landowners.

2.4.3 Tenancy

There were landlords and tenants in south Konkan, north Kanara and in inam lands in the Deccan even before the British period. But there appears to have been a significant growth in the number of tenants, especially from the 1880s onwards. Many former revenue officials and moneylenders were leasing out their land to the tenants. It seems that well-to-do owner cultivators started withdrawing from cultivation and leased out their land during the first half of the twentieth century. In Gujarat land owned by non-cultivating holders increased from 24 per cent to 30 per cent of the agricultural area between 1916-17 and 1942-43 while their number rose from 65,000 to 1,01,000.

Most of these tenants were tenants-at-will. The majority of tenants in Maharashtra paid in kind; the general rate was half the crop, with the landlord paying the land revenue. This system was particularly advantageous to the landlords when prices were rising.

2.5 IMPACT OF BRITISH RULE IN SOUTH INDIA

The first half of the nineteenth century was a period of experimentation with methods of collecting the land revenue. As the British extended their rule over South India, they were faced with the question of whom to settle with for the land revenue. Whether revenue be taken directly from individual cultivators or contracts be made with intermediaries. In general, the policy adopted was that, for the sake of political stability, there should be minimum disturbance of the traditional rights. However, the British did not always uphold this principle.

Initially in certain districts ryotwari settlements were introduced. But soon after the introduction of Permanent Settlement in Bengal, similar arrangements were made in certain districts of Madras Presidency.

The land revenue was fixed in perpetuity, the zamindaris were made both inheritable and transferable, and uncultivated land were given to the zamindars tax free. The zamindars were a diversified group. Some claimed descent from kings or military chieftains, others from tax officials. Yet others were new men who had bought estates. The zamindaris were varied in size. Some were enormous, sometimes covering almost the whole of a district while others consisted of just a few villages. Though the land revenue and tenure in this part of India was basically ryotwari, by 1830 over a third of the Presidency was under zamindari system. Thereafter, the area under zamindari declined. Whenever zamindars were unable to pay the revenue as demanded, the government confiscated their estates and converted them to ryotwari. But even then around one-fourth of the area remained under zamindari system until the 1940s.

In this part of India, the division of rights between the peasants and the zamindars remained undefined. It appears that the peasants of the southern zamindaris were
in general more secure than those in northern zamindaris. When the Permanent Settlement was introduced, it was assumed that the zamindars would collect half the gross produce and pay two-thirds of that to the government in cash, retaining one-third for the expenses of his revenue establishment and his personal income. But the actual collection from the peasants were much higher than this.

For sometime the land revenue collection from the villages in most areas was contracted out to middlemen, who might be former rent collectors, or the leading cultivators of the village, or in some cases, speculators with little experience of the revenue system. These leases were initially to last for three or five years followed by decennial leases. But by 1822, it was decided that the ryotwari system should be introduced in all the non-zamindari areas, as and when the village leases expired. Under the ryotwari system, in principle, the land revenue was generally fixed at half the gross produce on unirrigated lands and three-fifths on irrigated lands. Besides the land revenue and the amounts officially set aside for community purposes and village officials, there was unrecorded plunder by revenue officials. The cultivator was thus often left with very little.

2.5.1 Changes in Agrarian Structure

During the later half of the nineteenth century, the area under cultivation increased faster than the population. Large irrigation works were completed on the Godavari and the Krishna. The cultivation of cotton, groundnut and oilseeds increased. The building of roads and railways facilitated trade. Between 1881-82 and 1915-16, price of gains rose by 100 per cent or even more. The terms of trade moved in favour of agriculture. The burden of land revenue fell. The cultivator was able to invest in land. Progress was rapid in some regions, notably the Krishna-Godavari delta. This led to tremendous increase in prices of land. In one village, Peddapadu in east Godavari, N.G. Ranga calculated in 1926 that the price of fertile land had risen from Rs. 40 to Rs. 1500 per acre in sixty years. The real income of the village had increased by 250 per cent during the same period. The rich peasants widened the sphere of their activities and invested in rice mills, mica and other industries. They extended their money-lending business and went into banking.

But the depression of the 1930s hit both the rich as well as the poor. Agricultural prices and employment fell sharply. Payment of fixed revenue became difficult. It was difficult for the farmers to pay back their loans. Grain looting and attacks on rich moneylenders and landlords were symptoms of the widespread agrarian distress. The rural economy as a whole grew much poorer in the 1930s. Moreover, during the 20th century, population was growing faster than agricultural output. Until 1916 or so, the increase in agricultural output probably managed to match the increase in population; from then on the two diverged. Foodgrains output per head was 30 per cent lower in 1946 than in 1916.

Indebtedness of rural population increased during the 19th century. The same trend continued during the early 20th century and during the Great Depression; the burden of debt became so pressing that the government was forced to take action. The debt conciliation boards set up by the government during the depression scaled down debts in some cases but over the 1930s the volume of debt rose further. It was only during Second World War, when agricultural prices rose sharply, that, probably, there was a fall in the real burden of debt.

2.5.2 Tenancy

According to Dharma Kumar, there is little evidence regarding the growth of tenancy during British rule. The most common arrangement was share cropping and the tenant commonly got half the crop on dry lands but his share could be less on fertile, irrigated
land ranging from one-third to one-fourth of the crop. The tenants’ share also depended on input sharing arrangements. Generally, the landlord paid the land revenue and made substantial repairs to well and water channels. The tenant provided the manure. The quantities of manure per acre and the number of manuring was occasionally prescribed. Usually the leases were oral but were continued for long periods. Tenants in ryotwari areas had no legal standing, and they being a weak party, tenancy disputes were rare. Whether because of the relative infrequency of tenancy disputes or because of an implicit assumption that tenancy could not be a problem under a system of ‘peasant proprietorship’ like ryotwari, hardly any measures were taken in Madras presidency to protect tenants.

### 2.6 AGRICULTURAL LABOURERS

In the traditional village economy of pre-British India, the small cultivator was the focal point and there was no scope for a distinct class of persons working solely as agricultural labourers on the lands of others. The absence of such a separate class of agricultural labourers is also strikingly borne out by the fact that none of the accounts, which contain a detailed list of the traditional occupations in Indian village communities refer to agricultural labour as the sole occupation of a sizeable part of the population. In sharp contrast to this the 1931 census figure shows that nearly 38 per cent of the entire agricultural population was composed of landless agricultural labourers. This reveals that the structure of the traditional Indian agrarian society had undergone a great transformation under the British rule.

The number and proportion of agricultural labourers had not been evenly spread throughout the country. In Bombay, Madras and Central provinces their proportion was more than half of the total agricultural population in 1931. It was 58 per cent in Bombay, 53 per cent in Madras and 52 per cent in Central Provinces. S.J. Patel calls this Southern Triangle of India as the ‘land of the landless labourers’. The second region, where the proportion of agricultural labourers to the total agricultural working population was between 22 to 35 per cent, comprises Bihar, Orissa, Bengal and Assam, i.e., eastern India. Separately, their proportion was 35 per cent in Bihar and Orissa, 33 per cent in Bengal and 22 per cent in Assam (including plantation workers). The third region comprises those areas where the proportion of agricultural labourers to the total agricultural population was still lower, i.e., less than 20 per cent in 1931. The United Provinces (22 per cent), Punjab (14 per cent), North-West Frontier Province (18 per cent) were in this region.

The tremendous increase in the proportion of agricultural workers was the result of a great social and economic transformation that went on in India during the nineteenth and the twentieth centuries. An important change which took place during the nineteenth century was in the organisation of village communities. The agrarian society of India, before British Rule, was founded on the integrated units of cultivation and handicrafts. Groups of cultivators and artisans, supplementing each other’s needs, lived together in substantially self-sufficient village communities. The cultivators and the artisans lived together for centuries on the basis of traditional arrangements regulating the exchange of the cultivators’ products and the artisans’ services. Each cultivator carried on the cultivation of his farm with the assistance of his family. In such a society, there was no room for the existence of an independent and distinct class of agricultural labourers whose main source of livelihood was work on the land of others for which they received wages in kind or cash. During the 19th century, the village communities were confronted with economic, social and political changes of a far reaching character, which served ultimately to bring about their disintegration. One of the reasons of their disintegration was the decline of domestic industries. With the Industrial Revolution in England, exports of British manufactured goods to India rose sharply. The construction of a network of railways during the later half of the 19th
century further stimulated it. The net result was a decline of handicrafts in India without being compensated by modern industrialisation. Many artisans left their earlier profession and became agricultural labourers.

As we have already noted earlier, with the introduction of new land revenue system, private property in land was strengthened and free alienation of land also granted. Further, under the new land revenue system, government revenue was a fixed amount, irrespective of crop output, and was to be paid in cash. Thus during periods of bad crops or low prices the peasants were forced to borrow from moneylenders to pay the land revenue. Once in the clutches of moneylenders they were rarely able to free themselves from debt and the end result invariably was mortgage or sale of land. This, in addition to commercialization, led to the proletarianisation of some poor peasants and concentration of land with few resourceful rich peasants who later on employed the landless on their farms. Thus decline of domestic industries and the distingeration of the peasantry led to the transformation of the social basis of the agrarian society in India. New classes appeared on the scene: the moneylenders and rich peasants on the one hand, pauperized peasants and agricultural labourers on the other.

2.7 LAND TENURE STRUCTURE AND AGRICULTURAL GROWTH

The net result of all these changes in agrarian structure in India during the British period was stagnation of agricultural sector. During the period of 1891 to 1947 for British India as a whole, output rose at a rate of just 0.37 per cent per annum (see Table 2.1). Moreover, growth rate of foodgrains output was 0.11 per cent which was significantly lower than the population growth rate of 0.67 per cent per annum. Agricultural crop output seems to have gradually increased over the period, but the pace was slower than population growth, especially after 1921. Foodgrains output declined (after 1921) so that per capita output fell markedly. Commercial crop output increased rapidly, nearly doubling over the period.

<table>
<thead>
<tr>
<th>Region</th>
<th>Percentage growth rates (per annum) in</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Foodgrains</td>
<td>Population</td>
</tr>
<tr>
<td>British India</td>
<td>0.11</td>
<td>0.67</td>
</tr>
<tr>
<td>Greater Bengal</td>
<td>-0.73</td>
<td>0.65</td>
</tr>
<tr>
<td>United Province</td>
<td>0.35</td>
<td>0.40</td>
</tr>
<tr>
<td>Madras</td>
<td>0.42</td>
<td>0.80</td>
</tr>
<tr>
<td>Punjab</td>
<td>1.10</td>
<td>0.93</td>
</tr>
<tr>
<td>Bombay and Sind</td>
<td>0.27</td>
<td>0.71</td>
</tr>
<tr>
<td>Central Provinces</td>
<td>0.29</td>
<td>0.58</td>
</tr>
<tr>
<td>Five Regions excluding Bengal</td>
<td>0.47</td>
<td>0.64</td>
</tr>
</tbody>
</table>

Source: George Blyn, Trends in Agricultural Output in India, 1891-1947

If we look at the regional trends, Greater Bengal’s steep rate of decline stands out among the regions (Table 2.1). Though there is a marginal increase in the output of
Indian Agriculture: Institutional Perspectives

non-foodgrains in this region, it is nullified by a significant decline in foodgrains output. The remaining regions all had growth rates higher than the British India average. But, only Punjab had average growth rate of foodgrains production higher than its population growth rate. In fact, its overall growth rate is also significantly higher than other states. In case of United Provinces the average growth rate of foodgrains is almost touching the population growth rate. The remaining three regions, however, had foodgrains growth rates considerably less than their population growth.

Production could have increased only through expansion of area under production or raising productivity. The potential for increasing yield per acre was great (considering its initial low level), but it appears that institutional as well as material requirements for growth were not conducive. Land tenurial structure was such that there were layers of intermediaries between the ultimate owner and actual cultivators. The owners of land in most cases were absentee landlords without having any contact with land. The small cultivators, burdened by government taxes, heavy indebtedness, relatively high rent, and exploited by middlemen, did not have any margin to invest in land. It was not possible to invest by taking loans because of the high rate of interest and fluctuating prices and yields. A considerable share of economic surplus accruing to the landlords in the form of rents was being spent on lavish living. To maintain their style of life, many among them got heavily indebted. More thrifty among the big owners mainly invested their money in the purchase of land rather than improvement of agriculture. For moneylenders (agriculturists as well as professionals) moneylending was more profitable than any productive investment in land. As a result, net investment in agriculture was almost negligible and yield rates of most crops in different regions were either stagnant or declined.

Increasing output of cash crops was mainly due to the shift of area from foodgrains to cash crops. Though in Punjab also, area under tenancy was quite high, but here generally tenants (who themselves were mostly small owners) leased in from landowners who were normally living in the village and supervising their cultivation. Tenancy in Punjab was basically a method of labour mobilisation by those owners whose holdings were bigger (not as big as in zamindari areas) than what could be cultivated with family labour. Moreover, an important source of agricultural growth in Punjab was area expansion which increased during this period from 23 million acres to 31 million acres. Though in India as a whole the British were neglecting irrigation works, yet in Punjab during this period there was a tremendous investment in irrigation. Area irrigated by government canals during 1901-02 to 1939-40 in Punjab increased from about 4.5 million acres to 12.5 million acres. In fact, irrigation was provided in those areas of Punjab which otherwise were lying vacant due to scanty rainfall; and with the provision of irrigation, area under cultivation also increased.

In general, the output growth was higher in ryotwari and mahalwari areas. Greater Bengal was the area where land tenure structure was most retrogressive. There were layers of parasitic landowners living on rental incomes. The traditional irrigation system kept decaying. Possibly these were the reasons for deterioration of agriculture there. In addition to it, Bengal was the region where colonial exploitation was most rapacious and lasted for the longest period. Punjab came under British rule much later when the burden of land revenue was relatively modest. The disintegration of handicrafts was also on a lesser scale in the Punjab than in Bengal.

Check Your Progress 2

1) What are the reasons behind the tremendous increase in agricultural labourer during British rule?

........................................................................................................................................

........................................................................................................................................

28
2) What are the reasons for the lower growth in agricultural production in spite of great potential during the first half of the 20th century?

3) Why did Punjab witness relatively higher agricultural growth than other parts?

2.8 LET US SUM UP

During British rule the traditional village economy underwent social and economic transformation, mainly through the decline of handicrafts and domestic industries without being compensated by modern industries. This process resulted in creation of a whole lot of agricultural labourers. With the introduction of new land revenue system, of course, right to alienation of land was granted and land revenue was fixed at a particular amount irrespective of level of output, but bad crops forced the peasants to borrow from the money-lenders.

Once trapped in the clutches of money-lenders with hardly any opportunity to free themselves from debt, the peasants had no other option but to mortgage or part with land. This, in addition to commercialisation of agriculture, led to the pauperisation of poor peasants and concentration of land in a few rich landlords.

There were some variations across regions in the nature of agrarian relation during the British period. Punjab, for instance, witnessed some growth in output during this period. On the other hand, Bengal witnessed a decline in agricultural output. The overall growth rate was very low.

2.9 KEY WORDS

**Land tenure system**: It indicates the period for and the manner in which land is retained by a cultivator. In case of tenants it reflects the occupancy of land, security of tenure, inheritance and transferability of tenancy rights, etc.
Industrial Revolution: The ‘Industrial Revolution’ took place in Europe in general and England in particular during the eighteenth century. It may be defined as the application of power-driven machinery to manufacturing, which accelerated output growth significantly. Large deposits of coal, abundant supply of labour and technological developments contributed to this rapid industrialisation. Apart from the manufacturing sector it transformed the English countryside as well through new farming techniques in agriculture.

Great Depression: Depression is the downward phase in a business cycle. During this phase there is decline in output and employment in the economy. The depression that took place globally during 1929-33, more intensely in America, is termed as the ‘Great Depression’ because of its severity.

Commercialisation of agriculture: Traditionally Indian farmers cultivated food crops for self-consumption and sale in the market. Cash crops were grown but not at a bigger scale. During their rule, the British encouraged farmers, rather forced them through several means, to grow cash crops such as cotton and indigo. Cultivation of cash crops required huge investments and involved higher risk of crop failure. This left the farmers in indebtedness and resulted in ultimate sale of land.

Peasant: Farmer in rural areas owning or renting a small peace of land which he cultivates himself. Generally he is poor with low-income level. Peasants as a social class or group are termed peasantry.

Proprietary Title: Rights or claims to ownership of property.

2.10 SOME USEFUL BOOKS


Dutt, R.P., 1979, India Today, Manisha, Chs. IV and VIII

Ghosh, Emergence of Capitalism in Indian Agriculture, P.P.H., New Delhi.

Habib, Irfan, 1963, The Agrarian System of Mughal India 1556-1707, Asia Publishing House, Bombay, (Chs. IV to IX.)


Patel, Surendra J. 1952, Agricultural Labourers in Modern India and Pakistan, Current Book House, Bombay.

UNIT 3 LAND REFORMS DURING 1947-70

Structure
3.0 Objectives
3.1 Introduction
3.2 Need for Land Reforms
3.3 Land Reforms Measures
  3.3.1 Abolition of Intermediaries
  3.3.2 Tenancy Reforms
  3.3.3 Ceilings on Land Holdings
  3.3.4 Bhoomi and Gramdan
  3.3.5 Protection of Tribal Land
  3.3.6 Consolidation of Holdings
3.4 Choice of Appropriate Form of Farm Organisation
3.5 Changes in Agrarian Structure
3.6 Pattern of Landholdings
  3.6.1 Pattern of Ownership Holdings
  3.6.2 Pattern of Operational Holdings
3.7 Let Us Sum UP
3.8 Key Words
3.9 Some Useful Books
3.10 Answers/Hints to Check Your progress Exercises

3.0 OBJECTIVES

After going through this unit, you will be in a position to:

• explain the need for agrarian reforms;
• explain the land reform measures undertaken during 1950s and 1960s; and
• assess the impact of reforms in changing the unequal and exploitative agrarian structure.

3.1 INTRODUCTION

In the previous two Units we discussed the agrarian structure prevalent before Independence, particularly during the Mughal and British periods. The main characteristics of the agrarian structure which independent India inherited were:

a) absentee land ownership;
b) exploitation of tenants through high rents and insecurity of tenure;
c) unequal distribution of land;
d) tiny and fragmented holdings; and
e) lack of adequate institutional finance to agriculture.

On this agrarian structure was imposed a situation in which bulk of the cultivators were short of fixed as well as working capital. This resulted in low investments and thereby low yields in agriculture.

Agrarian structure, as you know, is a broad concept comprising land tenure system as well as credit, marketing, etc. Thus agrarian reforms would imply corrective measures in land tenure system, credit and marketing. On the other hand, the concept ‘land reforms’ is somewhat narrower than the above and relates to the corrective
measures in prevalent land tenure system. Credit and marketing are quite important for agricultural development. However, we will take up these two issues later in Block 5. In this Unit, and the next one, we will consider the land reforms measures undertaken after Independence. In the present Unit we will discuss the measures taken during 1947-70 while the reforms measures after 1970 will be taken up in Unit 4.

3.2 NEED FOR LAND REFORMS

As we noticed above, land ownership was highly unequal at the time of Independence. There was a parasitic class of intermediaries who played no role in production. On the other hand, the vast majority of actual cultivators were either tenants or sub-tenants, without any security of tenure. According to the National Commission on Agriculture (1976), this was the root cause of the state of chronic crisis in which Indian agricultural economy was enmeshed before the attainment of Independence.

Before Independence, there were three major systems of land tenure, namely Zamindari System, Mahalwari System and Ryotwari System. The Zamindari system was introduced by Lord Cornwallis in 1793 through permanent settlement that fixed the land rights of zamindars in perpetuity without any provision for fixed rents or occupancy rights for actual cultivators. Under the permanent settlement, zamindars were found to be more interested in higher rent than in agricultural improvement. During the early nineteenth century, efforts were made to undo the adverse effects of permanent settlement and to provide for temporary settlement as a matter of policy. Regulation VII of 1822 Act provided for temporary settlement with provision for periodic settlement in parts of the United Provinces. In the provinces of Madras and Bombay, ryotwari system was prevalent. Each ryot was recognised by law as the proprietor with the right to transfer or mortgage or sub-let his land. Moreover, in parts of United Provinces and Punjab, Regulation VII of 1822 Act and Regulation IX of 1833 Act provided for Mahalwari Settlement with the entire village community. This required each peasant of the village to contribute to total revenue demand of the village on the basis of the size of holding. In 1885, the Bengal Tenancy Act was passed with a view to conferring occupancy rights upon ryots who were in continuous possession of land for 12 years. The tenant could not be evicted by the landlord, except by a decree of court. Similarly, the Bihar Tenancy Act of 1885 and Orissa Tenancy Act of 1914 granted occupancy rights to tenants. Besides, the Madras Tenancy Act of 1908 provided for protection of ryots from eviction as long as they paid the rents. Nevertheless, since majority of actual cultivators were unrecorded tenants-at-will, these legal measures could not bring much relief to the tiller of the soil.

Although the adverse effect of landlordism on agricultural production was most profound in the states of Uttar Pradesh, Bihar, West Bengal and Orissa, other states that were under Ryotwari and Mahalwari Systems also witnessed the growth of a large number of intermediaries with all its adverse impact. The leased-in area constituted nearly 35 per cent of the total operated area in 1950-51. Most of the leases were unwritten and tenants did not have legal security of tenure. The rents varied from 50 per cent to 70 per cent of gross produce. In addition, tenants were often asked to provide free labour to landlords. After Independence therefore, it became necessary to undertake some land reforms measures for removing the feudal character of the agrarian economy and paving the way for rapid agricultural growth with social justice.

Broadly speaking, the objectives of agrarian reforms are as follows:

i) To change the unequal and unproductive agrarian structure;

ii) To remove exploitative agrarian relations, often known as patron-client relationship in agriculture,

iii) To promote agriculture growth with social justice.
Check Your Progress 1

1) How do you define agrarian reforms?

........................................................................................................................................
........................................................................................................................................
........................................................................................................................................
........................................................................................................................................
........................................................................................................................................
........................................................................................................................................
........................................................................................................................................
........................................................................................................................................

2) What were the main objectives of land reforms in India?

........................................................................................................................................
........................................................................................................................................
........................................................................................................................................
........................................................................................................................................
........................................................................................................................................
........................................................................................................................................
........................................................................................................................................
........................................................................................................................................

3) Why was it necessary to change the pre-independence agrarian structure?

........................................................................................................................................
........................................................................................................................................
........................................................................................................................................
........................................................................................................................................
........................................................................................................................................
........................................................................................................................................
........................................................................................................................................
........................................................................................................................................

3.3 LAND REFORMS MEASURES

After Independence, the Indian National Congress appointed the Agrarian Reforms Committee under the Chairmanship of J.C. Kumarapppa, for making an in-depth study of the agrarian relations prevailing in the country. The committee submitted its report in 1949 which had a considerable impact on the evolution of agrarian reforms policy in the post-independence period. The committee recommended that all intermediaries between the state and the tiller should be eliminated and the land must belong to the tiller subject to certain conditions.

Let us now examine the various agrarian reform measures undertaken after independence. As already mentioned, the term ‘land reforms’ refers to reforms undertaken in the land tenure system. The steps include (i) abolition of intermediaries, (ii) fixation of ceilings on land holdings and (iii) redistribution of surplus land among landless or semi-landless peasants. Besides, any special measures adopted to prevent alienation of tribal land and consolidate fragmented holdings come within the broad definition of agrarian reforms.
3.3.1 Abolition of Intermediaries

Following the recommendation of Kumarappa Committee, all the states in India enacted legislation for the abolition of intermediary tenures in the 1950s, although the nature and effects of such legislation varied from state to state. In West Bengal and Jammu & Kashmir, legislation for abolishing intermediary tenures was accompanied by simultaneous imposition of ceilings on land holdings. In other states, intermediaries were allowed to retain possession of lands under their personal cultivation without limit being set, as the ceiling laws were passed only in the 1960s. As a result, there was enough time left for the intermediaries to make legal or illegal transfers of land. Besides, in some states, the law applied only to tenant interests like sairati mahals etc. and not to agricultural holdings. Therefore, many large intermediaries continued to exist even after formal abolition of zamindari. Nevertheless, it has been estimated that consequent upon the legal abolition of intermediaries between 1950 and 1960, nearly 20 million cultivators in the country were brought into direct contact with the Government.

3.3.2 Tenancy Reforms

The Agrarian Reforms Committee recommended against any system of cultivation by tenants and maintained that leasing of land should be prohibited except in the case of widows, minors and disabled persons. This viewpoint received further strength subsequently in various Five Year Plans. According to the Second Five Year Plan, abolition of intermediary tenures and bringing the tenants into direct relations with the state would give the tiller of the soil his rightful place in the agrarian system and provide him with full incentives for increasing agricultural production.

Immediately after Independence, although the major emphasis was on the abolition of intermediaries, certain amendments to the existing tenancy laws were made with a view to providing security to the tenants of ex-intermediaries. But these legal measures provoked the landlords to secure mass eviction of tenants, sub-tenants and share-croppers through various legal and extra-legal devices. The highly defective land records, the prevalence of oral leases, absence of rent receipts, non-recognition in law of share-croppers as tenants and various punitive provisions of the tenancy laws were utilized by the landlords to secure eviction of all types of tenants. To counteract such a tendency, therefore, it became necessary on the part of the State Governments to enact or amend the laws in the subsequent years and provide for adequate safeguards against illegal eviction and ensure security of tenure for the tenants-at-will.

Broadly speaking, tenancy reforms undertaken by various states followed four distinct patterns. First, the tenancy laws of several states including Andhra Pradesh (Telengana region), Bihar, Himachal Pradesh, Karnataka, Madhya Pradesh and Uttar Pradesh banned leasing out of agricultural land except by certain disabled categories of landowners, so as to vest the ownership of land with the actual tillers. But concealed tenancy continued to exist in all these states.

Second, the state of Kerala banned agricultural tenancy altogether without having any exception. Third, States like Punjab, Haryana, Gujarat and Haryana did not ban tenancy as such. But tenants after continuous possession of land for certain specified years, acquired the right of purchase of the land they cultivated. However, in all these states, leasing out by both large and small farmers continued. In fact, a tendency towards reverse tenancy in which large farmers leased-in land from marginal farmers was set in since the advent of green revolution in the mid-sixties.

Fourth, states like West Bengal, Orissa, Tamil Nadu and Andhra area of Andhra Pradesh did not ban leasing-out of agricultural land. But share-croppers were not recognised as tenants. The State of West Bengal recognised share-croppers as tenants only with effect from 1979, with the launching of “Operation Barga”.

35
Almost all State Governments provided for the regulation of rent, excepting Kerala where leasing out was completely prohibited. The regulated or fair rent ranged between 1/4th to 1/6th of the produce. But actual rent remained always higher than the regulated or fair rent. In many places where small and marginal farmers leased-in land from large or absentee landowners, the situation continued to be exploitative, thereby discouraging the actual tillers to cultivate the land efficiently.

3.3.3 Ceilings on Land Holding

The term ‘ceiling on land holdings’ refers to the legally stipulated maximum size beyond which no individual farmer or farm household can hold any land. Like all other land reforms measures, the objective of such ceiling is to promote economic growth with social justice. It has been duly recognised by India’s planners and policy makers that beyond a point any large scale farming in Indian situation becomes not only uneconomic, but also unjust. Small farms tend to increase economic efficiency of resource use and improve social equity through employment creation and more equitable income distribution. According to C.H. Hunumantha Rao, small farms offer more opportunities for employment compared to large farms. Hence, even if large farms produce relatively more output per unit of area, they cannot be considered more efficient in a situation of widespread unemployment and under-employment prevalent in this country.

<table>
<thead>
<tr>
<th>State</th>
<th>Level of ceiling (hectare)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Andhra Pradesh</td>
<td>10.93 to 131.13</td>
</tr>
<tr>
<td>Assam</td>
<td>20.23</td>
</tr>
<tr>
<td>Bihar</td>
<td>9.71 to 29.14</td>
</tr>
<tr>
<td>Gujarat</td>
<td>4.05 to 53.14</td>
</tr>
<tr>
<td>Haryana</td>
<td>12.14 to 24.38</td>
</tr>
<tr>
<td>Jammu and Kashmir</td>
<td>9.21</td>
</tr>
<tr>
<td>Kerala</td>
<td>6.07 to 15.18</td>
</tr>
<tr>
<td>Madhya Pradesh</td>
<td>10.12</td>
</tr>
<tr>
<td>Orissa</td>
<td>8.09 to 32.37</td>
</tr>
<tr>
<td>Punjab</td>
<td>12.14 to 24.28</td>
</tr>
<tr>
<td>Rajasthan</td>
<td>8.90 to 135.97</td>
</tr>
<tr>
<td>Tamil Nadu</td>
<td>12.14 to 48.56</td>
</tr>
<tr>
<td>Uttar Pradesh</td>
<td>16.19 to 32.37</td>
</tr>
<tr>
<td>West Bengal</td>
<td>10.12</td>
</tr>
</tbody>
</table>

In 1959, Indian National Congress (Nagpur Resolution) resolved that agrarian legislation to cover restrictions on the size of land holdings must be implemented in all states by the end of 1959. Accordingly, all the State Governments excepting north-eastern region imposed ceilings on land holdings in the 1960s. The states of West Bengal and Jammu and Kashmir had already imposed ceilings on land holdings along with the laws for abolition of intermediaries in the early 1950s. However, the Nagpur Resolution of 1959 had significant impact as various State Governments immediately took to the ratification of ceiling legislation. The Gujarat Agricultural Land Ceiling Act, 1960; The Madhya Pradesh Ceiling on Agricultural Holdings Act, 1960; The Orissa Land Reforms Act, 1969, The Uttar Pradesh Imposition of Ceilings on Land Holdings Act, 1960; The Bihar Land Reforms (Fixation of Ceiling Area and Acquisition of Surplus
Land Act, 1961; The Karnataka Land Reforms Act1961; The Maharashtra Agricultural Lands (Ceiling on Holdings) Act, 1960; The Tamil Nadu Land Reforms (Fixation of Ceiling Land) Act, 1961 and The Kerala Land Reforms Act, 1963 were some of the results of the Nagpur Resolution on Land Reform. However, as the ceiling laws were not ratified simultaneously with abolition of zamindari, except in West Bengal and Jammu and Kashmir as stated before, several nami and benami transfer of land took place. This reduced the potential ceiling surplus land that could be available for redistribution. Besides, several states including Andhra Pradesh, Assam, Bihar, Haryana, Himachal Pradesh, Jammu and Kashmir, Orissa, Punjab, Uttar Pradesh and West Bengal followed individuals as the unit of application for ceiling, while family as the unit of application was adopted in Gujarat, Karnataka, Kerala, Madhya Pradesh, Maharashtra, Rajasthan and Tamil Nadu. We present the ceiling limits fixed by various states in Table 3.1.

It may be seen from Table 3.1 that ceilings were quite high in several states. In addition, the following categories of land were exempted from the ceiling laws:

1) Land under Tea, Coffee, Rubber, Coco and Cardamum Plantations
2) Land used for cultivation of Palm, Kesra, Bela, Chameli or rose when such land holders have no land for any other cultivation (U.P.)
3) Sugarcane Farms
4) Co-operative Gardens, Colonies
5) Tank Fisheries
6) Area under orchard up to 4 hectares (Punjab and Haryana)
7) Land held by co-operative farming and other co-operative societies, including land mortgage bank
8) Land held by religious, charitable and educational institutions
9) Land awarded for gallantry
10) Land held by sugarcane factories
11) Land held by state or Central Government
12) Land held by a public sector or industrial or commercial undertaking
13) Land vested in Gram Sabha, Bhoodan or Gramdan Committee
14) Land situated in any area which is specified as being reserved for non-agricultural or industrial development under the relevant tenancy law (Gujarat)
15) Specified farms engaged in cattle breeding, dairying or wool raising
16) Several categories of other land including those held by public sector or commercial undertakings, research farms, etc. or even private forests.

These exemptions as provided in the ceiling laws gave rise to problems of law evasion by manipulating the classification of land. Also the size of the ceiling surplus land available for redistribution was consequently reduced.

3.3.4 Bhoodan and Gramdan

The Bhoodan movement was launched in 1951, immediately after the peasant uprising in Telengana region of Andhra Pradesh, and after some years, another movement known as Gramdan came into being in 1957. The objective was to persuade landowners and leaseholders in each concerned village to renounce their land rights, after which all the lands would become the property of a village association for the egalitarian redistribution and for purpose of joint cultivation. Vinoba Bhave hoped to eliminate private ownership of land through Bhoodan and Gramdan and maintained that the
Indian Agriculture:
Institutional Perspectives

movement would go a long way to ensure the just redistribution of land, the consolidation of holding and their joint cultivation.

However, the movement failed to achieve its targeted objectives and the degree of success in respect of both land acquisition and land distribution was very limited.

Of the total land of about 42.6 lakh acres, received through Bhoodan, more than 17.3 lakh acres were rejected as they were found unfit for cultivation. About 11.9 lakh acres were distributed and 13.4 lakh acres remained to be distributed. In most cases, the village landlords donated only those pieces of land which were either unfit for cultivation or were in dispute with tenants or government. In fact, the landlords preferred to part away with their disputed lands as a compromise formula for there was little hope under the existing law, of being able to keep this land with them. Besides, in return for such land donation, the landlords also received input subsidies and other facilities, which was no less an inducement to part away with the land unfit for cultivation. Furthermore, while it was provided under the Gramdan movement that private ownership in land is to cease, only the landholders right to sell land was restricted (though not banned), leaving intact the right of inheritance on such lands by the children.

3.3.5 Protection of Tribal Land

All the concerned states ratified laws for prevention of alienation of the tribals from land. In all the scheduled areas, land transfer from tribal to non-tribal population was prohibited by law. But due to various legal loopholes and administrative lapses, alienation of the tribals from their land continued on a large scale. In fact, mortgaging of land to moneylenders due to indebtedness, poverty and acquisition of tribal land for irrigation, dams and other public purposes were largely responsible for alienation of tribal land. Since land is the main source of livelihood for the tribal people and they do not have much upward mobility, indiscriminate acquisition of tribal land for public purposes should be avoided.

3.3.6 Consolidation of Holdings

The term ‘Consolidation of holdings’ refers to amalgamation and redistribution of the fragmented land with a view to bringing together all plots of land of a cultivator in one compact block. Due to growing pressure of population on land and the limited opportunities for work in the non-agricultural sector, there is an increasing trend towards sub-division and fragmentation of land holdings. This makes the task of irrigation management, land improvement and personal supervision of different plots very difficult.

After independence, almost all states excepting Tamil Nadu, Kerala, Manipur, Nagaland, Tripura and parts of Andhra Pradesh enacted laws for consolidation of holdings. But the nature of legislation and the degree of success achieved varied widely. While in Punjab (including Haryana) it was made compulsory, in other states law provided for consolidation on voluntary basis, if majority of the land owners agreed.

Generally speaking, the consolidation acts provided for (i) prohibition of fragmentation below standard area, (ii) fixation of minimum standard area for regulating transfers, (iii) schemes of Consolidation by exchange of holdings, (iv) reservation of land for common areas, (v) procedure for payment of compensation to persons allotted holdings of less market value in exchange, (vi) administrative machinery for carrying consolidation schemes, and (viii) filing of objections, appeals and penalties.

However, due to lack of adequate political and administrative support, the progress made in terms of consolidation of holding was not very satisfactory, excepting in Punjab, Haryana and western Uttar Pradesh where the task of consolidation was
accomplished. But in these states, there is a need for reconsolidation again due to subsequent fragmentation of holdings under the population pressure.

Check Your Progress 2

1) What was the impact of abolition of zamindari in the 1950s?
.......................................................................................................................................................
.......................................................................................................................................................
.......................................................................................................................................................
.......................................................................................................................................................
.......................................................................................................................................................
.......................................................................................................................................................

2) What do you mean by ceiling on land holdings? What was its objective? To what extent, the objective of ceiling on holdings was achieved? What led to its failure?
.......................................................................................................................................................
.......................................................................................................................................................
.......................................................................................................................................................
.......................................................................................................................................................
.......................................................................................................................................................
.......................................................................................................................................................

3) Why did the scheme of consolidation of holdings fail?
.......................................................................................................................................................
.......................................................................................................................................................
.......................................................................................................................................................
.......................................................................................................................................................
.......................................................................................................................................................
.......................................................................................................................................................

3.4 CHOICE OF APPROPRIATE FORM OF FARM ORGANISATION

After Independence there was also a debate on the choice of farm organisation. The Kumarappa Committee (1949) expressed the view that peasant farming would be the most suitable form of cultivation although small farmers should be pooled under a scheme of cooperative or joint farming. Besides, collective farming and state farming was for the development of reclaimed wasteland where landless agricultural workers could be settled. According to the First Five Year Plan, the formation of co-operative farming associations by small holders would ensure efficient cultivation. The Second Five Year Plan asserted that a step should be taken for the development of co-operative farming, so that a substantial proportion of land is cultivated on co-operative lines. The Third Five Year Plan agreed to this proposal, but maintained that with the implementation of the programme of land reforms, the majority of cultivators in India would consist of peasant proprietorship. They should be encouraged and assisted in organizing themselves on voluntary basis for credit, marketing, processing, distribution and also for production.
3.5 CHANGES IN AGRARIAN STRUCTURE

After Independence, a number of land reform measures were undertaken in the 1950s and 1960s which were quite revolutionary in nature and impact. As a result of abolition of zamindari, the feudal mode of production came to an end. Also the proportion of area under tenancy declined.

However, tenancy reforms failed to yield much positive impact, as a large number of tenants-at-will were evicted from land. Also the benefits of consolidation of holdings remained confined to Punjab, Haryana and western Uttar Pradesh.

Thus, the first phase of post-independence land reforms in the 1950s and 1960s yielded a mixed result. It could be termed successful in the sense that all intermediaries were abolished which provided the basis for improvement in agricultural productivity. Nevertheless, the unequal agrarian structure remained in place. In 1953-54 nearly 8 per cent of the ownership holdings accounted for about 51 per cent of the total area, while in 1971, about 10 per cent of the holdings accounted for 54 per cent of the total land. While at the all India level, the Gini coefficient of concentration ratio marginally declined during the 1960s, in several states including Bihar, Punjab and Haryana, Tamil Nadu, Uttar Pradesh and West Bengal, it increased. In other words, there was an increasing tendency towards unequal power structure in terms of land ownership (Table 3.2). Although the average size of holdings declined from 2.39 hectares in 1953-54 to 2.21 hectares in 1971, in several states, the average size of large farms increased.

Table 3.2
Concentration Ratio of Ownership Holdings by State

<table>
<thead>
<tr>
<th>State</th>
<th>1961</th>
<th>1971</th>
</tr>
</thead>
<tbody>
<tr>
<td>Andhra Pradesh</td>
<td>0.764</td>
<td>0.732</td>
</tr>
<tr>
<td>Bihar</td>
<td>0.701</td>
<td>0.712</td>
</tr>
<tr>
<td>Gujarat</td>
<td>0.683</td>
<td>0.683</td>
</tr>
<tr>
<td>Kerala</td>
<td>0.756</td>
<td>0.702</td>
</tr>
<tr>
<td>Madhya Pradesh</td>
<td>0.632</td>
<td>0.621</td>
</tr>
<tr>
<td>Maharashtra</td>
<td>0.707</td>
<td>0.682</td>
</tr>
<tr>
<td>Karnataka</td>
<td>0.663</td>
<td>0.663</td>
</tr>
<tr>
<td>Orissa</td>
<td>0.684</td>
<td>0.645</td>
</tr>
<tr>
<td>Punjab and</td>
<td>0.749</td>
<td>0.776</td>
</tr>
<tr>
<td>Haryana</td>
<td>NA</td>
<td>0.753</td>
</tr>
<tr>
<td>Rajasthan</td>
<td>0.654</td>
<td>0.607</td>
</tr>
<tr>
<td>Tamil Nadu</td>
<td>0.749</td>
<td>0.751</td>
</tr>
<tr>
<td>Uttar Pradesh</td>
<td>0.621</td>
<td>0.631</td>
</tr>
<tr>
<td>West Bengal</td>
<td>0.666</td>
<td>0.672</td>
</tr>
<tr>
<td>All India</td>
<td>0.720</td>
<td>0.710</td>
</tr>
</tbody>
</table>

3.6 PATTERN OF LANDHOLDINGS

The earliest comprehensive picture of the distribution of total owned area by size classes of ownership holdings has been presented by the National Sample Survey (8th Round) pertaining to the year 1953-54.

In a discussion of the pattern of landholdings we include here the size distributions of ownership holdings as well as of cultivation or operational holdings (farms). By ownership holding is meant the area owned by a single household. And by cultivation or operational holding is meant the area cultivated or operated by a single household. (Operational Holding = Ownership Holding — Land Leased out + Land Leased in) Ownership holdings as well as cultivation holdings may be held either as a single plot of land or as several plots scattered at different places. When a holding is held in several scattered plots, it is called a ‘fragmented holding’ and the process creating such holdings is termed ‘fragmentation’. An attempt also has been made here to give a picture of the extent of fragmentation in the agricultural holdings in India.

Our purpose is to focus attention on the distribution of holdings in the Indian agricultural sector at one or more points of time between 1947-48 and 1961-62, for such a distribution is not only an important aspect of the structure of Indian agricultural economy but may also explain the structure of other inputs, in so far as the use of other inputs is itself influenced by the pattern of landholdings.

3.6.1 Pattern of Ownership Holdings

Concentrating now on the pattern of ownership holdings, it may be noticed that nearly 310 million acres of land were estimated to be owned by rural households in 1953-54. This was nearly 38.4 per cent of the total geographical area and 61 per cent of the topographically usable land. A certain proportion of land in the rural areas, no doubt, was owned by urban households. The owned area of 310 million acres was held by 66 million households.

The average size of ownership holdings in the rural areas was thus only 4.72 acres. But when we look at the size-distribution of holdings, the situation is found to be far worse.

Nearly 22 per cent of the households in the rural areas did not hold any land. These households would be largely of agricultural labourers who did not own any land, and particularly of cultivating small tenants. The next 24.9 per cent of the households together held only 1.4 per cent of the land and each of these held an area less than 1 acre in size. Thus, nearly 47 per cent of the households either held no land or held land of area less than one acre. At the other extreme, less than 1 per cent of the households owned among themselves nearly 16 per cent of the owned area, and the size of each of these holdings was 50 acres and above. If we add the immediate lower groups also, then nearly 3.4 per cent of the households held among themselves 34 per cent of the total area. In the lowest size group (0.01 to 0.99 acres) the average size per holding was only about 0.26 acre, while in the size-group over 50 acres the average was about 87.4 acres. It indicates that the disparity in ownership of landholdings was very high.

The disparity in the distribution of ownership holdings seems to have been the highest in South India, where the concentration ratio was 0.74 and the lowest in North India and West India, where the concentration ratios were 0.64. The average size of holding was the lowest in South India (about 3.42 acres), while it was the highest in Central India (about 8.29 acres).

How far does such extreme inequality in the distribution of ownership holdings affect the agricultural economy is a question that naturally follows. It may be pointed out
that, the efficiency of cultivation which depends on appropriate combination of other factors of production with land could, at least in theory, be free from the pattern of ownership.

### 3.6.2 Pattern of Operational Holdings

The concept more appropriate to efficiency of agricultural operation is the concept of “operational” or “cultivation” holding. This will be considered in this section. Theoretically, even with a very adverse distribution of ownership, through a process of leasing in and leasing out, it is possible to have a pattern of operational holdings, less inconsistent with the dictates of efficient technology, or with the requirements of the laws of returns, or of returns to scale. As a matter of fact, if there was a very little of leasing out of land by large owners and very little leasing in by small owners, the pattern of operational holdings would look much the same as that of ownership; and if that were the pattern of operational holdings, there would be too many tiny farms (operational holdings) and some farms too large for efficient cultivation.

Table 3.3 shows that, although a small decline in concentration of land took place after land reform legislation, land distribution remained highly skewed. In 1953-54, the bottom 60 per cent of holdings operated 15.5 per cent of area while in 1960-61 the bottom 62 per cent of holdings operated 19 per cent of area. At the other end, in 1953-54 the top 5.8 per cent of holdings operated 36.6 per cent of area while in 1960-61 the top 4.5 per cent operated 29 per cent of area.

#### Table 3.3

<table>
<thead>
<tr>
<th>Size Distribution of Operational Agricultural Holdings, 1953-54 and 1960-61</th>
</tr>
</thead>
<tbody>
<tr>
<td>Size (acres)</td>
</tr>
<tr>
<td>Very small (up to 0.99)</td>
</tr>
<tr>
<td>Small (1.00-4.99)</td>
</tr>
<tr>
<td>Medium (15.00-24.99)</td>
</tr>
<tr>
<td>Large (25.00-49.99)</td>
</tr>
<tr>
<td>Very Large (50.00 &amp; above)</td>
</tr>
<tr>
<td>Total</td>
</tr>
</tbody>
</table>

**Check Your Progress 3**

1) Which form of farm organisation was considered suitable for India after Independence?

\[ \hline \]
2) What do you mean by co-operative farming?

3) What was the impact of agrarian reforms on agrarian structure?

4) Distinguish between ownership holdings and operational holdings.

5) State the reasons for the decline in leased-in area in 1961-62 over 1953-54.

3.7 LET US SUM UP

Despite large efforts made in the direction of agrarian reforms in the 1950s and 1960s, the situation relating to the agrarian structure remained highly unsatisfactory. According to the Planning Commission’s Task Force on Agrarian Relations, although the laws for the abolition of intermediary tenures were implemented fairly efficiently, the tenancy reforms and tenancy legislation fell short of proclaimed policy. Highly exploitative tenancy in the form of crop sharing still prevailed in large parts of the country. Such tenancy arrangements not only perpetuated the social and economic injustice, but also acted as a constraint to agricultural modernisation. Besides, in the wake of the green revolution, while the rich farmers’ condition improved, those of the
agricultural labourers and the poor tenants remained more or less unchanged. In fact these failures led to land related conflicts including naxalite movement in several places.

3.8 KEY WORDS

Bhoodan and Gramdan: These refer to the land management launched by late shri Vinoba Bhave in 1951. This was to persuade land owners in each village to renounce their land rights after which all the lands would become the property of a village organisation for either equal redistribution or joint cultivation.

Ceilings on Land Holdings: It relates to the fixation of maximum limit beyond which nobody can hold any land.

Consolidation of Holdings: It refers to bringing together all plots of land of a cultivator in one compact block.

Land to the Tiller: It refers to the system of land tenure in which actual tillers or cultivators also have the ownership or occupancy right.

Mahalwari System: Relates to the system of land tenure in which land rights were settled with the entire village under Regulation IX of 1833 Act. This required each peasant of the village to contribute to total revenue demand of the village on the basis of the size of the land he cultivated. This was prevalent in Punjab and parts of United Provinces.

Patron-Client Relationship: It refers to exploitative agrarian relations in which landlords exploit the tenants or workers and yet there is so much dependence on landlords that the tenants or actual workers cannot sever the relationship.

Ryotwari System: It refers to the system of land tenure in which each ryot was recognised by law as the proprietor with the right to transfer or mortgage or sublet the land. This was provided under Regulation VII of 1822 Act mainly in the provinces of Bombay and Madras.

Zamindari System: Refers to the system of land tenure in which land rights of intermediaries were confirmed through permanent settlement in 1793 by Lord Cornwalis and continued subsequently even under temporary settlement scheme.

3.9 SOME USEFUL BOOKS


UNIT 4  LAND REFORMS: PROGRAMME AND PERFORMANCE AFTER 1970

Structure
4.0 Objectives
4.1 Introduction
4.2 Effective Redistribution of Ceiling Surplus Land
4.3 Amendments in Tenancy Laws
4.4 Changes in the Agrarian Structure
4.5 Updating of Land Records
4.6 Consolidation of Holdings
4.7 Land Rights of Women
4.8 New Economic Policy and Land Reforms
4.9 Government Policy
4.10 Let Us Sum Up
4.11 Key Words
4.12 Some Useful Books
4.13 Answers/Hints to Check Your Progress Exercises

4.0 OBJECTIVES

After going through this unit, you will be in a position to explain:

• the land reforms measures undertaken after 1970;
• the effectiveness of land reforms in changing the agrarian structure; and
• the perspective of land reforms in the wake of economic liberalization.

4.1 INTRODUCTION

In Unit 3, we have already discussed the first round of land reforms during the 1950s and 1960s. In this Unit, we will discuss the land reform measures undertaken since the 1970s. The failure of the first round of land reforms to remove the unequal power structure in the villages caused a lot of discontent among the poor. Besides, the green revolution in the late 1960s further widened the income gap between the haves and the have nots. In fact, the growing discontent led to land conflicts, including naxalite movement in West Bengal, Bihar, Andhra Pradesh and other parts of the country. These developments forced the government to revise the ceiling laws in the early 1970s. In addition, some state governments amended their tenancy laws. Further, a need for proper maintenance and updating of land records was felt.

Various measures of land reforms undertaken since 1970 can be discussed under the following heads:

i) Lowering the ceiling limits and thrusts on effective redistribution of ceiling surplus land
ii) Amendments in tenancy laws
iii) Computerisation and updating of land records
iv) Changes in the agrarian structure
v) Changes in the status of consolidation of holdings, and
vi) Perspective of land reforms in the wake of economic liberalisation
4.2 EFFECTIVE REDISTRIBUTION OF CEILING SURPLUS LAND

The Union Government in consultation with state governments prepared national guidelines for more or less uniform ceiling laws. Following the guidelines all the state governments lowered the ceiling limits and inter-state variations in the levels of ceilings as well as exemptions granted to various categories of land were reduced. Besides, there emerged a uniform pattern of ceiling legislation in the country; the family being now the unit of application in all the states. The ceilings on land holdings as imposed after 1972 by various states are given in Table 4.1.

Table 4.1

<table>
<thead>
<tr>
<th>State</th>
<th>Level of ceiling (hectare)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Andhra Pradesh</td>
<td>4.05 to 21.85</td>
</tr>
<tr>
<td>Assam</td>
<td>6.74&lt;sup&gt;a&lt;/sup&gt;</td>
</tr>
<tr>
<td>Bihar</td>
<td>6.07 to 18.21</td>
</tr>
<tr>
<td>Gujarat</td>
<td>4.05 to 21.85</td>
</tr>
<tr>
<td>Haryana</td>
<td>7.25 to 21.85</td>
</tr>
<tr>
<td>Himachal Pradesh</td>
<td>4.05 to 12.14&lt;sup&gt;b&lt;/sup&gt;</td>
</tr>
<tr>
<td>Jammu &amp; Kashmir</td>
<td>3.68 to 7.77&lt;sup&gt;c&lt;/sup&gt;</td>
</tr>
<tr>
<td>Karnataka</td>
<td>4.05 to 21.85</td>
</tr>
<tr>
<td>Kerala</td>
<td>4.86 to 6.07</td>
</tr>
<tr>
<td>Madhya Pradesh</td>
<td>4.05 to 21.85</td>
</tr>
<tr>
<td>Orissa</td>
<td>4.05 to 18.21</td>
</tr>
<tr>
<td>Punjab</td>
<td>7.00 to 21.80</td>
</tr>
<tr>
<td>Rajasthan</td>
<td>7.25 to 21.85&lt;sup&gt;d&lt;/sup&gt;</td>
</tr>
<tr>
<td>Tamil Nadu</td>
<td>4.86 to 24.28</td>
</tr>
<tr>
<td>Tripura</td>
<td>4.00 to 12.00</td>
</tr>
<tr>
<td>Uttar Pradesh</td>
<td>7.30 to 18.25</td>
</tr>
<tr>
<td>West Bengal</td>
<td>5.00 to 7.00</td>
</tr>
</tbody>
</table>

<sup>a</sup> Additional area under orchard subject to maximum of 2.02 hectares above the ceiling is permissible.
<sup>b</sup> In certain specified areas upto 28.33 hectares.
<sup>c</sup> Orchards in excess of the ceiling is permissible, subject to an annual tax.
<sup>d</sup> In certain specified areas upto 70.82 hectares.

The ceiling limits in various states was about 4 hectares of irrigated land capable of producing at least two crops in a year and its equivalent of other categories of land. The ceiling laws enacted in the 1970s were an improvement over the ones adopted in the 1950s and 1960s.

However, certain categories of land continued to be exempted from ceiling which left scope for law evasion through the device of shifting lands to the exempted categories. These included mainly the following categories of land:

i) Land held by religious, charitable and educational institutions,

ii) Land for special cultivation of tea,
iii) Land held by a co-operative farming society for feeding a sugar factory (Assam)

iv) Land under plantations and private forest (Kerala)

v) Land belonging to primary co-operative societies (Himachal Pradesh)

vi) Land possessed by commercial undertakings (Tamil Nadu)

Moreover, although family is now the unit of application for the purpose of determining the ceiling, the term ‘family’ has been defined very broadly in many states and the majors have been granted separate units in almost all the states. In other words, even the new ceiling laws did not attack the various sources of law evasion and the question of proper ceiling legislation and its implementation has not yet been solved.

Table 4.2
Implementation of Land Ceiling Laws by State

(Up to September 1998)

<table>
<thead>
<tr>
<th>States/UTs</th>
<th>Declared surplus</th>
<th>Taken Possession</th>
<th>Distributed Beneficiaries</th>
<th>Total No. of beneficiaries</th>
</tr>
</thead>
<tbody>
<tr>
<td>Andhra Pradesh</td>
<td>791461</td>
<td>639030</td>
<td>577551</td>
<td>529116</td>
</tr>
<tr>
<td>Assam</td>
<td>612380</td>
<td>575837</td>
<td>505202</td>
<td>445648</td>
</tr>
<tr>
<td>Bihar</td>
<td>415447</td>
<td>387463</td>
<td>305858</td>
<td>377730</td>
</tr>
<tr>
<td>Gujarat</td>
<td>230911</td>
<td>158646</td>
<td>134963</td>
<td>31906</td>
</tr>
<tr>
<td>Haryana</td>
<td>93239</td>
<td>88244</td>
<td>87309</td>
<td>27435</td>
</tr>
<tr>
<td>Himachal Pradesh</td>
<td>316556</td>
<td>304895</td>
<td>4374</td>
<td>6365</td>
</tr>
<tr>
<td>Jammu &amp; Kashmir</td>
<td>455575</td>
<td>450000</td>
<td>450000</td>
<td>450000</td>
</tr>
<tr>
<td>Karnataka</td>
<td>267758</td>
<td>155118</td>
<td>118441</td>
<td>32047</td>
</tr>
<tr>
<td>Kerala</td>
<td>138439</td>
<td>95987</td>
<td>64922</td>
<td>148423</td>
</tr>
<tr>
<td>Madhya Pradesh</td>
<td>294838</td>
<td>262406</td>
<td>186158</td>
<td>72558</td>
</tr>
<tr>
<td>Maharashtra</td>
<td>607194</td>
<td>553521</td>
<td>535685</td>
<td>141472</td>
</tr>
<tr>
<td>Manipur</td>
<td>1830</td>
<td>1685</td>
<td>1682</td>
<td>1258</td>
</tr>
<tr>
<td>Orissa</td>
<td>178016</td>
<td>166814</td>
<td>155401</td>
<td>136686</td>
</tr>
<tr>
<td>Punjab</td>
<td>222594</td>
<td>105181</td>
<td>103557</td>
<td>28303</td>
</tr>
<tr>
<td>Rajasthan</td>
<td>610374</td>
<td>566228</td>
<td>458974</td>
<td>80160</td>
</tr>
<tr>
<td>Tamil Nadu</td>
<td>190966</td>
<td>182762</td>
<td>171066</td>
<td>183369</td>
</tr>
<tr>
<td>Tripura</td>
<td>1995</td>
<td>1944</td>
<td>1599</td>
<td>1424</td>
</tr>
<tr>
<td>Uttar Pradesh</td>
<td>570395</td>
<td>538300</td>
<td>402018</td>
<td>360389</td>
</tr>
<tr>
<td>West Bengal</td>
<td>1354689</td>
<td>1265937</td>
<td>1032201</td>
<td>2476910</td>
</tr>
<tr>
<td>D &amp; N Haveli</td>
<td>9406</td>
<td>9305</td>
<td>6851</td>
<td>3353</td>
</tr>
<tr>
<td>Delhi</td>
<td>1132</td>
<td>394</td>
<td>394</td>
<td>654</td>
</tr>
<tr>
<td>Pondicherry</td>
<td>2326</td>
<td>1177</td>
<td>1023</td>
<td>1359</td>
</tr>
<tr>
<td>Total</td>
<td>7373524</td>
<td>6510874</td>
<td>5305229</td>
<td>5536565</td>
</tr>
</tbody>
</table>

Source: Ministry of Rural Areas and Employment, Govt. of India, Annual Report, 1998-1999

According to an estimate by the Planning Commission, the new ceiling laws should have resulted in surplus land for redistribution. According to Rajkrishna, this should have provided at least 90 per cent of the area required to give any/every landless family a minimum basic holdings. Unfortunately, till September 1998, only about 7.4 million acres of land were declared surplus under the ceiling laws of various states and only about 5.3 million acres have been redistributed among 5.5 million beneficiaries.
Nearly 50 per cent of the beneficiaries were members of schedule castes and schedule tribes. Table 4.2 shows the state-wise distribution of ceiling surplus land. It may be seen from the table that of the total ceiling surplus land distributed, about one-fifth was in the state of West Bengal. Other larger states like Bihar, Uttar Pradesh and Madhya Pradesh have redistributed relatively smaller area. In short, if a small state of West Bengal could redistribute 10.3 lakh hectares of ceiling surplus land, there is no reason for a bigger state like Uttar Pradesh to have distributed only 4 lakh hectares of ceiling surplus land.

The ceiling laws enacted by various states are often not properly defined and therefore, there is either law evasion or delay in the implementation of the law. For example, the existing laws (i) do not specifically provide for suo-motto action on benami transfer of land, (ii) do not ensure correct record of land owners about ceiling, (iii) do not ensure punishment for the law evaders, and (iv) do not take possession of the wasteland for redistribution. In many cases implementation of ceiling laws has been poor because the ceiling laws came into conflict with the law of inheritance. For example, before the ceiling law was implemented the land was distributed among minor sons, daughters and grandsons and granddaughters which is permitted by the law of inheritance. The available data suggest that large number of cases related to ceiling surplus land are pending in courts because of delay in judicial decisions. There are a lot of court cases pending. Moreover, due to (i) influence of landlords, (ii) lack of organisation of potential beneficiaries, (iii) lack of up-to-date land records, and (iv) manipulative changes in the classification of land, the implementation of ceiling laws has been very slow. Furthermore, a large part of the ceiling surplus land acquired by the government is of inferior quality. The allottees of such land need to invest substantially on land reclamation for bringing such land under cultivation. Although there is a centrally sponsored scheme for reclamation of such lands, in most states, the scheme has not been operationalised because the state governments has to provide equal matching grant.

4.3 AMENDMENTS IN TENANCY LAWS

During the 1970s several state governments amended their tenancy laws. In Andhra region of Andhra Pradesh, the amendment of 1974 to tenancy laws conferred continuous right of resumption on land owners. The right of resumption has ceased in the case of all leases subsisting at the commencement of the amending act of 1974, but it continues in respect of future leases. In Gujarat, the tenancy act was amended according to which tenants who were evicted between 1957 and 1992 were entitled to restoration. In Jammu & Kashmir, the J&K Agrarian Act of 1976 declared that all rights, titles and interests in land of any person not cultivated personally after 1971 shall be vested in the state free from all encumberances with effect from 1973. The Act provided for conferment of right of tenant after allowing the resident land owner to resume land for personal cultivation provided his annual income does not exceed Rs. 500 per month and the tenant is left with no less than 2 standard acres of land.

The Government of Karnataka amended the Land Reform Act 1961 in 1973, which provided for fixity of tenure subject to landlords right to resume half the leased area. In 1979 the tenancy law was further amended which banned leasing-out except by soldiers and seaman and conferred ownership right on a large number of tenants. In Uttar Pradesh an amendment to the tenancy law was made in 1977. According to this, Sirdars excepting those settled on vacant land were declared as Bhumidars with transferable rights. In West Bengal, the law on acquisition and settlement of homestead land (amendment act 1972) provided that tenants of homestead lands would be given full right provided an application was made up to August 1974. Besides, the government of West Bengal launched ‘Operation Barga’ for recording the share cropping tenancy in 1978. It has been estimated that about 14 lakh share-croppers were conferred with permanent heritable right.
In fact, the impact of such special campaign for recognizing and recording the land rights of share croppers is said to have yielded positive impact on agricultural productivity and poverty reduction in the state.

4.4 CHANGES IN THE AGRARIAN STRUCTURE

After implementation of land reforms, it was expected that there will be a remarkable change in the agrarian structure in terms of reduction in the concentration of land holdings and improvement in the economic conditions of poor tenants. However, the available data indicate that inequality in the ownership of land holdings has not declined much over time. During 1971 to 1992 the Gini ratio of inequality remained constant at 0.71. In a number of states including Gujarat, Himachal Pradesh, Jammu & Kashmir, Madhya Pradesh, Maharashtra, Orissa and Rajasthan there was an increase in the concentration ratio of land holdings which indicates that the land reform measures have been mostly ineffective in reducing the level of rural inequality.

The proportion of landless households increased from 9.6% in 1971 to 11.3% in 1992 (NSSO 48th Round, Report No. 399). During the same period the proportion of leased-in area declined from 11.6% in 1971 to 8.3% in 1992. However, in many states since tenancy is legally banned concealed tenancy exists. In the state of Bihar, for example, the incidence of tenancy is reported to be above 30%. Thus, the agrarian structure seems to be as unequal and unproductive as before.

Check Your Progress 1

1) What were the changes brought about in the ceiling laws adopted in early 1970s?

.......................................................................................................................
.......................................................................................................................
.......................................................................................................................
.......................................................................................................................
.......................................................................................................................
.......................................................................................................................

2) What were the major constraints in the effective implementation of land ceiling laws?

.......................................................................................................................
.......................................................................................................................
.......................................................................................................................
.......................................................................................................................
.......................................................................................................................
.......................................................................................................................

3) To what extent have the land reform measures undertaken since 1970 changed the agrarian structure?

.......................................................................................................................
.......................................................................................................................
.......................................................................................................................
.......................................................................................................................
.......................................................................................................................
......................................................................................................................
4.5 UPDATING OF LAND RECORDS

The maintenance of up-to-date land records is important not only for effective implementation of land records, but also for harmonizing the process of overall rural transformation. During the Seventh Five Year Plan a *centrally sponsored scheme* was launched for computerization of land records. During the Eighth Five Year Plan nearly 48 crores of rupees were allocated for this purpose. By 1997-98 about 470 tahsils were covered under this programme. However, the progress made so far is poor due to lack of adequate infrastructural and training support at the local level. Besides, there is a need to take steps to bring about transparency in the administration of land records.

4.6 CONSOLIDATION OF HOLDINGS

Since 1971 there has not been much progress in the consolidation of holdings. The area under consolidation increased from 500 lakh hectares to 641 lakh hectares only. In several states, the consolidation programme has not made any progress what so ever due to lack of compulsory provisions in the law. In Bihar, the consolidation programme has been discontinued since July 1992. The Government of Karnataka repealed the consolidation act in 1991. The state of Maharashtra also suspended the implementation of consolidation programme with effect from 1993 (Table 4.3).

<table>
<thead>
<tr>
<th>States/UTs</th>
<th>Area Consolidated (Lakh hectares)</th>
<th>Period of Reporting</th>
</tr>
</thead>
<tbody>
<tr>
<td>Andhra Pradesh</td>
<td>8.18</td>
<td>1992</td>
</tr>
<tr>
<td>Bihar</td>
<td><em>96.05</em></td>
<td>1999</td>
</tr>
<tr>
<td>Gujarat</td>
<td>69.88</td>
<td>1999</td>
</tr>
<tr>
<td>Haryana</td>
<td>104.38</td>
<td>1999</td>
</tr>
<tr>
<td>Himachal Pradesh</td>
<td>29.91</td>
<td>1999</td>
</tr>
<tr>
<td>Jammu &amp; Kashmir</td>
<td>1.37</td>
<td>1973</td>
</tr>
<tr>
<td>Karnataka</td>
<td>26.76*</td>
<td></td>
</tr>
<tr>
<td>Madhya Pradesh</td>
<td>95.53</td>
<td></td>
</tr>
<tr>
<td>Maharashtra</td>
<td>526.5$</td>
<td>1993</td>
</tr>
<tr>
<td>Orissa</td>
<td>26.74</td>
<td>1999</td>
</tr>
<tr>
<td>Punjab</td>
<td>103.74</td>
<td>1999</td>
</tr>
<tr>
<td>Rajasthan</td>
<td>42.30</td>
<td></td>
</tr>
<tr>
<td>Uttar Pradesh</td>
<td>481.63</td>
<td>1999</td>
</tr>
<tr>
<td>Delhi</td>
<td>2.33</td>
<td>1992</td>
</tr>
<tr>
<td>Total</td>
<td>1615.30</td>
<td>As on October 1999</td>
</tr>
</tbody>
</table>

* Scheme has been discontinued since 1992 in Bihar.
# Consolidation of holding Act, 1966 has been repealed in 1991.
$ Implementation of the scheme stopped since 1993.

In view of the overall beneficial effects of the consolidation programme, state governments should give priority to it. Besides, the state governments should ensure that interest of small and marginal farmers and tenants are protected during the
process of consolidation through appropriate and up-to-date land records and proper valuation of their lands. It is interesting to note that the central government has constituted a high level committee to suggest measures for implementation of consolidation of holdings in future.

### 4.7 LAND RIGHTS OF WOMEN

Land reform policy in the past did not address the question of land rights of women. In Uttar Pradesh, the Zamindari abolition act banned a female child from inheritance of agricultural land. In some states, women cannot even buy agricultural land. In the absence of recorded land rights, they cannot prove that they are agriculturists. In 1992 the revenue ministers’ conference recommended that in matters of distribution of ceiling surplus land and other public lands, women should be given equal opportunities. The land should be allotted jointly in the name of husband and wife. In practice, however, women are generally ignored as land ownership is given in the name of a male member of the benefited family. It is thus desirable that law should specifically provide women with equal access to benefits of land reforms.

### 4.8 NEW ECONOMIC POLICY AND LAND REFORMS

In the wake of economic reforms, land reforms appear to have taken a back seat in India. Sometimes even the philosophy of redistribution of land through land reforms is questioned. It is often argued that the existing land reforms laws restrict the growth of capitalistic/contract farming which is necessary for market-led growth. In recent years some state governments even proposed for relaxation of ceiling and tenancy laws for revitalizing the land market. The Government of Maharashtra has already proposed for upward revision of land ceiling for horticultural purposes. The state of Karnataka also has prepared an agricultural policy which mentions about the need for liberalisation of tenancy and upward revision of ceiling. However, the Government of India has not so far agreed to such proposals.

In fact, the argument that land reform stands in the way of market-led growth appears to be misplaced. The experience of countries like Japan and Korea shows that land reforms can help in the faster and more sustainable development of capitalistic agriculture, without creating much pain for the rural population. But market-led economic reforms, not accompanied by land reforms, could be painful for the rural poor and may not be sustainable in the long run. An a matter of fact land reforms should precede market reforms as a means of rapid and balanced economic development.

### 4.9 GOVERNMENT POLICY

The government policy on land reforms has been more or less consistent since the 1970s. All the Five Year Plans from Fifth Plan onwards have emphasised the need for effective implementation of land reforms for agricultural growth and equity. The Ninth Five Year Plan also clearly mentioned that land reforms would continue to be an important policy instrument for alleviating rural poverty. Proper implementation of land laws and policies would lead to restructuring of the agrarian economy in a way conducive to higher growth rates of agricultural sector but with greater equity in the distribution of gains from it. The main focus of the Ninth Five Year Plan on land reforms is on the following few critical areas:

i) Efforts should be made to detect and redistribute the ceiling surplus land and to enforce the ceiling law strictly.

ii) Tenancy reforms should be taken up specifically in the states characterized by semi-feudal modes of production.
The rights of tenants and share croppers need to be recorded and security of

tenure provided to them.

The poor should be given access to common property resources and government
wastelands.

The land rights of women must be ensured through amendment of the existing
land laws.

Updating of land records should be expedited as this is a necessary pre-requisite
of any land reforms policy.

A massive programme of organizing the rural poor for participation in and
implementation of land reforms and poverty alleviation programmes should be
undertaken with the help of voluntary groups.

However, the political will on the part of various state governments to enforce land
reforms effectively appears to be doubtful.

Check Your Progress 2

1) Why is the maintenance of up-to-date land records so important?

2) How do you protect the interests of small farmers and tenants in the process of
consolidation of holdings?

3) Do you think that new economic policies and land reforms are contradictory to
each other?

4.10  LET US SUM UP

The land reforms measures undertaken since 1971 have yielded mixed results. In a
state like West Bengal, the approach was participatory in nature in which the
government functionaries, panchayat bodies and the local politicians largely helped in effective implementation of land reforms. Of the total 2 million hectares of ceiling surplus land distributed in the country, nearly on-fifth came from the state of West Bengal only. Other states have adopted a luke warm attitude towards the enforcement of ceiling laws.

As far as tenancy reforms is concerned, the state of Kerala has banned tenancy all together. Besides, in Telengana area of Andhra Pradesh, Bihar, Karnataka, Madhya Pradesh and Uttar Pradesh leasing-out of land has been banned except by certain disabled categories. However, concealed tenancy exists in all these states. In fact, tenants in all these states are more insecure because all leases are oral and informal in nature. Recording of the incidence of such tenancy on the pattern of ‘Operation Barga’ in West Bengal may be helpful.

Furthermore, in the wake of economic reforms since 1991, the concern for implementation of land reforms by the government appears to have declined, although various pronouncements by the Ministry of Rural Areas and Employment and the Planning Commission show that land reforms continue to be one of the policy instruments for the alleviation of rural poverty. As a matter of fact, the government lacks the necessary will power to implement land reforms and also there is no organized pressure from the potential beneficiaries for it.

4.11  KEY WORDS

Gini Coefficient : It is used to measure inequality in distribution of income or assets. In the present case it is used to measure the inequality in the distribution of land ownership. Gini coefficient ranges between zero and one. Higher the value of the coefficient, higher is the degree of inequality.

Operation Barga : It relates to the special campaign launched by the government of West Bengal in 1978 for recording the incidence of share cropping and according permanent and heritable rights to the share-croppers.

Matching Grant : In order to encourage certain activities/ investments the central government provides grants to the state governments. Often it is of the matching grant type. Here the central and state governments fund the project in certain ratio. For example, if matching grant is 50:50, then the central government reimburses 50 per cent of the expenditure incurred by the state government.


4.12  SOME USEFUL BOOKS