Land Reforms(II): Zamindari Abolition and Tenancy Reforms

The process of land reform after independence basically occurred in two broad phases. The first phase which started soon after independence and arguably continued till the early 1960s focussed on the following features: () tabolition of intermediaries—zamindars, jagirdars, etc. () tenancy reforms involving providing security of tenure to the tenants, decrease in rents and conferment of ownership rights to tenants, **or ceilings on size of landholdings**. () cooperativization and community development programmes. This phase has also been called the phase of institutional reforms. The second phase beginning around the mid- or late 1960s saw the gradual ushering in of the so-called Green Revolution and has been seen as the phase of technological reforms. The two phases are not to be divided into rigid watertight compartments. In fact, they were complementary to each other and there was a fair degree of overlap in the programmes followed during these phases. In the following chapters therefore we shall not strictly follow the chronology of the two phases and will often discuss programmes which cut across them.

Zamindari Abolition

Within a year or two of independence, that is, by 1949, zamindari abolition bills or land tenure legislation were introduced in a number of provinces such as Utar Pradesh, Madhya Pradesh, Bihar, Madras, Assam and Bombay with the report of the Utar Pradesh Zamindari Abolition Committee (chaired by G.B. Pant) acting as the initial model for many others.

In the meantime, the Constituent Assembly was in the process of framing India's constitution. There was, however, widespread apprehension, including among Congress leaders deeply committed to zamindari abolition like Jawaharlal Nehru, G.B. Pant and Sardar Patel, that the zamindars could try to sty mie the acquisition of their estates by moving the courts, raising issues like the violation of right to property or 'unjustness' of the compensation. After prolonged discussion the relevant provisions of the constitution were framed in a manner that the leaders felt assured that the zamindari abolition bills pending in the state assemblies would go through on the basis of compensation recommended by the state legislatures as these recommendations were made non-justiciable, requiring only Presidential assent which meant ultimately the support of the Union cabinet. The compensation recommended by the legislatures was of course expected to be small and reasonable from the tenants' point of view. It is significant that there was a wide consensus on giving the legislatures the authority to prescribe principles of compensation on expropriation of the zamindars. The acquisition of commercial or industrial property continued to **require an entirely different set of principles**.

However, belying the expectation of the framers of the constitution, the zamindars in various parts of the country challenged the constitutionality of the law permitting zamindari abolition and the courts, as for example the Patna High Court, upheld the landlords' suit. The Congress government responded by getting constitutional amendments passed. The 1st Amendment in 1951 and the 4th Amendment in 1955 were aimed at further strengthening the hands of the state legislatures for implementing zamindari abolition, making the question of violation of any fundamental right or insufficiency of compensation not permissible in the courts. Though the zamindars continued to make numerous appeals to the High Court and Supreme Court, if for no other purpose but to delay the acquisition of their estates, yet, the back of their resistance was broken by the mid-1950s. It may be reiterated that, contrary to a view often put forward, the framers of the constitution, including the so-called 'right wing', were not participating in a design to stymie land reforms but were in fact trying to complete the process within a democratic framework.

A major difficulty in implementing the zamindari abolition acts, passed in most provinces by 1956, was the absence of adequate land records. Nevertheless, certainly by the end of the 1950s (though essentially by 1956) the process of land reform involving abolition of intermediaries (the zamindars of British India, and j agirdars of the princely states now merged with independent India) can be said to have been completed. Considering that the entire process occurred in a democratic framework, with virtually no coercion or violence being used, it was completed in a remarkably short period. This was possible partly because the zamindars as a class had been isolated socially during the national movement itself as they were seen as part of the imperialist camp. But reforms which threatened the interests of sections of the upper peasantry who were very much part of the national movement and had considerable societal support were far more difficult, and sometimes impossible to achieve, as we shall see later.

The abolition of zamindari meant that about 20 million erstwhile tenants now became landowners. The figures for area and number of households under tenancy are highly unreliable partly because in many areas a very large proportion of tenancy was 'oral' and therefore unrecorded. Yet, scholars agree that there was some decline in tenancy after the reforms started, one rough estimate being that area under tenancy decreased from about 42 per cent in 1950–51 to between 20 and 25 per cent by the early 1960s. However, the decline in tenancy and the considerable increase in self-cultivation was not a result only of tenants becoming landowners but also of eviction of existing tenants by landowners, as we shall see presently.

The compensation actually paid to the zamindars once their estates were acquired was generally small and varied from state to state depending upon the strength of the peasant movement and consequent class balance between the landlords and the tenants and the ideological composition of the Congress leadership and of the legislature as a whole. In Kashmir, for example, no compensation was paid. In Punjab, the occupancy tenants of Patiala paid nothing and even the inferior tenants paid a negligible amount, often just the first instalment of the total compensation to be paid over a number of y ears. Most states followed a variation of the model worked out in Uttar Pradesh, where, very significantly, the compensation paid was inversely related to the size of the land which came under a zamindar. The small zamindars (they were often hardly distinguishable from the well-to-do peasants; land reform initiatives were quite consciously not directed against them) who used to pay land revenue of up to Rs 25 were to receive about twenty times their net annual income as compensation whereas the big zamindars who paid land revenue ranging between Rs 2,000 and Rs 10,000 were to receive merely two to four times their net annual income. Moreover the pay ment of compensation, was to stretch over a long period, in some cases forty years. It is estimated that the big zamindars who did receive compensation found that their incomes from alienated land, through compensation, would fetch them only one-fortieth of their earlier income.

Out of a total due of Rs 6,700 million, the compensation actually paid till 1961 was Rs 1,642 million, a small figure considering that India spent, by one estimate, more than six times the amount, Rs 10,000 million in just food imports between 1946 and 1953.

Weaknesses in Zamindari Abolition

There were, however, certain important <u>weaknesses</u> in the manner in which some of the clauses relating to zamindari abolition were implemented in various parts of the country. For example, in <u>Uttar Pradesh</u>, the zamindars were permitted to retain lands that were declared to be under their personal cultivation. What constituted 'personal cultivation' was very loosely defined '(making) it possible for not only those who tilled the soil, but also those who supervised the land personally or did so through a relative, or provided capital and credit to the land, to call themselves a

cultivator¹.¹Moreover, in states like Uttar Pradesh, Bihar and Madras, to begin with (i.e., till land ceiling laws were introduced) there was no limit on the size of the lands that could be declared to be under the 'personal cultivation' of the zamindar, This, despite the fact that the Congress Agrarian Reforms Committee (Kumarappa Committee) in its report of 1949 had clearly stipulated that 'only those who put in a minimum amount of physical labour and participate in actual agricultural operations' could be said to be performing 'personal cultivation'. Also, the committee had envisaged a limit or ceiling on how much land could be 'resumed' for 'personal cultivation', under no circumstances leading to the tenant's holding being reduced to below the 'economic' level.²

The result in actual practice, however, was that even zamindars who were absentee landowners could now end up retaining large tracts of land. Further, in many areas, the zamindars in order to declare under 'personal cultivation' as large a proportion of their lands as possible often resorted to large-scale eviction of tenants, mainly the less secure small tenants. (This was to be followed by further rounds of evictions once the land ceilings and tenancy legislations came into being, cumulatively leading to a major blot in the record of land reforms in India.)

Many of the erstwhile essentially rent-receiving zamindars, however, did actually begin to manage the lands declared under their 'personal cultivation'. They invested in them and moved towards progressive capitalist farming in these areas, as this was indeed one of the objectives of land reform.

Retaining large tracts under 'personal cultivation' was only one way through which the landlords tried to avoid the full impact of the effort at abolition of the zamindari system. Several other methods were used to resist the bringing in of zamindari abolition legislation and their implementation. Since such legislation had to be passed by the state legislatures, the landlords used every possible method of parliamentary obstruction in the legislatures. The draft bills were subjected to prolonged debates, referred to select committees and repeated amendments were proposed so that in many states like Uttar Pradesh and Bihar several years passed between the introduction of the bills and the laws being enacted.

Even after the laws were enacted the landlords used the judicial system to defer the implementation of the laws. As we saw earlier, they repeatedly challenged the constitutionality of the laws in the courts, going right up to the Supreme Court. In Bihar, where the landlords put up the maximum resistance, they tried to block the implementation of the law even after they lost their case in the Supreme Court twice. They now refused to hand over the land records in their possession, forcing the government to go through the lengthy procedure of reconstructing the records. Further, implementation of the law was made difficult and, as much as possible, skewed in favour of the zamindar, by the collusion between the landlords and particularly the lower-level revenue officials. Such collusion was helped by the fact that in zamindari areas many of the revenue officials were former rent-collecting agents of the zamindars. At all levels involving the legislative, judicial and executive arms of the state, the landlords put up resistance.

The Congress responded by repeatedly reiterating its resolve to complete the process of zamindari abolition as quickly as possible. This resolve was seen in AICC resolutions (e.g., that of July 1954), in the conference of the chief ministers and presidents of PCCs (April 1950), in the First Plan document and most of all in the Congress election manifestos. Democracy with adult franchise on the one hand reduced the political weight of the zamindars, and on the other increased the urgency of meeting the long-standing demands of the peasantry. The Congress itself had over the years mobilized the peasantry to make these demands. The Congress also took necessary administrative and legislative steps, such as getting the constitutional amendments of 1951 and 1955 passed by parliament, which would meet the challenge put up by the landlords.

Despite the resistance of landlords, the process of zamindari abolition was essentially completed, as noted earlier, except in certain pockets of Bihar, within a decade of the formation of the Indian Republic. The typically large 'feudal' estates were gone. While the big landlords, who lost the bulk of their lands, were the chief losers, the main beneficiaries of zamindari abolition were the occupancy tenants or the upper tenants, who had direct leases from the zamindar, and who now became landowners. Such tenants were generally middle or rich peasants who sometimes had subleases given out to lower tenants with little rights, often called 'tenants at will'.

Tenancy Reforms

The issue of continuing tenancy in zamindari areas, oral and unrecorded, therefore remained even after abolition of zamindari was implemented. Such tenancy existed in the lands of the form er zamindars now said to be under their 'personal cultivation' as well as in the lands subleased by the former occupancy tenant who now became the landowner. Moreover, at independence only about half the area was under zamindari tenure. The other half was under ry otwari where too the problems of landlordism and an insecure, rack-rented tenantry were rampant.

The second major plank of the land reforms envisaged was, therefore, concerned with tenancy

legislation. The political and economic conditions in different parts of India were so varied that the nature of tenancy legislation passed by the different states and the manner of their implementation also varied a great deal. Yet, there were certain commonly shared objectives of the various legislations and over time some common broad features emerged in the manner of their implementation in most parts of the country. It is an examination of only these common aspects rather than of the myriad differences that is possible within the scope of this study.

Tenancy reforms had three basic objectives. First, to guarantee security of tenure to tenants who had cultivated a piece of land continuously for a fixed number of years, gay six years (the exact number of years varied from region to region). Second, to seek the reduction of rents paid by tenants to a "fair" level which was generally considered to range between one-fourth and one-sixth of the value of the gross produce of the leased land. The third objective was that the tenant gain the right to acquire ownership of the lands he cultivated, subject to certain restrictions. The tenant was expected to pay a price much below the market price, generally a multiple of the annual rent, say eight or ten years' rent. For example, in parts of Andhra Pradesh the price he had to pay was eight years' rent, which was roughly 40 per cent of the market price of the land.

It needs to be added here that while attempting to improve the condition of the tenants, tenancy legislation in India by and large sought to maintain a balance between the interest of the landowner, particularly the small landowner, and the tenant. The absentee landowners' right of resumption of land for 'personal cultivation', which was granted in most parts of India, as well as the tenants' right to acquire the lands they cultivated, was operated through a complex and variable system of 'floors' and 'ceilings' keeping this balance in view.

The landowner's right of resumption was limited (this was aimed at the large landowners) to his her total holding after resumption not exceeding a certain limit or ceiling prescribed by each state. The First Plan suggested a limit of three times the 'family holding!. A family holding, *inter alia*, was defined as a single plough unit. Also, while resuming land the landowner could not deprive the tenant of his entire lands. In some states like Kerala, Orissa, Gujarat, Himachal Pradesh, Maharashtra, Karnataka and Tamil Nadu, the tenant had to be left with at least half his holding. In some other states like Bihar the floor was half the holding of the tenant or a minimum of 5 acres (in West Bengal 2.5 acres), whichever was less.

Conversely (and this was aimed at the small landowner), the tenants' right to acquire the landowner's lands was restricted by the condition that the landowner was not to be deprived of all his lands and that the tenants' holding after acquisition was not to exceed the ceiling prescribed by each state.

It was recognized, as the Second Plan noted, that, 'The economic circumstances of small owners are not so different from those of tenants that tenancy legislation should operate to their disadvantage.³ The Plan therefore envisaged that very small landowners could resume their entire holding for self-cultivation. However, the actual experience of implementation of the tenancy laws was more complicated. As P.S. Appu, who headed the Planning Commission Task Force on Agrarian Relations (which reported in 1973), noted, the provisions introduced to protect the small landowners were misused by the larger landlords with the active connivance of the revenue officials.⁴ The Third Plan also pointed out the abuse of such provisions by large landowners transferring their lands in the names of a number of relatives and others so as to enter the category of 'small landowner' and then evicting tenants from such lands by exercising the right of resumption given to small owners.⁵

In fact, the right of resumption and the loose definition of 'personal cultivation' referred to earlier (initially only Manipur and Tripura made personal labour by the landowner a condition of resumption for personal cultivation) was used for eviction of tenants on a massive scale. The process of eviction had actually begun in anticipation of the imminent tenancy legislations. The inordinate delays in enacting and implementing the legislations were engineered by vested interests enabling them to evict potential beneficiaries before the law came into force.

Even after the tenants got legal protection against eviction, large-scale evictions occurred. For example, the Planning Commission's Panel on Land Reforms noted in 1956 that between 1948 and 1951 the number of protected tenants in the state of Bombay declined from 1.7 million to 1.3 million, that is, by more than 23 per cent; in the State of Hyderabad between 1951 and 1955 the number declined by about 57 per cent. Another detailed study of Hyderabad showed that out of every 100 protected tenants created in 1951, after four years, that is, by 1954, only 45.4 per cent maintained that status; 12.4 per cent became landowners by exercising their right to acquire land; 2.6 per cent were legally evicted; 22.1 per cent were illegally evicted; and 17.5 per cent 'voluntarily' surrendered their claims to the land. Voluntary surrenders by tenants was really a euphemism for illegal eviction as most often the tenant was 'persuaded' under threat to give up his tenancy rights 'voluntarily'. So common was the practice that the Fourth Plan was constrained to recommend that all surrenders should only be in favour of the government, which could allot such lands to eligible persons. However, only a handful of states acted upon this recommendation.

Before proceeding further on the failures of tenancy legislation in providing security of tenure to a large section of tenants, it is extremely important to also recognize that a substantial proportion of tenants did acquire security and permanent occupancy rights. The detailed study of Hy derabad referred to in the previous paragraph after all shows that 45.4 per cent of the tenants remained protected tenants and 12.4 per cent became owners, that is, in sum about 67.8 per cent of the tenants brought under the legislation no longer suffered from insecurity. This was an important development with ramifications on levels of investment and improvement in productivity in the lands of such 'secure' tenant cultivators.

In many cases tenancy legislations led to tenancy being pushed underground, that is, it continued in a concealed form. The tenants were now called 'farm servants' hough they continued in exactly the same status. In the early years of land reform, tenants were often converted to sharecroppers, as surprisingly the latter were not treated as tenants and therefore were not protected under the existing tenancy legislation in some states such as Uttar Pradesh Only cash rent payers were treated as tenants and not those who paid fixed produce rents or those who paid a proportion of total produce as rent, that is, sharecroppers. In West Bengal sharecroppers, known as bargadars, received no protection till as late as July 1970 when the West Bengal Land Reforms Act was amended to accord limited protection to them. A spurt in the

practice of share-cropping in the immediate years after 1951 can partially be explained by this factor, that sharecroppers had no tenancy rights.

Perhaps what contributed most to the insecurity of tenants was the fact that most tenancies were oral and informal, that is, they were not recorded and the tenants therefore could not benefit from the legislation in their favour. However, going only by the recorded tenancies, the 1971 Census reached absurd conclusions such as that 91.1 per cent of cultivated area in India was owner operated and that Bihar had the largest percentage of area under owner cultivation among the states, that is, 99.6 per cent, and that in Bihar tenancies constituted only 0.22 per cent, of operational holdings and 0.17 per cent of total cultivated area! This, when it is commonly accepted that Bihar had a very high proportion of tenancy, the 1961 Census quoting a figure of 36.65 per cent. The discrepancy between the 1961 and 1971 Census figures would suggest that an overwhelming majority of the tenancies were unrecorded and consequently the tenants remained insecure. The 1961 Census estimated that 82 per cent of the tenancies in the country were insecure!

The absence of proper records, for example, was seen as a major impediment in the implementation of the Zamindari Abolition and Land Reform Act in Utar Pradesh in the initial years after independence. A massive drive had to be launched by Charan Singh, the then Revenue Minister, to get a few million records corrected or newly inscribed.

In later years, in certain areas, other such drives were launched, often under the hegemony of left forces, and the targeted beneficiaries were no longer only the upper and middle tenantry but also the poor, totally insecure and unprotected sharecroppers and tenants at will. Some celebrated examples of such efforts were seen in Kerala and West Bengal.

In the late 1960s a massive programme of conferment of titles to lands to hutment dwellers and tenants was undertaken in Kerala. The programme, which achieved considerable success, was launched with the active participation of peasant organizations.

The Left Front government in West Bengal which came to power in June 1977 launched the famous Operation Barga in July 1978 with the objective of, in a time-bound period, achieving the registration of sharecroppers, so that they could then proceed to secure for them their legal rights, namely, permanent occupancy and heritable rights and a crop division of 1:3 between landowner and sharecropper. Out of an estimated 2.4 million bargadars in West Bengal only 0.4 million were recorded till June 1978. However, after the launching of Operation Barga the number of those recorded rose from 0.7 million in October 1979 to about 1.4 million in November 1990.

A significant aspect of the Operation Barga experiment in West Bengal was that, like in Kerala, an effort was made to mobilize the support of the rural poor and especially the targeted beneficiaries (the bargadars) and their active participation was sought in the implementation of the reform measures. This went a long way in neutralizing the lower-level revenue officials like patwaris, etc. who often acted as major impediments in the successful implementation of government programmes. An innovative move of the West Bengal government aimed at both giving a voice to the rural poor and changing the attitude of the revenue officials was to start a number of orientation camps while launching Operation Barga, where 30 to 40 agricultural workers and sharecroppers and a dozen and a half officers of Land Reform and other related departments were made to stay together, eat together and discuss together in the same premises in distant rural areas: $\frac{6}{2}$

Though Operation Barga did lead to recording of a large number of sharecroppers and consequently providing them with security of tenure, the process could not be completed and it reached more or less a stalemate after a little more than half the sharecroppers had been covered. This was because of some significant reasons. First, it was found politically unviable, just as it was ethically indefensible, to proceed with Operation Barga when faced with 'landlords' who themselves were cultivators with holdings only marginally larger, if even that, than those of the sharecroppers' share. As it has been noted that in West Bengal where over time the overwhelming majority of the cultivators were small cultivators controlling less than 5 acres, a further redistributive thrust was difficult. 'The "class enemy" had dissolved into a sea of small holdings. ² The dilemma was the same as the one that was faced in other parts of India, that is, the need to balance the interest of the small landowner and the tenant. As mentioned before, tenancy legislation in India generally anticipated this aspect and had provisos built into the legislation which addressed the problem.

The other problem was that such was the land-man ratio in Bengal that the landlord was often able to rotate a piece of leased land among two or more sharecroppers or bargadars, that is, for each piece of land there could be more than one bargadar claiming tenancy rights. Registering any one would permanently oust the other. Also, if all the bargadars were registered in such a situation the size of the holdings per cultivator would threaten to go way below the optimum. There were, thus, political and economic limits to how far Operation Barga could be carried; the objective situation did not permit the full implementation of the notion of 'land to the tiller' or even the provision of full security of tenure to each cultivator.

Limitations of Tenancy Reform

Thus, the first objective of tenancy legislation in India, that of **providing security of tenure to all** tenants, met with only limited success. While a substantial proportion of tenants did acquire security (many even became landowners, as we shall see presently) there were still large numbers who remained unprotected. The partial success stories such as those of Kerala and West Bengal notwithstanding, the practice of unsecured tenancy, mostly oral, whether taking the form of sharecropping or the payment of fixed produce or cash rent; continued in India on a large seale. It is the continued existence of large numbers of insecure tenants which, *inter alia*, made the successful implementation of the second major objective of tenancy legislation, that of reducing rents to a 'fair' level, almost impossible to achieve. The market condition, for example, the adverse land-man ratio that developed in India during colonial rule, led to high rents. Legal 'fair' rents in such a situation could only be enforced in the case of tenants who were secure and had occupancy rights, that is, they could not be removed or changed.

Legislation was enacted in all the states regulating the rent payable by cultivating tenants. Most

states fixed maximum rents at levels suggested by the First and Second Plans, that is, to 20 to 25 per cent of gross produce; Some states like Punjab, Haryana, Tamil Nadu and Andhra Pradesh (coastal areas) fixed maximum rents somewhat higher, ranging between 33.3 and 40 per cent. In practice, however, the market rates of rent almost in all parts of the country tended to be around 50 per cent of gross produce. In addition the tenant often ended up bearing the cost of the production inputs either fully or to a substantial extent. Further, the Green Revolution which started in some parts of India in the late 1960s aggravated the problems, with land values and rentals rising further and reaching, for example, in parts of Punjab, rates as high as 70 per cent. What made matters worse was the fact that it was only the upper stratum of the tenantry, which had secured occupancy rights, and was often indistinguishable from a landowner, was able to enforce the payment of legal rates of rent.

As for the third objective of tenancy legislation in India, that is, the acquisition of ownership rights by tenants, this too was achieved only partially. As we saw above, in some detail, the use of the right to resumption by landowners, legal and illegal evictions, 'voluntary' surrenders, shift to oral and/or concealed tenancy, etc., eroded the possibility of achieving this objective adequately. Yet, it must be noted, quite a substantial number of tenants did acquire ownership rights.

Unfortunately, detailed data on this aspect for the whole country are not available. However, certain case studies of specific regions may serve as an indicator. P.S. Appu wrote in 1975 that, according to 'latest information', in Gujarat out of about 1.3 million tenants, ownership rights had been purchased by more than half, namely, about 0.77 million; and in Maharashtra out of 2.6 million tenants, again about half, namely, 1.1 million had acquired ownership rights. In other states, too, <u>a substantial number of tenants did become owners</u>, their numbers adding up to a few millions $\frac{8}{2}$ (It must be remembered that this is in addition to the 20 million-dd tenants who became landowners as a result of the abolition of intermediaries in zamindari areas.) It has been argued that one reason why an even larger number of tenants did not acquire ownership rights was that for a large number of tenants who had acquired permanent occupancy rights and achieved rent reduction, there was hardly any motivation to try and acquire full ownership which would involve not only raising capital (albeit only a fraction of the market value of land) but legal and other complications. These superior tenants were for all practical purposes virtual owners.⁹

The cumulative effect of abolition of zamindari, tenancy legislation and ceiling legislation in the direction of meeting one of the major objectives of land reform, that is, creation of progressive cultivators making investments and improvement in productivity. was considerable. A very perceptive observer of India's land reforms, economist Daniel Thorner noted, as early as 1968, that despite all the evasions, leakages, loopholes, and so on, 'many millions of cultivators who had previously been weak tenants or tenants-at-will were enabled to become superior tenants or virtual owners'.

If one lists certain changes together, the cumulative impact can be easily ascertained. Abolition of zamindari led to about 20 million tenants, the superior occupancy tenants, becoming landowners and many absentee zamindars actually turning to direct cultivation in the lands 'resumed' for 'personal' cultivation. In the ryotwari areas nearly half the tenants, for example, in Bombay and Gujarat became landowners, Further, about half (in Bombay about 70 per cent) of the lands from which tenants were evicted were used by the landowners for direct cultivation, that is, they were not leased out again in a concealed manner. Also, a very substantial number of inferior tenants in former ryotwari areas got occupancy rights (about half in Gujarat and Maharashtra). Even in former zamindari areas such as West Bengal, nearly half the sharecroppers got occupancy rights. To this may be added between 3–5 million landless cultivators who got land which was declared surplus under ceiling laws.

Now the tenants and sharecroppers who got occupancy rights and paid reduced fixed rents, the tenants who acquired ownership rights, the landless who got land which was declared surplus over ceiling limits, absentee landowners who became direct cultivators, all had the motivation, and many the potential, of becoming progressive farmers based on their own resources or on credit from institutional sources which became increasingly available even to the poorer peasants.