

## CHAPTER 4

# Land Reform in India: Issues and Challenges

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### The Land Question in India: A Brief Historical Review

As the basis of all economic activity, land can either serve as an essential asset for a country to achieve economic growth and social equity, or it can be used as a tool in the hands of a few to hijack a country's economic independence and subvert its social processes. During the two centuries of British colonization, India experienced the latter reality. During colonialism, India's traditional land-use and landownership patterns were changed to ease the acquisition of land at low prices by British entrepreneurs for mines, plantations, and other enterprises. The introduction of the institution of private property delegitimized the community ownership systems of tribal societies. Moreover, with the introduction of the land tax under the Permanent Settlement Act 1793, the British popularized the zamindari system<sup>1</sup> at the cost of the jajmani relationship<sup>2</sup> that the landless shared with the landowning class. By no means a just system, the latter was an example of what has been described by Scott (1976) as a moral economy, and at the least it ensured the material security of those without land.

Owing to these developments in a changing social and economic landscape, India at independence inherited a semifeudal agrarian system. The ownership and control of land was highly concentrated in the hands of a small group of landlords and intermediaries, whose main intention was to extract maximum rent, either in cash or in kind, from tenants. Under this arrangement, the sharecropper or the tenant farmer had little economic motivation to develop farmland for increased production; with no security of tenure and a high rent, a tenant farmer was naturally less likely to invest in land improvements, or use high-yielding crop varieties or other expensive investments that might yield

higher returns. At the same time, the landlord was not particularly concerned about improving the economic condition of the cultivators. Consequently, agricultural productivity suffered, and the oppression of tenants resulted in a progressive deterioration of their well-being.

In the years immediately following India's independence, a conscious process of nation building considered the problems of land with a pressing urgency. In fact, the national objective of poverty abolition envisaged simultaneous progress on two fronts: high productivity and equitable distribution. Accordingly, land reforms were visualized as an important pillar of a strong and prosperous country. India's first several five-year plans allocated substantial budgetary amounts for the implementation of land reforms. A degree of success was even registered in certain regions and states, especially with regard to issues such as the abolition of intermediaries, protection to tenants, rationalization of different tenure systems, and the imposition of ceilings on landholdings. Fifty-four years down the line, however, a number of problems remain far from resolved.

Most studies indicate that inequalities have increased, rather than decreased. The number of landless laborers has risen, while the wealthiest 10 percent of the population monopolizes more land now than in 1951. Moreover, the discussion of land reforms since World War II and up through the most recent decade either faded from the public mind or was deliberately glossed over by both the national government of India and a majority of international development agencies. Vested interests of the landed elite and their powerful connection with the political-bureaucratic system have blocked meaningful land reforms and/or their earnest implementation. The oppressed have either been co-opted with some benefits, or further subjugated as the new focus on liberalization, privatization, and globalization (LPG) has altered government priorities and public perceptions. As a result, we are today at a juncture where land—mostly for the urban, educated elite, who are also the powerful decision makers—has become more a matter of housing, investment, and infrastructure building; land as a basis of livelihood—for subsistence, survival, social justice, and human dignity—has largely been lost.

### International Financial Institutions (IFIs) and Issues Related to Land in India

Any reform is as difficult an economic exercise as it is a political undertaking, since it involves a realignment of economic and political power. Those who are

likely to experience losses under reform naturally resist reallocation of power, property, and status. The landholding class, therefore, is unlikely to willingly vote itself out of possession, nor should it be expected that they would be uniformly inflamed by altruistic passions to voluntarily undertake the exercise. Hence, one cannot underestimate the complexity of the task at hand. However, the political will of the landowning class is as much a challenge to the redistributive process as are the existing legal and structural dimensions of the current landholding regime. A brief review of the legal history that has accompanied India's land struggles is therefore a necessary detour for continuing this discussion in all its complexity.

Loopholes in land tenure legislation have facilitated the evasion of some of the provisions in land ceiling reforms by those large landholders who have wanted to maintain the *status quo*. At the same time, tardy implementation at the bureaucratic level and a political hijacking of the land reform agenda, by both the state and private interests, have traditionally posed impediments in the path of effective land reforms. Even in regional states throughout India that have attempted reforms, the process has often halted midway with the co-optation of the beneficiaries by those working to resist any further reforms. For instance, with the abolition of intermediary interests, some middle-income farmers have gained economic leverage through the expansion of agricultural export. The most affluent of these tenants have acquired a higher social status as the rise in agricultural productivity, land values, and incomes from cultivation have added to their economic strength. These classes have since become opposed to any erosion in their newly acquired financial or social status.

Land-related problems such as tenancy rights and access to land for subsistence farming continue to challenge India. The importance of the land issue may be inferred from the fact that, notwithstanding the decline in the share of agriculture in the GDP, more than half of India's population (nearly 58 percent) is dependent on agriculture for livelihood. Yet more than half of this population (nearly 63 percent) own smallholdings of less than 1 hectare, with large parcels of 10 hectares of land or more in the hands of less than 2 percent. The absolute landless and the nearly landless (those owning up to 0.2 hectares of land) account for as much as 43 percent of total peasant households (Mearns 1999).

The reality represented by these statistics, however, did not seem to worry the governments of the late 1970s and 1980s. It was only in the 1990s, with the initiation of the economic restructuring process, that the issue of land

reform resurfaced, albeit in a different garb and with a different objective and motivation. Whereas the government-led land reforms had been imbued with some effort to attain equity, social justice, and dignity, the new land reform agenda is solely market driven, and aimed at increasing GDP regardless of any externalities or costs associated with the process. Promoted and guided by various international financial institutions (IFIs) such as the World Bank and the International Monetary Fund (IMF), government emphasis on land reform since the 1990s reflects and seeks to fulfill the macroeconomic objectives of these multilateral economic institutions.

While the return of land reform to the government's list of priorities is a welcome development, the manner in which it is being undertaken—its objectives, and, consequently, its impact on people, especially those already marginalized and now being further deprived of a stake in the system—raises a number of questions and prompts one to look for alternatives. The remainder of this chapter, therefore, will devote its energies to identifying and monitoring the implementation of certain specific IFI-sponsored programs in particular states with a view to examining their short-term and long-term impact on the lives and livelihoods of local residents. It is hoped this shall enable an informed critique of the IFI-led land reform programs and serve as a lesson for peoples elsewhere in India and in other regions of the globe.

### Market-Led Land Reform: The Current Emphasis on Land Administration, Titling, and Registration

In their analyses of India's land reform program, most international financial institutions have highlighted the basic problems that rural poor people face in accessing land and security of tenure, and they advocate redress of this situation through the structural reform of property rights, to create land markets as part of a broader strategy of fostering economic growth and reducing rural poverty (Mearns 1999). A large emphasis has, therefore, been placed on the need to establish the basic legal and institutional framework that would facilitate a market takeoff in land and resource exchange. The goals of the new legal framework include efforts to improve property rights as a means to protect environmental and cultural resources, facilitate productivity-enhancing exchanges of land in rental and sales markets, link land to financial markets, use land to generate revenue for local governments, and improve land access for the poor and traditionally disenfranchised.

The neoliberal package endorsed by the IFIs includes a number of reforms

that will transform the current system of land tenure into a market-oriented system of exchange. This transformation includes a number of incremental steps that begin with titling and cadastral surveys (mapping). The latter are then formally tied to the establishment of state land registries, the creation of new landholding legislation, the concomitant establishment of a land administration department within the state, and finally the removal of restrictions on land leasing (see figure 1 in the introduction to part II of this volume). A similar plan had already been put forward as early as 1975, when a land reform policy paper published by the World Bank described land registration and titling as the main instruments for increasing an individual's tenure security and linked titling and registration to the establishment of flourishing land markets. The process of land tenure formalization provided the major tools—land titles and cadastral mapping—that were to enable the use of land as collateral for credit.

While none can argue against the need for straightening land records and providing secure land titles and registration, the motivation for the exercise must delve deeper than the mere creation of land markets for private profit. The belief that land markets alone would take off and address the historical inequality that was their foundation has been challenged by the reality of India's ongoing crisis in food security. The shift in agriculture that has taken place since the first period of World Bank–endorsed privatization schemes in the 1970s points to an important historical and economic trend that has complicated the more recent attempts at marketization and poverty reduction in the twenty-first century. Industrialization, and the limits placed on national development programs to that end, exacerbate already existing inequalities in land distribution. The shift in Indian agricultural policy toward export and the increased embrace of neoliberal economic model casts much doubt on the purported benefits of the current World Bank land reform agenda in India.

### The Commercialization/Industrialization of Agriculture

The influence of industrialization on national and international economic systems has reshaped the manner in which agriculture is conducted and for what purpose. From a family, or, at the most, a community affair, agriculture has been “professionalized” into an industry in which a farmer produces for the global market. Indeed, modern farming methods and techniques<sup>3</sup> have transformed agriculture into a science of food production and a system of commodity distribution.

This shift in agricultural production goals has been promoted most fervently since the 1980s, by policy makers and politicians, who conceptualize agriculture more as an industry that must be conducted to maximize profits, and less as a way of life with social and ecological ramifications. The trend has been justified by the substantial increases in agricultural output, which, it is argued, has substantially eased India's national food-security concerns. Undoubtedly, Indian granaries are overflowing. And yet, the individual in the typical Indian village is starving to death, and a "failed" farmer resorts to suicide. Surely, the disparity between these two realities calls for a closer examination of the issues involved.

Commercialization of agriculture first gained a foothold in India in the 1960s, with the green revolution in Punjab, when the World Bank, along with the US Agency for International Development (USAID), promoted agricultural productivity through importation of fertilizers, seeds, pesticides, and farm machinery.<sup>4</sup> The Bank provided the credit necessary to replace the low-cost, low-input agriculture in existence with an agricultural system that was both capital- and chemical-intensive. The Indian government decided that the potential of the new technology far outweighed the risks and, accordingly, devalued the Indian rupee for the five-year plan period (1966–1971) to generate the purchase of approximately US\$2.8 billion in green revolution–related technology, a jump of more than six times the total amount allocated to agriculture by the state during the preceding plan period (Shiva 1991). Most of the foreign exchange was spent on imports of fertilizer, seeds, pesticides, and farm machinery.

While subsidizing these imports, the World Bank also exerted pressure on the Indian government to obtain favorable conditions for foreign investment in India's fertilizer industry, for import liberalization, and for the elimination of most domestic controls on prices for basic agricultural products, e.g., grains and milk. The Bank advocated the replacement of diverse varieties of food crops with monocultures grown from imported varieties of seeds. In 1969, the Terai Seed Corporation (TSC) was started with a US\$13 million World Bank loan. This was followed by two National Seeds Project (NSP) loans. This program led to the homogenization and corporatization of India's agricultural system. The Bank provided the NSP US\$41 million between 1974 and 1978. The projects were intended to develop state institutions and to create a new infrastructure for increasing the production of green revolution seed varieties. In 1988, the World Bank gave India's seed sector a fourth loan to make it more "market responsive." The US\$150 million loan aimed to privatize the seed industry and open India to multinational seed corporations. After the loan, India announced

a New Seed Policy that allowed multinational corporations to penetrate fully a market that previously had not been directly accessible; Sandoz, Continental, Monsanto, Cargill, Pioneer, Hoechst, and Ciba Geigy now are among the multinational corporations with major investments in India's seed sector.

While the revolution did ease India's grain situation and transformed the country from a food importer to an exporter, it also enabled the rich farming community to politicize subsidies, facilitate concentration of inputs, and increase dependence on greater use of capital inputs such as credit, technology, seeds, and fertilizers. Moreover, the green revolution had increased Indian food production by only 5.4 percent, while the new agricultural practices resulted in the loss of nearly 8.5 million hectares, or 6 percent, of the crop base to waterlogging, salinity, or excess alkalinity (World Resources Institute 1994). Furthermore, although the amount of wheat production doubled over a period of twenty years, and rice production increased by 50 percent, greater emphasis has been placed on production of commercial crops such as sugarcane and cotton at the expense of crops like chickpeas and millet, traditionally grown by the poor for themselves. These changes in practice have steadily eroded the self-sufficiency of the small farmer in food grains.

Yet in the face of such statistics successive Indian governments remain stuck on the same model of agrarian reforms, and they are generously encouraged by the IFIs. Agriculture is the World Bank's largest portfolio in any country. One hundred and thirty agricultural projects have received US\$10.2 billion in World Bank financing in India since the 1950s. These projects have generally taken the forms of providing support for the fertilizer industry, exploiting groundwater through electric or gas-generated pumps, introducing high-yield seed varieties, and setting up banking institutions to finance capitalist agriculture.

### *Water Sector Restructuring as Part of Agrarian Reform*

Most supporters of land reform view the process as more than the mere redistribution of land to the landless. Rather, they place an equal importance on the availability of other inputs that can help turn the piece of land into a productive asset. In an agricultural country such as India, where two-thirds of the agricultural production is dependent on irrigation and irrigation accounts for 83 percent of consumptive water use (World Bank 1999a), irrigation schemes that can enhance agricultural productivity assume special importance. However, such projects launched by the government have often become entangled in a range of controversial issues. Questions have been raised about their actual

merit, about cost versus benefit—especially in view of the numbers of people that may be displaced by such a project—about adequate rehabilitation schemes for people affected by the project, and so on. Big dams and other hydroelectric projects naturally bring with them the threats of submergence of hundreds of villages and the forced displacement of thousands of people. In the absence of people-friendly rehabilitation and resettlement packages, it remains questionable whether these development projects are truly worthwhile since they deprive one population of its livelihood to enhance that of another. In this context, land acquisition by the government in the name of public purpose can be seen to raise doubt about the efficacy of such infrastructure development in the name of agrarian reform. Such issues prompted the World Bank to withdraw all funding for the still-incomplete Sardar Sarovar Project.<sup>5</sup>

In an attempt to steer clear of national and local controversies, IFIs have begun to finance and promote water sector restructuring projects of another kind. Highlighting the need for a “total revolution in irrigated agriculture” (World Bank 1999a, xiii), the government of India and the World Bank have identified the following goals for national rural development:

- Modernization of irrigation agencies to make them more autonomous and accountable.
- Improvements in irrigation systems by organizing farmers to take up operation and management responsibilities. Formation of water-user associations at the minor and distributaries levels.
- Reforms in irrigation financing in order to make state irrigation departments financially self-sufficient, rationalizing water charges, and improving collection rates.
- Institution of a system of water rights.

In the past, irrigation schemes had led to more severe environmental problems such as a rise in soil saturation and salinity in irrigated areas, which in turn brought more severe soil degradation. Not surprisingly, the World Bank came forward with new aid programs to resolve these problems, and it is now well into a second phase of water project loan disbursements. In 2001, the Bank announced two water and irrigation projects in the states of Rajasthan and Uttar Pradesh (UP).<sup>6</sup> The US\$140 million credit for Rajasthan and the US\$149.2 million credit for Uttar Pradesh are both on standard IDA<sup>7</sup> terms, with a forty-year maturity and including a ten-year grace period.

Premised on the assumption that irrigated agriculture could be the engine of agricultural growth but has been constrained by a failing public irrigation and

drainage system, these two projects aim to initiate fundamental reform in water resources management and irrigation as a means to improve the living standards of the poor. The projects claim that improving agricultural productivity will generate additional jobs in the rural sector. In Rajasthan, projected aims are to benefit an estimated 250,000 farm families and stimulate demand for labor estimated at approximately 29,000 jobs per year, while in UP, the project is expected to generate additional employment for 22,000 rural farm families per year, representing a 24 percent increase in rural farm employment.

In addition, it is claimed that the formation of community groups under some of the project components will empower the rural population, particularly women and other disadvantaged people. The project also supports environmental management capacity, which will benefit affected communities by reducing pollution, preventing water-related diseases and improving public health.

These projects, with their laudable objectives, have just been initiated, and it would be instructive to monitor their implementation and progress vis-à-vis the actual impact on people in the regions affected. It must be kept in mind that the present IFI-led ventures in the sector of water are basically premised on the following two assumptions: First, in view of the impending water scarcity there is a need for water resources management in the form of large projects, for the storage and transfer of river waters. This requires huge investments that are beyond the capabilities of the government, and hence require liberal participation of the private sector. Second, in order to ensure water conservation and its proper distribution, there is a need to establish stable water markets and fair pricing. The emphasis, therefore, is on the creation of water markets, which will impinge on important issues of equity, social justice, and sustainability.

At the same time, the language being used in the water sector restructuring projects is reminiscent of the Joint Forest Management (JFM) and its emphasis on participatory management. Under the new World Bank projects, the irrigation sector, too, is being couched in the same rhetoric of community management, though now in a less pervasive and publicized manner. In the management of tanks and lift irrigation (so-called minor irrigation) and even in the management of canal irrigation, phrases such as “participatory irrigation management” (PIM), or the more explicit “irrigation management turnover” (IMT), are the new catch phrases. Consequently, all sectoral reform programs or development projects speak of “joint management,” “co-management,” or “shared management.”

*Forestry Projects: The Relationship Between Land Reform and Environmental Sustainability*

The land within a forest area relates in a unique fashion to issues of land reform. It is important to have an ecological balance among the proportions of land designated for forestry, agriculture, and nonagricultural purposes, and, ironically, land reform can help to maintain and sustain this balance. Several studies have linked the problems of reduction in area under forest cover with the historical patterns of development that result in skewed land distribution. Hence, land reform that can ensure more equitable landownership can go a long way in relieving pressure on forests, even more than dedicated forest development programs that look on forests as a narrow environmental issue, devoid of a human dimension. The human element in forests, however, is very important, especially in several states of India where groups of populations have depended on forests for their livelihood for generations.

The concept of social forestry was originally conceived by the government of India as a response to the accelerating deforestation in India. Its objectives included assisting rural communities and landless people in meeting their needs for fodder, fuel wood, small timber, and minor produce through community planned and managed tree plantations and nurseries. However, the social forestry projects came under criticism for failing to adequately involve local communities and rural poor, supposedly the main beneficiaries of the projects. Instead, the projects catered to urban and commercial interests through the widespread promotion of fast-growing tree species for pulp and paper manufacture, rayon production, urban fuel-wood supply, and other commercial uses. Such plantations were even encouraged on private farmlands, community lands, and wastelands.

The net result of this activity was to further reduce the access of the poor to fodder, fuel wood, and other forest products. Meanwhile, monoculture plantation of tree species, and in some cases the widespread plantation of water-consuming trees like eucalyptus, a pulpwood species and the Bank's favorite monoculture—for use in the very profitable paper and pulp sector—resulted in the degradation of soils and a falling water table. Further, these trees were not able to meet the fodder and fuel-wood need of the local forest dwellers/dependents.

Given the failure of this first round of social forestry projects, and in the face of the ongoing deterioration of the country's forest resources, the Indian gov-

ernment introduced a new forest policy (NFP) in 1988, which called for substantive change in the management of that sector. The NFP altered the aims of forest management, shifting them from a more commercial and industrial focus toward those that stressed the functions of environmental preservation and the preservation of basic needs for people living in or near forests. The NFP required that forests be managed first as an ecological necessity, second as a source of goods for local populations, and, finally, as a source of wood for industries and other nonlocal consumers. This policy was pioneering to the extent that it recognized the people living in and around the forest as an essential factor in the governance of forests, considering them to be in partnership with the forestry department and giving primacy to their needs with regard to use of forest produce.

In 1990 the government directed all states to develop a participatory approach, similar to that of the NFP, in their efforts to restore the nation's degraded forests. Within seven years of this directive, seventeen states had issued orders enabling what is now known as JFM. Several states had used bilateral/multilateral funding to initiate forest sector projects, each with JFM as the guiding principle and value. By 1998, the vast majority of the states had introduced JFM programs and policies, most often with financial and technical support from the World Bank.

One such project was initiated in the state of Madhya Pradesh in 1995. Its goals included increasing the productivity and quality of forests, protecting the environment, alleviating poverty, and strengthening and streamlining the policies of the forestry sector that the project hoped to achieve through the adoption of better practices and new technologies to increase forest productivity, the promotion of private sector participation in forestry sector development, the maintenance and improvement of biodiversity, and the strengthening of institutions involved in forest sector management.

This project was deemed to be successfully completed in December 1999, and the World Bank subsequently proposed a second phase, to be implemented beginning in 2002. It would be worthwhile to assess whether the earlier project did, in fact, meet the needs of the rural poor and indigenous peoples. By its own admission, the Bank now holds that the JFM project in Madhya Pradesh fell short of delivering the full measure of control and access required to alleviate the poverty of forest-dependent communities; what it now suggests is a new strategy of community forest management that envisages additional rights and responsibilities for local groups.

## Returning Land Reform to the National Agenda

The present economic trends in India are negatively affecting land use and distribution in a variety of ways, some of which have been described above. Attempts to either reverse these trends or propose alternative approaches to development present a significant challenge to the landless in India. As the neoliberalization of the Indian state decreases the opportunity to resist the top-down World Bank models, there is an increased awareness of the problem with land use and distribution both within the Bank itself and among international nongovernmental organizations more generally (see introduction to part I of this volume). However, the need to sensitize people to these realities cannot be underestimated. Increasing the prominence of land reform challenges through public discourse and Indian politics is particularly important since more comprehensive agrarian reform has virtually disappeared from the popular, political, and elite radar screen throughout the country.

The growing size of the urban-based population in India presents another challenge to establishing a national, comprehensive land reform policy. Most urban dwellers perceive land in a compartmentalized and detached way, and are unable to identify with the problems of the small or marginal farmers or fathom the larger linkages of land use to the functioning of the macroeconomy. For instance, the urban middle-class market demand for cheaper products pushes farmers toward agricultural systems that have a low-unit cost of production. This is only possible if the yield per acre is increased through the use of artificial fertilizers, pesticides that reduce crop losses, and, more recently, through genetically modified crops that claim to be more resistant to pests. All of these require access to and maintenance of capital for cash-poor farmers. Higher capital costs on the part of farmers drive the demand for borrowing from individual or credit institutions. As farmers' debts rise, along with the frequency of bankruptcy, they are forced to sell land to richer farmers or corporate houses and move into cities in search of other jobs. Equipped with few skills, these now landless people live in the slums. The environmental and social costs of cheap agricultural produce are huge; but this scenario is largely invisible to urbanites. Few acknowledge or appreciate the link between huge entertainment complexes or wildlife sanctuaries and the fate of the displaced, or between rising urban crime and increasing rural dislocation as a result of commercialized agriculture, bankrupted farmers, and environmental degradation.

## Importance of Land Reform to India's Future

From an economic perspective, the question of land is linked to critical issues of agricultural productivity, agrarian relations, industrial uses, infrastructure development, employment opportunities, housing, and other related issues. Each one of these aspects is crucial for enhancing national security by ensuring consistent economic growth, food security, goods for export, and so on, which reinforce the country's economic strength, and therefore, its bargaining power in the international community.

### *A National Food Security Requirement*

For a country the size and population<sup>8</sup> of India, food security is an especially crucial component of national security, and, until recently, it was on an upswing due to technological breakthroughs in rice and wheat production, a price policy ensuring minimum support prices, agricultural subsidies providing cheaper modern inputs, and a closed market. However, with economic liberalization has come the entry of cheaper foreign agricultural goods into the country and the removal of agricultural subsidies for Indian farmers, which will threaten food security in the future. With a reduction in the role of the state to ensure food security and the eventual takeover by market forces, there is sure to be a decrease in the access to food for the poorest Indian citizens.

Apart from its economic function, land ownership has a more profound social function, in that the distribution of land impacts the quality of the social fabric in a community and the dynamic of gender relations within that community. If the patterns of land ownership are perceived as fair and just, this, in turn, enhances an ethic of justice and equity within a community. By contrast, skewed land distribution patterns, alienation, or poverty eventually lead to social discontentment, widespread unrest, and violent venting of frustration and anger,<sup>9</sup> which could further increase volatility within a multiethnic, multireligious country such as India. Such unhappiness could also provide a fertile base for extranational powers to foment disharmony and encourage separatist tendencies in a bid to fragment the country; movements for greater autonomy or even independence from the Indian Union already place strain on Indian national security apparatus in the Northeast, Jharkhand, Punjab, and elsewhere.

It becomes imperative, therefore, to strike a balance between the economic and social functions of land. A model of development that excludes one in

favor of the other loses out on the very basic meaning and purpose of development. In order to envisage viable land-use patterns that ensure high agricultural production along with social justice and environmental sustainability, land must be conceived within an equity-based development strategy that is economically viable, ecologically sound, socially acceptable, and politically feasible through the creation of an institutional framework. This, of course, is easier said than done. This chapter will now turn to addressing a few of the complex issues involved in developing such a strategy for land and agrarian reform in India.

### *Challenge 1: Shifting Economic Imperatives*

National economic development should ideally bring about an enhancement in the quality of life for all citizens within a given nation. But the question remains, are these parameters met by the present model of development? It seems, instead, that “development has become a big business, preoccupied more with its own growth and imperatives than with the people it was originally created to serve” (Dorner 1992, 72–75). The present economic model is premised on the centrality of markets. But the market forces themselves are a function of economic power and control. In cases in which economic resources and opportunities are widely distributed, economic activity may best be left to individual, private initiative, and market forces, but in societies with a skewed distribution of natural resources and opportunities, a free play of market forces could marginalize an increasing proportion of people, without state intervention through reforms. In these circumstances, land reform holds a key to the removal of current socioeconomic abuses and serves as a means to break the age-old bondages of exploitation and poverty, to foster greater equity and justice.

Increasing people’s access to land and creating a more equitable redistribution of land assets are important for India, particularly in view of its high and ever-increasing person-to-land ratio. Increased emphasis on industrialization should not result in an abandonment of the rural sector. For an economy that has little capital but a surplus of labor, optimal land utilization is an important component of land sustainability, and should be based on a consideration of land’s labor-absorption capacity—to avoiding crowding and soil degradation—in a bid to achieve higher output per unit of land. Policies aimed at liberalizing markets and privatizing natural resources fail to address the problem of land and labor in the rural sector of India.

### *Challenge 2: Maintaining Ecological Balance*

*Forests.* The case has been made above for an ecological balance between the proportion of land designated for forestry, agriculture, and nonagricultural purposes. There is a need to explore the linkages among rural poverty, landlessness, and skewed land tenure systems with particular attention to the problems of deforestation. The reduction of forests inevitably disturbs the ecological balance. Cyclical patterns of droughts followed by floods have been clearly linked to this. At the same time, there is no guarantee that the already existing skewed distribution of land outside the forests will not be replicated. Unless the government engages in the exercise with a blueprint for land reforms in mind, fertile lands cleared by the government are most likely to be taken over by rich farmers, private companies, and state enterprises, or held by speculators as a hedge against inflation.

Traditionally, impoverished farmers moving into forests have been identified as the principal, direct agents of forest loss. Hence, land reform that can ensure more equitable landownership may well do more to relieve pressure on forests rather than any other policy of forest resource development. In this context, and as suggested above it would be helpful to explore the efficacy of social forestry programs already undertaken in states such as Andhra Pradesh.

*Land Degradation.* Patterns of land use also have an impact on soil erosion and land degradation. For instance, agricultural practices designed to suit market conditions presuppose a permissive use of agrochemicals to maximize productivity. When land is perceived as a commodity or investment that must be made good upon, it is rigorously exploited to generate immediate, short-term profit, often at the expense of a long-term impact in the form of severe land degradation. In arid and semiarid regions, the introduction of perennial irrigation in order to increase yield causes salinization of the land. Irrigation on poorly drained land has waterlogged the soil, causing salts in the groundwater to rise and accumulate on the surface, turning farmland into a salt-encrusted desert. Artificial fertilizers and chemical sprays undermine the natural fertility of soils and increase its vulnerability to erosion. Of a total land expanse in India of 329 million hectares, nearly 141 million hectares (43 percent) of the land is subject to water and soil erosion. Other types of land degradation such as waterlogging, alkaline and arid soils, salinity, ravines, and gullies affect another 34 million hectares (Vyasa 1999, 18).

Given the fragile nature of the ecosystem and land quality that has resulted from such a dependency on chemical inputs, care must be exercised in determining land-use patterns in the future. Agriculture is expanding to wastelands that are not suited for cultivation, hence pushing India's small farmers into a less fertile land base. Additionally, the rising demand for irrigated agriculture has led to massive overexploitation of groundwater. And, with the demand for more water, local wells often dry up, leaving small and marginal farmers to either pay for expensive state-provided water or abandon the unproductive farm. In response to the same crisis in water access, wealthier farmers, corporations, and the state resort to expensive technology-dependent extraction of groundwater, which exacerbates the overall problem of groundwater depletion. The ecological consequences of the current dominant model of development are serious and need to be addressed.

### *Challenge 3: Preserving Human Diversity*

*Tribal Displacement and Deprivation.* The concept of land as a commodity comes into conflict with traditional concepts of common property and with societies, such as those of many tribal peoples throughout India, who generally do not have a documented system of land rights. The issue of land use arises in this context because many tribal groups, 7 percent of the total Indian population, live in resource-rich regions. Consequently, both the government and the private sector have a keen interest in gaining access and control over the land or its mineral wealth. In the process, depriving tribal groups of land has become the norm, as they are routinely displaced, and, in most cases, not even able to claim compensation since they have no legal proof of ownership.

It is estimated that over 20 million people have been displaced by large projects (e.g., dams, railroads) since independence, and a majority of these people have been tribal groups. This has happened despite the fact that special legal provisions exist to protect the land and other assets of tribal people. Driven away from their homes and with little or no resettlement assistance, they join the ranks of the landless. One attempt at correcting this ongoing marginalization was the official endorsement of five principles that valued the preservation of tribal land use patterns and land distribution practices.

The *Panchsheela*, or five principles of tribal development, state the following:

- I. Tribal people have the right to develop according to their own culture and join the mainstream as equals, while maintaining their identity.

2. Tribal rights on tribal lands and forest will be safeguarded.
3. A team built from among tribals will develop their land.
4. State administration in tribal areas will work through traditional tribal structures.
5. Achievements in tribal areas will be judged according to human growth rather than productivity.

The *Panchsheela* principles have been most difficult to achieve, and in many ways they lack sufficient definition for use in policy making. The resource-rich regions of the tribal peoples in India have been drawn into the plans for national development, with its emphasis on industrialization and ever-higher productivity. Already, industries and irrigation schemes built on large dams have displaced many tribal people and transformed them into landless migrant labor. The Indian government has presented tribal development schemes as a principal tool for poverty alleviation. However, these schemes have not taken into account the total dependence of the tribal population on land and their lack of other productive assets. It is critical that the unique existence and subsistence patterns of tribal people be empathetically understood so that economic development can be harmonized with social change. Without such understanding, India may well have to face more indigenous struggles for national identity, as it has already in Nagaland, Jharkhand, and many other regions.

*Women and Land.* With farms linked to the wider market economy, the condition of women's participation in farming has also undergone a change, and not for the better. Traditionally, rural women have been responsible for half of the world's food production. They remain the main producers of the world's staple crops—rice, wheat, and maize—which provide up to 90 percent of the rural poor's food intake. Their contribution to secondary-crop production, such as that of legumes and vegetables, is even greater. Grown mainly in home gardens, these crops provide essential nutrients and are often the only food available during lean seasons or when the main harvest fails. Women's specialized knowledge of genetic resources for food and agriculture makes them essential custodians of agrobiodiversity. In the livestock sector, women feed and milk the larger animals, while raising poultry and small animals such as sheep, goats, rabbits, and guinea pigs. Additionally, once the harvest is in, rural women provide most of the labor for postharvest activities, taking responsibility for storage, handling, stocking, processing, and marketing.

However, in the market-driven agriculture, a conceptual division of labor

between what are considered the productive tasks of farming and the unproductive tasks of household and reproduction recasts the women's role as "mere 'supporters' of the 'producers'" (Clunies-Ross and Hildyard 1992). This view, however, tends to overlook the effects of the realities of the rural-urban migration of men in search of paid employment and rising mortalities attributed to health problems such as alcoholism and HIV/AIDS, which have led to a rise in the numbers of female-headed households in the developing world. This "feminization of agriculture" places a considerable burden on a woman's capacity to participate in agriculture, in view of the difficulty in their ability to gain access, control, and recognition with regard to ownership of valuable resources such as land, credit and agricultural inputs, technology, extension, training, and services.

Certain communities in India (especially in the northeast and the south) have practiced the tradition of customarily recognizing women's property rights. In these areas inheritance laws and marriage practices have been so tailored as to provide and protect these rights; many studies have been devoted to examining these practices. Several matrilineal and bilateral systems of land inheritance have also given women advantages in many respects, especially in granting them economic and social security, and considerable autonomy and equality in marital relations. These systems, however, have eroded over time. Interventions by both colonial and postcolonial government policies, particularly in the legal and economic spheres, as well as the complex processes of social and cultural change (which the former set in motion), have degraded customary practices. Large joint family estates have fallen into disuse; formerly egalitarian tribal societies have grown economically differentiated; there has been an increasing penetration into the culture of market forces and notable shifts in the techniques of production, the social division of labor, and land relations; sexual mores have altered; and patriarchal ideologies have spread their influence. Women, in particular, have been profoundly affected by these changes, and their customary exclusion from major authority in public bodies has meant that they are not the ones directing the change or are even in a position to effectively protect their interests. The task is a complicated one, and government intervention in the form of honest land reform could go a long way in ensuring social justice and equity for women.

#### *Challenge 4: Complexities of Common Property Regimes*

Resources, both natural and manmade, controlled and managed as common property present another challenge in the context of land-related issues.

Besides private property or property owned and controlled by the state, common property such as forests, grazing lands, water, and fisheries can also be held and managed through a community resource management system. These are different from open-access land and natural resources, e.g., forest areas and lakes, where there are no rules regulating individual use rights. The system of common property operates through a “complex system of norms and conventions for regulating individual rights to use a variety of natural resources” (Runge 1992, 17). Specifying rights of joint use, common-property regimes envisage tacit cooperation among individuals.

Traditionally, common-property regimes have contributed substantially to village economies by providing a source for fodder, fuel wood, small timber, and employment in local products derived from raw material. At the same time, they have also proved to be a stable form of resource management. However, the combination of population growth, technological change, and political forces has in many cases destabilized existing common-property regimes, while the institution of common property itself has often been blamed for these problems and accused of resource mismanagement. The imposition of private property rights has been instituted as a remedial measure. But enforcement of private property rights from outside the group or village is not a sufficient condition for optimal resource utilization and may lead to the adoption of land use patterns that are incompatible with local needs or place land use in the hands of those, such as absentee owners, with fewer incentives for efficient, equitable local management.

The scenario described above may become especially worrisome if lands are subjected to a new zoning system, in which grazing land may be redesignated as commercial land and local forests turned to conservation forests with concessions for tourism companies. In either of these cases, the access of those who have traditionally depended upon the communal land is curtailed. The worst affected are the women whose daily lives have been severely strained by the additional load of daily livelihood activities of food, fodder, fuel wood, and water collection. Alienation and involuntary migration are, again, the inevitable outcomes, as is erosion in the long-term capacity of such land development.

On the counts of efficiency and equity, common-property regimes have traditionally existed as a viable proposition for more equitable national development. This has been especially true for a developing economy in which poverty and natural resource dependency have arisen out of a skewed distribution of resources. Common-property regimes have provided a hedge against

uncertainties, in times of poor crop harvests and harsh growing conditions. When facing such challenges, the pooling of resources—land in this case—ensures that at minimum larger numbers of farm families will maintain a level of subsistence. In fact, the implications of such systems of resource management are immense since the poorest members of society, e.g., the indigent and the elderly, can obtain a share of their sustenance from the public domain while remaining connected to members of their rural communities. In these ways, common-property regimes enhance the general welfare of rural dwellers and increase the sustainability of equitable resource distribution practices.

## Conclusion

The framework of analysis provided above describes the increasing importance of land reform to the national and global agenda from national food security, economic, ecological, and social perspectives. The direction of land politics and land reform in India will continue to be one of struggle and hope. It will be important to widen the scope of land reforms beyond the mere activity of redistribution of land or revisions of ceiling limits. In order to be effective, land reform must be seen as part of a wider agenda of systemic restructuring that undertakes simultaneous reforms in the sectors of energy and water. Deeper structural reforms will ensure that the exercise of land redistribution actually becomes meaningful, enabling small farmers to turn their plots into productive assets. The case of expropriation in Brazil (see chapter 15 in this volume) offers one such example of the necessary structural reforms that could help facilitate a solution to some of the challenges posed here.

PART TWO

Land Reform:  
Critical Debates and Perspectives

