

LAND REFORM IN INDIA

- * Land system at the time of Independence
- Two aspects of land that affects agricultural efficiency are: —

- (a) Size and distribution of land holdings
- (b) Land tenure system.

- Under land tenure system, at the time of independence, three types of land tenure system prevailed: —

(i) Zamindari System (Lord Cornwallis in 1793)

- (a) Zamindars were owners of large parts of land.
- (b) Zamindars did not cultivate land themselves but had a right in sharing the produce of land.
- (c) Exploitations of cultivators.
- (d) Depressing conditions prevailed in agriculture.

- * Zamindari System was introduced by Lord Cornwallis in 1793 in Bengal to increase the revenue of the East India Company.

- This system prevailed in Bihar, Bengal, Uttar Pradesh, Orissa, Andhra Pradesh & Madhya Pradesh.

1. Mahalwazi System

It was introduced by William Bentick in Agra and Avadh and then extended to Punjab.

In this system, village as a whole was a unit of land ownership.

The land revenue was collected by village headman on behalf of the whole village.

• Ryotwari System

Individual ryot means the cultivator.

In ryotwari system, the ownership of land was with persons or families who actually cultivated the land.

The land revenue was paid directly to the state by the farmers.

Thus, more stable and flexible system was found in the ryotwari settlement under which the government entered into an agreement with the individual cultivator who was recognised as a proprietor.

LAND REFORM

It is a technical concept in agriculture which refers to changes brought about in the agrarian structure through direct intervention by the state.

Land reforms refers to an improvement in mutual relationship between the landlord, farmers and the government in relation to the land.

OBJECTIVES OF LAND REFORM

- (I) To remove such impediments
- (II) To eliminate elements of exploitation and social injustice

Economic Arguments in Favour of Land Reform

(a) Equity (b) Efficiency

- inverse relationship between farm size and productivity
- Owners cultivated plots of land are more productive.

MEASURES OF LAND REFORM IN INDIA

(i) Abolition of Intermediaries

(ii) Tenancy Reforms

(a) Regulation of Rent

(b) Security of Tenure

(c) Ownership Rights for
Tenants

(iii) Reorganisation of Agriculture

(a) Redistribution of land

(b) Consolidation of Holdings

(c) Cooperative farming.

IMPACT OF LAND REFORM

- (i) Increase in the share of households and the area cultivated.
- (ii) A direct positive effect on tenants
- (iii) A negative effect on rural poverty
- (iv) It has driven the tenancy underground in most of the states including Andhra Pradesh.
- (v) The most acclaimed tenancy reform of West Bengal - Operation Barga - only helped in formalising the share-cropper-owners relations.

In Kerala, it made the owners to keep their land fallow, lest they should lose it to tenants, if leased out.

- (vi) Owners cultivated plots of land tend to be more productive than those under share cropping tenancy.

INDUSTRY IN INDIA

• Industrial Policy Resolution, 1948

- Announced on 8 April, 1948.
- First Industrial Policy
- India will be a mixed economy
- Some of the important industries were put under Central list. Such as Coal, Power, railways, civil aviation, arms and ammunition, defence, etc.
- Some other industries were put under a state list such as paper, medicines, textiles, cycles, rickshaws, two wheelers,
- Rest of the industries (not covered by either the central or the state lists) were left open for private sector ~~state~~ investment — with many of them having the provision of compulsory licensing.
- There was a 10 year period for review of the policy.

INDUSTRIAL POLICY RESOLUTION, 1956

The new industrial policy of 1956 had the following major provisions.

- (1) Reservation of Industries
 - A clear-cut classification of industries were affected with three schedules:

(a) Schedule A

This schedule had 17 industrial areas in which the centre was given complete monopoly. It was known as the Central Public Sector Undertakings (CPSUs) later getting popularity as PSU's.

- The number PSU's set up by the government of India went to 254 by 1991 from 17 in 1956.
- These included those industrial units too which were taken over by the government between 1960 to 1980 under the nationalisation drives.

(ii) Schedule B

There were 12 industrial areas put under this schedule in which the state governments were supposed to take up the initiative with a more expansive follow up by the private sector.

- This schedule also carried the provisions of compulsory licensing.
- It should be noted here that neither states nor the private sector had monopolies in these industries unlike schedule A, which provided monopoly to the Centre.

(iii) Schedule C

All industrial areas left out of schedules A and B were put under this in which the private enterprises had the provisions to set up industries.

Many of them had the provisions of licensing and regulations.

- It was this Industrial Policy in which the then PM Jawaharlal Nehru had termed the PSUs the 'temples of modern India'.