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# THE ZAMINDARI SYSTEM IN ODISHA: PERSPECTIVES ON ORIGIN, GROWTH & ABOLITION

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#### **Abstract**

The abolition of the zamindari system, an obtrusive semi-feudal land revenue system was a historic measure in the field of agrarian reforms in post-independence Odisha. The system which originated in the practice of farming out taxes in the pre-British period especially under the Mughals had acquired many sordid features during the colonial rule. The abolition of this system in Odisha like elsewhere in the country was not a smooth sailing affair. In fact, in certain states the measures enacted for doing away with the system were challenged in law courts and even some cases were carried to the Supreme Court. But despite resistance to the measure at various stages the abolition of intermediary interests in land being carried out in a phased manner completed in the state in 1974. The paper intends to examine, the origin, growth and abolition of the zamindari system in the state and the changes this has brought about in consequence in the land revenue administration in the state.

Key Words: Zamindari System, Zamindar, Intermediaries, Land Revenue, Odisha.

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#### 1. Introduction

The abolition of the zamindari system, an obtrusive semi-feudal land revenue system was a historic measure in the field of agrarian reforms in post-independence Odisha. The system which originated in the practice of farming out taxes in the pre-British period especially under the Mughals had acquired many sordid features during the colonial rule. The abolition of this system in Odisha like elsewhere in the country was not a smooth sailing affair. In fact, the legislative measures devised in the states for abolishing the system had encountered opposition from the class of zamindars during the process of their enactment in the legislatures as well as in the phase of implementation. Curiously, in certain states the measures were challenged in the law courts and even some cases were carried to the Supreme Court. But despite resistance to the measure at various stages the abolition of intermediary interests being carried out in a phased manner completed in the state in 1974. The process of abolition of zamindaries in the state that started after the enforcement of the Orissa Estates' Abolition Act 1951 was accomplished on payment of compensation to the class of intermediaries. The paper intends to examine the origin, growth and abolition of this colonial system in the state and the changes this has brought about in consequence in the land revenue administration in the state.

The British attempts to organize the land revenue system in various parts of India produced broadly three different patterns of land settlements viz., zamindari, ryotwari and mahalwari. However, out of these, the zamindari system at the time of independence was in operation in about 57 per cent of cultivable area of British India<sup>1</sup> and was dominant in Uttar Pradesh, West Bengal, Bihar, Assam and Odisha. In Odisha, nearly 70 per cent area of the six districts viz., Cuttack, Puri, Balasore, Ganjam, Koraput and Sambalpur was under the zamindari system. The system which conferred on a zamindar or an intermediary the right to collect fixed revenue on behalf of the administration in course of its growth acquired many features quite detrimental to the interest of the peasantry<sup>2</sup>. Moreover, under the system there existed a long chain of idle intermediary interests and they all derived a share of rent from the same piece of land and the same cultivator. Besides, the intermediaries also extracted illegal levies from the tenants and exploited them through forced labour.

## 2. Origin & Growth of Zamindari System

The word zamindar traced to be of Persian origin in literary sense implies the controller or holder of zamin or land. The term gained currency during the Mughal rule<sup>3</sup> and subsequently acquired wider legal connotation touching the political, economic and cultural life of Indian people. During the Mughal period the word was used to denote various holders of hereditary interests in land ranging from persons who held his zaminadi on condition of paying a fixed peshkash or tribute, to persons who held it as jagir in lieu of his salary<sup>4</sup>. The zamindars as a class enjoyed superior status and their main functions were to ensure the cultivation of cultivable land and the collection of assessed land revenue. Of course, the zamindari rights represented a variety of superior interest in land encompassing the village and not to any particular plot of land. However, the zamindari system under the colonial rule began to take shape when the East India Company made a Permanent Settlement with the zamindars in Bengal in 1793. The zamindars were declared the proprietors of the land on condition of payment of fixed revenue to the state. The British conquered Odisha in 1803 and introducing no substantial change in the existing land revenue system in a proclamation (issued on 15 September 1804) converted the chaudhuris, kanungoes, mukadammas and others revenue agents into proprietors of land with hereditary ownership rights. In the triennial settlement (commenced in 1806) they were termed as malik-ijamin or zamindars of the soil and thus were referred as such in subsequent British records. In the early years of the British rule in Odisha, short-term settlements were made with the zamindars or proprietors of soil, and as many as eight short-term settlements were conducted during the years 1803-1816. The hike of revenue demands, the rigid method of revenue collection brought disaster to many local landholders and provided scope for outsiders especially the Bengalese to take possession of lands in Odisha. Thus absentee landlords grew and this in turn gave opportunity to the gumastas or agents of the zamindars to exploit the innocent cultivators.<sup>5</sup> In the settlements made from time to time the government recognized minor revenue officials or village headmen such as padhans, sarbarkars etc, as sub-proprietors having semi-proprietary rights holding land under the proprietors or zamindars. The sub-proprietors paid revenue to the state treasury through their respective zamindars. In the zamindari areas, there were two categories of estates viz., permanently settled and temporarily settled. In the first category, the revenues of the states were fixed permanently and in the later, the revenues of the estates were assessed in each settlement. In the three coastal districts viz., Cuttack, Puri, and Balasore that conformed to the

Bengal pattern of revenue administration, there existed 305 permanently settled states and 12, 704 temporarily settled estates on the eve of independence. Prior to the formation of the province in 1936, the districts of Ganjam and Koraput were under the Madras pattern of administration. The greater part of Ganjam plains comprised the permanently settled estates, and in Koraput district there existed 4 permanently settled estates viz., Jeypore, Kotpada Pargana, Salimi Mutha and Pachipetha. In the district of Sambalpur there existed 16 zamindaries. In the zamindari areas, the zamindars disposed of their zamindaries to under tenures and in turn, the under tenures leased out their areas to others; in this way manifold middlemen had been created between the tenant and the state. In the various revenue settlements, the zamindars also acquired diverse rights such as the right to grant leases, the right of inheritance, the right of profit in new lands, fisheries, thatching grass, cleared forests, the right to transfer and partition of land etc. However, in both the temporarily and permanently settled zamindaries, the peasants lived at the mercy of the zamindars. In fact, the system had become a huge exploitative mechanism with the rural society being divided into two segments viz., a handful of landed gentry owing vast tracts of land and thousands of impoverished and landless people in a state of servitude under them.

#### 3. Rationale for Abolition of Zamindaries

Before the advent of independence, a conscious notion had developed in the country that the system only enriched the coffers of the intermediaries without making substantial contribution to the development of land and agriculture. The people had realized that "the zamindars as a class enjoy social position, authority and power out of all proportion to any useful function performed by them in the village economy". Mahatma Gandhi and *Pandit* Jawaharlal Nehru, the two towering leaders of the Indian National Congress during the national movement for freedom being familiar with the agrarian problems, naturally visualized changes in the rural structure especially in land relation in an independent India. Gandhi had often spoken against the zamindari system and in a letter to Lord Irwin on March 2, 1930; he noted that "the much vaunted permanent settlement benefits the few rich zamindars, not the ryots. The ryot has remained as helpless as ever. He is a mere tenant-at-will. Not only then has the land revenue to be considerably reduced but the whole revenue system has to be revised so as to make the ryots good its primary concern" Of course, Gandhi developed his unifying theory of 'trusteeship' for the solution of clash of class interest in society. His idea was that "all people having money and

property should hold it in trust for the society". Pandit Nehru who had developed socialist leaning since late 20s, in the Faizpur session of Indian National Congress in 1936 called for "removal of intermediaries between the cultivator and the state". The Indian National Congress unveiling its future policy on land system in its election manifesto issued in 1946 stressed the urgent need of reform in the land system, the core of the reform involving the removal of all intermediaries between the peasant and the state. Several committees instituted in the country in and around the time of independence in their report urged for the abolition of intermediaries in land. The Land Revenue Commission, known as the Floud Commission set up by the Government of Bengal in 1938 recommended the elimination of all rent receiving interests in land.

The Congress Agrarian Reforms Committee set up under the chairmanship of J. C. Kumarappa in December 1947, in its report urged for the abolition of intermediary interests in land. It categorically stated that in the agrarian system of India there could be 'no place for intermediaries' and 'land must belong to the tiller' 11. The Congress Economic Programme Committee (1947) headed by *Pandit* Jawaharlal Nehru also made similar recommendations. In Odisha, the Land Revenue and Land Tenure Committee set up under the chairmanship of Nabakrushna Choudhury in its report submitted in 1949 also recommended for the abolition of intermediaries on payment of compensation. The Chief Minister of Odisha, Harekrushna Mahtab was also convinced that the system was detrimental to the interest of the peasantry. In his view: The existence of a number of rent-receiving intermediaries between the state and the tenant does affect the economic condition of the country in this way that large amount of money which should benefit the people go into the pockets of a few who live on unearned income and form an unproductive class in the society. 12

The view of the Chief Minister was well founded. In fact, at the time of independence the zamindars and middlemen pocketed about 45.4 per cent of the land revenue of the three coastal districts of Odisha viz., Cuttack, Puri, and Balasore and the rest 54.6 per cent reached the government. Moreover, the UP Zamindari Abolition Committee in its report made a strong case against landlordism. It stated that "no solution within the existing framework of the land system being possible the landlord must go. Any system which has lost vitality must be changed and the

classes or groups that cling to it must disappear"<sup>13</sup>. Further making its point clear how the measure would benefit the cultivator, it states "the abolition of zamindari will give the cultivator the necessary feeling of security and the incentive for better agriculture, lead to a more equitable distribution of agricultural wealth and prevent its waste. It will restore the cultivator's self-respect, give him hope and confidence and create an egalitarian society"<sup>14</sup>. Consequently, laws aimed at abolishing the zamindari system & other intermediaries were taken up in the states. The UP Zamindari Abolition & Land Reforms Act, 1951 a model measure in many aspects provided that all rights, titles and interests of all intermediaries in land barring the groves and self-cultivated lands would pass on to the government. Starting with UP, legislations providing for the abolition of intermediaries were enacted in a number of states viz., Gujarat in 1951, Assam in 1950, Madhya Pradesh in 1950, Rajasthan in 1952, Bihar in 1954 and West Bengal in 1955.

## 4. The Orissa Estates' Abolition Bill, 1950

The Orissa Estates' Abolition Bill, 1950 providing for the abolition of all intermediary interests in the state was introduced in the Orissa Legislative Assembly (OLA) on 17 January 1950 by the Chief Minister Harekrushna Mahtab. Since the bill intended to take away the rights and privileges of the landed intermediaries, they attempted all methods of parliamentary obstruction in the legislature. Apart from circulating the bill for eliciting public opinion, it was referred to a Select Committee twice and several amendments were proposed in the bill which in consequence delayed its enactment in the legislature. In fact, during discussion on the bill in the OLA, certain members articulating the views of the zamindar class urged the retention of zamindaries under a system of trusteeship with the zamindars managing their estates as trustees on behalf of the community. They also urged to provide adequate compensation to the zamindars in the state. The Deputy Leader of the Opposition in the OLA, Lokanath Mishra opposing the measure alleged:

This bill, though it says it is for the abolition of the estates, it is really not a bill for abolition of estates. It is simply an acquisition of estates by the Government with a view to add to Government Khasmahal. If there will be any exploitation by any middle men, the same exploitation will continue, the only difference would be that in place of a person who is called intermediary, Government will be substituted.<sup>15</sup>

Some members opposed the scheme of compensation to the zamindars and criticized the government for being guided by political consideration on the issue. They alleged that the British granted many concessions to the zamindars being guided by political consideration and the same consideration also influenced the government to provide compensation to them. Moreover, they feared that the provision of compensation to zamindars would put the financial situation of the state to serious strain and give rise to inflationary conditions in the country. On 28 September 1951, the day when the bill was actually cleared by the house, the Deputy Leader of the Opposition charged the government for adopting such a measure on the eve of election. The Leader of the Opposition Sailendra Narayan Bhanja Deo charged the government on the same line and retorted:

The way this is drafted, the way it is introduced, it appears that it is not in the interest of the country at large but it is a thing of party fulfilment. It may be done for the ensuing election because they have given hopes to the people that they will abolish zamindaries somehow or other very soon. That is why this bill is going to be passed.<sup>16</sup>

On the other hand the members of the ruling Congress welcomed the measure and hailed it in various terms as 'foundation of land reforms', 'historic measure' etc. The bill after receiving the assent of the President of India on 23 January 1952 became Orissa Act I of 1952.

#### **5. Main Provisions of the Act**

The Act provided for the abolition of all rights, titles and interests in land of all intermediaries existing between the state and the raiyat and it authorized the State Government to issue notifications to the effect that an estate has been passed to and vested in the state. It stated that on the issue of a vesting notification, the entire estate including all communal lands, non-raiyati lands, waste lands, trees, orchards, pasture lands, forests, mines, minerals, quarries, rivers, streams, tanks and other irrigation works, water channels, fisheries, ferries, hats and bazars and buildings or structures should vest in the State Government free from all encumbrances. It also provided that persons holding land under the intermediaries for providing personal service to them were to be discharged from the condition of such services and the lands under their

possession were to be settled with them<sup>17</sup> The enactment of the legislation made the tenant of the state overwhelmingly happy as they felt that with the abolition of intermediary interest, many obtrusive features in the agrarian system would disappear and this in turn would usher for them days of plenty and prosperity. But soon the expectation died down in the course of implementation of the Act.

## 6. Phase of Implementation

The process of abolition of intermediary interests in the state started on 27 November 1952 with the issue of first batch of notification on 27 November 1952. The Act that affected the material life and livelihood of the class of zamindar was challenged by many zamindars in the law courts like elsewhere in the country on various grounds, such as ultra vires of the Constitution, invalidity of compensation provisions, that they were not 'intermediaries' as the term intermediary was defined under the act, and that their property not being estates as interpreted in the act<sup>18</sup> etc. This consequently put a check in the implementation of the act. However, the legal obstacles in the way of implementation of the acts were removed owing to amendments in the Constitution in 1951 and 1955. The amendments made the question of violation of any fundamental right or insufficiency of compensation as not permissible in courts. The Supreme Court also upheld the right of the legislatures to acquire land for public purpose after paying equitable compensation. The absence of adequate land records particularly relating to revenue-free and tiny estates also put difficulties in the way of implementation of the act. The Land Reforms Committee, 1958 noted to the existence of over 111, 000 revenue free estates in the three coastal districts of the state. After the intermediaries lost their cases in the law courts, some tried to block its implementation by non-cooperating with the government servants and had refused to submit papers and records relating to their estates. This sort of approach was adopted by the landed intermediaries not only in Odisha but in many states in India. Moreover, many zamindars adopted the illegal method of leasing out land, building, mines and other immovable assets with retrospective effect i.e., prior to 1 January 1946 to claim compensation at enhanced rates and these created difficulties for the administration. It may be noted here that the Act provided for the cancellation of fraudulent leases made after 1st January 1946. In certain instances fraudulent leases were issued in favour of minors. In the district of Ganjam and Koraput many writ petitions were filed in the High Court relating to the vesting of *inams* (land

held free of revenue / rent) and its inclusion in the definition of 'estates'. Therefore, amendments were effected in the definition of 'estates' and 'intermediary' by Act 17 of 1954. In fact, the Orissa Estates' Abolition Act was amended several times to facilitate it's working. The act was amended in 1952, 1953, 1954, 1956, 1957, 1960, 1962, 1963, 1970 and 1974. The State Government also appointed an Estates Abolition Advisory Committee in September 1957 for expediting the task of payment of compensation to the ex-intermediaries. The first phase of land reform programme which involved the abolition of intermediary interests in land though completed in states like Rajasthan & Assam by mid-1965, Odisha lagged in this respect. Nevertheless 4, 20, 441 intermediary interests had been abolished by the end of 1973, out of the total 4, 25, 693 intermediary interests existed in the state. The process of abolition of estates, however, was completed on 18 March 1974, when the last notification abolishing all subsisting intermediary interests including the 'trust' estates was issued in the state.

## 7. Question of Compensation

The payment of compensation to the intermediaries for acquisition of their estates posed a serious problem in the wake of the abolition of zamindaries. It is pertinent to note that five years before independence Mahatma Gandhi disclosing his plan for the improvement of the lot of the peasantry had told an American journalist Louis Fischer that "...peasants would take the land and it would be fiscally impossible to compensate the landlords". 19 But disregarding the views of Mahatma Gandhi compensation was paid to the intermediaries for acquisition of their estates which varied from state to state. The small zamindars were given a much higher rate of compensation as compared to the big zamindars and the big zamindars in most cases were granted only between four and five times of their previous annual net income. The small intermediaries deriving an annual net income of less than rupees 500, were paid compensation ranging from 15 to 20 times of their lost income. Jammu & Kashmir was the only state where estates were abolished without any payment of compensation. In Odisha the rate of compensation paid to the zamindars varied from 3 to 15 times of their net income. The compensation amount also carried an interest of 2.5 per cent per annum and paid to the intermediaries in 30 annual installments. In addition to this, provision was made to provide compensation to them in respect of the mines and minerals comprised in their estates and for the improvement they made in respect of the waste lands. Nevertheless the landed interests

expressed their dissatisfaction on the compensation package as provided in the act. It is true that the provision of compensation to the intermediaries for acquisition of their estates was made in the Orissa Estates' Abolition Act, 1952 in conformity with the principles enshrined in Article 31 of the Constitution of India, which treated right to property as Fundamental Right. It was hoped that the zamindars would invest their compensation money in agriculture and allied fields and thus help in the growth of agriculture in the state. But no radical change in terms of growth rate in agricultural productivity<sup>20</sup> was noticed in the state in the wake of abolition of zamindaries.

## 8. Consequences of Zamindari Abolition

The intermediary interests in land was abolished in the end but the time elapsed in enacting the legislations and in implementing them gave breathing time to the intermediaries to take advantage of the loopholes in the laws and consequently to circumvent their real purpose. However, the most important loophole in the laws which allowed the intermediaries in most of the states to retain lands under their 'personal cultivation' nullified to a great extent the intent of the laws. In fact, resumption of land for personal cultivation by the zamindars led to eviction of tenants on an unprecedented scale and also enabled them in retaining a good part of their former holdings. An estimate suggested that the zamindars in UP managed to retain 7 million acres out of the 33 million acres of land they possessed prior to enforcement of act.<sup>21</sup> In states like UP and Bihar till the enactment of ceiling laws no limit was set on size of lands that could be declared to be under the 'personal cultivation' of the zamindar. The Odisha law provided that all lands used for agricultural or horticultural purposes and in possession of intermediaries, where the intermediaries had less than 33 acres of land on the date of vesting was to be settled with the intermediaries.<sup>22</sup> Further, the homesteads in possession of the 'intermediary' on the date of vesting together with the buildings and structures therein was to be settled with the intermediary on payment of fair and equitable rent. In this way the intermediaries managed to retain their social & economic status and the actual cultivators at the lower level benefitted the least. Gunnar Myrdal, an authority on land reforms assessing the impact of the measures in the states observed that the inferior tenants and sharecroppers drew essentially no benefit from the refoms.<sup>23</sup>The concessions provided to the ex-intermediaries in the laws especially compensation provided to them in lieu of the withdrawal of the right of revenue collection ostensibly point to the fact that the measures were in the nature of attempt to adjust agrarian relations in the rural landscape. The

intermediary interests in the state were not abolished at a single stroke but in a phased manner extending over two decades. Moreover, the landed interests in Odisha had succeeded to a certain extent in modifying the provisions of law in their favour during its enactment in the legislature and took advantage of the loopholes in the legislation during the long phase of its implementation.

#### 9. Conclusion

Thus, the abolition of intermediaries which was expected to bring about millennium to the cultivators and the hope it created in them during the last phase of struggle for independence was not fully materialized after the enactment of the legislation. But nevertheless the abolition of zamindaries in the state closed a long chapter of oppression to which the tenants had been subjected to during the colonial rule and liberated them from a long period of exploitation. Moreover, the sense of insecurity and a depressed social position which griped the class of peasantry under the semi-feudal land system disappeared giving the peasantry a sense of respect and dignity in the social front. The measure also made the class of peasantry to realize that the rent paid by them would no longer be pocketed by the intermediaries but would be utilized for their well-being through the welfare measures of the state. The changed circumstance also forced the ex-intermediaries to reorient their role in livelihood front and their character as a class. Placed in a tight situation owing to trimming of the sources of land rent and limitations on leasing out of land, some intermediaries began to take interest in direct cultivation of land. No doubt, it took a very long time to curtail "...some of the existing rights and privileges of the feudal elements"<sup>24</sup> in the state but by abolishing the intermediary interests in different revenue systems prevalent in different areas of the state, the measure introduced a certain degree of uniformity in the land revenue administration of the state.

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