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LAND REFORM IN SRI LANKA

by

Vijaya Samaraweera

Taken together, the Land Reform Law of 1972\(^1\) and the Land Reform (Amendment) Law of 1975\(^2\) enacted by the United Front (UF) government in Sri Lanka (1970-1977) can undoubtedly be seen as one of the most sweeping land reform measures undertaken by a democratically elected government. This paper will focus on the circumstances under which these laws were introduced by the UF and on the key features of UF’s policies. Reference will be made to the implementation of these land reform laws, and to the land policies adopted by the United National Party (UNP) government which came into power in 1977 with a manifestly different political and economic orientation. The main thesis is that land reform in Sri Lanka has floundered and whatever potential the UF measures possessed to bring about fundamental transformations in the structure of the agrarian sector have been nullified. The explanation is the lack of clearly articulated goals in both the laws and in policies of administration.

A detailed examination of the provisions of the two land reform enactments is beyond the scope of the present paper and it is sufficient to draw attention here to the principal features of the respective laws. The Land Reform Law of 1972 created a state agency—the Land Reform Commission (LRC)—with authority to expropriate agricultural land above a specified ceiling, namely, 25 acres in the case of paddy land and 50 acres in the case of other agricultural land. In addition the LRC was empowered to administer the alienation of the expropriated land. The ceiling was applicable to all individual landholders over the age of 18 years and also those who held agricultural land as life tenants, owners of usufruct, co-owners, shareholders of private companies or cooperative societies which owned agricultural land. Lessees of public agricultural land were also subjected to the ceiling. A crucial omission was publicly-held companies, and it was to bring these within the ambit of land reform that the amendments of 1975 were somewhat belatedly enacted. The concept of the ceiling was extended to agricultural land held by these companies and their entire property was vested in the LRC, which received, as in the case of other categories of land vested in it under the 1972 Law, the absolute legal title to land, free of all encumbrances.

The Law of 1972 marked an abrupt departure from land policies that had been in force since independence in 1948. One of the great paradoxes in Sri Lanka was the concern which was invariably expressed about the
obvious need for land reform by diverse elements in society. But the failure to enact land reforms only surfaced as a powerful political issue in 1972. This is exemplified in the fact that none of the major Marxist political parties had offered comprehensive proposals for land reform. To be sure, the nationalisation of plantations had been a part of the platform of all Marxist parties since it was first demanded by the Lanka Sama Samaja Party (LSSP) in the early 1930s; but neither the LSSP nor the other Marxist groups had focused on the entirety of the inequalities of land ownership in Sri Lanka. Since the advocates of "revolutionary socialism" did not reveal a commitment to the cause of fundamental land reform, it was no surprise that the parties of the political center and the right failed to champion the cause. In none of the seven general elections held in Sri Lanka since independence did land reform figure as a decisive issue. Further, no national leader had emerged to mobilize social forces for powerful redistribution of land, and no spontaneous peasant movement for forcible occupation of land had occurred, except for isolated actions of "squatting" on the part of individuals. The explanation for the paradox is no doubt a complex matter which should be pursued elsewhere, but it provides an understanding as to why the UF was able to introduce, quite abruptly, important land reform measures without much preparatory political groundwork to pave the way for such significant policy changes.

The law of 1972 was enacted under other unique circumstances. Neither the UF Common Programme which was presented to the electorate before the 1970 elections to announce its avowed policies, nor the major policy statements of the UF government mentioned radical land reform. As the Minister of Agriculture and Lands (under whom the land reform machinery was later placed) admitted, the principal reason for the introduction of the Law of 1972 was the events of April 1971 which were popularly known as the "Insurrection of 1971." This movement, led by the ultra-left Janata Vimukti Peramuna (JVP), produced the most traumatic events in the recent history of Sri Lanka, and its implications have yet to be properly explored. (For preliminary appraisals see Obeysekere 1974; Wilson 1972.) For our purposes the events of April 1971 demonstrated beyond doubt that much of the youth of the country was dissatisfied with the policies of a government which had come to power through the coalescence of the two major left parties (the LSSP and the Communist Party (CP)) with the Sri Lanka Freedom Party (SLFP). There had been considerable expectations for this new government, but it soon became clear that "instant socialism" was not to be the result—indeed, key left figures associated with UF had been put in a defensive posture well before the JVP unleashed its violence. They had already expended considerable effort to explain their failure to push the government faster towards a true socialist course (see Wilson 1975). The critical question facing the UF in the aftermath of the insurrection was how to recover its
socialist credentials and retrieve its political initiative. The result was a "package deal:" a series of radical measures including the Law of 1972. Thus, this legislation emerged from a crisis situation in which no effective local mobilization for the reform measure was carried out or even deemed necessary--given the general, favorable attitudes which were known to prevail. There was little doubt that, under these unique circumstances, rearguard action by the dominant landed interests would be ineffectual.

How radical was this avowedly radical measure? Compared to the land policies of the preceding period, it certainly marked a radical departure. The land policy then in force was largely a legacy from the pre-independent era, that fashioned by D.S. Senanayake (the first Prime Minister who served as Minister of Agriculture and Lands under the Donoughmore Constitution (1931-1947). The central thrust of his policy was the promotion of "colonization schemes" in the sparsely-populated dry zone through the utilization of crown land for the resettlement of the landless of the heavily-populated wet zone. A few schemes were inaugurated in the wet zone as well, either by the use of unalienated crown land or by the take-over of estates, generally rubber estates, which had proved to be only marginally successful (see Semaraweera 1974). However, Senanayake's land policy did not lead to any structural redefinition of the existing pattern of landholding in Sri Lanka. Since the landless had received (for the most part) hitherto unexploited crown land situated from centers of population concentration, the land policy had effectively bypassed needs for an equitable redistribution of land in the wet zone. The compulsory acquisition of land by the state or the creation of new tenurial arrangements for those who received land in settlement schemes (which imposed considerable restrictions on alienation) were in no way meant to compromise the principle of existing private property rights. Indeed, the theoretical premise of Senanayake that the crown lands were the "patrimony" of the people held by the state in "trust" on their behalf did not even suggest the possibility of a collective ideology. This policy had continued during early independent years. Changes in it had touched matters of form and application, rather than its real substance (Amerasinghe 1970).

The Land Reform Law of 1972 represents, in the view of one commentator, "an unprecedented erosion of private property rights in agricultural land" (Sanderatne 1972: 8). However, private property rights in land were certainly not dismissed. Indeed, they were preserved to the extent that the Land Reform Law of 1972 used ceilings on landholding as the central principle of reform and because of the importance assigned to compensation by the enactment. Thus, there was no ideological departure from the assumption that land tenure should be based on a system of private rights.
These initial comments are applicable to the Land Reform Law of 1975 as well, even though it effected what amounted to a nationalisation of the public companies involved in the agricultural sector and to that extent represented the achievement of a goal set by the Marxists as far back as the early 1930s. Given the fact that both privately-owned land and private company-held land were affected by the Land Reform Law of 1972, it was inevitable that public company-held agricultural lands would be brought within the ambit of the reforms. What is remarkable is that the public company property was not the initial target of the reform. Since the turn of the century, nationalist leaders had claimed that the commercial agricultural ventures in the interior, begun in the early 1830s, were the principal cause of problems faced by the peasantry of the country. The "villains" were patent: the European investor, the Indian Tamil immigrant worker who helped him to exploit land, and the colonial government which created the necessary infrastructure and alienated land to the investor--land which had been taken over by the Crown through nineteenth century enactments collectively known as the "wastelands ordinances" (Samaraweera 1977). The post-independence leadership did not view indigenous investors (among whom the nationalist leaders numbered conspicuously) in the same light as the foreign investor, even though they derived noteworthy benefit from governmental measures and depended significantly on imported labor (Samaraweera 1981). The indigenous investor functioned primarily in his private capacity, or through privately-held companies, whereas the foreign investor operated through public companies. The more "visible" foreign plantation companies became principal targets of the Marxists. Why then were public companies not included in the Land Reform Law of 1972? Probably because the financial well-being of the country was uppermost in the wake of the considerable economic dislocations and public expenditures caused by the activities of the JVP: there was a distinct hesitancy to make drastic changes in structures which provided the mainstay of the economy. (Plantation agriculture provided about 29% of the GNP and about 25% of all gainful employment. (Peiris 1977))

The final data released by the LRC reveals that a total of 563,411 acres of land was vested in it by 5870 declarants (Table 1) under the Law of 1972. This figure does not include 12,896 acres, or 2.3% of the originally vested land, given back to the former owners on the basis of successful appeals to the Minister of Agriculture and Lands. (Central Bank of Ceylon 1979:16). The number of declarants exemplifies the landholding pattern of the pre-reform period: the small number of larger landowners in relation to the total population (12.6 million at the 1971 census). Moreover, 52.7% of the declarants were located in Colombo (the next largest group, 10.8%, gave Kandy as their residence), thereby highlighting another dimension of the primacy of the metropolitan city. Further, the
Land Reform Law of 1972 focused on individuals and not on families as the basis for ceilings; hence, in terms of actual controls over land, especially within the context of the strong familial bonds existing in Sri Lankan society, it is arguable that small numbers of landholders still held sway.

The total land vested in the LRC was only 13.5% of the total agricultural land in Sri Lanka (I have used the land utilisation data in Richard and Stoutjesdiffe 1970 in this calculation). To this must be added 417,957 acres received under the amended rules of 1975 (see Table II); but even with this addition, the agricultural land which came under the reform constitutes only 23.4% of the total. Indeed, 176,516 acres (or, 17.9% of the total land vested in the LRC under the 1972 and 1975 Laws) should be taken away from this total since these lands have doubtful potential for any successful exploitation. Not only was the land reform highly limited in scope, but, as further discussion will show, the scope was even more limited because the governments in power proved to be very shy when it came to interfering with existing structural arrangements characterizing the land use pattern of expropriated land.

Table III shows the distribution of alienated land undertaken by the LRC. The data represents the position at the end of 1977 and thus incorporates changes in the original distribution carried out by the UNP when it came into power (attention will be drawn to these changes in the discussion). Evaluation of this data may be helped by closer analysis of the ideological stance of the LRC in relation to allocation of land vested in it.
TABLE I

CROP CLASSIFICATION OF LANDS TAKEN OVER UNDER THE LAW OF 1972

Total Number of Declarants: 5870

<table>
<thead>
<tr>
<th>Category</th>
<th>Acres</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Jungle/patna, uncultivated</td>
<td>176,347</td>
<td>31.3</td>
</tr>
<tr>
<td>Tea</td>
<td>139,726</td>
<td>24.8</td>
</tr>
<tr>
<td>Coconut</td>
<td>112,682</td>
<td>20.0</td>
</tr>
<tr>
<td>Rubber</td>
<td>82,821</td>
<td>14.7</td>
</tr>
<tr>
<td>Paddy</td>
<td>18,592</td>
<td>3.3</td>
</tr>
<tr>
<td>Mixed</td>
<td>16,902</td>
<td>3.0</td>
</tr>
<tr>
<td>Other crops: cocoa/cardoman/cinnamon</td>
<td>12,958</td>
<td>2.3</td>
</tr>
<tr>
<td>Abandoned: tea and rubber</td>
<td>1,692</td>
<td>.3</td>
</tr>
<tr>
<td>Chena (slash and burn)</td>
<td>1,691</td>
<td>.3</td>
</tr>
<tr>
<td>Total:</td>
<td>563,411</td>
<td>100.0</td>
</tr>
</tbody>
</table>

Source: Land Reform Commission
### TABLE II

PUBLIC COMPANY ESTATES VESTED IN THE LRC UNDER THE LAW OF 1975

<table>
<thead>
<tr>
<th></th>
<th>No. of companies/estates</th>
<th>Total extent (acres)</th>
<th>Tea (acres)</th>
<th>Rubber (acres)</th>
<th>Coconut (acres)</th>
<th>Other (acres)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sterling:</td>
<td>80/166</td>
<td>195,144</td>
<td>130,474</td>
<td>23,404</td>
<td>3,695</td>
<td>37,571</td>
</tr>
<tr>
<td>Rupee:</td>
<td>145/229</td>
<td>222,813</td>
<td>107,118</td>
<td>71,118</td>
<td>2,711</td>
<td>41,553</td>
</tr>
<tr>
<td><strong>Totals:</strong></td>
<td><strong>225/395</strong></td>
<td><strong>417,957</strong></td>
<td><strong>237,592</strong></td>
<td><strong>94,522</strong></td>
<td><strong>6,406</strong></td>
<td><strong>79,124</strong></td>
</tr>
<tr>
<td>(%)</td>
<td></td>
<td></td>
<td>(56.9)</td>
<td>(22.6)</td>
<td>(1.6)</td>
<td>(18.9)</td>
</tr>
</tbody>
</table>

Source: Land Reform Commission
### TABLE III

Distribution of 1972 and 1975 Land Reform Lands by Method of Alienation

<table>
<thead>
<tr>
<th>Institution or Management Methods</th>
<th>Land Reform Law of 1972 (Acres)</th>
<th>Land Reform Law of 1975 (Acres)</th>
<th>Total (Acres)</th>
<th>Percentage of total area alienated</th>
</tr>
</thead>
<tbody>
<tr>
<td>Janavasama (J. E. D. B.)</td>
<td>73,795</td>
<td>232,147</td>
<td>305,942</td>
<td>31.18</td>
</tr>
<tr>
<td>State Plantation Corporation</td>
<td>107,397</td>
<td>167,465</td>
<td>274,862</td>
<td>28.01</td>
</tr>
<tr>
<td>Electorate level Co-operative Societies</td>
<td>71,446</td>
<td>4,641</td>
<td>76,087</td>
<td>7.75</td>
</tr>
<tr>
<td>Individual villagers</td>
<td>70,154</td>
<td></td>
<td>70,154</td>
<td>7.15</td>
</tr>
<tr>
<td>Co-operative Janawasas</td>
<td>61,635</td>
<td>835</td>
<td>62,470</td>
<td>6.37</td>
</tr>
<tr>
<td>Land Commissioner's Department</td>
<td>39,675</td>
<td></td>
<td>39,675</td>
<td>4.04</td>
</tr>
<tr>
<td>District Land Reform Authority</td>
<td>38,585</td>
<td></td>
<td>38,585</td>
<td>3.93</td>
</tr>
<tr>
<td>Under G.A., A.G.A., D.R.O., Grama-Sevaka</td>
<td>17,777</td>
<td></td>
<td>17,777</td>
<td>1.81</td>
</tr>
<tr>
<td>Livestock Development Board</td>
<td>7,020</td>
<td>2,870</td>
<td>9,890</td>
<td>1.00</td>
</tr>
<tr>
<td>District Development Projects and Special Projects</td>
<td>8,939</td>
<td></td>
<td>8,939</td>
<td>0.91</td>
</tr>
<tr>
<td>Rubber Research Institute</td>
<td>1,725</td>
<td>5,309</td>
<td>7,034</td>
<td>0.72</td>
</tr>
<tr>
<td>Productivity Committees</td>
<td>4,295</td>
<td></td>
<td>4,295</td>
<td>0.44</td>
</tr>
<tr>
<td>Conservation of Forests</td>
<td>4,128</td>
<td></td>
<td>4,128</td>
<td>0.42</td>
</tr>
<tr>
<td>Tea Research Institute</td>
<td>-</td>
<td>3,990</td>
<td>3,990</td>
<td>0.41</td>
</tr>
<tr>
<td>Sri Lanka Sugar Corporation</td>
<td>2,831</td>
<td></td>
<td>2,831</td>
<td>0.29</td>
</tr>
<tr>
<td>Multi-purpose Co-operative Societies</td>
<td>2,841</td>
<td></td>
<td>2,841</td>
<td>0.29</td>
</tr>
<tr>
<td>Coconut Cultivation Board</td>
<td>2,262</td>
<td></td>
<td>2,262</td>
<td>0.23</td>
</tr>
<tr>
<td>Special Co-operative Organizations</td>
<td>1,966</td>
<td></td>
<td>1,966</td>
<td>0.20</td>
</tr>
<tr>
<td>Sri Lanka Cadju Corporation</td>
<td>883</td>
<td></td>
<td>883</td>
<td>0.09</td>
</tr>
<tr>
<td>Coconut Research Institute</td>
<td>381</td>
<td></td>
<td>381</td>
<td>0.04</td>
</tr>
<tr>
<td>Rehabilitation Department</td>
<td>351</td>
<td></td>
<td>351</td>
<td>0.03</td>
</tr>
<tr>
<td>Others</td>
<td>45,325</td>
<td>700</td>
<td>46,025</td>
<td>4.69</td>
</tr>
</tbody>
</table>

| Total                                                    | 563,411                          | 417,957                         | 981,368       | 100.00                            |

Source: Land Reform Commission
The stated objectives of the 1972 land reforms were: first, to ensure that ownership of agricultural land is limited to specific ceilings and secondly, to utilize expropriated land to increase productivity and employment. (Land Reform Law 1972:2. (a) and (b)). No explicit ideological statement can be discerned from these objectives, nor from the legislative provisions concerning the purposes for which vested land could be used: a plethora of uses were recognized ranging from outright sale to individuals to alienation for cooperative or collective farms (Land Reform Law 1972:22. (1) (a) to (g)). Basically, the same range of uses were provided for in the law of 1975 (Land Reform Law 1975:42H. (1) (a) to (e)). Thus, one has to look elsewhere. The "Principles of State Policy" of the 1972 Constitution called for "the development of collective forms of property such as State property or cooperative property, in the means of production, distribution and exchange as a means of ending exploitation of man by man" (Constitution of Sri Lanka 1972:16 (e)). It is relevant to examine whether this collectivist ideology was reflected in the alienation of land by the LRC.

Hector Kobbekaduwa, the Minister of Agriculture and Lands, declared, in August 1974: "many people conceive of land reform as a process of expropriation of land, and the distribution of such land among the landless peasants. I do not intend directing the land reforms programme towards that objective. I firmly believe that estates which are highly productive and which are economically viable should remain as distinctive units" (Minister of Agriculture and Lands 1974:1-2). This thinking was echoed by the LRC (which was widely known to consist of avowedly radical figures) when it asserted that "highly productive lands are being maintained as estates" (Land Reform Commission 1975: 6). Quite clearly the UF was not willing to bring the economically valuable agricultural plantations under a different structure. The dominant expert opinion held that the plantation system provided the best economic method to produce export crops, and the influence of this thinking on policy making is more than obvious; the possibility of a peasant entry, either in individual capacities or in terms of families, was not an option which the UF was willing to explore (cf. Sanderatne 1972:15-6). Thus, it is no surprise that the most striking feature in the data given in Table III is the retention of land devoted to plantation agriculture, in particular to the three traditionally dominant export crops of tea, rubber and coconut, and the retention of large-scale estates as social units of production. By far the greater percentage of land brought under the reform consisted of this category. So, in reality, what has occurred is a mere transfer of ownership and management authority; land use and occupancy patterns have been virtually untouched. The Janatha Estate Development Board (JEDB) and the State Plantations Corporation (SPC), two statutory bodies, are the principal beneficiaries of the land reforms (they received 59.2% of the alienated land, a percentage which was
to increase further under the UNP); but other large-scale units were also maintained by such entities as electoral level cooperatives and multi-purpose cooperatives. Government-owned enterprises (the Sri Lanka Sugar Corporation, for example) and government-sponsored research institutions (such as institutes devoted to development of tea, rubber and coconut production) claimed a further share. All this raises the question: what percentage of land was devoted directly to help the landless in the country?

The emphasis on the development of state property is patently clear in the alienation of the LRC land, and the question of the development of cooperative forms of property should be explored now. The central rationale advanced by the UF for the land reform measures was articulated by the LRC:

[To] provide additional employment to a growing population,... the Government had to think in terms of getting as large an extent of land as possible which could be utilized for multiple cropping, food production, crop diversification, etc., in areas where infrastructural investment was not required and capital intensive development under major irrigation works, etc., were not basic requirements. In the studies that were undertaken both by the Foreign Experts such as the Seers Mission and local organisations and experts, it became evident that there was no alternative but to look for this land in the area which had hitherto been left untouched as the Plan-tation sector where the facilities referred to above were available (Land Reform Commission 1975:5).

The relationship between the case for land reform and the alleviation of unemployment in Sri Lanka had been most explicitly and carefully stated in the report to the UF government by the Inter-Agency Mission of the International Labour Organization led by Dudley Seers in 1971. A detailed examination of this report is beyond the scope of the present paper, but it is necessary to point out that the arguments it presented had a powerful influence over the UF thinking (see in particular, "The Employment Case for Land Reform," International Labour Office 1971:92-9). While it is true that the UF did not follow the report's recommendations to the letter, it is ironic that the government which came into power on the basis of the most clear-cut socialist programme in Sri Lanka had to be inspired by the work of a group of Western experts who have been aptly castigated as the "New Missionaries" (see Wall 1972; see also the rejoinder of a mission economist, Lipton 1972).
A close examination of the pattern of land alienation by the LRC and the associated policies of the UF reveals that land reform was exploited in two ways to provide an answer to the village and youth unemployment problems. First, the unemployed were to be recruited for work on estates. This, it should be noted, marks a noteworthy departure from the thinking that dominated the leadership from the Donoughmore era that the peasantry—which was romanticised as a sturdy, independent group forming the "backbone" of society—should be "preserved" as a "social group" by preventing their transition to the status of "estate coolies" (Samaraweera 1977). The employment opportunities were to be provided by "a process of development through replanting and diversification" in the estate sector (Minister of Agriculture and Lands 1974:1). This in essence meant a linkage between an increase in the productive capacities of estates and an enhancement of the labor input. There was a further way in which this was to be achieved, one which was not consciously evolved as a policy by the UF: the displacement of the work force of Indian origin in the plantation sector and their replacement by the villager. In the development of land policy, from the first reform enactment of the nationalists (the Land Development Ordinance of 1935: see Samaraweera 1979) onwards, the Indian-origin workers have been discriminated against in an undisguised fashion and this turned out to be true in the case of the Land Reform Law of 1972 as well. In its original form the measure contained a provision under which priority in terms of employment and rights of occupancy would be given to those already resident or employed on the land, but this preference was withdrawn under the pressure of UF parliamentarians who feared that it would confer an advantage to the estate workers of Indian origin (Sanderatne 1972:10). These workers faced a far worse fate with the take over of estates under the Land Reform (Amendment) Law of 1975, for considerable numbers were displaced by village labor, either through mass action or through the intervention of local politicians—actions which exemplified the animosity that developed over generations between these two groups in the interior of Sri Lanka. The scope and magnitude of this "turn over" in employment is not known (for glimpses, see Center for Society and Religion (1978) and the very pertinent question whether it alleviated village unemployment or not has never been well answered, but what is significant is that the government refused intervention, either to promote the turn over or to prevent it.

Secondly, the problem of unemployment was to be resolved through the absorption of the unemployed youth into "cooperative-type settlements." There is little doubt that this collective approach was highly regarded by the LRC (Land Reform Commission 1975:5). Youth cooperative settlements were set up under the aegis of a variety of bodies: local government officials such as the Government Agents, electoral level
cooperatives, cooperative janavasas (people's settlements), district
development projects. The LRC claimed in 1975 that a total of 50,000
acres was set apart for the purpose of settling 15,000 unemployed youth
(Land Reform Commission 1975: 5). A close evaluation of these projects
was never carried out, but a careful study of "farm projects" under
District Development Councils (which in many respects could be seen as
the prototypes of the youth settlements) has raised serious doubts about
their validity, both on economic and social grounds (see Peiris 1972); but
that is a matter which should be pursued elsewhere. From the perspec-
tive of the present discussion what is pertinent is that the 50,000 acres
devoted to collectivist land use through youth represents only 5.1% of the
total land vested in the LRC, which in turn calls into question the com-
mitment to a collectivist ideology on the part of the UF. At most, the
youth settlements could be interpreted as tentative and experimental
efforts.

The emergence into power of the UNP in 1977 marked the demise of
this incipient movement towards a collectivist approach to agricultural
land use. Even the innovative use by the UF of cooperatives for the
management of large estates was abandoned, and these lands were
handed over to the two main state agencies in plantation agriculture, the
JEDB and SPC. On the other hand, the direction in which the UNP chose
to go was amply revealed by the enactment of the Land Grants (Special
Provisions) Act in 1979, and, in late 1979, the government began alien-
ating land previously expropriated to the landless on an individual and
family basis. These actions are not surprising in the light of the eco-
nomic and political orientation of the UNP, which is best expressed in
some crucial clauses of the "Directive Principles of State Policy and
Fundamental Duties" embodied in the new Constitution enacted under
UNP auspices in 1978. It called for "the rapid development of the whole
country by means of [both] public and private economic activity" and
"the establishment of a just social order in which the means of produc-
tion, distribution and exchange are not concentrated and centralised in
the State, State agencies or in the hands of a privileged few" (Constitu-
tion of Sri Lanka 1978:27.(2), (d) and (f).

The lack of a distinctive ideological thrust in UF's land reform
measures is also revealed by examining the alienation of land which took
place on behalf of the peasantry. The precise amount of land so allo-
cated is not given in the published LRC data--one source says that
110,673 acres was alienated or earmarked for alienation as peasant
allotments by 1974 (Sanderatne 1974:83). But it is clear that there was
considerable official vacillation regarding the manner in which the
peasant's needs should be satisfied, and ultimately no firm decision was
made. The early evidence suggested that the LRC would move in the direction of individual or family-size holdings—the first years of land reform also coincided with a serious food problem for Sri Lanka, and lands transferred to the landless were to be used for food production (cf. Land Reform Commission 1975: 5). However, if one were to judge on the basis of the press communiqué the Minister of Agriculture and Lands issued in August 1974, the emphasis shifted to cooperative or collective farms as an answer to the problem of the landless—in fact, it was categorically stated that "alienation of land to individual small farmers will, as much as possible, be restricted to relieving acute landlessness, especially with a view to providing the farmer with a homestead allotment" (Minister of Agriculture and Lands 1974: 2).

Whether alienation should be individualistic or collectivist is a question of efficient resource use as well as an ideological question. In the context of Sri Lanka’s economic development the central question has been the productivity of peasant agriculture, which in turn has touched a host of other questions, most notably the size of holdings. In the final analysis, it has brought into focus the role of peasant holdings in the overall system of agriculture (Pieris 1975). Given the uncertain (indeed confused) thinking which prevailed, it is not surprising that the land reforms brought only a marginal increase in the relative importance of the peasant sector (Peiris 1975:83). It is also worth remarking that the decision making of the UF as regards the peasant sector was complicated by the small amount of paddy land (18,407 acres or a minute 1.2% of the total land devoted to paddy in 1976-7) that was received by the LRC. The government’s determination to achieve self-sufficiency in food meant that paddy lands were of considerable importance, but there was little possibility of utilizing land reform to generate growth in this sector. Consequently, to satisfy the needs of the landless, other lands—such as marginally productive estates—had to be exploited.

Doubts about the radical character of the UF’s land reform measures arise most pointedly in relation to the treatment accorded to the large landowner whose property became the target for reform. Several features could be highlighted here. The Land Reform Law of 1972 permitted a titleholder to transfer land in excess of the ceiling to a child or a parent "by way of sale, gift, exchange or otherwise" (Land Reform Law 1972:14, (1). Further, it also allowed the LRC to sell to a person who was a minor (at the time of the enactment of the law) land which had been taken from the minor’s parents as excess land (Land Reform Law 1972:22, (1) (b). Since lands held by different family members could be contiguous, large family landholdings remain very much a feature in Sri Lanka. Moreover, the compensation provisions treated those who lost land under the laws
quite generously. For example, the capitalisation of land values for purposes of compensation was to be at a very favorable rate and the Land Reform Bonds, the principal form of compensation, carried a high interest rate of 7%. On the basis of evidence such as this, Sanderatne has concluded that "it might be thought, considering that expropriation taken place only about a ceiling which is high, seen in the context of the country's landholding structure, that the effectiveness of the reform could have been increased by a greater confiscatory element" (Sanderatne 1972:15). There is firm evidence that all governments have moved with alacrity to pay compensation both to individuals and companies: by the end of 1979 a total of Rs. 239 million was paid under the Land Reform Law of 1972 and Rs. 159 million was paid to foreign companies under the Land Reform (Amendment) Law of 1975 (Central Bank of Ceylon 1979:16). These gestures should be contrasted with the protracted controversy and negotiations that took place concerning the payment of compensation to British and American petroleum companies whose property was nationalised by the SLFP (Sri Lanka Freedom Party in 1963).

It is arguable that for any land reform measure to be meaningful it would have to be concerned with two aspects of the agrarian structure, ownership and/or control of the land and the physical and human resource use in relation to the pattern of cultivation and scale of operations. On the basis of the preceding discussion, serious doubts could be cast as to whether the land reform measures of the 1970s in Sri Lanka effectively impacted on these areas. The failure to transform the agrarian structure was exemplified in the maintenance of the status quo in one of its critical areas, paddy lands. The exploitative nature of the tenancy relations in paddy lands and the negative impact of these on paddy production have been closely studied, especially in the recent past. Given the central importance of paddy cultivation, both in economic and social terms, it is no surprise that tenures in paddy land concerned successive governments, and legislative efforts were made to resolve the associated problems. The two principal legislative enactments—the Paddy Lands Act No. 1 of 1953 and the Paddy Lands Act No. 1 of 1958, which respectively took what could be described as the liberal and "emasculated" Marxist approaches—and did not touch the more fundamental exploitative aspects of tenancy relations, though especially the 1958 act succeeded in introducing an element of security to the tenant vis-à-vis his/her relationship with the owner (see Herring 1972). A strong, popular view has prevailed, a view which has been given powerful support by scholarly research (see, for example, Jogaratnam and Schickele 1969), that there should be a redistribution of

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1The 1958 act was the brain child of "the Father of Socialism" in Sri Lanka, Philip Gunawardena, but his formulation was, in his own words, "emasculated" by his colleagues in the cabinet and the resultant measure bore little resemblance to the original.
paddy lands to provide for equitable landholding which in turn would remove
the constraints on the productive capacities of the farmer. Various figures
have been presented as the suitable optimum holding in paddy—generally,
the figure of five acres had been more often touted—but certainly not the
figure of 25 acres as was determined by the Land Reform Law of 1972. It
should also be noted that the Land Reform Law of 1972 provided no inter-
ference with the tenancy relations, excepting to assure that the rights of
tenants under the Paddy Lands Act of 1958 would not be affected by a change
of ownership of agricultural land (Land Reform Law 1972:10). As for the
utilisation of the productive capacities in the paddy sector, provisions were
made under separate enactments—most notably the Agricultural Productiv-
ity Law No. 1 of 1972 and the Agricultural Insurance Law No. 27 of 1973—
but the question still remains: how effective would such measures be with-
out a fundamental transformation of institutional arrangements in the paddy
sector? It is relevant to note that the UNP saw the Agricultural Productivity
Committees set up under the 1972 law as political instruments of the pre-
vious ruling party. It replaced them with government officials (Central

Rather than entering into a detailed discussion concerning the
definition of the term "ideology," this paper has simply taken it to mean a
paradigmatic view of the reality. The validity of examining land reform in
terms of their ideological presuppositions and concerns is now accepted
(cf. Warriner 1962), and it is the conclusion of this paper that the lack of a
distinctive ideological thrust in land reform in Sri Lanka resulted in mea-
sures which are less meaningful than they appear to be on the surface. The
UF's failure to take a clear-cut ideological position in the formulation of
land reform could be explained in a variety of ways. For one, the measure
itself was introduced without a proper "gestation" period. For another,
the UF, as the governing group of the country, was ridden with political and
personality conflicts which ultimately resulted in its disintegration in 1976
leaving the SLFP to continue as the governing party (see Jayasekere 1976).
This undoubtedly had a serious impact on policy formulation as well as
implementation. To take a specific example, the land vested in the LRC
under the Land Reform (Amendment) Law of 1975 was brought within the
purview of the SLFP Minister of Agriculture and Lands rather than under
the LSSP minister who had specific responsibilities concerning plantation
agriculture. This "incongruous situation" resulted in considerable man-
agement problems (Central Bank of Ceylon 1977:15) and was terminated
when the UNP came into power with the assigning of all plantation land to
the Minister of Plantation Agriculture. It is also arguable that the failure
to mobilize social forces behind the land reform measure at once reflected
the want of an ideological underpinning and the shutting off of a source
which would have provided a movement of the reforms towards a politically-
oriented direction. A. Jeyaratnam Wilson has put forward the view that the Marxists hoped that they would be placed in a position to exploit the land reform measures to "create mass enthusiasm to further the progress towards a socialist society" (Wilson 1975:278) but this hope did not become a reality. Indeed, the land reform did not pay even the more conventional political dividends, for the voters in districts where land reform laws were implemented failed to support both the Marxists and the SLFP at the 1977 election (Samaraweera 1977a: 1205). It is of course possible to argue that, in the final analysis, neither the UF nor the SLFP had a realistic opportunity to bring about structural changes in the land use pattern since plantation agriculture—which represented 58% of the land under permanent cultivation—was tied so closely to the world capitalist system that it could only be altered at great peril. While the view (entertained by key elements in the UVP) that plantation crops should be replaced by food crops was patently unrealistic, there is little evidence that the policy makers were prepared to explore other alternatives to the dependency of Sri Lanka's economy on plantation agriculture. In any case, these arguments ignore the fact that no fundamental change even in the traditional sector of agriculture was attempted.

On the other hand the UNP's policies have raised serious reservations about the fate of land reform in the future. In many respects the UNP continues to function as the true heir to the land policies of D.S. Senanayake, with the emphasis on peasant holdings. The viewpoint in some left circles that the peasant is retrogressive both in political and economic terms is certainly not shared by the UNP, and it continues with its traditional policy of furthering its political power in rural Sri Lanka. More serious questions emerge about the future of plantation agriculture under state control. The withdrawal of the public sector from the economy, a goal consistent with the principles enunciated in the 1978 Constitution has taken place in a significant fashion (for measures up to 1980 see Minister of Finance and Planning 1980) and some key figures within the party have publicly advocated the reversion of state-controlled estates to private hands. It has continued to be extremely sympathetic to those who have claims and appeals under the land reform measures as well as under the land acquisition enactments and its successful efforts to implicate SLFP Prime Minister, Sirimavo Bandaranaike, for misdeeds in relation to land transactions prior to the introduction of Land Reform Law of 1972 could be taken as an indirect attempt to cast doubts about the reform measures themselves.
FOOTNOTES

1. Law No. 1 of 1972.
2. Law No. 39 of 1975.

BIBLIOGRAPHY


Land Reform Law. Land Reform Law No. 1 of 1972 of the National State Assembly, Colombo (1972).


