CHAPTER 13

# LARR 2013: What Does It Deliver?

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## 1 Introduction

Land acquisition has elicited heightened activism in the last few decades in India, and interestingly the State has also shown increased sensitivity and response to this issue, an example of which is the passing of the Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement Act, 2013 (Ministry of Law and Justice 2013), that is, LARR 2013. Additionally, these trends also point towards the political mainstreaming of this issue. We explore some of these trends in this chapter.

However, let me begin with some anecdotes:

> The farmers in Wood County in rural north west Ohio never saw it coming. The soldiers had arrived on the morning of Sunday, February, 2010, while the farmers were in church. Hearing gunshots, the farmers had rushed to their houses, which by then were already immersed in flames. While some soldiers kept the farmers at gunpoint from rescuing their homes, others poured gasoline over recent grain harvest in the barns and burned that as well. One eight-year old child was trapped and died in the fire. The dairy cows were dispatched more quickly and humanely with a burst of machine-gun fire. Then the soldiers marched the more than 20,000 farmers away at rifle point. Never come back, they were told; the land is no longer yours.

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D. K. Mishra, P. Nayak (eds.), *Land and Livelihoods in Neoliberal India*, https://doi.org/10.1007/978-981-15-3511-6_13

> The farmers, many of whose homesteads had been in their families for generations, were unhappy to learn that a British company was taking their land with the help of the soldiers. The company was going to grow forests and then sell the timber. The farmers were even more distressed to learn that the World Bank, an official international organization combating global poverty, had financed and promoted the project by the British company. The World Bank is not subject to Ohio or United States law or courts.
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> The farmers might have hoped that publicity would have helped them. And indeed, a year later a British human-rights organization, Oxfam, published a report on what had happened in Wood County in Feb. 2010. The New York Times ran a story on the report on 21 Sep., 2011. The World Bank the next day promised an investigation. That investigation never happened. (Easterly 2013, p. 1)

Easterly then asks if this story is true. Do we find it true? Most of us will have a feeling of discomfort while reading this story. The reason being, first of all, that such 'things' do not happen in a developed country, even less so in the US. Why do we feel this? What is this peculiar phenomenon of having so much confidence in the State of a distant economy? Well, we would have to come back to the earlier statement that such 'things' do not happen in a developed country.

And sure enough, Easterly has played a trick on us, because as he reveals later, this is a story that happened in Mubende District in Uganda. Once this is clear, suddenly the story has a familiar ring to it. Which means that our experience has shown us that, of course, such things do not happen in developed nations where the citizens seem to have much better rights—especially the Right to Property, along with an active civil society and a free press, democratic answerability and so on.

All these parameters come into play when we look at a case that did happen in the US: the Kelo vs. New London case. The US Supreme Court has been defining public purpose in the context of land acquisition, and over the years it has been defining it in an increasingly broad manner. We can look at one such important judgement. The Supreme Court decision in Kelo v. New London (www.casebriefs.com and www.ij.org/kelo) in 2005 broadened the constitutional authority under the Fifth Amendment (which allows the government to take private property for 'public use' as long as 'just compensation' is paid, i.e. the doctrine of eminent domain) for the government to take property from one private owner and grant it to another private entity.

In this specific case, there was a property that was owned by Susette Kelo which the local government wanted to 'take' and transfer to the New London Development Corporation. The purpose stated was 'economic development'.

The Supreme Court held that the use of eminent domain for 'economic development' did not violate the 'public use' clause of the state and federal constitutions. The Court held that if a legislative body finds that an economic project will create new jobs, increase tax and other city revenues, and revitalize a depressed urban area, then the project serves a public purpose. It is surprising that this ruling was given in spite of the fact that the development corporation was a private entity. Further, there was no 'blight' in the said area, a reason that had been used in the earlier judgements. The public reaction to this decision was very critical, and many believed it to be a gross violation of property rights (Sathe 2015a, p. 91).

Public opinion was very much against this judgement: '… there was a hue and cry in several states, and legislation was advanced to overturn the judgment', state Bhagwati and Panagaria (2012, p. 157). Hence, one can agree with the statement, 'Ultimately, the decision on what is legitimate social purpose for acquiring has to be democratically determined' (Bhagwati and Panagaria 2012, p.157). This is an important example because it was the democratically elected government that took precedence over the law of the land as interpreted by the highest authority.

For democracy to take precedence it should be in existence in the first place –in whatever form or however flawed. Unfortunately, what we see is that democracy is not the form of government in most developing economies. In India democracy does exist, and the legislature has been playing an active role in the case of land acquisition, as we see further along in this chapter.

The third anecdote is from Magarpatta City, a township that has developed in Hadapsar Village, around 8 kms from Pune.

In the early 1990s, Magarpatta City consisted of around 430 acres of land and around 120 families. Satish Magar, who owned land in this area, conceptualized the idea of having a township here as early as 1993. Satish Magar says, 'I had a friend who had a small shop on MG road (an upper end shopping area) in Pune who earned more than us with 150 acres of land' (Gupta et al. 2012, p. 3). ' … and there is also dependence on monsoons, markets, logistics which makes earnings from agriculture uncertain' (Gupta et al. 2012, p. 4). This is a very important statement and a complete indictment of the agricultural policy that has been followed by the

Indian government. This is a clear indication that even with 150 acres of land, the family was not able to earn as much as a small shopkeeper. This statement should in fact be taken as a precursor to the data from the National Sample Survey Office, 2005, wherein 40 per cent of the farmers state that they do not want to engage in agriculture (Ministry of Statistics and Programme Implementation 2005, p. 1). While there are some sections of Indian society who become nostalgic about the 'way of life' of farmers, the farmers themselves—and even the ones with big landholdings—wonder why their earnings are so very low as compared to those from urban occupations.

The caste background of the Magars is the Marathas, that is, the higher, land-owning and cultivating caste. Satish Magar belonged to a politically influential family which was also highly educated (engineering), and in fact his father finished engineering in 1958, a very rare occurrence in those times. In this area most of the inhabitants were related to each other and had the surname 'Magar'. Magarpatta area was part of Pune Municipal Corporation from 1960 onward. In 1991 the population of Pune city crossed 20 lakhs, and hence there was a justified fear that this village would come under the Urban Land Ceiling Act and would be acquired at rates substantially lower that the market price. The farmers would have been left high and dry as had happened in earlier cases in other parts of India. Thus Magar used his education and political contacts to implement this 'dream' of his. He says,

> The thoughts that went through our minds were, one, how do we convert this land that is a raw material into a value added fine product? Two, since we don't want the money and don't know what to do with the money, how do we plough this money back and get the maximum benefit out of it? Another important aspect was that no one should have to be displaced due to the development process (Gupta et al. 2012, p. 5).

I am quoting Magar in full because, most often, the farmer is not able to articulate his concerns and what he wants in a lucid manner and hence he is susceptible to misrepresentation. Magar is an exception to this.

Magarpatta City was conceptualized as an integrated planned township with commercial areas and residential zones along with schools, hospitals, recreational areas and so on around 1993. Magarpatta Township Development and Construction Company Limited was formed and the farmers are shareholders in this company, that is, they came together and

pooled their land. The farmers acquire returns based on their original landholding. Then, after developing the land, it is leased out to various occupants, which means that the farmers continue to be the owners of their original land. Very high levels of planning, consensus building and political patronage led to the success of this case. The commercial area has mainly IT companies. This is a case that worked in favour of the farmers. By 2008 the whole project was concluded (based on Gupta et al. 2012; Charaillivi 2012).

The fourth case is that of Maan Village, which is around 20 kms from Pune. Maan Village is 5 kms away from Hinjawadi Village, where an IT SEZ was formed in 2000. Due to the proximity of Maan to Hinjawadi, the government of Maharashtra through Maharashtra Industrial Development Corporation—its main industrializing agency—started to acquire land in Maan Village in 2000. In the first two phases of acquisition the farmers were willing to give their land but in the last phase they agitated, and the acquisition has been at a standstill since 2005. Interestingly, the farmers now do not want to engage in farming but rather to 'develop' the land themselves. Unfortunately, however, they have not been able to replicate the Magarpatta model in their village (based on Sathe 2017).

The fifth case is a reference to the Nandigram-Singur episodes, which are quite well known and therefore we will refer to them in brief. In the Nandigram-Singur cases which happened in 2006–2008 there was a complete breakdown between the people of West Bengal and the state government. Rampant violence was used by both sides (Kumar 2008; Banerjee 2006). The process of acquisition had to be left mid-way, with an enormous human and financial cost to the concerned private sector (i.e. Tata Motors Limited). But the main issue is that an attempt that was made to start the process of industrialization, after almost three decades of de-industrialization, was nipped in the bud (Roy 2013). Unfortunately, a similar incident occurred in Banghar, West Bengal in 2016, where only 13 acres were required by the West Bengal government. Again there was use of violence by both sides and the acquisition had to be abandoned.

The tragic aspect to this is that even 10 years after Nandigram- Singur, the political economy of West Bengal does not allow for any acquisitions in a peaceful manner. Even the 'glue' of corruption or imperatives of sharing of 'rents' by the stakeholders have not been sufficient for the acquisition process to go through. Because the laws have worked quite well in many other states, clearly it is not really the law that was at fault, but the insensitivity and hubris of the political party in power in the state.

Thus, the question then is: 'What makes for a successful or sustainable acquisition and what role does the law play in it?' We define 'sustainable' acquisition as a process that does not come under threat immediately or is not challenged in the future. Obviously, non-sustainable land acquisition is that which leads to immediate or in-the-future non-viability, that is, usually agitations, protests, and so on.

So, can we have land acquisition that does not lead to any of these acrimonious reactions? Yes we can because the fact remains that a lot of industrialization has happened in the last 20 years or so and most of it peacefully on acquired land, for example in Maharashtra, Gujarat, Karnataka and the NCR region. *What was done right in these states and areas?*

## 2 Background

What we can discern from the above anecdotes is that there are varieties of outcomes in cases of land acquisition. It should not be difficult to accept that the outcomes are a result of the differentiated environments—political, economic and so on—and of the diverse institutional frameworks within which the acquisition is playing itself out. However, as Ramesh and Khan (2015, p. 2) state, '… we found that countries with more evolved legal regimes with a greater emphasis on civil rights provide the greatest safeguards'. In other words, it also means that the overall institutional framework in a nation has a very important bearing on the land acquisition issues. One should not expect land acquisition issues to work themselves out as a separate entity with a life of its own. Land acquisition would be a part of the overall milieu in that economy. If there is suppression in other areas of the economy and public life, then this would also be the case in the area of land acquisition. Thus there is an organic relationship between land acquisition and overall milieu. If property rights are weak then it would be that much easier to acquire land, as it is when the freedom of the press is limited. In a democracy, the government would be much more sensitive to protests than under authoritarian rule.

Moreover, based on our experience in India, one would need to go further and state that even within one country there can be different ways of acquiring land and different outcomes. In India, this happens because although land is a state government subject, land acquisition is a central government subject (Ramesh and Khan 2015, p. 5).

We see that in the developed world, the Right to Property is very strong and citizens are fiercely committed to it. Also, the concept and implementation of 'Fair Compensation' is part of the overall institutional framework. Thus the citizens are able to get an idea of 'justness' in the workings of the society and the polity—even if the empirical evidence is somewhat mixed (Chang 2010).

## 3 From Independence to 1991

A study of India's acquisition experience in the 1950s and 1960s is very similar to the Ugandan experience in 2010, and one does get a sense of déjà vu when reading that story. In the pre-liberalization phase of the Indian economy (i.e. from 1950 to 1991), land was acquired in India mainly by the state for purposes of industrialization, urbanization and so on. In most of these cases, hardly any compensation was given. In this period there were protests against the acquisitions by the state, but most of them were crushed successfully (Vora 2009; Shah 2004). This phase has been called the 'traditional phase' (Sathe 2011). In this phase, the pressure on the land was relatively low, there was less activism on the part of farmers, and there were few NGOs. Further, there were very few civil society groups supporting the farmers' agitations. But at this point it may be pertinent to note that in 1984, a major amendment was passed to the Land Acquisition Law 1894,which shows the anxiety and a felt need for a change on the part of the state to bring the law more in alignment with the ground reality. By then, many states had brought about their own laws with respect to land acquisition, as this was possible under the Constitution of India. Under Article 254(2) of the Constitution of India, for the concurrent subjects, the states can pass laws repugnant to the Central Legislation with the approval of the President of India. As India set upon a path of development after Independence, the demand for non-agricultural land increased exponentially. There was also an increasing population, which required more land especially after 1971. As the process of Five Year planning began, the State began to set up many public sector units all over India, which required land. With this as the developmental backdrop, we can imagine why the leaders and the policy makers chose to keep the Land Acquisition Act (LAA) 1894 (Sathe 2017). Nehru is reported to have said in 1948 to the people affected by Hirakud Dam that 'If you are to suffer, you should suffer in the interest of the country' (Vora 2009, p. 10). There were many dams built in the period starting from the

1950s, for example, Pong Dam in Himachal Pradesh (1970), Chandil Dam in Bihar (1978), Bhakra Nangal (Punjab) and Tehri Dam (1976). There were agitations attached to most of these. But, as Vora (2009, p. 11) points out, 'None of these agitations proved successful either in stopping the project or getting a good resettlement package, and none lasted more than one or two years'.

A watershed moment, however, came with the Narmada Bachao Andolan, an anti-dam movement started by Medha Patkar and her colleagues against the Sardar Sarovar Project on the river Narmada in the late 1980s. The major success of this movement was that it put the issue of compensation on the world map. Global and domestic opinion since then have very much moved in favour of providing better compensation. Also the World Bank and government of India have had to integrate the costs of displacement, resettlement and so on into the total costs of a project (Sathe 2017).

## 4 The Post-Liberalization Period

Let us now come to the post-liberalization period for the India economy, that is, after 1991. One thing that seems clear is that in the post-liberalization period the phenomenon of land acquisition became so much more common and widespread that the party in power felt that 'something' had to be done on this front as the elections drew close. There were many cases where the farmers were not happy with the acquisitions. The Left Front had lost elections in West Bengal after Singur-Nandigram in 2006–2008 and the United Progressive Alliance (UPA) government was accused of being 'anti-farmer' by the opposition.

On the other hand, in this same post-liberalization period there have been numerous success stories. That the Indian economy could show a high rate of growth indicates that successful and protest-free acquisition has also happened in India.

We have already mentioned the cases of Magarpatta and Mann Village, close to Pune city. Looking at these and other cases, we see that there have been protests in cases of successful acquisitions also, but here the state has increased the compensation package, that is, the state has responded to the demands made by the farmers.

We can detect from above that there have been varieties of acquisition episodes in this period.

## 5 LARR 2013

It is against background that we now analyse LARR 2013. This law was passed in August 2013 and came into effect from 1 January 2014 (Ministry of Law and Justice 2013; MLJ 2013).

The law of any land is expected to reflect, by and large, the ideology/beliefs held by the people, and these are susceptible to change. A change in a law is usually an important institutional change with far-reaching ramifications. 'Institutions are the rules of the game in a society or, more formally, are the humanly devised constraint that shape human interaction', as defined by North (1990, p. 3). Hence the legal framework is a crucial aspect of the overall institutional structure.

In any case, with the impending elections in 2014, the UPA (i.e. the Congress Party and allies) put the LARR 2013 Bill in front of the Lok Sabha, possibly with an objective of seeming a pro-poor and pro-farmer party.

Luckily for us, the then Minister for Rural Development, Jairam Ramesh, has written a book (along with his Principal Aide Muhammad Ali Khan) giving us a glimpse into the thinking behind having this law tabled, giving us the perspective of an insider.

Ramesh and Ali Khan give one interesting perspective (2015, pp. 3–4). They situate LARR 2013 within the UPA government's approach to law-making between 2004 and 2009. This approach was a rights-based approach:

> '… a regime premised on the idea that the purpose of laws should be to empower people against the State at large. Laws such as the Right to Education Act, 2009, the Right to Information Act, 2006 and the Mahatma Gandhi Rural Employment Guarantee Act, 2005 had firmly established this framework. It was to this regime that the exercise of Eminent Domain had to conform as well'.

There are many definitions of the 'rights-based' approach and we will not get into them here but will continue with the characterization as given by Ramesh and Khan (2015), namely that the purpose of the laws should be to empower the people.

However, I think that there is a problem here. The Education and Employment Acts that have been mentioned here are those that belong to social security category, and these services enhance the welfare of the citizens. However, it is not at all clear how they empower the people against the State. In fact, they do not and are not expected to empower the people

against the State. The Right to Information Act 2006 can be construed as a weapon in the hands of the people. In this case, the State accepts self-regulation and this Act does empower the people against the State.

We feel that the State enters into a somewhat different kind of relationship with the people from whom land is being acquired (usually farmers). In this case, the State is interested in an asset of a person (and the asset presumably is going to be put to use in a way that is expected to increase the overall good). There is an economic exchange that is implied here, and the people have to be protected against the unbridled use of power by the State, that is: What are the rights of the people in the face of a predatory State? Eminent Domain in LARR 2013 (MLJ 2013) allows the State to 'take' the land from the owners but also states that the 'taking' must happen for public purpose and that compensation needs to be paid. So, in a sense, there is a balance and there are two sides involved. In the case of Right to Education, Right to Information and Employment Guarantee Schemes the relationship is one-way. Due to this, we feel that LARR 2013 should not be clubbed with other welfare-istic measures taken by the UPA.

Rather we feel that the relationship between the State and the farmers is of a 'quasi-market' nature (Sathe 2016, p. 55). This is because there is an exchange that is involved here. On one hand, the farmers have to give up their land even if they don't want to because the power of 'taking' lies with the State. On the other hand, they have an asset, that is, the land, and they can and do ask for a 'sustainable' compensation. Compensation, in turn, is based on the market value of the land and then other components are added onto it such as giving back developed land, jobs and annuities. Thus, there is a 'market dimension' to the deal that happens. To attain the 'sustainable' compensation the farmers can and do engage in agitations, and interestingly over the period the agitations have led to better and better compensation packages, which have also been 'sustainable', as the results of the agitations show.

We hypothesize that situating LARR 2013 in this kind of welfare-istic and rights-based approach discourse has affected the law in a fundamental manner and this has not been a positive movement. We now focus on how LARR 2013 has dealt with the issues of Compensation and Rehabilitation and Resettlement.

## 6 Compensation and Rehabilitation and Resettlement Issues in LARR 2013

LARR 2013 had exempted 13 laws from its ambit (e.g. the Railways Act, 1989, the National Highways Act, 1956), while suggesting that they should be included by January 2015.

The compensation has to be paid to those whose land is acquired and to the tenants (MLJ 2013, First Schedule). Rehabilitation and resettlement is to be provided to all those whose land is acquired, the tenants on the land and also all those who were dependent on the land in some other way, that is, those who were artisans, shopkeepers and small traders (see the Second Schedule).

Focusing on compensation, LARR 2013 (MLJ 2013, Chap. IV) the Collector decides the compensation to be paid after assessing and determining the market value of the land (MLJ 2013, Sec. 26:15). In short, the market value would be based on the stamp duty that has been paid, average sale price for similar type of land in a nearby village, and consented amount agreed upon in case the acquisition has been undertaken for private purposes or under Public-Private Partnership. After specifying in detail how to arrive at the market price, MLJ 2013, Sec. 26(c), Explanation 4, pg.16, states that if the Collector opines that the price to be paid is not indicative of actual prevailing market value, then he can discount it for the purposes of calculating the market value. Thus, the Collector has the power to discount whatever is emerging as the market price.

It has often been mentioned that the price of the land may be underestimated as people, to avoid the stamp duty, do not show the real value of land and take a large share in cash. Therefore, the price of land on paper is much less that what it is in reality.

To arrive at the compensation, the Collector has to take into consideration the market price (as defined above), as well as the value of standing crops, damage caused by severing land and so on. Interestingly, a further point to be taken into consideration is 'any other ground which may be in the interest of equity, justice and beneficial to all affected parties' (MLJ 2013, Sec 28: 17). This is a fairly broad consideration, and using this, a Collector could reach a price more acceptable to those losing their land.

In any case, with the land markets in India being so underdeveloped, the possibility of arriving at a 'genuine' market price is slim. Further, there is a problem even if one were to arrive at a correct market price.

It is that, the future appreciation of the land is not included in this market price. It can be observed that a large number of anti-land-acquisition agitations in peri-urban areas have arisen in response to people losing a share in the future appreciation of the land. To mention a more well-known case, in Bhatta-Parsaul, Uttar Pradesh, the farmers were happy with the price offered for their land in the first phase. However, as the acquisition moved on to the second phase, they could see that the value of their land had increased exponentially and what they were receiving was not commensurate with that value. In addition, while doing field work in Maan, the villagers told the author, 'they [meaning the development agency] just make some roads, give electricity etc and sell the same land at very high prices. We sold in acres and they sell in square feet' (Sathe 2014). Thus, it is imperative that wherever possible the compensation package itself should give back a certain percentage (e.g. 10 to 20 per cent) of the developed land to the original owners. This is different from the original owners buying back the land at the increased price (usually out of the compensation money that they have received). If a certain percentage of developed land is going to be given back to the original owners, then the owners may be satisfied with a lower amount as compensation. It has been claimed that under LARR 2013 (MLJ 2013), the price of land will greatly increase. But an option like this would have an additional benefit of decreasing the costs to the buyer/investor. As of now, this provision, which seems crucial to us, does not exist under 'Compensation' to be paid to the land owners and tenants.

LARR 2013 (MLJ 2013) states that two times the market value in urban areas and four times the market value in rural areas must be paid as compensation. The logic of these figures has been, quite correctly, questioned by many experts. While these can be interpreted as the minimum that the farmer should receive, the experience at state level shows that, since the market price can itself be erroneous, it is better if the governmental acquiring agency has the power to negotiate the price with those losing their land without any numerical limits. Thus sometimes farmers would be happy with a price that is lower than two-fold while at other times a price of more than four-fold might have to be paid.

The Act then moves on to Chap. V, which deals with the issue of rehabilitation and resettlement (R & R), which the Collector has to provide as per the Second Schedule. This Schedule presents a detailed list of various kinds of rehabilitations and resettlements that would have to be given to the displaced. This includes fishing rights, one-time resettlement allowance, one-time grant to artisans and small traders, and transportation costs to be paid.

It is here that a house needs to be provided to the land owners, tenants and other dependents on the land (categories we have elaborated above) as part of R&R. The Act states that land should be provided if a dam is built and families have lost property.

One peculiar aspect of this Schedule is that, in many cases, it gives absolute amounts to be given to the affected families; for example, in the case of transportation costs a 'one-time financial assistance' of Rs. 50,000 is to be paid. This happens in four instances. It does not seem to be a very good practice as over a period of time the value of this amount is bound to diminish and the affected families may suffer on this account. In two cases, minimum amount is given, which may be a better practice. In case a person is not happy with the compensation package, R&R, he can approach the High Court or Supreme Court (MLJ 2013, p. 26).

As we have already mentioned, there do not seem to be any moral reasons now for asking people to sacrifice their land, and this is a positive trend. Thus the compensation and R & R has to be satisfactory to the displaced party. And there are many ways in which this can be undertaken, if there is willingness on the part of all involved parties.

The importance of Sec. 107, pp. 34 (MLJ 2013) becomes clear in this context. This section notes that the states are free to enact their own laws to add to the compensation package, and R & R. This means that the states can have their own laws which improve upon this Act. It has been found that many states, especially in the south and the west, have been successful in acquiring land and have proceeded with a high rate of industrialization and urbanization (even before the Act). They have developed specific packages that are acceptable to all (Sathe, *Indian Express*, 2015b, c).

One recent example of this is the innovative manner in which the problem of lower Floor Space Index (FSI) in areas close to an airport has been overcome by the Maharashtra government (*Indian Express*, 22 May 2015). The news item says that the CIDCO (City Industrial Development Corporation of Maharashtra Ltd.), a state-run undertaking along with the NMIA (Navi Mumbai International Airport) project has acquired 671 hectares from 1200 villagers. In lieu of surrendered land, the Maharashtra government offered the owners developed land measuring 22.5 per cent of the acquired land, in Pushpak Nagar Township that CIDCO is developing near the airport. An FSI of two has been offered to all the farmers. But it became clear that all farmers (adding up to 18 hectares of land) could not use this FSI due to the restrictions on construction close to the airport (and some CIDCO rules). Hence it has been decided that the affected

farmers would be given Transfer Development Rights in the same area. In this manner, the farmers would be saved from economic loss. This clearly shows that the Maharashtra government is interested in completing the International Airport project (which has been languishing for more than a decade and a half), has been able to make an acceptable offer to the farmers, and in the face of some difficulties, has developed an alternative offer which seems acceptable to the affected farmers.

## 7 Post-LARR 2013 Events

It has been pointed out above that land is a State subject and land acquisition is a Concurrent subject, as per the Indian Constitution (Ramesh and Khan 2015, p. 5). This means that the States are allowed to pass the land acquisition laws and, de facto, they did so. The Central Law continued to be the Land Acquisition Act (i.e. LAA) 1894 even after the Constitution was accepted in 1949. LAA 1984 was amended in 1962, 1967 and more comprehensively in 1894 (Ramesh and Khan 2015, pp. 3 and pp. 9).

But in the genuine sense of the term, since most states had passed their own laws, LAA 1894 was not being implemented. Different states had developed different approaches and sometimes appropriate systems such as special purpose vehicles towards acquiring the land.

Then in September 2013, the UPA government led by the Indian National Congress passed the Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement Act 2013, that is, LARR 2013, which became effective from 1 Jan. 2014. There was an extended debate on this Bill. The BJP, which was in opposition at the time, suggested some amendments which were accepted. This law was saluted as a break from the past, as it had ended the reign of the oppressive, colonial LAA 1894 (Ramesh and Khan 2015, pg. vii).

After the Lok Sabha elections were held in April–May 2014, the National Democratic Alliance (NDA) led by the BJP received a majority and formed the government. They tried to pass amendments to the Act three times, but were unsuccessful. Therefore, they passed an Ordinance three times. But before the Ordinance lapsed for the third time, the then finance minister opined that the states could not wait indefinitely and should pass their own laws, which they started to do (Sathe 2015a, b, c). Henceforth it may be more pertinent to discuss the appropriate state law and what kind of changes have occurred in various state laws. In addition, the various models which different states have developed, such as land

pooling developed by bifurcated Andhra Pradesh for its capital Amravati, need to be the focus of discussion in the future.

## 8 Conclusion

Even if LARR 2013 is, by and large, a defunct law, its journey is very interesting and needs to be studied. India is a democracy (albeit with some flaws) and the elected representatives are answerable to the people at every round of elections and also between the elections through media, movements and agitations. The elected representatives are also interested in being elected again and again. Thus, there is only a certain point up to which they can ignore people. It seems that by the time the 2014 elections were to be faced, all parties wanted to be seen as pro-poor and pro-farmer. Hence, LARR 2013 was passed in what seems to be a hurry, but the lacunae in it were to prove a predicament for the elected party. As it happened, the UPA lost power and the NDA was elected.

There was a need for a consensus to develop between different stakeholders in this kind of situation. However, that did not happen, as we have observed above. This can be called a 'weakness' of India's democracy. In this matter, the Central legislature has de facto become obsolete. The buck has been passed to the states to avoid any responsibility. This does not point towards a healthy democracy. In the US Kelo vs New London case, the legislature took the responsibility and overturned the ruling passed by the US Supreme Court. This shows confidence in itself. Unfortunately, Indian Parliament did not show any kind of cohesiveness in view of matters of national importance.

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