

# Editorial

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The importance of scarcity of land was recognized way back in the eighteenth century. While due to growth of knowledge and technology, human beings have been able to avoid absolute scarcity of land, its relative scarcity has been felt all along. Economic growth and development also necessitated that land was often required in a particular place, which is also a type of relative scarcity. In such a situation, land can be taken only by using force if the incumbent land owner is unwilling to part with a particular parcel of land. In the colonial period, the government justified use of such force on the ground that the land was required for developing public facilities, such as railways, roads, and social infrastructure.

Even after Independence, India put up with its colonial land acquisition law for a long time. Even though India was declared to be a development state, it justified such a law on the ground that such acquisition was necessary in order to promote development. One would expect that such land acquisition will create a Pareto optimal situation at least from the economic perspective, even if other socio-cultural conditions attached to land are ignored. However, this was not to be observed as a predominant share of the population that was forcefully evicted from their land was observed to become worse off economically. What was even worse is the fact that the most marginalized group of India, the tribal people who constitute just about 8 per cent of the population accounted for about one-third of the land acquired for development projects.

Mere compensation for land could never create Pareto optimal outcomes. In a traditional society, people have organic relation with the land and they cannot be seen in isolation from their land and the other people that are linked to the land, and more importantly, the ecological space. This is where the government made a big mistake. It failed to understand the economic value of the social capital that people shared in a particular society. This ensured that a good compensation turned out to be too little for most of the people that lost land. For most people, market-determined price as compensation turned out to be too little to get into an alternative livelihood, especially in the absence of a proper social impact assessment and a rehabilitation plan. In any case, market price is applicable only for the people who are willing to sell their land. Those who are unwilling would possibly be willing to sell at a much higher price. Moreover, land being a part of socio-cultural existence, most people do not sell their land unless they are in distress. Hence, exchange of land titles that occurred in India have been dominated by distress sell, particularly in rural India, where speculative land deals could be a small fraction. This means, the observed market price was always lower than what it should have been.

Given this background, acquiring land for infrastructure, industry or mining was becoming difficult as people started protesting, often violently. Policymakers also realized the need for changing the legal architecture for acquiring land for development purposes. Finally, a new land acquisition law was enacted in 2013 which came into force in 2014. Almost five years have passed since the new law came into effect, and hence, it is an appropriate time to look at how the new law has been able to achieve its objectives. The current special volume of the journal is devoted to review the implementation issues surrounding the new law and to examine whether the objectives of the law are being met.