CHAPTER-II

Genesis of Maoist Movement: Agrarian Relation in Nepal

Nepal is an agrarian society. In such a society, land is given top priority because it is one of the principal means of production and therefore also the main source of income. It is considered sign of prestige and dignity and at the same time, is a secure form of property. Since long ago, land has been an important type of property in Nepalese society. There was no specific agrarian caste, but all castes were involved in agriculture in one way or another. Usually, the high caste groups remained dominant over the peasantry. In generally, the Brahmins and the Chhetriyas remained more dominant in agrarian relations by controlling considerable areas of land as landlords of different categories. The cultivators in general belonged to all caste groups and ethnicities. The Nepalese gentry had a tight grip on entire farming communities by controlling entire means of production, agriculture and otherwise. The primary interests of various groups in land was necessarily limited to obtaining a share in agrarian produce and thereby enjoying other relative privileges created by their respective status in the hierarchy of agrarian relations.

In Nepal, history bears witness to the fact that land was given higher importance by all sections of the society because it is the principal means of production or capital formation. It was also the major form of property. Therefore, possession of land with property rights was always the symbol of a higher social status.

In fact, in the pre-industrial traditional societies, the absence of other sources of income and the lack of a means of production other than the land led to a higher concentration of population on agriculture land. This is the reason why land is considered to be a matter of prestige, dignity and
higher social status to its owner, which insured their fixed income status. At the same time, it also guaranteed their higher status in the agrarian hierarchy.

**Agrarian Relations in Nepal – 1856-1951**

The Agrarian Structure in Nepal between 1846-1951 had specific features that can be explained in the following terms. The pattern of land control was traditional feudal in nature that governed the entire agrarian system. Inspite of the state’s absolute land rights, a small number of mobility, aristocracy and bureaucrats controlled large areas of cultivable land, in comparison to the higher percentage of landless rural population, which had no means of production. Along with the means of production, the privileged classes even controlled the lives of the cultivating community. This had been a distinct characteristic of the land system in Nepal. There were no favourable conditions to motivate the rural work force and economy. Therefore, the rural poor were compelled to rely on the land for survival. It finally resulted in a high rate of rural indebtedness and interregional migration. The conditions of the Nepalese peasants and cultivators compelled them to borrow money and grain from rich landlords and moneylenders. Usually, the moneylenders were the landlords.

The state, as a landlord, occupied the upper most position in Nepal. It was the ultimate proprietor of all land and its rights were absolute. The land owners and intermediaries shared rights with the state. During the Rana Regime, there existed a stratified agrarian society in which land rights and mutual economic relations between classes were inextricably linked to the power and prerogatives of the sovereign and his agent. The agrarian-social hierarchical structure as such was complex in nature. In the hierarchy of rights of people and classes in terms of ownership, occupancy, management or cultivation of land, the gathering and disposing of its
produce and the collection and appropriation of rent which was due on account of the land, the first place was occupied by the government which claimed a share of the agricultural produce as land revenue.²

In the traditional form of land ownership in Nepal, the interests of the landlords were in conflict with those of other groups in the society. The concept and creation of rights according to state landlordism had not produced progressive agriculture, indeed it had been impoverishing the peasantry.³ By statute and tradition, land was the property of state. By virtue of traditional land practice, property rights in land could be confiscated by the state in Nepal and the state retained this power and thus held absolute rights to collect rent, confiscate or handover rights to individuals. The cultivators did not pay directly to the state but paid through landowners or intermediaries. The land system thus constituted the medium through which agricultural production was channelized to satisfy the state, landowners and land holding intermediaries, religious organizations and others. Under the system, the surplus production belonged to the state, which shared it with the aristocratic and bureaucratic groups.⁴

The role of the peasantry until 1951 and was limited to providing surplus production as rent, levies and taxes upon which the ruling aristocracy relied. During this period, the methods of appropriation of the surplus were strengthened.⁵ The surplus generated by the peasantry was appropriated by the ruling classes in many different ways. The role of the state was that of a large scale landlord.

The Land Owners

The land owners and land holding intermediaries were the most favoured classes in the Nepalese agrarian setup. The landowners and
landholders denote both the absentees and resident landowners. The intermediary tenants were always involved between the owners and the cultivators. They mostly belonged to the upper classes. The hierarchy of intermediaries enjoyed several privileges. The complex system of economic, social and political relations ensured a complete control and rule over the majority peasantry. In agrarian society, this class of people enjoyed all land rights.\(^6\)

The absentees, resident owners and land holding intermediaries constituted a major force in the traditional agrarian system. Their authority was imposed under the traditional agrarian system. The Civil Code of 1854 favoured that class very much, but its subsequent amendments began to create conditions which were somewhat favourable for the cultivators although insignificantly. Later, it led to the emergence and growth of peasants land rights. As mentioned earlier, the privileged classes did not play any role in the production process; it was sufficient for them to be the owners and to exercise all kinds of power and privileges. The excessively high rate of rural indebtedness, the traditional system of credit supply, exorbitant interest rates, the moneylender’s monopoly and association of money lending with land ownership provided favourable conditions for the privileged classes. The customary practice that a cultivator should not be evicted as long as he agreed to pay rent was the only incentive for the peasants to continue production. The peasants had no significant land rights but later on they were permitted to inherit and divide property in the Raikar which they occupied. It was a landmark in the evolution of cultivators rights. Raikar land, which later proved to be significant. Gradually, they began long-term possession and transfer of occupancy rights in exchange for monetary payment.\(^7\)
The landowners deserved higher ranks in the hierarchy of agrarian society. The large scale Birta, Jagir and Guthi owners were absentee landlords whereas small scale owners resided in villages. The legal and economic status of the landowners made them very powerful in rural society. The Birta owners in general had no financial obligations towards the state, but the resident landowners often initiated cultivation by themselves. Both the resident owners and intermediaries worked on behalf of the absentees and also provided a non-institutional source of credit in the villages which was easily accessible to peasants living in and around those areas. The landlords in villages enjoyed various rights and privileges, including the dispensing of justice.\(^8\)

The power and authority of the absentee landlords were also mentioned in the Muluki Ain\(^9\) of 2012 V.S. (1955 A.D.). Absentee landlords were authorized to hear legal suits in their areas. Some limitations, however, were imposed on such hearings. In fact, their powers and privileges were a form of political or socio-economic authority and control. At the same time, the intermediaries also enjoyed multiple economic benefits. The power and position of the privileges classes ultimately contributed to the strengthening of the feudal setup of the agrarian economy in the Rana period. There was also a system according to which the resident landowners cultivated the absentee’s land in the capacity of a cultivator. In this case, he had to fulfill all other obligations as a cultivator. There were no legal restrictions imposed on them for such practices. This practice made them landowners and cultivating tenants at the same time, although they were required to fulfill the duties of a tenant in relation to the landlords. There previous status as influential landowners was never affected, they tended to continue to play significant role in the agrarian relationship in the capacity of landowners.

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The introduction of the *Kut* system, or fixed rate tenancy in the hills provided them with a net income status. Although there was a lack of incentives to raise production, the cultivators had to produce adequate grain both for payment of the *Kut*, and for themselves. The absentee landlords lived far away from their land. It was impractical for them to live in villages due to political and socio-economic factors, so, they depended solely on intermediaries to manage their holdings.\(^\text{10}\) The prevailing agricultural conditions and their social status compelled the absenteeees to depend on intermediaries to look after their land, but resident landowners lived in their respective villages and had a direct link with the production process. The local landowners had more chances to accumulate wealth by various means than the absenteeees. They used surplus rent in money lending, the acquisition of land, reclamation, the improvement of irrigation facilities and trade in agricultural products.\(^\text{11}\) This situation remained in practice throughout the century long Rana rule.

**Landholding Intermediaries**

The intermediaries were one of the important groups in Nepal’s land holding system. This group of people contributed to the separation of land ownership and cultivator. They acted in between the owners and cultivators. They were an essential part of Nepal’s agrarian system. The intermediary character of their work had given them various powers and privileges to enjoy. In and around the hills of Kathmandu, the government appointed *Mohi Naikes* (intermediary tenants) giving them every possible rights in order to deal with the *Raikar* and *Jagera* (surplus) land tenants. An office known as the *Mohi Naike Bandovasta Adda* (the office dealing with the intermediary tenants) was established accordingly. The intermediary practice was common in *Jagir*, *Birta*, *Guthi* and to some extent to *Raikar*, whereas the local revenue functionaries in general dealt
with cultivators in Raikar, Kipat and Rakam tenures. But in some instances, intermediaries were also found practice in these tenures. The Talukdars, Jimidars, Jimnawals, Mukhiya, Chaudhary, Patwari and others were all intermediaries who were active in different parts of the country.

The group of intermediaries emerged due to the existing laws, tenurial policies and agrarian conditions that prevailed in Nepal. By the end of Rana rule. This class structure was comprised of revenue receiving intermediaries, rent receiving intermediaries, and the owner cultivators, who remained powerful and dominant in the agrarian economy. The intermediaries enjoyed various rights and privileges. Therefore, intermediary’s job was an attractive one to many people. Their rights varied according to time and place, but their basic role did not change for centuries. They were very active in Jimidari (in the Eastern Tarai and Karnali region), Birta and Jagir tenures. In the Jimidari tenure, the Jimidar and Chuni were main categories of intermediaries. Jimidars were very influential and powerful in their areas and controlled the entire population under their jurisdiction. Thus, they became masters of large areas. This system itself was a part of the means of ensuring a constant flow of income.

The Cultivators

In Nepal, the peasant families were basically an economic unit, which produced adequate grain with which to pay rent and taxes and for their own subsistence. They were entirely limited by their economic needs. The tenants and other categories of cultivators were denied land rights. They were not able to transfer occupancy rights through sales and mortgages. Generally, the prevailing customs had safeguarded their right to cultivate. They could hold land as long as they kept the landowners and intermediaries satisfied, because the latter could exist tenants at will. The
stronger position of the privileges classes, the worthless peasant economy, and widespread poverty made it easy for them to exploit the peasants as they desired. The peasants were compelled to cultivate land according to the will of the landowners. Generally, they cultivated land under the Adhiya system, so they were not registered in revenue record as tenants. In this situation, they had to live at the mercy of the landlords. They had no significant land rights.

Production relations between Agrarian Groups

The pattern of agrarian and production relations in Nepal were essentially feudal in nature, during both the Shah and the Rana regimes. In traditional societies, the state always attempted to maintain a feudal pattern of agrarian relations. This happened mainly because the ruling classes were mainly constituted from the landed classes, who wanted to preserve their rights, interests and privileges without performing any kind of role in the production process. The following diagrams explain the contemporary production relations in Nepal.

Chat No. 1

The Format of Production Relation in Raikar

1. Raikar Land

<table>
<thead>
<tr>
<th>Tax Sharer</th>
<th>Actual Tiller or Share Rent</th>
<th>Actual Tiller</th>
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<tbody>
<tr>
<td>State</td>
<td>Ownership Regd., as Tenants in Cadasters</td>
<td>Sub Tenants</td>
</tr>
<tr>
<td></td>
<td>Become Landholders if rented land to peasants for cultivation and shared rent</td>
<td></td>
</tr>
</tbody>
</table>

Hired Labour

Productive Forces

Exchanged Labour

Chat No. 2
Production Relations in Raikar Derivatives:
2. The Raikar Derivatives: Birta, Guthi and Jagir Tenures

- **State**
  - The ultimate proprietor although it granted immediate land rights to individuals absentee landlords.

- **Landowners**
  - The beneficiaries were the Raja-Rajputas, Birta owners, hired Jagirdars, and the Guthi institutions. They were the absentees who rented land for cultivation and exacted rent.

- **Intermediary**
  - The landholders or the rent receiving intermediaries who took care of land and worked on behalf of the productive.

- **Tenants Cultivators**
  - Family
  - Labour
  - Hired
  - Labourers
  - Exchanged
  - Labour

*Thus, the production relation in Nepal in the 19th and 20th centuries was as follows:

- **The Absentees or big landlords**
  - Production Relations
    - Owners Cultivators
    - Wage Labourers

- **Intermediary**
  - Family Labour
  - Hired Labour

- **Tenants**
- **Sub-Tenants**
These diagrams clarify the chain of agrarian groups involved in agriculture and their interrelationships. Thus, the production relations itself fell against the non-privileged classes. Production activities well initiated by the cultivators themselves. But the structure reflects the way in which numerous interest were accommodated. The agrarian system with this kind of framework represents semi-feudalism. There was no any duties legally prescribed for upper class elite. The elementary form of commodity production, erection of surpluses and economic condition of cultivators also created the network of traditional relationship. In traditional agrarian production relationship, the lower strata was usually imposed upon, with the burden of having to fulfill the landowning group’s interests. The capital they produced was exacted by the privileged classes through the collection of revenue, rent, taxes, customary levies and interest on loans. This relationship had to change for the economic betterment of cultivating classes. The payment rent and taxes has been important process in agrarian relations. The Nepalese landowning elite enjoyed various privileges and exacted exorbitant rates of rent and taxes. Generally, in the traditional societies, the gross produce was channeled to various agrarian groups.

All relationships between land owners and cultivators remain very important for the entire production processes. The traditional type of agrarian relations always tended to favour the landowning elite. The agrarian relations under the Rana regime in Nepal represented the tacit acceptance of the system that prevailed during the previous regime. The former regime favoured the continuity of old institutions related to agrarian relations. The large scale land owners were either from the royalty, nobility or bureaucracy, so they aimed to serve the interests of the ruling families, their relatives, and the nobility. Such interests were essentially political and
The principal concern of the Rana regime was to earn as much as possible.\textsuperscript{15}

The relationship between agrarian parties in tenures such as the *Raikar, Birta, Jagir, Guthi* and *Kipat* have certain variations. Differences are found in the sharing of products, the nature of land holding, occupancy and proprietary rights, and tenancy. Except in the Raikar tenure, the landowners in all the other tenures were virtual proprietors of the land. The cultivators cultivated land with or without occupancy rights. In all of these situations, the nature of the relationship was mostly determined by the payment of rent, taxes, customary levies and by fulfilling other obligations. Therefore, the basic component of the relationship was the fulfillment of duties and obligations. The normal result was that the cultivators were hindered by heavy and variable taxation which precluded any saving. This phenomenon has been a historical fact in all such societies. The revenue and other taxes were tightly imposed on the cultivating classes. The rate of rent prevalent in Nepal was excessively high, ranging from one half to two thirds of the gross product until 1957, when the Land Act fixed rent at one half of the gross product. In this way, the existing pattern of relations itself was responsible for abysmal conditions of the peasantry. The existing land laws fixed rent and taxes in *Raikar*, but the customary rent system that prevailed for centuries in tenures other than the *Raikar* was never considered to be against the law. In fact, the landowners in the *Birta, Jagir, Rakam, Guthi* and the land holding intermediaries were authorized to settle rent according to existing customary practices.\textsuperscript{16} They rented land for cultivation under their own terms. They usually made rent settlements with the intermediaries, and then the later made settlements with the agent-tenants, tenants, sub-tenants or cultivators of any category. This rent
system settlement had a greater impact in setting agrarian relations, but it
did not favour better conditions for the peasantry.¹⁷

Land ownership was concentrated in a low percentage of the
population. The ruling families, aristocracy and nobility controlled a
considerable area of land, thereby controlling the entire rural population.
They were able to keep the ordinary population within their grip through
land ownership. Almost all of the cultivators held land at the mercy of the
landowners and the intermediaries. There were numerous burdens that gave
cultivators no chance to avoid their immediate consequences and think
beyond a subsistence life style. The lack of peasants’ rights on the land had
created such a situation.

During the Rana era, two different kind of land tenure system
prevailed in Nepal: raikar (State landlordism) and kipat (communal land).
State landlordism was based on the principle that control over the land was
the sovereign right of the state. Before and during the Rana regime, the
state used raikar land for different purposes such as jagir (paying salaries
for government officials in land) guthi (providing state support for
religious institutions), and birta (rewarding noble families, soldiers,
religious teachers and priests for their service to the state). None of the
three forms of raikar ownership translated into a landed aristocracy
because the land given for service by the government (birta) reverted back
to the state when the recipient’s service ended.¹⁸ Ownership rights were not
permanent, and the land holder could not bequeath them to his children.
Because, birta land was more of a favour granted by the state to garner
political support, most of the recipients of the birta land were Rana’s,
Brahmins, Thakurs, families close to the ruling elites and relatives of royal
families.¹⁹ With any change in the alignment of elite politics in the capital,
birta land could be reassigned to supporters of the newly ascendant elite
faction. Therefore, the *birta* system of land tenure never contributed to the emergence of a permanent landed aristocracy.\textsuperscript{20} Yet it did provide the King with a reliable network of loyalists who preserved order in the countryside and served as his agents in the villages.

At any given time, the power of the then current *birta* landholder was dominant in the villages because residents depended upon access to that land for their subsistence. *Birta*, landholders had discretionary power to set rent on their lands. As agents of the state, they also had discretionary power to levy taxes on all *raikar* lands in their ownership and to appropriate a share of those revenues for administering justice, regulating local market, and collecting fines. Yet, the landlords own *birta* lands were exempt from taxation.

The benefits they extracted from local peasants were of several types. Peasants were usually required to provide unpaid labour services to the landlord in return for use of a subsistence plot. Peasants had to pay land taxes in cash for the land they used and were also dependent on the same landlord for cash loans usually at high interest rates. This often grew into a form of perpetual bonded indebtedness. Over time, population growth increased the size of the landless population, enabling landlords to extract ever higher rents and interest rates in return for access to land and loans to pay taxes. Any peasant who objected to the rental terms or interest rates could easily be replaced from the large and growing landless population.\textsuperscript{21}

Communal lands were managed differently from the various *raikar* lands. The *Kipat* land belonged to regional ethnic groups, largely in the hilly eastern region of Nepal. Individual households had the right to cultivate a particular plot as long as they remained a member of that ethnic community. Communal lands were exempt from taxation.
A fundamental feature of all these tenure systems was that no one retained permanent landholding rights. However, by the mid 1930s raikar rights were evolving into nearly full-fledged property rights as sale, mortgage, and tenancy were permitted without any restrictions. Following the fall of the Rana's in 1951, the government addressed the feudal land tenure system by enacting the Tenancy Rights Acquisition Act (TRAA). This act was intended to provide land title to tenants who paid taxes or rent for the land they cultivated but ironically the measure had the exact opposite of its intended effect by helping to institutionalize what amounted to a permanent landed elite. Taxes and rents paid by individual tenants traditionally had not been recorded in the state tax records. Instead, landlords had entered their own names for the taxes they collected on the lands they rented out. Thus, when the TRAA granted permanent title to land, the ownership transferred to the landlords who had been collecting taxes for the state rather than to the peasants who had been farming the land. Instead of improving the lives of peasant farmers and distributing "land to the tiller", this act fortified the landlords' legal claim to the land and created a landed elite that was more permanent than had ever been the case under the Ranas. As a result, the land reform issue became an enduring challenge for the state. However, the state's ability to enact meaningful land reform was stymied by the fact that this now permanent landed elite included high ranking state officials, government administrators, military officers, and members of both the royal family and the Ranas. The state's autonomy from this class of landed elites was severely compromised.

The land reform movement began gaining momentum shortly after the adoption of the 1951 Constitution. Peasants staged both spontaneous and planned demonstrations against landlords in several parts of the
country. The 1951 movement initiated by Bhim Dutta Pant in the far western region, in particular, alarmed landlords and government officials. The government put a bounty on his head, and he was eventually captured and executed in 1954. The All Nepal Peasant Association (ANPA) was formed in 1951 to mobilize peasants behind demands for the redistribution of land to peasants. The first congress of the Nepal Communist Party in 1954 passed a resolution demanding the confiscation of land from landlords and its redistribution to tenants and landless peasants.\(^{24}\)

As a result of pressure from this grassroots movement, the Nepali Congress Party (NC) formally adopted the slogan ‘\textit{Jamin Jotneko; Ghar Potneko}’ (Land belongs to the Tiller and House belongs to the one who smears it). This slogan became so popular among peasants that they voted heavily for the NC in the 1959 elections, contributing significantly to that party’s victory.

In response to peasant unrest, the government established the Royal Land Reform Commission in 1952. This commission devised the 1957 Land Act, which was followed by the \textit{Birta} Abolition Act of 1959. However, these measures did little to correct the inequality in land tenure that had been institutionalized by TRAA. The 1957 Land Act granted peasants title to land they had cultivated only if they were cultivating it themselves at the time of the act and only if the rent or taxes they paid were officially registered in their name. As a result, only those peasants who enjoyed the favour of their landlords received title to the land they rented. Otherwise, landlords who had collected taxes from tenants but recorded the taxes under their own name retained permanent title.
In 1961, the King replaced Nepal’s first democratic government with the Panchayat System, which was designed to give him a more direct and unchallenged role in government. The Panchayat Government sought to establish its own legitimacy by introducing a land reform initiative and passed the Land Reorganization Act of 1962. The act had three basic objectives. First, the government sought to alter patterns of land ownership by enacting a provision empowering the state to confiscate all of a landowner’s holdings over 16.4 hectares. Second, the state sought to increase agricultural production by establishing a program debt redemption for peasants and making additional funds available for agricultural loans. The hope was that peasant output and income would increase with additional access to loans and lower interest rates, and that debt burdens would no longer serve as an instrument of peasant subordination to landlords. Third, the land reform program was also intended to shift labour and capital from agriculture to non-agricultural sectors.

This reform program was implemented in two different phases and covered the entire country by 1966. Eventually, it confiscated and redistributed only about 1.5% of arable land. After land reform, 7.8% of peasant household were still landless, whereas 3.3% of households owned about 29.6% of arable land with an average size of 18.3 hectares. In contrast, 62% of peasant households owned about 49% of arable land with average holding of only 1.67 hectares. Approximately 15.4% of the arable land was held by 20.7% of households as mixed tenancy (both owner and tenant holding) with an average size of 1.64 hectares. In short, the various rounds of the land reform adopted by the Nepali government have been generally ineffective in redistributing land.
Table 2.1: Distribution of Household and Area owned by Size of Landholding (%)

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</thead>
<tbody>
<tr>
<td>Holdings with no land</td>
<td>1.43</td>
<td>0</td>
<td>0.8</td>
<td>0</td>
<td>.37</td>
<td>0</td>
<td>1.17</td>
<td>0</td>
<td>0.85</td>
<td>0</td>
</tr>
<tr>
<td>Less than 1 hectare</td>
<td>73.89</td>
<td>24.3</td>
<td>76.77</td>
<td>27.2</td>
<td>66.32</td>
<td>17.33</td>
<td>68.63</td>
<td>30.5</td>
<td>74.15</td>
<td>38.88</td>
</tr>
<tr>
<td>1 to 4 hectares</td>
<td>19.56</td>
<td>35.68</td>
<td>18.39</td>
<td>39.29</td>
<td>28.05</td>
<td>46.13</td>
<td>27.68</td>
<td>50.8</td>
<td>23.7</td>
<td>50.45</td>
</tr>
<tr>
<td>More than 4 hectares</td>
<td>5.13</td>
<td>41.42</td>
<td>4.03</td>
<td>33.74</td>
<td>5.35</td>
<td>36.54</td>
<td>2.51</td>
<td>18.7</td>
<td>1.3</td>
<td>10.67</td>
</tr>
<tr>
<td>Total</td>
<td>100</td>
<td>100</td>
<td>100</td>
<td>100</td>
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Note: HH=Household; figures for numbers in total have been rounded.

Eventually, political pressure for reforming the panchayat system began to build. In 1971, leaders of today’s insurgency initiated an armed insurrection in the eastern regions of Nepal. This armed Nepal insurrection known as the Jhapa Movement – was quite successful at mobilizing peasants by targeting local landlords, but the government suppressed it in 1972. The defeat led to factional split within communist movement. Some faction favoured a revival of armed insurrection, while others preferred a more moderate approach. The former are now among the top leads of CPN-M insurgency while the latter are prominent in CPN-UML.

Faced with mounting protest against his rule in 1979, King Birendra announced a national referendum in which voters could decide whether or not to continue a reformed panchayat system or switch to a multi-party parliament system. In the May 2, 1980, referendum, people voted to continue the panchayat system. With the opposition fragmented and unable to unite behind the multi-party option, landed elites – loyal to king and committed to preserving the existing land tenure system – were able to manipulate a majority of the rural population to vote for continuing the party less system.
On April 8, 1990, King Birendra capitulated to mass protests and ended the panchayat system. A new class of political elites emerged from the middle class in the post 1990 era, these new elites and their political parties were unable to fulfill the promises made in their election manifestos. In particular, the hope that peasant would get land reform and debt relief was never realized under the new regime, any more than it had been under the panchayat system or its nominally democratic predecessor.

The Land Tenure Issues after 1991

A half century after the rule of the Rana family ended, land tenure remains a highly salient issue among a large portion of Nepal’s population. Because neither the new democratic regime nor its panchayat predecessor was able to enact significant land reform, land tenure became an important issue that CPN-M was able to exploit to mobilize peasant for insurgency. The persistence of traditional landlord-peasant relation is very much evident from the 2001 agriculture census that shows that about 5% of households own 37% of arable land, whereas 47% of households own only 15% of arable land with an average farm size of 0.5 hectares. According to the 2001 population census, about 25% of households are landless, about 28% are marginal cultivators (between 0.21-1 hectares), and about 20% are small cultivators (0.01-2 hectares).

The portion of the ethnic minorities that are landless is greater than their proportion of the national population; the share of ethnic minority households that are marginal cultivators and small cultivators is below their share of the national population. This indicates that there is an ethnic element to the land tenure issue as well. However, this is not to say that the insurgency is an ethnic movement. Ethnic minorities supported the maoist insurgency because a large proportion of minority populations were victims of the inequality in the pattern of land ownership.
In 1991, peasants were very optimistic about the prospects of democratization leading to meaningful land reform. All of the political parties that contested in the 1991 and 1994 elections included land reform in their election manifestos, but only the communist parties explicitly advocated, “Land to the tiller”. The Nepali Congress won a clear majority with the CPN-UML in opposition. The NC government was unable to make significant progress in alleviating social and economic hardships during the first five years of Nepal’s new democratic regime because of factionalism within and between the ruling parties, and their inability to hold together stable governing coalitions.\(^{30}\)

In the 1994 elections, NC lost the popular vote and its majority status in Parliament. The 1994 elections produced no majority party, but CPN-UML’s popularity earned it the opportunity to form a minority government even though it had never led a government before.\(^{31}\) The new government was even more volatile than the previous one, with the CPN-UML and NC forming an unlikely coalition with the National Democratic Party (NDP), a party that included former leaders of the Panchayat system. The rural population eventually became disaffected with this governing coalition because many former panchayat leaders had been so quickly integrated into it. This new democratic regime also failed to enact policies that enhanced social and economic opportunities in rural areas.

In Nepal, the discontent among the peasantry right at the end of the Rana’s rule was mostly led by the Communists for their own ideological expansion. This dialectic was at work more powerfully even after 1960 under the totalitarian Panchayat rule. The peasants supported the communists because the latter talked about emancipation and transformation to modernity, which made the peasant community curious to prick up their ears and listen to land reforms. On the other hand, they
also provided capable leadership and a force of professional revolutionaries whose function was to provide an ideological strategy. They led peasants to express their dissatisfaction. In fact, the Communist leaders were able to lead successful movements against the prolonged social disorder beyond repair. Most of the peasant movements were ideologically communist oriented. Their activities and agitation were intended to bring about changes in their traditional structure of the society and the economic exploitation of the peasantry. The peasant movements organized in both Tarai and the hills were violent in nature. In fact, they were intended to bring about radical changes in rural economy and reform the traditional type of agrarian relations.

The Maoist Insurgency not only broke ties of structural dependency between local strongmen and peasants, but the insurgents also dispensed a new form of social justice by establishing the rights of peasants to the land they farmed. When Maoist insurgents moved into a district, they first targeted landlords and their allies in the local government. Once they had eliminated the landlords, they redistributed their land, destroyed bondage papers, canceled debts, compelled local government officials to resign, and constituted “peoples government” in the villages. By driving out landlords, the rebels effectively released peasants from the clientelist obligations that had bound them, allowing them to more freely support the insurgent communists.

The disruption of traditional local social structures and practices, encouraging by the Maoists in areas under their control and influence (which now constitutes some 80% of the countryside), can also be seen as a liberating process, enabling those previously locked into positions of subordination and subjugation to be freed of these ties and obligations in a hitherto unprecedented fashion. The arrival of the insurgency also altered
the rural political economy in ways that Pathak characterizes as follows: “Most of the toiling peasants and workers follow the Maoist path in the hope of receiving adequate food, housing, clothing, basic education, primary healthcare, and so forth. When hundreds of thousands of tenants receive their rightful share with the help of Maoists, they support the movement to the best of their effort. This gave peasants not only the incentive but also the opportunity to support the insurgents covertly or overtly.
References

2. Ibid., pp. 32-33.
7. Ibid., p. 38.
8. Ibid.
12. Thapa, *op. cit.*, No. 1, p. 43.
15. Thapa, *op.cit.*, No. 1, pp. 67-68.
16. Ibid., p. 69.
17. Ibid.
19. Brahmins and Thakurs were members of the upper caste, who were also recipients of land from the state.
22. Regmi, *op. cit.*, No. 20, p. 177.
23. Ibid., pp. 198-199.
25. Ibid., pp. 403-404.
32 Thapa, *op. cit.*, No. 1, p. 58.
33 Ibid., p. 10.
34 Joshi and Mason, *op. cit.*, No. 18, p. 411.