I was born landless. I think I will die landless but I wish to see my children as
landowners.

(A local land rights activist from Panchayan)

Rural Nepal has witnessed several parallel socio-economic processes, which
occurred in the last few decades. Livelihood diversification – rural people engag-
ing in different economic activities – has increased. Expanding urbanisation has
influenced rural places. Out-migration, both temporary and permanent, from
rural villages has become the norm rather than the exception. In the process,
while some rural households have prospered, others have stayed poor experi-
encing precarious livelihoods. In this chapter, I explore a pattern of unequal
land ownership in the remittance village Panchayan and discuss how it deeply
affects the life chances of people when it comes to improving their economic
and social status.

Here I argue that access to land has remained critical for the livelihoods of
the rural poor, if not most rural people. As I will show, land is closely linked not
only to agrarian production, but also to the ways rural people gain access to
economic opportunities, education, health, social capital and social status. Despite
multiple functions of land, the rural poor have faced enclosures in
accessing to and benefiting from land through the compelling processes of com-
modification of land and dispossession. Highlighting the failure of land reform
movements in benefitting the landless and poor, I analyse old and new pro-
cesses of land accumulation and dispossession in the changing context of rising
transnational mobility from rural areas. I also explore how young people are
(un)attached to land, conceptualising young people as a heterogeneous mix of
gender, class and caste/ethnicity, rather than a monolithic group.

This chapter is organised into five sections. First, I discuss key arguments
regarding the land-poverty nexus to set the scene for discussing findings from
Panchayan village. Second, highlighting unequal distribution of land, I present
the main patterns of land ownership. Third, various social and economic func-
tions of land which shape poverty dynamics in several respects are discussed.
The fourth section explores changing processes of land accumulation and dis-
possession to illuminate who gains access to land and who loses.
Resurgence of the land-poverty debate

In the context of rapid transformation in the Global South, the question of land has again occupied substantial space in academic and policy debate regarding rural poverty. The recurrent global food crisis (more recent than that of 2007–2008), land grabbing and social movements around land and other natural resources have contributed to bringing back the land agenda (Akram-Lodhi et al. 2007; Borras et al. 2007; Kenney-Lazar et al. 2018). There has been wider recognition of the limits of rural development policies. For instance, the World Bank has conceived the importance of land in rural livelihoods as reflected in its two annual World Development Reports, Equity and Development 2006 and Agriculture for Development 2008. Nevertheless, many scholars criticise these reports given their persistent focus on the ‘free’ market and commodification of land and labour (Akram-Lodhi 2008; Fauzi Rachman et al. 2009; Hall 2009; Li 2009; Veltmeyer 2009). The Rights and Resources Initiative (RRI), a global coalition of organisations for land tenure reform, highlighted land issues in its annual report of 2013 urging developing countries to make a choice between their citizens as ‘landowners’ or ‘labourers’ (RRI 2013).

We can identify at least two key positions in such debates. First, many scholars are hardly optimistic about the role of land in poverty reduction (e.g. Bryceson 1996; Rigg 2006; Toufique and Turton 2002). Their key reason is that the proportion of farm incomes in overall household incomes has declined with processes of deagrarianisation. Rural youth wish to leave farming and rural areas. Non-farm income opportunities have expanded in many parts of developing countries. Thus, migration and other non-farm opportunities are more important for reducing poverty. In this spirit, many development agencies have increasingly emphasised alternative routes out of poverty.

Second, many other scholars nevertheless posit that land is still important for addressing marginalisation and improving rural livelihoods (Akram-Lodhi 2008; Griffin et al. 2002; Li 2010; Veltmeyer 2009). From their perspectives, land offers several economic and political benefits to the rural poor through its linkages to food security, health and social status. Despite the fact that rural households are increasingly dependent upon non-farm sources of income, they are in some ways attached to land. Walker (2012), from his studies in Thailand, argues that farmers now are qualitatively different from what they were in the past, although they continue farming with government subsidies.

The case of Panchayan village in rural Nepal provides important insights in understanding the question of land in relation to rural poverty for several important reasons. First, due to numerous government policies which have reduced state support for agriculture, rural Nepal has witnessed a profound transformation. Second, the size of landholdings has declined in recent decades. The average size of agricultural land per household has declined from 1.1 hectares in 1996 to 0.7 hectares in 2011 (CBS 2011). The fragmentation of land continues unabated, resulting in the smaller size of farms. Third, Nepal is still one of the least developed countries, with poverty highly concentrated in rural areas. Fourth, in
recent years, the countryside has experienced a rapid pace of transnational labour migration (TLM) (Blaikie et al. 2002; Thieme and Ghimire 2014) and a proliferation of non-farm income opportunities, leading to diverse poverty outcomes for different households.

This chapter moves beyond reducing the land question to just the agrarian question. As Ferguson (2013) argues, rural poverty and land are closely linked to each other in many ways. Land for the rural poor is not just an asset for farming. It is broadly intertwined with their ways of living or, broadly speaking, to their ‘culture,’ which can be called the social functions of land. As I will show, the issue of land is critical but in different respects compared to countries where the issue is linked to land grabbing for food or high value crops such as palm oil, and to the control of food regime by food empires (McCarthy 2010; McMichael 2009).

Patterns of land ownership

Land ownership is highly uneven in Panchayan village. An average landholding is 0.51 hectares. In terms of distribution of land, 70 per cent of the households hold only 25 per cent of the total land area of 56 hectares while the remaining 30 per cent hold 75 per cent. The Gini index\(^1\) of land ownership in this village is 0.59 which is slightly higher than the average Gini index (0.52) for the Tarai region of Nepal.

In Panchayan village, I identify five categories of households in terms of land ownership. The first category is landless or near-landless households. Not all households in the village own land. Nearly one-third of the total 170 households surveyed have no land of their own at all. They are called \textit{bhumihin} (the landless). Nearly half of the total households were functionally landless or near-landless with landholding not exceeding 0.05 hectares (see Figure 3.1). They are functionally landless because the amount of land they own is just large enough for their houses and kitchen gardens, thus they lack land for farming. In terms of castes, Dalit households are predominantly landless (see Table 3.1).

\begin{figure}[h]
\centering
\includegraphics[width=\textwidth]{fig31.png}
\caption{Land ownership pattern in Panchayan.}
\end{figure}
Table 3.1 Land ownership by caste

<table>
<thead>
<tr>
<th>Social group</th>
<th>Total households</th>
<th>Landless household (no)</th>
<th>Landless households (%)</th>
<th>Land ownership per household</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Average (ha.)</td>
</tr>
<tr>
<td>Dalits</td>
<td>16</td>
<td>14</td>
<td>88</td>
<td>0.03</td>
</tr>
<tr>
<td>Ethnic group</td>
<td></td>
<td></td>
<td></td>
<td>0.97</td>
</tr>
<tr>
<td>Tharu</td>
<td>23</td>
<td>9</td>
<td>39</td>
<td>0.37</td>
</tr>
<tr>
<td>Rajdhani</td>
<td>16</td>
<td>6</td>
<td>38</td>
<td>0.57</td>
</tr>
<tr>
<td>Rai</td>
<td>24</td>
<td>5</td>
<td>21</td>
<td>0.44</td>
</tr>
<tr>
<td>Magar</td>
<td>15</td>
<td>4</td>
<td>27</td>
<td>0.32</td>
</tr>
<tr>
<td>Other Janajati</td>
<td>19</td>
<td>8</td>
<td>42</td>
<td>0.48</td>
</tr>
<tr>
<td>Bahun Chhetri</td>
<td>57</td>
<td>7</td>
<td>12</td>
<td>0.48</td>
</tr>
<tr>
<td>Total</td>
<td>170</td>
<td>53</td>
<td>31</td>
<td>0.51</td>
</tr>
</tbody>
</table>

Source: Household surveys 2012.
Only 12 per cent of them owned land and even those are functionally landless because they each hold land less than 0.05 hectares. Over half of the ethnic households are landless. While the average landholding of Tharu households is relatively high (0.86 hectares), nearly 40 per cent of them are landless, indicating highly inequitable distribution of land among the Tharus. Although average land ownership of Bahun Chhetri households (0.48 hectares/household) is slightly lower than some ethnic households, landlessness among them is the lowest (12 per cent).

The second category constitutes households who are unable to produce enough for their own subsistence. About 20 per cent of the total households have land for farming but the production from their own land is inadequate for household consumption year round. These households were usually involved in sharecropping, combined with non-farm labouring, to meet their food and other household expenses. About 20 per cent of ethnic households fall in this category.

The third category includes food self-sufficient households from own production. Key informants estimated at least 0.34 hectares of land are required for food self-sufficiency for a household with five members. Based on this estimate, only one-third of total households had sufficient land to produce enough to meet their needs for food in Panchayan village.

The fourth category constitutes those who produce a surplus and sell it to cover household expenses such as clothes, education fees, and festive costs. Such households can be termed self-reproducing households, representing 16 per cent of total households. Bahun and Chhetri households constitute over 80 per cent of the households in the third and fourth categories.

The final category constitutes absentee landlords who have land in Panchayan but are not resident in the village. These households are mostly ethnic and Bahun Chhetri households. People living in Panchayan do not hold all the land that is farmed. Panchayan people owned only about 56 hectares of the total land area of about 100 hectares under farming. The rest, about 43 per cent of the total land, was held by people who resided away from the village. As they lived in major cities such as Dharan, Itahari, Kathmandu or some even in Hong Kong and other countries, the absentee landowners were not physically engaged in farming. Rather they have leased out their land to tenants for farming, mostly under sharecropping arrangements. Some reports reveal that absentee landlordism accounts for as much as 20 per cent of the total arable land in Nepal (CSRC 2011). This tendency hardly echoes the idea of absentee ‘landlordism’ rather it can be called absentee ‘landownism’. In landlordism, landlords exercise their power over tenants to extract heavy rents from them. They too are involved in making decisions about farming activities. In the case of Panchayan village, interviews with sharecroppers suggest that absentee landowners tended to retain ownership of land, but they were so well-off that they undervalued the harvest share received from their land. The tenants said that the landowners, in many cases, asked their relatives to receive their harvest share (50 per cent of the total harvest). One of the absentee landowners interviewed said, ‘I have a three-storeyed house [RCC] in Dharan, a sub-metropolitan city.
I receive NPR 60,000 [$667] from rent. My son is in Hong Kong.’ I asked him why he did not sell the land because he seemed to be earning enough from other sources. He replied, ‘It feels nice to eat rice grown in our own land! Our grandfather bought land in Panchayan a long time ago. We just do not want to sell the land as it is our heritage passed down to us.’

In this section, I have described differences in land ownership patterns and landlessness among rural households in Panchayan. The next section addresses how such differences shape livelihoods and poverty dynamics.

**Linking land to rural poverty and prosperity**

We inherited half a *bigha* of land (0.34 hectares) from my parents. We have our own house here. I cultivate paddy, wheat, potato and mustard. We do not buy food. My first son is now working in Dubai. He sends some money every year. He is returning soon and one of our relatives has already managed a lady from a well-off family for his marriage.

*(Panchanarayan Choudhari, who is no longer poor)*

This is *ailani* where we live. We work in the farms of others and sometimes go to Itahari for rickshaw pulling. We earn money and spend it all on the same day to meet our basic everyday needs. We do not have our own land to cultivate. My son wanted to go abroad like other boys in this village. I tried my best to secure a loan for his migration. *Sahu* (the local lender) did not give any money because we have neither land nor any gold.

*(Shivu Sada, who has remained poor)*

Household surveys and interviews revealed that access to land has played an important role for rural households in escaping poverty and preventing further marginalisation. The landowning households have experienced improved livelihoods, whereas most of the landless have remained poor or seen further deterioration in their poverty status. About two-thirds of the total 62 households that escaped poverty owned arable land (>0.05 ha). Nearly 80 per cent of the 39 households that remained non-poor in the last two decades owned arable land of 0.33 hectares or more from which they produced enough to achieve food self-sufficiency. On the other hand, 74 per cent of the 58 households which stayed poor had no land for farming. Similarly, over half of the households which fell into poverty had no land of their own for cultivation. As expected, an average landholding per household that remained non-poor is nearly one hectare. The households that became poor, escaped poverty and remained poor held on average 0.42 hectares, 0.29 hectares and 0.21 respectively.

In the case of sharecropping households that escaped poverty, access to land for sharecropping facilitated their movement out of poverty. Over one-third of the Panchayan households were involved in sharecropping. About the same proportion of the households that escaped poverty undertook sharecropping on others’ land. Notably, only two households escaped poverty without owning
land or being involved in sharecropping. These two households had family members abroad in foreign employment. One household supplied rakshi (local liquor) to restaurants, earning NPR 27,000 ($300) annually. Close to half of the households (43 per cent) who remained poor were involved in sharecropping. Sharecropping prevented them from their further marginalisation even if they could not come out of poverty.

As we saw, these quantitative figures suggest that land ownership or access to land shapes poverty dynamics. Now key questions that need attention are: how land ownership or access to land facilitates the processes of escape from poverty and how lack of it obstructs upward mobility. I address these questions, illustrating changes or continuities in the livelihoods of the landholding and the landless “landless” households in Panchayan.

Interviews and focus group discussions identified several reasons, highlighting the significance of access to land for poverty reduction and rural livelihoods (see Figure 3.2). First, Panchayan residents produced food on their land. Households escaping poverty highlighted the importance of arable land for the self-provisioning of food. Biru is a member of a household that escaped poverty. He owned 0.35 hectares of land where he produced adequate food to feed family members year around. He said, ‘We do not have to buy food. Our son is in Malaysia who sends remittances. We use remittances for educating our children in the boarding (private) school.’ Several other farmers told similar stories in the course of interviews. Even households owning less than 0.05 hectares of land indicated how important their land was for them, although it was too small for cultivation. Jeevan is a member of such a household. He has maintained a kitchen garden where he produced a variety of vegetables and beans. He was aware of the fact that purchasing vegetables in the local market was relatively expensive for someone of his economic status.

There were similar stories from the households which remained well-off in the last two decades. The bulk of the well-off households (77 per cent) had adequate land for food self-sufficiency. Similarly, as I will show in the next chapter, the landless households have improved their food self-sufficiency and were able to diversify sources of nutrition by pursuing sharecropping. They have also been able to tend livestock, obtaining animal feed (forage and grasses) from crop

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**Figure 3.2** Multiplicity of functions of land in rural livelihoods.
fields. More importantly, they have saved income from other sources such as wage labouring since they spend less on food. As we will see in Chapter 6, foreign migrants from landless families tend to purchase land after clearing debts, indicating the sheer importance of land for these people.

Second, access to land facilitates upward socio-economic mobility. Members of the well-off households in the focus group discussions said that their current status would have been impossible had their parents been landless. When outsiders observe well-off households in Panchayan, they may conclude that land has become less important now than before for rural prosperity because these households have diversified their sources of income. They are increasingly receiving income from sources other than farming. This is definitely a part of the story. But a closer assessment of their past gives a more complete picture of their current status. In the focus group discussions, many well-off households recounted the significance of land in acquiring their current status and thus they were reluctant to give it up even when they became prosperous. One of them said: ‘If I was landless, I would have to send my children to farms for labouring; they would not have been educated. My son is now working as a government officer after finishing his BA studies [an undergraduate study].’

Third, land correlates with social status, power and social capital in Panchayan. Households with large landholdings had good social networks and were powerful in the public affairs of the village. All of the leaders or influential people were landowners belonging to high castes. The landless were not included in local community groups in most cases. For instance, I did not find anyone from the landless households leading any local community groups, including community forest user groups and savings and credit groups. In the focus group discussions, village elites rarely felt that the landless or poor needed to be consulted in village meetings or gatherings. Landlessness created multiple obstacles for the poor seeking paths to prosperity. The status of being landless connotes someone having no political power and cultural identity in village society. The question of prestige remains a far-fetched dream for them.

Fourth, for rural households land provides an important form of collateral for securing loans. Sherdan explained how he secured a loan to finance migration. For him, his land acted as an informal form of collateral to receive a loan from the local lender: ‘Ramnath [a local lender] gave me loan of NPR 50,000 ($556) which I used to cover the costs of bidesh jane [going overseas]. He would not have given me loan if I did not have one bigha [0.68 hectares] of land. He thought he would take my land if I failed to pay back his money.’ Like Ram, Padam Rai also wanted to pursue migration. But he could not secure loans. He said: ‘As I wanted to go to bidesh [abroad], I started searching for a loan. I asked many lenders for loans here. But no one gave me one as I do not have land or any other important sources of wealth.’ Padam could not go overseas for work because he lacked land which could function as collateral.

Interviews revealed that local savings and credit groups did not offer loans to the landless people because they lacked collateral. Even local lenders were hesitant
to give loans to the landless. Nevertheless, there were a few cases of local lenders giving loans to landless people who had social collateral, gained by maintaining good relationships with local lenders. Rita’s story is a case in point. Rita is a wage labourer in Panchayan. She offered Man Bahadur (a local landlord and lender) labour when needed at his farms. She used to work for him at times even if she had prior commitments to other landlords. Her husband was severely sick. Although she was landless, Man Bahadur gave her a loan of NPR 30,000 ($333) for the treatment of her husband.

In addition to collateral, land also functions as a safety net for rural people. The story of Somlal illustrates this. In his own words: ‘I went bidesh. I worked in Qatar for five months but I was sent back home because our company tutyo [stopped operating a business for some reason]. I had a loan of NPR 70,000 ($778) taken for going bidesh. As I had two bigha of land (1.36 hectares), I sold one bigha to repay the loan. I am now cultivating the rest.’ Somlal was not worried, at least about food and basic household expenses; he could manage these from the income derived from his land. He highlighted the importance of land as a safety net when he failed to earn money through TLM.

Fifth, people can have secure housing when they have their own land in Panchayan as in other rural areas. In this village, the landless did not have secure housing. They lived in jhupro (huts) built on ailani land. Ailani refers to public land, informally owned by the landless, farmers, investors or community groups. Ailani is public land under private occupancy (Wily et al. 2008). The landless in the village have occupied ailani for many generations. Since it has not been registered in their names, they are not technically entitled to the land. Due to the fears that the government might destroy their houses or displace them from ailani at any time, they cannot build permanent houses. The amount of land they occupy is just large enough for their huts and homesteads. As ailani land is mostly located near creeks, streams or at places which are unsuitable for farming, one cannot find the landless accessing ailani for cultivation in the village. As ailani land is usually prone to landslides and floods, the houses of the poor are vulnerable to flooding.

Ailani means a lot to the landless; without this their status could be even more miserable despite the land being insecure and vulnerable to floods. During focus group discussions, they said that they were unable to afford to rent a house from their earnings. Renting a room or a house in the village was neither a common practice nor was this readily available. Paying the rent would be an additional burden for the already poor even if a house was available. As they are not allowed to share a room in the house of upper castes, Dalits cannot even think about renting a room for untouchability reasons.

Landless people indicated that good housing of their own is important not only for healthy living, but also for their social status, networks, and children’s education. Sudha, a landless woman, described how important it was for them to have her own land and a house: ‘I have two sons. I have to think about their marriages. If we could not buy a small plot of land and build our own house, we would not be able to find buharis [sisters-in-law, sons’ wives].’ Parents of
school-going children interviewed admitted that their children had not fared well in school because of their poor housing conditions and the precarious physical and social environment. For instance, landless people did not have toilets. One of them said, ‘We do not even have land to construct a toilet. Our toilet is a nearby creek’. Open defecation was a common practice among the landless. They reflected on this, asking how children could study well in homes which are not connected to electricity, and where people and goats occupy the same room. As a result, many children dropped out of school before grade 10. Instead of going to school, they assisted their parents in carrying out household chores – washing dishes, cooking food and looking after babies when their parents were away for work. Students and their parents from Musahar families maintained that teachers also neglected their children in the school because they were both poor and untouchable.

Sixth, lack of access to land creates conditions for exploitation and discrimination. Interviews with the landless revealed that local elites often cheated them. There were reported instances in the village that the local elites evicted the landless when they formally registered the ailani in their names through bribing land officials or capitalising on their social networks. Similarly, there were a few landless families living in the huts built on the land of others, not ailani. They said that their labour was subject to exploitation by the owners of the huts.

There were a few non-landless families living in ailani for two reasons: first, they occupied it to build a house since their own land was swampy, not suitable for constructing a house. Second, they wished to claim it in the future through unfair means including bribing government officials.

Seventh, ownership of land mediates access to other facilities and services. Shivu illustrates this: ‘If I did not have my own land, I would not have been able to connect my household to electricity. I would not have my citizenship certificate.’ He was right that many landless people have been unable to get a citizenship certificate and have their houses electrified, which requires a certificate of land ownership or a citizenship card.

Finally, wage labouring and other income opportunities are seasonal and access to non-farm labouring is chiefly contingent on social relations and networks. The income from labouring, either agricultural or non-farm work, was just adequate for jivan dhanna (subsistence living) given that they could not save. They were hardly able to afford nutritious foods, nice clothes and educational expenses for their children. Children were not looked after well as poor health and poor sanitation were quite visible in the hamlets of the poor when I visited. Without farm land, there will be no proper education. This idea is evident in this quotation from Shivu:

I have two daughters aged 12 and 14. They worked as jan [labourers] in the farms of others during school hours. They occasionally go to school when they are not out as jan. The school is not very far from here, just a five-minute walk.
The daughters of Shivu were in grades 5 and 6. Although they attended school, their performance at the school was far below average since they worked on others’ farms almost every day. One can argue that if the parents of these girls had their own farm land, they could work their land at different times outside school hours. In these circumstances, access to land, at least through sharecropping, is critical for upward mobility of households or at least for self-provisioning of food.

Insights from quantitative and qualitative analyses revealed the critical role of land ownership and access to land for rural households, especially for poor and landless people. Given its multifaceted functions as a means of food production, social status, safety net and collateral, I argue that the nexus between land and rural poverty remains strong. This understanding now takes us to examine differential access to land – why some households are entitled to a large amount of land while others remain landless. This question concerns the processes of acquiring land and losing land (dispossession) in the past and present.

Land accumulation and dispossession

A historical analysis of land accumulation, combined with interviews with the Panchayan people, revealed that the poor, Dalits and ethnic groups were largely denied entitlement to land (Adhikari 2008). This exclusion from land entitlement was tied to micro-processes of accumulation and dispossession as well as to broader socio-political processes of nation-building.

During the Rana regime3 rulers granted land to high caste peoples and many government officials (see Table 3.2). But tenants such as ploughmen, farm labourers and Dalits were denied formal land ownership at a time when land frontiers were open. Interviews with elderly people indicated that local elites who were high castes and those who had migrated from the surrounding middle-hill districts amassed land in Panchayan. They were influential at the local level and were connected to high level state politicians and land administrators (Bhandari 2006). Their social networks and powerful status enabled them to appropriate a large area of land. The poor and ethnic people (mainly Musahars and Tharu) interviewed said that although they cleared forests to make agricultural land, most of them were denied land ownership during the land titling programme. The Hill immigrants and local elites in Panchayan claimed land which was originally cultivated by the poor and indigenous peoples. Due to illiteracy and the lack of social networks, poor people had no clear idea about what was going on in the village. Consistent with what Dignan et al. (1989), Regmi (1961) and Zaman (1973) have described, the poor, Dalits and ethnic peoples were tricked by being advised that land was abundant and there was no need to bother to receive a land title and pay revenues as long as they were getting the opportunity to farm. Kamal Magar, a sharecropper, recalled how he became landless: ‘My father was cultivating some two bigha (1.35 hectares) of land here. When the land survey for land titling was conducted, he did not register the land in his name because he was told that he would not
be given access to land by the government if he failed to pay revenues. Then he thought that it was prudent not to register land in his name.’ Many elderly people from Panchayan village verified this story.

There were also poor Dalit people, mainly Musahars, who were working as gothalo, and jotaha (bonded labourers and ploughmen). They used to work for Kaji (local landlords). They ploughed Kaji’s land, looked after their livestock, and carried out other agricultural activities and household chores. They did not have any land to claim since they were not cultivating land; rather they were fully dependent on Kajis. Similar to the experience of other Asian countries (Hall et al. 2011), the land titling process led to the dispossession of poor people from land in Panchayan too.

The state-led land reform began in the early 1960s in Nepal after the overthrow of the Rana regime in 1951. The State attempted to address historical injustice in land distribution through legislative reforms by converting birta land to raiker land (see Table 3.2 for different types of land tenure). After King Mahendra took power and introduced a Panchayati regime in 1960, a commission on land reform was constituted in 1962. The aim of the then King was to become populist among the public and military personnel to legitimise his rule. Whatever the intent of the then King was, the 1962 Commission on Land Reform crafted the Land Act 1964. This Act proposed three major reforms: (1) setting land ceilings and confiscating surplus land and redistribution, (2) establishing tenants’ occupancy rights, and (3) increasing the share of

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**Table 3.2** Types of land tenure until the 1950s and differential access in Panchayan

<table>
<thead>
<tr>
<th>Tenure type</th>
<th>Description</th>
<th>Ownership and control</th>
</tr>
</thead>
<tbody>
<tr>
<td>Raiker</td>
<td>State-owned land cultivated by tenants on rents. State as landlord and cultivators as tenants (use rights given to peasants by the State)</td>
<td>Mostly high caste peasants</td>
</tr>
<tr>
<td>Birta</td>
<td>Rent free land held by the Ranas (the then rulers) and their sycophants/relatives but cultivated by peasants (use rights). Privileged form of tenure (owners were mostly absentee landlords)</td>
<td>The Ranas, their relatives and sycophants</td>
</tr>
<tr>
<td>Guthi</td>
<td>Endowment land given to religious or philanthropic institutions. Also rent free land</td>
<td>High caste Bahun</td>
</tr>
<tr>
<td>Others</td>
<td>Raikar land given to government employees/functionaries as salary</td>
<td>Mostly high caste since they were government employees</td>
</tr>
</tbody>
</table>

Source: Fieldwork data and Regmi (1976).
produce for tenants (two-thirds to tenants). I now briefly describe these three features of land reform in relation to the current context of Panchayan village (for details on the 1964 land reform, see Regmi (1976) and Zaman (1973).

The Land Act 1964 imposed land ceilings. The acquisition of excess land did not go as expected because of the time lag in implementing the reform. In consequence, landlords adjusted their holdings below or exactly at the level of the set ceilings through land sales or collusive transfers to their relatives (Bhandari 2006). The government acquired only close to two per cent of the total land through imposing ceilings. The acquired land was also distributed unfairly, favouring military families, government employees and people of high caste (Regmi 1976). Interviews with key informants revealed that only high castes and some Tharus were beneficiaries of this reform in Panchayan village, leaving a large section of ethnic peoples and Dalits landless.

The 1964 Land Act also reduced landlords’ harvest share. It states that ‘rent payable to the landowner should not exceed 50 per cent of the rice crop.’ However, landlords continued to claim a 50 per cent share of all produce in Panchayan as in many parts of the country due to weak enforcement of the law.

Another important feature of the Land Act 1964 was that it granted occupancy rights to registered tenants through which the tenants could claim 25 per cent of the land they cultivated. This legal right was fruitless for a large number of tenants because they were unregistered (Adhikari and Dhungana 2013; Bhandari 2006). They were either unaware of the law or the landlords did not endorse their tenure for registration. In the implementation process, the government estimated that some 40 per cent of tenants were left unidentified (Bhandari 2006; Wily et al. 2008). As interviews revealed, an important negative consequence of this legal provision was that landlords evicted tenants; they then started self-cultivation resulting in the loss of a means of livelihood for tenants. For people such as Musahars who were involved neither in tenancy nor in sharecropping, the law had no effect at all.

As a result, apart from two households who recently bought land with remittances, even today all Musahar families are landless.

This historical account of land distribution suggests that the poor, Dalits and ethnic peoples did not have the opportunity to accumulate land, or even that they were tricked when the opportunity was available. Another possible means of owning land for them was to purchase it. But those who were fully dependent on others or living off labouring and those who were exploited could not save enough money to purchase land. Tara, a landless farmer explains this: ‘Babu [a form of address for a younger person, here the researcher], we are seven people in our family. We work hard on the land of others and the grain that we receive from sharecropping just suffices for gujara chalauna (subsistence). Our savings have never been enough even to imagine buying land.’

Recent mechanisms of access to land

Rural Nepal has undergone several political and economic changes, including Maoist insurgency and massive out-migration. These political and economic
upheavals have severely affected rural people’s access to land. In recent times, the land frontier has closed in Nepal. In Panchayan – the remittance village – I observed four options available if one intended to access land: inheritance, purchase, tenancy/sharecropping, and redistributive land reforms. Since landless people cannot even imagine inheriting land from their landless parents, the inheritance of land is a non-option for them. As I will show, soaring prices of land meant that the poor cannot buy land. Both options are, thus, virtually closed for poor and landless people. The last option for the poor to gain access to land is through tenancy, which takes the form of sharecropping in Panchayan village. This option has been the only viable pathway for them. Here, I discuss the contradictory processes – largely driven by TLM and remittances – occurring in Panchayan, which have enhanced access to land for some sections of poor people while creating enclosures for others at the same time.

Enhanced access

During my stay in Panchayan village, I observed several processes which enhanced poor people’s access to land. First, absentee landownism (defined in the previous section) has increased in Panchayan. Absentee landowners, who hold some 40 per cent of the total land, did not cultivate their land. As we saw earlier in this chapter, they lived in local towns, cities or overseas, and tended to rent out land to their relatives or other villagers. Spurred by a decade-long Maoist war, this absentee landownism has become more common in the last decade. The reason is that, during Maoist insurgency, Maoist cadres intimidated large landholders for alleged exploitation of the landless peasants. As a result, many large landowners left villages, renting out their land to poor people.

Second, active processes of ‘deactivation’ of agriculture unfolding in Panchayan facilitated poor people’s access to land. Better-off households with over one bigha (0.68 hectares) of land leased their land out for sharecropping due to the increased costs of labour and other agricultural inputs such as fertilisers and seeds. As we will see, TLM has exacerbated the deactivation of agriculture since migrant households were less interested in farming or sharecropping even after the return of their family members from abroad. They were less active in farming as they could use remittances to purchase food. By the same token, even owner-cultivators tended to lease land out to sharecroppers when they migrated. As a result, land previously worked by migrants (ex-sharecroppers and owner-cultivators) has become available for prospective sharecroppers. Third, depending on their economic and social status rural people place a different value on land. Figure 3.3 shows how rural people of diverse categories along class and generational lines value land. In Panchayan, the landless, local elites, farmers, the elderly and youth perceived the value of land somewhat differently. This differing perception influenced their relations to land and farming, and eventually to their livelihoods and social status.

We can see clear differentiated patterns of perceptions of land in relation to economic and social status. For instance, the poor and landless perceive land as a means of housing and food; local elites see it as a symbol of social status and
source of political power; and migrants and the local rich view land as a lucrative site for investment and also a source of prestige (see Figure 3.3). These diverse understandings about land affected their actions. Migrants invested in land located near roads in the hope of building a house, expecting a good profit margin on sale. Migrants did not want to invest in arable land. Nevertheless, the landless were interested in purchasing land to build their own huts, getting rid of *ailani* (unclaimed public land), detaching themselves from the social stigma of being *sukumbasi* or *bhumihin* (squatters, landless). Regarding the perceptions of young people, economic status shaped their perceptions of land. With few exceptions, 28 youths aged between 14 to 35 years interviewed in the course of my fieldwork wanted to pursue teaching, government jobs or businesses, not farming. As they came from well-off families, they saw land as something of cultural and social value, a heritage from their parents. On the other hand, interviews with 17 youths from poorer or landless households revealed the high significance of land in securing housing and food self-sufficiency. Half of them wanted to go abroad for employment, although they were worried about securing loans for financing their out-migration because they did not have land which could act as collateral.

To sum up, three key processes – absentee landownism, the deactivation of agriculture driven mainly by TLM and remittances, and changing values and perceptions of rural people about land – enhanced poor people’s access to land. The next section discusses processes that contradict this which have resulted in dispossession and reduced access to land.

**Figure 3.3** Socially differentiated perceptions of land.
Land enclosure

Processes of commodification of land and subsequent dispossession have had perverse effects on poor people’s access to land and their livelihoods. A large amount of arable land in Panchayan is being converted into residential plots for speculative reasons. Both land prices and the volume of land transacted have risen rapidly over the last decade. There was a surge in the number of people receiving approval letters for land sales issued by the Village Development Committee, from 71 in 2005 to 185 in 2012. This 160 per cent increase in transactions indicates the sharp rise in the amount of land bought and sold. Despite the soaring price of land (see Table 3.3), a rise in the remittances flowing into the village has enabled successful migrant households and the village rich to invest in land.

An issue here is the predominantly speculative motive behind the booming land market. The new buyers saw a huge profit margin to be gained from their investment in land. The villagers are well aware that the value of land has seen a sharp rise. Krishna, a land broker, corroborates this, claiming: ‘As interest rates offered by banks are comparatively low, many now believe that the trend of land price rises would continue, and it is not just a bubble given the rising population.’ The land real estate market flourished in the village and some politicians, local elites and return migrants were involved in this as brokers or real estate agents. Housing plots were visible in the village where I saw herds of cattle grazing in fertile paddy fields, in place of rice seedlings. The number of houses on both sides of the village roads has also increased, consuming rice lands. When I was about to complete my fieldwork in 2013, I saw a large excavator coming in to convert rice fields into housing plots.

This speculative land market has produced new forms of poverty and vulnerability. When landowners sell land to new buyers, poor and landless people are dispossessed from the land. In Panchayan, about 15 out of 72 sharecropping households (20 per cent) have been compelled to give up sharecropping by new land buyers. The new buyers hesitate to lease land out for sharecropping because they perceive that cultivation practices would damage land so it would become ill-suited for housing plots. The dispossession of sharecroppers from

<table>
<thead>
<tr>
<th>Location of land ▼</th>
<th>Prices of land/bigha (NPR in million)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Roadside</td>
<td>0.1</td>
</tr>
<tr>
<td>Away from road</td>
<td>0.4</td>
</tr>
</tbody>
</table>

Source: Fieldwork data 2012.

Note

$1 = NPR 90; 1 bigha = 0.68 hectares.
land is a rising trend. Interviews revealed that dispossessed households faced a difficult transition back into poverty. As the landless farmer Suburlal noted,

I was cultivating the land of Shivalal [a landlord] but he sold his land five months ago. Now I do not have any land to cultivate so I am looking for land for sharecropping. We [his wife and himself] do janbuni [labouring] in Jhumka [a local town] but our earnings have been insufficient for our living because of high prices of rice, and other food items.

This sort of dispossession has effects on food security and results in pauperisation of households that fail to gain access to land or employment outside agriculture.

The growing speculative land market has also created land scarcity for farming. This occurs as land set aside for housing plots is left uncultivated because land is purchased for speculation, building homes, enhancing social status or a combination of these. Overall, the amount of land for cultivation has decreased; about 40 bigha (27.2 hectares) of land (estimated at ten per cent of total arable land) has already been converted into housing plots. Other parts of the country have also witnessed the conversion of land near roads and towns into housing plots. It has emerged as micro-cases of ‘land grabbing’ (Borras and Franco 2012) but for reasons of speculation and urbanisation. This has implications for village food self-sufficiency and poverty (Gartaula et al. 2012; Sunam and Adhikari 2016).
Further, the demand for labour in agriculture has decreased as land is kept uncultivated for residential plots. This will become a more critical issue in the near future if such a land market continues unregulated.

In Panchayan, the poor and the landless failed to purchase land from savings accumulated in the village economy due to sheer rises in land prices. No single non-migrant poor household has bought land in the village in the last decade. This applies to many other non-migrant households who also cannot buy land from their village earnings. A non-migrant, Gajan, who has some savings ($556) found that from this he could not even imagine buying land now. But 15 years ago, he could buy at least one *bigha* of land (0.68 hectares). In consequence, given the low probability of the landless being able to buy land, access land for sharecropping, and/or secure employment outside agriculture, the pool of landless labour will expand in the future.

Amidst reckless commodification of land and subsequent dispossession, farmers and NGO workers have pointed fingers at the government for failing to control the conversion of agricultural land into other land uses. Puspa Bhattarai, a social leader and farm entrepreneur, said, ‘The state should control the conversion of agricultural land into other uses through land zoning policy.’

**Misplaced land reform activism**

In the course of interviews, a local land rights activist affirmed his persistent belief in ‘land to the tillers’ as a long-term peasant agenda. However, interviews and focus group discussions indicated that landless people were less optimistic about acquiring land through land or agrarian reforms. As in many parts of the country, land rights movements have also operated in Panchayan, mainly facilitated by a local NGO. This local NGO has been advocating for the rights of the landless in collaboration with national-level NGOs and international organisations including the International Land Coalition (ILC). The effects of such movements on the lives of the landless were, however, yet to be visible. At one point during the interview, a salaried employee of a local NGO working to establish the rights of the landless said that the landless should visit his office if they had any issues to do with land rights. While I am careful about generalising from his view, his view actually tends to reflect the limits of the NGO-led land rights movement in securing land for the landless. The local NGO has posted many slogans related to land rights including ‘land to the tillers’ in their booklets and brochures. I asked a local landless leader, who leads the local chapter of the National Land Rights Forum, about his experience with the movements. Expressing frustration, he said, ‘I have been struggling for land rights for 20 years. I was born landless. I think I will die landless but I wish to see my children as landowners.’ He felt that it would have provided realisable benefits to them had they put pressure on the government to change the terms and conditions of sharecropping in favour of them rather than just to struggle for land rights as the slogan ‘land to the tillers’ implies. This view closely represents what many sharecroppers felt about the land rights movement.
The perspectives of landless peasants seem more practical and politically feasible since there are critical issues shaping the question of both state-led redistributive land reforms (a ‘land to the tillers’ type) and market-led land reforms. Regarding redistributive land reforms, the significance of ‘land to the tillers’ reform may remain high but the political context of Nepal and declining per capita landholdings pose a critical question on its viability. Although successive governments have formed commissions and prepared land reform reports, the Nepali state has not implemented any redistributive nature of land reform except for the 1964 state-led land reform described earlier. These reports have either been kept unpublished or remain unimplemented (Adhikari and Dhungana 2013; Sharma et al. 2013). A key demand of the Maoists before waging their ‘people’s war’ was radical land reforms. Indeed, the short-lived Maoist-led government constituted a high level commission in 2008 on land reforms. Since it was ousted from power, it failed to realise the land reform initiative. Similarly, political parties have shown unwillingness to pursue land reform. Although major political parties in Nepal publicly speak in favour of land reforms, they stay silent on this agenda in parliament. A local NGO leader claimed that the vast majority of members of the parliament held a large amount of land or were absentee landowners. He further argued that as the political leaders did not want aafino khuttama aafai bancharo bannu (literally, axing one’s own leg, similar in meaning to ‘digging your own grave’), they were highly hesitant to lose their land through land reforms.

Apart from this unfavourable political context, the average landholding has become smaller across the country over the last few decades. In Panchayan village too, the average land ownership per household is now 0.5 hectares and only ten households own more than four hectares of land. The declining land ownership precludes the possibility of redistributive land reform (fixing ceilings, acquiring land above the ceiling and redistributing the acquired land to the landless) since there are few large landholders in the country. Further, the experience of the 1964 land reform questions the feasibility of redistributive land reforms. As was the case then, large landholders would adjust their holdings at the level of the government ceilings by collusive transfers or sale when the government embarked on the land reforms.

There are also pressing issues associated with market-led land reforms which failed to benefit the landless and poor peasants. The brief experience of Nepal illustrates this. Nepal initiated market-led land reforms by introducing the concept of land banks. The World Bank supported this initiative to encourage voluntary land transactions, hoping, at least in principle that willing sellers and willing buyers would negotiate in such a way that land would reach the hands of the most efficient farmers. However, this reform failed even to take root in Nepal because of the reluctance of landowners to sell their land for cultural and economic reasons (Adhikari 2008; Sharma et al. 2013). On the part of buyers, while the landless and tenants seemed interested in buying land, they were unable to afford it since land prices have surged in the last few decades, as we saw earlier. Interviews with tenants also revealed that due to the fear of going
bankrupt they wished to avoid borrowing money from banks given that farming remains unprofitable due to the rising costs of production which we will see in the next chapter.

In this section, I have explored the links between rural poverty and access to land. I now discuss how changing rural people’s access to forests shapes poverty dynamics in Panchayan.

**Access to forests**

In contrast to much of the agrarian literature, here I consider the role of forests in poverty reduction, recognising that agriculture, forests and rural livelihoods are closely interlaced. The poor and landless consider forests an important source of livelihoods apart from agricultural land. In the northern part of Panchayan village, one could see large blocks of natural forests. While forests provided numerous economic and ecological benefits, such benefits did not reach different rural households equally. Interviews revealed that in the past, local elites (mainly landowners) used to control forests. Although poor people converted forest lands into agricultural lands, local elites owned the land, leaving the poor landless.

Accessing forests in Panchayan was not difficult until two decades ago. Although the government had put laws and controls in place, rural people readily collected forest products such as firewood, timber and grasses, or grazed their livestock. The government took control over the management of forests across the country during the 1960s. Due to local resistance and the limited number of government officials, de jure government control turned out to be de facto open access (Malla 2001). The village well-off benefited more by extracting timber, resulting in the tragedy of the forests. Interviews with the poor indicated that they also enjoyed relatively comfortable access to forests. However, they lacked, unlike the local rich, strong social networks with forestry officials and market brokers to exploit forests commercially.

In the late 1970s, the Nepali government introduced a participatory forestry programme called community forestry. This policy emerged in response to the failure of the government forest authorities to protect and manage forests across the country. The degradation of the Hill region in Nepal triggered the unprecedented international attention of scholars and development agencies (Malla 2001). Another driver for this policy reform was a wider recognition of the role of forestry for people’s livelihoods. The government first implemented the community forestry programme in the Hills of the country. Under this programme, the government facilitates the formation of a group of local people for managing a particular area of local forests. This model of common pool resource management became popular in the Hills for restoring degraded forestlands through plantation or natural regeneration (Pokharel et al. 2007). It took some time for government authorities to scale out this programme in the Tarai region where commercially valuable forests can be found. Forest governance in the Tarai is a highly contested terrain because of high population density and
diverse ethnic and Madhesi inhabitants (Ojha et al. 2009; Satyal Pravat and Humphreys 2013). In Panchayan, as a Tarai village, the community forestry programme came into effect in the late 1990s. A Community Forest User Group was formed in Panchayan in 2001 with the objective of conserving forests and providing benefits to local communities.

Following the implementation of community forestry, many success stories could be found in terms of improving forest cover, controlling forest encroachment and increasing numbers of wildlife (Pokharel et al. 2007). However, access to forests was regulated through ‘community rules’ and such rules have become the sources of inequity. Interviews with poor people emphasised the importance of firewood as a source of household energy. Household surveys confirmed that all poor households used firewood as a source of energy. They did not have their own private land or private forests to meet their demands for firewood. Nor could they use LPG (cooking gas) as a source of energy because it was beyond their purchasing power. Their houses were not connected to electricity. They also collected firewood to sell in the local towns as a source of income which could be used to buy food. Similarly, they grazed their cattle and goats in the forests in addition to collecting fodder and grasses for stall feeding their livestock.

The introduction of community forestry, however, created processes of enclosure restricting poor people’s access to forests. According to the “community rules”, forests were open to users twice a year for collecting forest products such as firewood, grasses and fodder. In each time period, the forest was kept open for just a week. The regulation allowed only one person from a household to access forests for collecting firewood and fodder. Interviews revealed that for the poor, firewood collected during one week was inadequate until the next round of forest opening. In the focus group discussion, poorer households expressed that they could not access forests in the specified period because of prior work commitments in several instances. They were also not allowed to graze their livestock in the forests since grazing was fully prohibited.

These rules are contrary to the objective of the community forest user group, which aimed to help the poor to improve their livelihoods. None of the poor households interviewed benefited from such pro-poor programs except Taramaya Tamang who was employed as a forest guard. The community rule states that the poor can receive timber at discounted rates. But no poor households used timber because they were too poor to afford the costs of harvesting trees and sawing wood. They said that timber was not of any use for them because they could hardly invest in constructing new houses. Because the price of timber was set well below the market price, rather well-off households benefited from discount priced timber. The market price of Sal (Shorea robusta) timber was NPR 5,000 ($55.56) per cubic foot but elite members purchased at NPR 230 ($2.56) from community forests.

In addition, the forest management plan stayed silent on relaxing community rules to consider immediate needs of the poor such as firewood and fodder. Despite the rules and fines in place, some poor people said that they grazed
their cattle and goats and collected firewood, breaching the rules. The poor people interviewed discussed several cases of punishment they faced for illegal collection of firewood and fodder. Fulana, a poor woman, shared her grievances:

We do not have our own land to produce food. Nor do we have any jagir [job]. My husband suffers from chronic illness and my kids are all small. To feed my family, I do jan buni [labouring] and collect firewood to sell it at Kanchhi Chowk [a small local town]. In the past it was easy for us to go to forests and sell firewood. Now ban heralu [forest guards] take our khukuri [knife for chopping branches] and threaten us not to steal firewood when they encounter us during their gasti [patrolling]. They call us chor [thief].

To sum up, community forestry has created conditions that have not only restricted poor people’s access to forests but also criminalised their usual acts of collecting forest products for their livelihoods. The outcome of improved forest conditions was achieved at the cost of the poor, creating a layer of enclosure for the poor. It suggests that poorer households in Panchayan remained disadvantaged despite the promised pro-poor outcomes of community forestry.

**Conclusion**

This chapter has suggested that land has been not merely an agrarian asset – linked to food and farming – for rural people. It has rather been an important rural asset that underpins social status, power, economy, and the symbolic status of rural households. As Rigg (2001) puts it, land is ‘more than the soil.’ Access to land, either through ownership or tenancy, has been an important means of poverty reduction. As we saw, almost all households that escaped poverty had their own land or leased land for sharecropping. As some 80 per cent of them held land large enough to produce food for self-sufficiency, land was also important for better-off households to maintain their status. Given their access to land, even households, which failed to escape poverty, prevented further impoverishment. The landless or those who failed to gain access to land remained poor.

Ensuring continuous access to food, at least rice, has remained a main priority of Panchayan people. Most of them cultivated their own land or others’ land to produce food for self-consumption. The landless could not experience the many positive effects that the landowning households experienced. Their prospects for progress did not take a smooth course given that poor households’ expenses consumed most of their daily earnings. Even a few better-off households at some point have seen their livelihoods seriously deteriorated when they faced a crisis due to a lack of land as a safety net. The ways that land contributes to the livelihoods of rural households go beyond food production and economic benefits. One feels pride in owning land, as many rural people echoed in Panchayan village. Land also influenced the establishment of and
nurtured kinship relations and marriages. Children’s health and education became less achievable for landless households given that they concentrated on securing two square meals a day, increasing the probability of inter-generational poverty and marginalisation.

Findings from Panchayan concur with what Ferguson (2013, 1) argues – that rural people do ‘things’ with land, not just farming. In a sentence, access to land and forests can be a springboard for the rural poor for their economic and social advancement. However, as we saw, following the introduction of community forestry, the rural poor witnessed strong enclosure and reduced access to forests. To put these findings in a broader perspective, many scholars claim that land is no longer important for addressing rural poverty. Rigg (2006, 194) argues that ‘Land has lost its strategic role for these [rural] households and instead it is other factors and capabilities which come into play: education, skills and networks, for example.’ Based on the findings presented in this chapter, I argue that while access to land is not a sufficient condition for poverty reduction, in many cases it has facilitated poor people’s movement out of poverty in multiple ways, ranging from providing space for housing to supporting foreign migration. Even currently well-off households in the rural area paved their way out of poverty through land-based livelihoods, at least at some point in the past. Regarding the claim of scholars that young people are no longer interested in accessing land (Leavy and Hossain 2014; Sumberg et al. 2012), this chapter lends support to this argument. However, this chapter also nuances this argument by revealing socially differentiated perceptions of land across economic status and castes. While the youth from better-off households considered the importance of land in terms of heritage or cultural value, those from poorer households continue to attach high importance to land for its multiple functions including housing, food, and social status mentioned earlier.

This chapter also explored processes of accumulation of land and dispossession in a rural context. While we see strong links between land and rural livelihoods, contradictory processes are unfolding which facilitate access to land by some poor people even as an increasing number of the poor face the effects of dispossession from land. As we saw, historical processes of land titling and land reforms generated unequal outcomes favouring upper castes and well-off people. This led to perverse effects, including dispossession from land, particularly for poor peasants, Dalits and ethnic groups. The impacts of past injustice still dot the livelihoods of the latter in Panchayan who, as elsewhere in Nepal, have remained poor and landless (Adhikari and Dhungana 2013; Bhandari 2006; Wily et al. 2008).

The continued importance of land for poverty reduction, the historical injustice in land distribution and recent dispossession of the poor provide strong support for the need for transformative reforms. The case of Panchayan is not an exception. At an international level as well, the land-rural poverty nexus has occupied substantial space in policy discourse in recent years (Akram-Lodhi et al. 2007; Akram-Lodhi and Kay 2008; Griffin et al. 2002). Recent processes of commodification of land have created both dispossessory effects and
More than the soil

enclosures – reducing access to land for the rural poor. Land rights movements, led by NGOs, have also failed to generate viable proposals for reforms for the landless and poor peasants. In the context where land frontiers have seemingly closed, options available for poor people to gain access to land are either through purchase or tenancy. The first option is practically unavailable to the poor due to the inflated land price. The remaining option is tenancy including sharecropping. Even this alternative has become less attainable given the increased conversion of land for non-agricultural uses and increased costs of farming. Consequently, many will remain labourers rather than farmers.

In this chapter, I have argued that access to land remains important for the rural poor, providing means to improve their livelihoods. Nevertheless, access to land for farming alone will not provide a sufficient condition for overcoming poverty. In the next chapter, I will show why rural people have failed to find a significant means of exiting poverty through land and agriculture on its own.

Notes

1 A Gini index of 0 indicates perfect equality and 1 perfect inequality.
2 This figure may be slightly lower because landowners do not often report to outsiders if they have leased their land out for sharecropping due to the fear of being labelled *samanti* (feudal).
3 The Rana regime/dynasty was an autocratic familial ruling system (1846–1951). The Ranas took all the power from the kings but retained the existence of monarchy.
4 The Panchayati regime (1960–1990) was a partyless system where the King used to be the key ruler.
5 Sikor and Müller (2009) also identify significant problems on the ground in relation to state-led land reforms in many countries in Africa, Latin America, and Asia.
6 Agrarian reforms may take several forms: redistributive land reform, the distribution of public lands including *ailani* and degraded forest patches to the landless or current occupants, or tenancy reforms.
7 The Forum leads the land rights movement, representing landless farmers and tenants. A national level NGO facilitated the landless and tenants to form this Forum.
8 Lahiff *et al.* (2007) also find similar critical issues regarding market-led agrarian reform in other contexts.