REGIONAL DEVELOPMENT AND DISPOSSESSION: SOME EXPERIENCES ON LAND ACQUISITION IN INDIA

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For an economy like India where agricultural land is the primary base of livelihood for land-dependent people in rural areas, land acquisition by the state for development without prior informed consent of the people-to-be-affected leads to displacement and dispossession of land-dependent people. Although land acquisition is justified under the 1894 Land Acquisition Act enacted by the British Parliament during the colonial period which legitimizes land acquisition by the state for ‘public purposes’, and the affected people are paid compensation by the state, the process causes immeasurable misery of the people abruptly dispossessed of their meagre means of production and base of livelihood. This paper focuses on some recent experiences of land acquisition by the state for industrialization in India, examines the role of the state vis-a-vis public response in this context, and suggests measures to be adopted in the process of land acquisition for industrialization.

Second half of the previous century has witnessed a Darwinian race for development between the post-Second World War decolonized countries, which has intensified in the first decade of the current century. Mainstream economic policy making during this period has distilled down the concept of development to mean extension of the production-cum-consumption frontier of the economy through greater and faster conversion of natural resources. In the scheme of things, transforming the economy from being agriculture-based to being industry-based became the sine qua non of development. This evolution aims at lessening dependence on the natural production process productive capacity of land and minimizing the risk of remaining nature-dependent by shifting to an invention-innovation guided production of goods in a scale and order that opens up the path for industrialization. The essence of industrialization is the application of advanced technologies to increase human productivity, diminish the limitations imposed by nature, and raise standards of living (Magill, 1997, Vol. I, p. 721). The origin of industrialization is located in prehistory but the fundamental changes associated with industrialization are usually derived from the industrial revolution in the United Kingdom (UK) that began in the late 18th century and subsequently had a spatial spread both within nations and internationally (Deane, 1984). In addition, for geographically large and diverse countries, the industrialisation process has significant bearing on the issue of balanced regional development. Since agricultural development can only support economic growth only up to a certain level, it becomes crucial for agriculturally flourishing regions to start a gradual shift to industries to maintain its growth. On the other hand, regions that are handicapped by natural factors and do not have a thriving agro sector looks at industrialisation as the only ray of hope. However, setting up of industries needs land, often in large scale, and the society has to make a conscious decision regarding changing the use/purpose

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of land at its disposal. Since a trade-off between the existing and the proposed is involved, almost all industrialisation process and associated land diversion requires state intervention – land has to be acquired by the state, because such land-to-be-acquired would be large by area and the impact of acquisition would be multiple, unequal, and long-term. During the half-a-century prior to the First World War, more than 50 million people had to leave Europe for the US, Canada, Australia, New Zealand, South Africa, Argentina, and Brazil for resettlement after being displaced from the agricultural sector. The displacement was a reflection of pushing out land-dependent people from ‘land scarce’ Europe (Nayyar, 2002, p. 145). Post-1917 revolution in Russia that went for planned industrialization led to large scale eviction of peasants from land who were put to uses in industries, mines, hydroelectric projects, collective farms (kolkhozy), and state farms (sovkhozy). In Japan, the path of industrialization based on the Post-Meiji restorations in 1868 led to end of feudalism there by reducing the proportion of people dependent on agriculture and land (Magill, 1997, p. 723-724). The percentage of population working on land gradually declined not only in the UK and the US but also in Japan and China, particularly since the days of the first industrial revolution in the UK. Around 1600 AD 2.76 per cent of the total land was enclosed and 50,000 persons out of a total population of around four millions were evicted in the UK. In China since the 1950s around ten-million people have been displaced due to hydraulic and hydroelectric projects alone (Sarkar, 2007, p. 1436). While any path of development will have unequal consequences for people located at different layers of the society, the process of industrialisation is being increasingly seen in developing countries as a fight between the traditional knowledge based agricultural population and the new emerging educated youth, with the state taking the side of the latter in most cases. As a result a large group of people are dispossessed from their existing livelihood while new avenues of livelihood open up for another group. The sufferings of the former are often taken to be the cost of development – a sacrifice necessary for the greater good of the society. In the process it is often conveniently forgotten that the development process entails sacrifice by these people and the society should devise means to minimise such costs and compensate for the dispossession that follows. At the same time, too many projects in India are stuck up in land related disputes and unless they can be resolved soonest regional disparities between the developed and lagging regions will rise. To ease such difficulties, one must understand the nuances of land acquisition and suggest measures so that the process becomes more humane.

This paper narrates the nature of dispossession for development, the dispossession that follows from the displacement of people that, in turn, follows the acquisition of land by the state for industrialization. We have cited a few examples of land acquisition of the recent past for industrialization in India in this paper. The rest of the paper is structured into the following sections. In Section III we analyze dispossession of people dependent on land because of acquisition of agricultural land for industrialization in India. In Section IV we present the law on land acquisition in India and the role of the state and public response in that context. Finally, in Section V we suggest measures in land acquisition for industrialization.

PHILOSOPHY OF INDUSTRIALISATION IN INDIA
The economic policy of the Government of India for industrialization was based both on technological advancement and the Lewisian conjecture of absorption of labour in industries that would have been released from agriculture because of the technological advancement. Both these
had to go parallel to an emerging production relation weighted in favour of the controllers of capital. In the international context, though the economy of India politically pledged to maintain equidistance from both the US and the USSR in the post-Second World War bipolar world, yet India followed the path of USSR-type planned industrialization since she floated the Second Five-Year Plan. The structure of the economy, however, remained the US-type capitalistic with privilege of private property. While aiming at strengthening the state-cum-national economy, industrialization also provided the space for the wage-workers to get united as a class to come out from the local economy based inertia and start realizing their own strength (Plum, 1977, p. 68). Industrialization in fact breaks isolation by tying localities by investment-production-employment chain. In India, modern industry was supposed to eradicate the hereditary divisions of labour based on the rigid caste system and hence wipe out the impediments to growth and development. Industrialization in India was considered as a step forward in breaking the ‘self-sufficient inertia of the villages’ (Marx, 2006).

In India, the percentage of population working on land remained more or less unchanged with absolute number rising during the post-independence sixty-five years. Its agriculture is characterized by a monotonically declining land-man ratio. During the early decades of planning, the Indian economy went for setting up of capital-intensive industries remote from the final consumption point of the people living at the bottom of the economic ladder and imported technology for production of goods for the economic elite that left little scope for employment of labourers that could have been released from agriculture. The inherited industrially irrelevant skill of the workers generally attached to land prolonged the limited role of industries for employment of the labourers releasable from land.

Development became production-centered by transformation of natural resources following collective collection-cum-consumption by human beings who lived as natural members of the world since pre-historic time. The forest-based living did not resist the emerging agriculture mode of living, and subsequent development of industries. Since the scope for agriculture is limited by the size and type of land, the question arose about setting up of industries by location and time. As opposed to limited flexibility in locating agricultural practices, industrial set up has higher flexibility by its location and change. Generally industrialization is based on the availability of raw materials and physical infrastructure, market size-cum-access, transport and communication, cluster of firms for externality advantages and inter-industry linkages. Annihilation of agricultural land is a corollary. In parallel, with the urban boundaries expanding to grab rural areas that circumscribe cities, agricultural land shrinks by area.

**DISPOSSESSION FOR INDUSTRIALIZATION IN INDIA**

Countries like India late on the trajectory of independent industrialization relative to the path traversed by the countries called industrialized today face several economic problems due to the falling carrying capacity of land. The size and rate of growth of population show declining land-man ratio in agriculture that is aggravated by service sector-led urbanization and annexation of agricultural land for non-agricultural purposes. The falling carrying capacity of land asks for reducing population to remain dependent on land. Contrary to ‘natural reduction’, what has been happening is ‘forced reduction’ of population dependent on land by two ways, one, displacement from land for exogenous reasons like war, partition, drought, flood, landslide, cyclone, and
earthquake, and two, the state-sponsored shift empowered by the 1894 Land Acquisition Act formulated and implemented during the colonial rule. This Act empowers the Government to acquire any land from private hands for public purposes decided by the state (GOI, The Land Acquisition Act, 1894). Land acquisition actually implies acquisition of a physical area that covers cultivable soil area, plus trees and plants, water bodies, residential buildings, animal sheds and many other assets that ‘land by area and volume’ carry.

In the state-led development paradigm, since independence, the state has been executing a ‘top down’ approach for development projects that displaced people by land acquisition. Looking at the scenario by states in India, Orissa used 40,000 hectares of land for industry between 1951 and 1995; West Bengal used two million hectares of land between 1947 and 2000 for industry. The private corporate sector, often in collaboration with the Transnational Corporations, has been targeting the mining land and hills in the states of Orissa, Jharkhand, and Chhattisgarh in India. For example, Posco, the South Korean steel company, had signed a MoU with the Government of Orissa in 2005 to set up a plant near Paradip port in Orissa’s Jagatsinghpur district that would produce 12 million tonnes of steel per annum. The Government of Orissa on July 09, 2010 announced a Rs. 70-crore rehabilitation package for a population of 3,000 to-be-displaced by land acquisition (Hindustan Times, Aug. 31, Lucknow, India, July 10, 2010). Mostly the mineral-rich and land-abundant less industrialized states are being targeted for acquisition of land and extraction of resources. Vedanta Aluminium’s proposal to mine bauxite in the Niyamgiri Hills in Orissa that is destined to oust the local tribal people violated forest and environment laws, as reported by the National Advisory Council (The Hindu, Chennai, India, Aug. 24, 2010, p. 1). Construction of dams to feed drought-prone areas, of which the Narmada Dam Project is notoriously known for the disputes around the Narmada River that flows into the Arabian Sea after passing through the states of Madhya Pradesh, Gujarat, and Maharashtra, led to displacement of people. The acquisition is not only for public sector units but also for private sector units like Reliance, ESSAR, Jaypee for both power generation and mining that inescapably displace people (Sharma and Singh, 2009, p. 62, 64-66).

The population displaced post-partition of British India is a matter of conjecture by mostly remaining unrecorded. Of the available estimates, development projects like dams and canals displaced most (Fernandes and Rao, 1989). Displacement by Notification and payment of cash compensation does not make it voluntary. This is for many reasons. One is that the displaceable people living at the bottom of the economic ladder hardly understand the intricacies of laws. The other is that many of them do not have land rights in paper. They are neither made part of the decision-making processes ex-ante nor do they have the capacity to negotiate vis-a-vis the section having power to manoeuvre. These people-to-be-displaced are the consequence of development who were earlier thought of as the cause of underdevelopment.

Land was never thought to be a factor of production in industry, either because land was abundant in supply relative to what was required or because the required land area was insignificant relative to the available land area of any particular economy. However, after a point, the scarcity-value or ‘unearned increment’ of land rises because of, among others, the requirement of land for setting up or extension of industries (Kitay, 1985, p. 107). This takes two forms – first, near the market-cum-urban areas, and second, by selection of mining areas, forests, and hills. The proximity to market-cum-physical infrastructure for location of industries means people settled by housing and land-
based occupations are displaced. The immediate consequence is similar – the displacement of the people living in the villages adjacent to the urban areas, and the displacement of the people living in the forests and hills remote from the urban areas.

While landowners get compensation by giving up land in the process of acquisition by the state, landless people are ineligible for compensation and miss the opportunity to remain engaged as wage-workers. The landless people dependent mainly on Common Property Resources (CPRs) are outside the purview of compensation of any type. One of the major reasons why people remain rooted in rural region in India is CPRs for livelihood. Access to and uses of CPRs in India are delinked from ‘property rights’. Since CPRs belong to none, the individual fails to be compensated for loss of access to CPRs following land acquisition.

The immediate victims in land acquisition are the people living at the bottom of the socio-economic ladder who continue to practice socially inherited caste-cum-gender division of labour that fails to break the ‘local trap’. These people remain displaceable and are displaced by execution of state-led development projects. Development, thus, occurs by capital accumulation for A and dispossession of physical means of production for B. In the context of land acquisition, following section 38A, Land Acquisition Act 1894, land can be acquired for a private limited company for the purposes of developing dwelling houses for its workers and for the provision of related facilities (Lobo and Kumar, 2009, p. 105). As a consequence of long-term stagnation at the bottommost level of the economy, B fails to develop the capacity to be a partner in the decision-making processes of development projects planned by A. This failure gets prolonged for the multiple boundaries erected against B by obstructive education, power language (English by colonial inheritance), caste, community, height-weight-colour of the person, gender, access to institutions, and the domain of privileges. The additional factors that prolong the vulnerability of B are ignorance, immobility and tradition-custom-belief. B remains confined to a traditional society as fait accompli. As a corollary, B fails to foresee changes. In the same process often B symbolizes anti-development. What B fails to communicate is an unequal impact of development planning executed by the state that goes decidedly against it; it benefits the already privileged A by the power of the purse, education and free walk on the corridors of power; it goes against B who are rooted, tradition-bound, and localized. Development (accumulation) of A and displacement (dispossession) of B go together.

During Kautilya’s era, ‘All land in the country not specifically owned by an individual was state property’ (Rangarajan, 1992, p. 73). The owner of land would cease to remain as owner if he disappeared or died without heirs, so that the state (king) became the owner of that property. The state, thus, had a natural endowment of land resources. In addition to this being valid today, the state may adopt one or a combination of the techniques for land acquisition from private hands (Table 1).

Bhoodan, and subsequently Gramdan, were methods of collecting land through private initiatives in India for distribution among the landless agricultural labourers. This was a response to the radical peasant riots in Telengana region in Andhra Pradesh in India and went parallel to the non-legitimized path like ‘Land Grab’ practiced by the political radicals in India since early independence (Nanekar & Khandewale, 1973, p. 2, 8, 27-28). In parallel, abolition of Zamindary
system in India immediately after independence and other land reform measures led to state-
accumulation of ‘surplus private land’ for re-distribution.

Table 1

<table>
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<tr>
<th>Sl. No.</th>
<th>Techniques</th>
<th>Purpose/Example/Country</th>
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<tbody>
<tr>
<td>1</td>
<td>Gift &amp; Donations</td>
<td>Bhoodan (Land Gift)/Gramdan (Village Gift) (India)</td>
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<tr>
<td>2</td>
<td>Voluntary Bargain &amp; Sale</td>
<td>Allowing Price Mechanism to Operate in Land Market</td>
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<td>3</td>
<td>Barter</td>
<td>Land for Land</td>
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<td>4</td>
<td>Leasehold</td>
<td>For Specific Purposes, Short to Medium Period, Extendable</td>
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<tr>
<td>5</td>
<td>Nationalization</td>
<td>State Ownership &amp; Control over Land</td>
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<tr>
<td>6</td>
<td>Confiscation</td>
<td>Coercive State Policy in Urgency to Take Away Land</td>
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<tr>
<td>7</td>
<td>Compulsory Acquisition</td>
<td>State Control over Land for Public Purposes, based on Payment of Compensation (India)</td>
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Land acquisition by the state depends on the urgency and purpose, like military needs, or refugee re-settlement. Public response, immediate or delayed, may also lead to multiple methods followed by the state. The methods may differ across regions within the same economy. In case of the first two techniques, direct state intervention was not required. However, donations and voluntary exchange may fail in a land-scarce country and in a country where livelihood is mainly land-dependent or where aristocracy is defined by possession of land. The credible threat of compulsory land acquisition, as in India, hence may work even to make voluntary exchange a success. The political system also is responsible for adoption of particular techniques, like confiscation and nationalization may be remote possibilities in a system characterised by Parliamentary Democracy, as in India.

We cite here three examples of actual and attempted land acquisition in India, two for National Thermal Power Corporation (NTPC) representing the public sector and one for Reliance Energy Limited in the private sector, all for generation of electricity.

Case I: Meja, District Allahabad, Uttar Pradesh: A Case of Completed Acquisition

The NTPC Ltd. and Uttar Pradesh Rajya Vidyut Nigam Ltd. on 22nd November, 2007 signed a Memorandum of Understanding (MoU) to set up a thermal power plant of 1,320 MW under the name, Meja Urja Nigam Private Ltd. (MUNPL), at Kohrarghat of Meja tehsil in Allahabad District of east UP. The Government of UP acquired a total land area of 2500 acres for setting up the plant covering seven villages partially, namely, Kohrar, Bhagdeva, Esauta, Mai Khurd, Salaiya Kala, Salaiya Khurd, and Patai Dandi that reportedly affected the livelihood of 469 settled households. The adverse impact by displacement was felt by social disintegration. The economic loss was felt by landlessness, shelterlessness, loss of non-land productive assets like wells, fruit trees and timber trees. Lost self-production led to loss of food security. Loss of CPR like common grazing land led to loss of food, fuel and fodder. Non-uses and insecurity of domestic animals was a corollary. The worst hit were the stone quarry workers, landless both pre-and post-acquisition, who remained ineligible for compensation and suffered joblessness post-acquisition. The loss of Common Property Resources (CPRs) remains unaddressed perhaps because it is owned by no single individual.
Most of the project-affected persons (PAPs) received compensation. The major reasons for pending or delayed payment of compensation were court cases, ‘speed money’ asked by the officials of District Land Acquisition Office, disputes related to canal, outstanding bank loans of the displaced persons, errors in name written on the bank cheque book, objections raised by the displaced person against the meagre compensation money offered, disputes between Treasury and Special Land Acquisition Officer (SLAO), official apathy, family disputes, and expiry of validity by date shown on the bank cheque book.

Most of the project-affected households were rehabilitated by caste-cluster type housing. For example, the Mallahs (fishermen households) along with a few Mushahars (pig-rearing community) have been rehabilitated at Nai Basti in Jhariyahi, from their past settlement at Amhwa at Mai Khurd. The Jadavs (cattle-rearing community) have been rehabilitated at Nai Basti, Jadav Nagar, Koyaltara having a dry canal. However, the approach road to new location has remained non-motorable. No provision has been made for rehabilitation of domestic animals in the new settlement for absence of animal shed and absence of grazing land. The original inhabitants initially expressed hostility to the resettlement of displaced persons, but following the intervention of police, harmony was restored. Access to elementary education has remained undisturbed at the new location because of the proximity to the same school where the children had been enrolled earlier before displacement. The resettled women face problems in absence of proper public space for sanitation. The households displaced by land acquisition expect to be employed by the MUNPL (Majumder, 2010, 2011).

**Case II: Dadri, Ghaziabad District, UP: A Case of Aborted Acquisition**

To set up a 3500 MW gas-based power plant in Dadri region in Ghaziabad district in west UP, the Government of UP acquired about 1,011 hectares of land in 2004 in seven villages for Reliance Energy Generation Ltd. (REGL). The villages were Dehra, Jadopur, Bajhera Khurd, Kakrana, and Dhaulana. The other two affected villages, namely, Nandlalpur and Baharmandpur, were uninhabited. Most of the land acquired was under multi-cropping. The major assets covered in land acquisition were canals, ponds and wells. On July 13, 2007 the Government of India gave environmental clearance to the project.

Land acquisition in Dadri could have led to displacement of large number of settled families. The rate of compensation was fixed at Rs. 150 per sq. yard that was more than the market rate prevailing there before land acquisition. The market rate immediately after land acquisition was Rs. 300 per sq. yard at the minimum and Rs. 400 per sq. yard at the maximum. The rate of compensation offered was twelve times the annual output value calculated at the-then current market price.

The farmers formed an association called Maharana Pratap Sangram Sangharsh Samiti to protest against the acquisition and claimed a compensation of Rs. 500 per sq. yard. On 30th December, 2006 Reliance Energy Ltd. decided to start the construction work by applying the ‘Urgency Clause’ of 1894 Act. Following continuous protests since 2004 against low rate of compensation, and based on the magnitude of loss of fertile agricultural land, the Allahabad High Court on 4th December 2009, cancelled the acquisition, quashing of urgency powers to acquire land exercised by the-then Government. It passed order acting on writ petitions filed by the farmers and the former Prime Minister, late Mr. V.P. Singh, claiming that the petitioners were forced to sign on
documents and accept the meagre compensation offered by the Collector. The Court said that the farmers had the option to refund the compensation received (Majumder, 2007).

Case III: Tanda, District Ambedkar Nagar, UP: A Case of Peoples’ Struggle

Set up in 1980-81 by the UP State Electricity Board (UPSEB), Government of UP, the power plant was transferred on 15th January 2000 to NTPC Ltd. with a capacity of 440 MW. Geographic area of the plant remained the same since it was set up. In 2009 the NTPC, Tanda thought of its expansion by acquisition of land from adjoining nine villages, namely, Samariya, Husainpur, Sudhana, Salarpur Rajpur, Keshopur Pachpokhra, Hasimpur, Sarifpur, Kakrahi, Ashopur, Ladanpur. The argument for acquisition was based on ‘capacity expansion-cum-cost minimization’ for the NTPC, Tanda. The people settled in the selected villages since last two decades to-be-affected for acquisition had been victims of repetitive displacement in different locations. Initially the small and marginal farmers having no productive assets and those whose cultivable land is being adversely affected by dumping of fly ash by the power plant expressed their willingness to give up land in exchange of compensation. Some of the households with double settlement, housing at a long distance from the identified land to be acquired and socially oppressed households expressed consent to give up land. Representatives of Gram Panchayats were silent on the issue. Subsequently, the agitation against land acquisition for construction of Expressway in Agra-Mathura region in west UP showed the path for mass mobilization of affected people against land acquisition in Tanda. The potential victims by mid-2010 became adamant not to give up land. An organization called ‘Kisan Mazdoor Sava Samity’ has come into action against land acquisition in the targeted villages. There is virtual curfew declared by the displaceable people in some of the targeted villages where the NTPC officials and the state authorities do not dare to enter. The farmers unanimously expressed their dissent against the land acquisition. The farmers alleged that the NTPC officials supported by the district administration were misguiding the farmers in order to appropriate the land. The process of land acquisition for NTPC for expansion of its power plant is gradually converting into a noose around the neck of the administration. The state is, however, in the process of negotiating the rate of compensation and has applied its ‘Urgency Clause’ through Notification to acquire land. The rate of compensation-to-be-fixed is being influenced by demonstration effect from recent land acquisition-cum-compensation from affluent regions in the state (Majumder, 2010, 2011).

In case of land acquisition in Meja, the shock was minimal because of the perceived positive net benefits from giving up land - the barren nature of land given up, the low population density and the revealed aspiration of the PAPs to get physical infrastructure like concrete roads and electricity, and possibility to be employed in industry. In case of Dadri, the PAPs initially failed to understand the gravity of the situation, and once understood took support from polity and subsequently Judiciary to get rid of giving up land. In case of Tanda, the protest against land acquisition is on.

LAW ON LAND ACQUISITION IN INDIA: ROLE OF THE STATE AND PUBLIC RESPONSE

Article 31 Section A of the Constitution of India (Compulsory Acquisition of Property) empowers the State to acquire land based on payment of compensation at a rate which shall not be less than the market value prevailing (The Constitution of India, p. 14). Nearly after a century, the first
Land Acquisition Act 1894 was comprehensively amended in 1984. The Conference of the Revenue Secretaries of states followed in July 1989 that endorsed the major provisions of the 1984 amendment. The Draft National Policy for Rehabilitation of Persons (1996) of the Ministry of Rural Development, GOI, acknowledged that cash compensation was not an acceptable proposition for most of the tribal people who inhabit in the remote and backward regions full of mineral resources like coal, iron ore, and manganese reserves (Report, 1996). While tribal people constitute 8.08 per cent of India’s total population, they constitute more than 40.0 per cent of the project affected population (PAP); another 22.0 per cent of the PAPs are dalits, and the rest, including the above, are rural poor (Lobo and Kumar, 2009, p.9). After a decade, the GOI approved the National Policy on Rehabilitation and Resettlement, 2007, replacing the earlier National Policy on Resettlement and Rehabilitation for Project Affected Families, 2003 (Chakrabarty and Dhar, 2010, p. 4).

The Government of India introduced The Land Acquisition (Amendment) Bill, 2007 in the Lok Sabha (Lower House of Indian Parliament) on 30th November 2007 that was a Bill ‘further to amend the Land Acquisition Act, 1894’ (Source: Bill No. 97 of 2007, Lok Sabha). Once passed, it will be called the Land Acquisition (Amendment) Act, 2007.

The Bill, 2007, acknowledged that the acquisition of land would lead to displacement of people, deprive them of their livelihood and shelter, restrict their access to their traditional resource base, and uproot them from their socio-cultural environment. Land acquisition would have traumatic psychological and socio-cultural consequences for the affected population, which call for protecting their rights, including those of the weaker sections of the society, particularly tribal people, and tenants. Following the Bill 2007, ‘public purpose’ restricts ‘the scope of land acquisition under the Act to provision of land for strategic purposes relating to naval, military and air force works or any other work vital to the state, and for infrastructure projects like generation, transmission or supply of electricity, construction of roads, highways, bridges, airports, ports, rail systems or mining activities, water supply project, irrigation project, sanitation and sewerage system, any other public facility as may be notified in this regard by the Central Government in the Official Gazette’ where the benefits accrue to the general public. The expression “person interested” in the Act (1894) is proposed to be expanded in the new Act (2007) ‘to include tribals and other traditional forest dwellers, who have lost any traditional rights recognized under the Scheduled Tribes and Other Traditional Forest Dwellers (Recognition of Forest Rights) Act, 2006 and expanded to include ‘persons having tenancy rights’ under the relevant State laws.

The Bill, 2007, pledged to make the process of land acquisition transparent through Notification in the Official Gazette and in two daily newspapers in circulation in that locality. The Bill says that the appropriate Government shall, for the purpose of providing speedy disposal of disputes relating to land acquisition, set up, by notification in the Official Gazette, the Land Acquisition Compensation Disputes Settlement Authority. The Bill mentions that the Collector of the concerned District, ascertain the intended land use before acquisition and take into account the value of the land of the intended category in the adjoining areas, for the purpose of determination of the market value of the land being acquired.

The determination of market value of land to-be-acquired is pledged to include ‘the market value of the buildings and other immovable property or assets attached to the land or building which are
to be acquired’, ‘the value of trees and plants’, and ‘the value of the standing crops damaged during the process of land acquisition proceedings’. The Collector has to ensure that physical possession of the land is taken over and the amount of compensation is paid within a period of sixty days commencing from the date of the award.

Following the proposed Act 2007, the state (of India) owns the responsibility of land acquisition for which the catalyst is the District Collector and the Disputes Settlement body is the Court. The role of the Judiciary is limited by the guidelines provided by the proposed Act. By regulating market value of land for ‘the compulsory nature of the acquisition’, by guiding the Judiciary in determining compensation, the state aims to execute the development model that it perceives fit for the country.

A CRITIQUE OF STATE DETERMINISM

The catalyst in land acquisition is the state in India. The ‘person interested’ in the context of land acquisition includes all those going to be affected by land acquisition of a particular zone. De facto, the ‘person interested’ is the tribal people, the original settlers on land who generally do not possess any land records, the small and marginal farmers, the tenants and sharecroppers, the settled and migrant agricultural wage-workers, and the women workers for collection of food-fuel-fodder from the CPRs. These ‘interested’ persons generally do not express their interests. While the migrant agricultural workers, as an example of rural to rural migration, are disempowered by not daring to ask the District Collector for payment of any compensation when his employer’s plot of land is lost by acquisition for purposes other than agriculture, the employer by being a small farmer is disempowered by standing on the queue to receive compensation, the time distance between acquisition and compensation being sixty days. A span of sixty days is too long for the small and marginal farmers who are now robbed off their means of production. The compulsion imposed on them is that they need to stay in the rural areas where they were to receive the compensation. It is a different question what economic activity they could have been absorbed into had they immediately migrated to some other region. It is beyond the capacity of tribal people and dalits, unless politically mobilized, to raise voice for a compensation equal to 30.0 per cent mark up of prevailing market rate. Eviction from CPRs is non-questionable - CPRs belong to ‘all or none’ if it exists at all post-acquisition. The small and marginal farmers may feel shaky to move the Court and remain content with whatever cash compensation they are offered. Judiciary by its cobweb nature may itself be a trap for them. Fear factor works for the holders of petty property lest it is also lost in the process of bargaining and negotiating with the administrative authority. ‘Public purpose’ incorporated and interpreted by the state either gets camouflaged by ‘silence of the displaced’ or manifests itself in public response to land acquisition by protest. While silence of the displaced’ ensures easy implementation of the project by fixing the rate of money compensation, protest is not prolonged in absence of political mobilization. The trade-off between the interests of the lightweight large public and the heavyweight few elite is weighted in favour of the latter.

For launching projects in cities, the state aims for vertical measures like constructing flyovers for surface transport, tunnels underground for metro rail and tube rail so that buildings and other assets possessed by the urbane civil society, both public and private, are not affected; however, in rural areas the state plans horizontal expansion by acquisition of private and collective cultivable
land and hence eviction of vulnerable people. It is arguable that the state historically followed similar measures for conversion of rural areas into urban areas in India and abroad. But the time of 21st century by the role of civil society by public response is sharply different from the centuries that preceded it by size and density of population, economic engagement under compulsions, democracy and voice of people. The reaction to displacement is more acute in 2010s because of imminent land-scarcity relative to land area required for rehabilitation. It is understood that any site is not suitable for rehabilitation, like ecologically sensitive zones, reserve forests, desert areas, water bodies, hills, and seismic zones. Rehabilitable land area, thus, is much less than available geographic area at any point of time. Heterogeneous culture between the two, the displacing zone and the rehabilitating zone, complicates the scenario further. Resettlement for the displaced individual or resettlement for the displaced castes/community as a cluster needs to be resolved pre-acquisition. The question of ‘prior informed consent’ thus becomes relevant now that might have been not relevant earlier. Instead of taking measures at the root, the state takes measures that are generally consequential or derivative in nature. The state takes pre-emptive measures by ‘inclusion’ in the safety net of social welfare those who the state threw out of the development trajectory in the first place. Since high growth via industrialization is urgent for trickle down, the state first evicts people from land by its acquisition, makes them expendable and then catches them in the safety net. The objects caught in the net are never asked if they had the right to self-determination in the development map. The map is drawn and guarded by the state.

The displacement by land acquisition destroys the inherited skills or indigenous knowledge of the people, destroys inter-generational social relations shaped over generations what may be called social disintegration, imposes social Darwinism by the state, empowers industrial capitalists by enhancing their unhindered access to natural resources, converts marginal and small landowners into manual labour-based wage workers, expands labour size in informal sector, and imposes forced migration on the displaced people. Fixing rate of cash compensation and paying it to the displaced is a non-substitute of life-saving land for the land-dependent people. Urban-type resettlement does not help the villagers because the domestic animals need common space (CPRs) for grazing. Since village space is horizontal while urban space is vertical, the difference explained by population density, hence urbanization does not help the people accustomed with village mode of living of the recent past. In absence of re-creation of similar village life elsewhere by rehabilitation of the displaced, the villagers feel robbed off their earlier mode of living. Nearby rehabilitation could be the solution but not bankable because of unanticipated further expansion of the industrial plant. The once displaced people remain vulnerable by ‘future’ unanticipated displacement. Extension of the urban boundary by such acquisition subsidizes the better off by assured supply of cheap labour from the ‘newly displaced’ villagers converted urban slum dwellers. Both land and necessary labour, thus, are curved out by land acquisition for the industry-cum-urban economy.

The state represents the ideology of the dominant political society and camouflages it by the declaration of a ‘democratic republic’. The state remains strong internally by imposition of laws it formulates for non-or-restricted access of the original settlers in forests and on land who were the original natural custodians of these resources. Through dispossession of the natural custodians, the state becomes the protector of forests and land. In parallel, the state has a tendency to allow private capital to get utilized to extract natural resources and convert them into commodities for
the mainstream. The sections that are considered not-in-the-mainstream at present constituted the original stream in the past. These constituents of the original stream were the tribal people and the downtrodden who distanced themselves from the institution of private property the possession of which is ensured by ‘excludability’. The sections are now evicted who protected these resources as the life-support system since pre-history not backed by any state laws. By acquisition of land, collective social ownership-cum-use is surrendered – what gets supreme is state authority.

Land carries dual meaning by uses by the people. Land has both precautionary and speculative value apart from immediate exchange value to its holders. For the state, land is a resource for conversion into commodities for growth measured by gross domestic product. In view of the affected people, it is displacement and loss of livelihood. The ultimate decision-maker is the state that calculates the costs and benefits of land acquisition. Even if the outcome of the industrialization initiatives by the state is positive by accelerating growth, the time span between displacement and the final GDP outcome is long and displacement is often repetitive to lead to misery of many. Stagnation or decline of the village economy in India is also put forward as an argument for the dispossession of the village income-poor, which remains questionable (Bannerjee-Guha, 2010, p. 221). In an inter-generational frame, the successors of land may like to move out for a number of reasons like education-linked attractive urban life, and opportunity to be engaged in higher wage earning occupations delinked from land. This is voluntary migration different from displacement that is involuntary in nature.

The fact is that state is not the owner of natural resources. The state can at best be the custodian of natural resources that belong to people. The state as an institution is itself accountable to the nation.

SOME SUGGESTIONS IN LAND ACQUISITION FOR INDUSTRIALIZATION

In the light of the above, we offer the following suggestions in land acquisition for industrialization in India:

- The 1894 Land Acquisition Act should be repealed because it was enacted in the interest of the colonial government.
- The farmers relying on self-production of foodgrains for family consumption should be exempted from giving up land under distress.
- The target for land acquisition by the state has to be the absentee landlords, the land owners with ‘distress-free’ double settlement and the big landowners. The land that remains idle as estate and in fictitious name should be acquired.
- The state has to select barren land far from human settlement for acquisition for industrialization. Accurate measurement of land by area for acquisition is needed to get rid of excess idle land post-acquisition.
- There has to be pre-project participation of people of the going-to-be affected zone as equal partners in the decision-making processes in ‘public interest’.
- Land acquisition for industrial purposes has to minimize deforestation, diminishing water table, emission of gas and other health hazards.
The real resources of a country are land, rivers, mines, forests, the coastal belt, and above all the people. A national ‘Resource Protection Policy’ has to be formulated by the state to preserve these resources.

The people unsettled in the rural region by land acquisition have to be economically rehabilitated within a reasonable radius.

CPRs lost have to be re-created at the site of rehabilitation through combined efforts of the Forest Department and the beneficiary industry.

There has to be national Land Census on a regular basis. All land records have to be computerized and put on website, the latter publicized through print media.

There has to be a Land Rights Commission (LRC) to work as a vigilant over the activities of the government so far as land market is concerned.

The corporate sector as the beneficiary of land acquired for it has to shoulder Corporate Social Responsibility (CSR) by adoption of one or a cluster of rehabilitation zones as identified by the state.

The compensation has to cover land price post-acquisition plus the cost of surrendering domestic animals and other productive assets plus the cost for surrendered opportunity to have access to common space (CPR) plus the cost for security loss.

The technique for land acquisition has to be culturally conditioned, politically suited and economically feasible.

Over all, in addition to a National Policy on Land Acquisition by prior provision of R&R, there has to be regional planning in advance for industrialization.

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