Chapter – 1

DEVELOPMENT, DISPLACEMENT AND REHABILITATION-A THEORETICAL FRAMEWORK
The emergence of Third World as a force in the second half of the twentieth century has thrown open many questions and challenges. The foremost among them is the paths of development in the third world countries. The task of improving the conditions of impoverished masses living in the under developed third world countries has been the biggest question before the statesmen and policy makers. To improve the conditions of the people and for rapid economic growth, planners in India like other third world countries perceived development in terms of economic growth measured by the growth of GNP or increase of per capita income. To achieve this targeted growth they emphasised on 'big push model'\(^1\) and focused on heavy industrialisation, modernisation and urbanisation. Though some progress was achieved in agricultural, economic and industrial front, development on the other side has pushed indigenous people and weaker sections of society into poverty and backwardness. Before going into the development debate, in this chapter, an effort has been made to define the concept of development and its changing connotation over the years. Besides that, the Indian approach to development and problems of displacement and rehabilitation has been discussed in this chapter.

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\(^1\) The Theory of 'Big Push' was formulated by P.N. Rosenstein Rodan. The theory emphasised that under developed countries need large amount of investment to break the shekels of backwardness and launch upon economic growth. It also focuses on heavy industrialisation like power, transport and communication for economic development in underdeveloped countries. (Rosenstein Rodan, 1961: 57).
The Concept of Development

"Development" is basically a normative term and carries a variety of meanings. There is no clear-cut agreement on its exact meaning. Much of confusion of the term 'development' seems to stem from the mutiplicity of disciplinary perspectives, differing ideological premises, varying usages by international and national development agencies, and above all, the changing connotation of term (Sharma. 1986:1).

In common parlance, the term "development" implies "some sort of advancement in positive direction" (Martinussen, 1997: 34). Views of development are inevitably linked to some idea of progress, which involves change from one state to another" (Harrison, 1989, 153) or "a discontinuous and spontaneous change in the stationary state which forever alters in a gradual and steady change" (Schumpter, 1934: 64). However, the word development always implies a favourable change, a step from simple to complex, from inferior to superior, from worse to better.

The development or evolution of living being, in biology, referred to the process through which organisms achieved their genetic potential. It was between 1759 (wolff) and 1859 (Darwin) that development evolved from a conception of transformation that moves towards the appropriate form of being to a conception of transformation that moves towards an ever more and more perfect form (Esteva. 1997: 11). During this period, evolution and development began to be used as inter changeable terms by scientists.
The transfer of biological metaphor to the social sphere occurred in the last quarter of the 18th century. Justus Moser, the conservative founder of social history used the word to allude the gradual process of social change. A few decades later, all possibilities were opened to the human subject. Development became the centre of Marx's work: revealed as a historical process which unfolds with the same necessary character of natural law. Both Hegelian concept of history and the Darwinist concept of evolution were inter-woven in development, reinforced with the scientific aura of Marx (Esteva, 1997:12).

Changing connotation of Development

The debris of metaphors used throughout 18th century began to become part of ordinary language in the 19th century, with the word 'development' accumulating in it a whole variety of connotations. Some authors preferred 'evolution' and others preferred 'growth'. In the writings of early social scientists the term development was used to offer the course of 'social evolution'. Hobhouse, for example, defined it in terms of the increase in the scale and efficiency of social organisation. Implied in this perspective was the metaphor of growth (Sharma, 1986: 1). Development was thus conceived as organic, immanent, directional, cumulative and irreversible. Also it entails the idea of structural differentiation and increasing complexity. This idea is also explicit in the writings of E. Durkheim, Herbert Spencer, H. Tonneir, Morgan and other—whose names are associated with evolutionary sociologists (Verma, 1989: 16).
With the rise of industrial system and emergence of capitalism, there cropped up a new western thinking of development. The central element of capitalist thinking of development was the idea of economic growth, measured by the growth of gross national product (GNP) or of per capital income, industrialisation and urbanisation (Carlès, 1990:179). This shift in the meaning of development gained further impetus during the later half of 1940s and the beginning of 1950s when so many third world under-developed countries attained political independence from colonial rule and confronted the problem of economic reconstruction. In this period, economic growth manship emerged as a new gospel and neo-classical growth theories retained their pro-capital basis promoting capitalisation with reviewed vigour. The third world become favoured receipts of large shift of foreign aids and western technology and skill transfer, in a top down process and state-led-industrialisation to became modern. Thus the term development acquires a strong economic connotation, so strong as to become synonymous with economic growth (Sharma, 1980: 65).

During this period, president Truman of USA also emphasized economic aspect of development and said, "we must embark on a bold new programme for making the benefit of our scientific advances and industrial progress available for the improvement and growth of under developed areas". In continuation to this, American policy towards Europe put emphasis on economic reconstruction after the destruction of the Second World War. The best element in this policy was the
so called “Marshall Plan” through which loans and massive transfers of resources to Europe was proposed (Leys, 1996: 8).

In the 1950s, distinction between ‘growth’ and ‘development’ was not generally accepted by economists. Rather they conceived economic growth as the supreme goal in itself: it was economic growth that the poor countries needed. Thus, economic growth and its determinants were natural foci for theory formation. The works of W.A Lewis, Paul Baran and W. Rostow bear ample testimonies in this regard. W.A. Lewis emphasised that “our subject matter is growth not distribution”. (Lewis, 1955). Paul Baran, by far the most influential development economist among the leftist wrote in 1957, ‘On Political Economy of Growth’ and defined, “growth or development as the increase in the per capita production of material goods” (Baran, 1957). Walter Rostow, presented his ‘Non-Communist Manifesto’ in 1960 as a description of the “stages of economic growth assuming that this single variable can characterised as a whole society” (Rostow, 1960).

The development defined in terms of economic growth was the core of development thinking in the 1950s. Having enjoyed mounting importance in the fifties, this view has been facing rough weather since 1960s. Because, despite economist growth, inequality and poverty remained higher in many countries. While the target of economic growth more or less met, the equivalent success was by no means achieved in the income distribution. It has been conjectured that in some countries increase in per capita GNP have actually been accompanied by
raising levels of absolute poverty among the lowest income groups (Fei and Renis, 1977: 322).

Acknowledging the increase of poverty, inequality and unemployment in the midst of growth—many development theorists, practitioners and institutions grew disillusioned with economic growth as a panacea. They turned their attention to ‘growth with equity’ (GWE) and ‘growth with justice’ (GWJ). In 1962, the Economic and Social Council also recommended a kind of ‘balance’ between ‘economic growth’ and ‘social development’. That year, the proposal for Action of the first United Nations Development Decade (1960-70) established that:

“The problems of the underdeveloped countries are not just growth, but development. Development is growth plus change, change in turn, is social, and cultural as well as economic, and qualitative and quantitative” (UN, 1962).

While the first decade considered the social and economic aspects of development separately, the second decade involved merging the two. A new paradigm i.e., the integration of the two, formulated after recognising the necessary interaction of physical resources, economic aspects and social change. The international strategy, proclaimed on 24 Oct. 1970, called for a global strategy, based on joint and concentrated action in the all spheres of economic and social life. The turning point, however, was not the strategy but in almost simultaneous United Nations Resolution establishing a project for the identification of a united approach to development and planning, which would
fully-integrate the economic and social components in the formulation of policies and programmes.

The quest for a unified approach to development analysis and planning thus began which looked simultaneous for cross-sectoral and spatial, or original, integration and for participative development (Esteva, 1997: 19). The effort continued on different terrain. In 1974, the Declaration of Cocoyec emphasised the purpose of development ‘should not be to develop things, but to develop man’. Any process of growth, it added ‘that does not lead to the fulfillment of basic needs-or even worse, disrupts them is a travesty of the idea of development. The declaration also emphasised the need for diversity and for pursuing many different roads to development, as well as the goal of self-reliance, social and political change (Cocoyec Declaration, 1972).

In 1975, the seventh special session of the United Nation General Assembly, asked for an approach more effective than that of the international development strategy, adopted in 1970 for achieving social objectives of development. The conference on Employment, Income Distribution and Social Progress organised by the ILO in June 1976 offered the ‘Basic Needs Approach’ for social development which focuses the achievement of a certain specific minimum standards of living (ILO, 1976). Development here defined as an endeavour to provide for the basic needs of the people. This approach specified that basic needs of the people included not only certain minimum requirements of a family for private consumption such as adequate food, shelter and clothing, but
also minimum levels of essential services provided by the government. This approach to poverty alleviation emphasises that delivery of a basket of "basic needs of the target groups" (Fei and Ranis, 1997: 345).

Though the basic need strategy figured prominently in the international debate in the later half of 1970s, it become controversial later. Some developing countries regarded industrial countries' support for "Basic Needs" as a means to divert attention from discussion of international policy and the need for a New International Economic order (UNDP, 1996: 47). Secondly, the basic needs approach focuses on providing material goods and services to deprived human population rather than on enlarging human choices in all fields (UNDP, 1995: 45).

Whether or not these criticisms were valid, the Basic Needs strategy was soon over taken by events. In the late 1970s and early 1980s the slow down of growth, the debt crisis and worsening terms of trade in many countries pushed human-centered development to the background and the programme of 'stabilization' and 'structural adjustment' took the centre stage (UNDP, 1996: 48).

Structural adjustment programme emphasised on reducing the role of state, removing subsidies, liberalising prices and opening of economies to flow of international trade and finance. During this process of liberalisation, adjustment and privatisation, concern for the poor was pushed into the background. Thus, many voices were raised in protest and called for adjustment with a human face.

Throughout this period, the cause of the poor and the need for the focus on human concerns was aided tremendously by the theoretical work of Amartya Sen
and his central concept of promoting ‘human capabilities’ (Sen, 1994: 496). In his view a society’s standard of living should not be judged only by average level of income, but by people’s capabilities to lead the lives they value. Nor should commodities be valued in their own right, they should instead be seen as way of enhancing such capabilities such as health, knowledge, self-respect and the ability to participate in community life (UNDP, 1996: 49). Sen also emphasised that the core of human well being is freedom of choice. The expansion of human capabilities implies greater freedom of choice, so that people can explore a wider range of options that they find worthwhile (Dreze and Sen, 1995: 10).

Closely linked with Sen’s approach, in 1990 UNDP published Human Development Report. The report defined Human Development as a process of enlarging people’s choices (UNDP: 1995: 46). Obtaining income is certainly one of the main means of expanding choices and well being. But too often the expansion of income is confused with the enhancement of human capabilities.

Human Development Report also defines the relationship between human development and economic growth. It centered the conventional wisdom by asserting that there is no automatic link between the two: economic growth is essential for human development but specific policy measures are needed to translate economic progress into human progress.

The above analysis shows that the concept ‘development’ has acquired different connotation with a change in emphasis from economic growth to human development over the fifty years. Inspite of this gradual shift in the emphasis of
development, in the third world under developed countries, the concept development by and large continued to be perceived as economic growth. After getting political independence, various Afro-Asian countries put emphasis on economic development. Since the economic growth and per capita real income in all these countries happened to be conspicuously low, they decided to accord a high priority to programmes which could realise the maximum possible growth rate under given condition. Though some other objectives were also listed in the development plans, the basic thrusts of the plans were invariably on sustained increase in the GNP- per capita income. It was assumed that once economic growth was accomplished, other objectives, such as elimination of poverty, unemployment, income inequalities would be realised automatically. The policy makers were also confident of the 'trickle down' effect of economic development and elimination of poverty and unemployment. Because of this conviction, the concept of development got identified with the concept of economic growth (Mishra and Puri, 1991: 23).

There is no doubt that during past four decades newly liberated Afro-Asian countries have managed to break their stagnation. The record of some developing countries is quite impressive, as their rates of growth have surpassed the average growth rate, but these countries hardly made any headway in the goal of eliminating poverty. Income inequalities in some countries have increased. In most of these countries progress on the employment form is very disappointing.
Like other third world countries, Indian planners since independence have focused more on economic aspects of development. In the next section of the chapter, we will make an endeavour to discuss the choices made by Indian State to develop the nation and improve the lives of its people. In this section we will also analyze the issue of development, its related problems of displacement and rehabilitation of people uprooted by various development projects.

Approaches to Development: The Indian Experience

Unlike the other third world countries, from its inception, the Indian state was confronted by two different versions of reconstruction: the Gandhian project of reviving the village economy as the basis of development and the Nehruvian plan for prosperity through modernisation and industrialisation (Baviskar, 1995: 20, Chakrovarty, 1987:7). Gandhiji was of the firm opinion that India should not ever take to industrialism in the manner of ‘west’ or western design of development. The central element of Gandhiji’s programme was of revitalising village communities and craft production by employing indigenous and simple technologies to provide jobs and decent livelihood to a predominantly rural population (Singh, 1997: 59). The liberation that Gandhiji promised was not merely an economic independence; it was most profoundly, an assurance that the cultural traditions of the Indian peasantry would reign ascendant.

Despite the deification of Mahatma in the pantheon of nationalism, his vision eclipsed in independent India. Gandhiji’s vision struck no chords in the mind of Jawaharlal Nehru, who thought “A village, normally speaking, is
backward, intellectually and culturally and no progress can be made from a backward environment” (Chandra, 1987). Most of the nationalist believed that India’s reconstruction could only come about through an emulation of modern science and materially through the adaptation of large-scale industrialisation (Gadgil and Guha, 1990: 193).

Nehru’s faith in modern science and industry led to the drawing up the famous Nehru-Mahalanobis model\(^2\). The model proposed a capital-intensive, heavy industrialization strategy run by the public sector. The public sector was to build key industries that would take the economy to commanding heights, leaving the private sector in this mixed economy to play a complementary role (Ahluwalia, 1985, 147). This strategy was followed in subsequent five-year plans with little variations after independence.

Thus, to bring economic prosperity, to overcome the handicap of its colonial past and to catch up with the west, a eurocentric model\(^3\) of development was adopted by planners (Toye, 1981). Development was excessively defined in terms of growth of GNP, increase in real national income (Bhambri, 1994: 3). The objectives and processes were viewed in economic terms and great reliance was placed on economic factors and centralised decision-making to achieve the result.

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\(^2\) P.C. Mohalanobis was a key advisor to Nehru and architect of the second five year plan – 1956-61.

\(^3\) It is western world view which lies on “Positive” economic, which claimed to be value-free but which nevertheless works to concentrate wealth income in the west. It operates through market force, which is pro-capital or capitalistic bias. Western technology is capital in terms and its application rewards capital at the expenses of other inputs.
So far as the problems of poverty, unemployment and income distributions were concerned, these were given secondary importance. It was believed that rapid economic growth could take place and the cumulative gains from the growth of GNP would automatically ‘trickle down’ to the poor in the form of increased employment and income opportunities (Wingaraja, 1993: 8). But contrary to the expectations of the planners, the eurocentric paradigm that was at the core of the post-independence, failed to result in form of development due to three reasons i.e. (a) population and labour force grew at a faster rate than expected, (b) adaptation of labour saving technologies in the urban capitalist sector only increased output per man without creating additional job; (c) focus only an growth without equity (Jhingan, 1998, 21).

As a result, the benefits of the economic growth have not ‘percolated-down’ to the vast majority of the people (Sebrook, 1993:2) and this model of development has disadvantaged more people. What happened in reality is that a substantial part of the development gains are concerned by the thin upper crust of society consisting of those who controlled the means of production, and a new parasitical class grew around it. While the core directing the new economic

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4 Trickle down theory (Trickles) is undoubtedly the most promising of post 1945 western economic theorizing. It states that “rapid gains in over all and per capital of jobs and other economic opportunities and creation of necessary conditions for wider distribution of the economic and social benefits of growth. In other words this national income growth trickled down to improve levels of living for the very poor. (Tadaro: 1981, 68, 131).
activity reaped tremendous advantage, the periphery remained untouched. The latter comprised the masses that were at best minimal beneficiaries of the development (Dube, 1976: 69).

The consequence of the prevailing conception of development as a process of growth of real national income has proved to be non-beneficial for the masses. For instance, though India has registered a significant over all growth rates, poverty level fell little. In 1977-81, rural poverty declined from 40 percent to 37 per cent and urban poverty from 40 percent to 33 per cent. By 1994, rural poverty in India has gone up to 39 per cent, and urban poverty has reduced a little bit to 30 percent (UNDP: 1997, 51).

In agricultural sector, substantial achievement has been made in the increase of total food production but it failed to remove hunger and 53 per cent of children under the age remain under nourished. The efforts to achieve a more even distribution of land holding has failed and various land reforms measures have proved to be favourable for the promotion of a class, capitalist workers from erstwhile landlords and relatively better section of tenants (P.C. Joshi, 1988: 445).

Similarly in the educational sector, in 1961-91 though literacy level has more than doubled, yet half of the population is still illiterate. And female illiteracy, aged 7 and above, is 60.8 per cent. Inspite of the emphasis on growth of per capita income, the growth of per capita income over the years is not encouraging. According to UNDP Report, 1998, the real GDP per capita PPP of India at 1995 level stood at 1, 422 which is much below than Pakistan (UNDP,
1998: 16) and among 174 countries the Human Development Report placed India at 139 which is just above Cambodia. Even countries like Myanmar and Pakistan are placed ahead of India (UNDP, 1998: 16).

On the other hand emphasis on capital intensive technology and building up of a mega development projects like dams, heavy industrialization, thermal power stations have brought about economic prosperity for the country. They have improved the lives of many people and developed both national and local economies. Nonetheless, these mega developmental projects have caused forced displacement of millions of people to make the way for these projects. Such projects have changed the patterns of use of land, water and other natural resources that previously prevailed in the area. People dependent upon the land, forest and other natural resources for their livelihood have been disposed of their subsistence through land acquisition and displacement.

One of the most noticeable aspects of the problem is that though millions of people have been displaced by various planned development schemes since independence, no reliable data exists on the extent of displacement and their rehabilitation. Hence, absence of such data base is an indication of the decision-maker's lack of commitment to their rehabilitation. Though no governmental data is available on extent of displacement, but there have been some private attempts

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Displacement concerns how land and other major assets are expropriated and people are removed, to allow a project intended for the social good to proceed.
to quantify displacement caused by various development projects since independence. According to one conservative estimate about 213 lakhs of people have been displaced by various developmental and infrastructure programmes in India during 1951-91 (Fernades and Pernjapee, 1997:53). Out of this, 25.5 lakhs of people have been displaced by mining operations, 6 lakhs by parks and wild life, 12.5 lakhs by industries, 164 lakhs by dams and 5 lakhs by other projects. The dams are the biggest agents of displacement.

Among the displaced people or project-affected people (PAP) often called, a very large number of people belong to scheduled tribes, scheduled castes and other backward communities of the society. Particularly, the scheduled tribes are the worst affected by the construction of mega dams and industries as huge amount of raw materials are found in this region. While the tribals form only 7.5 per cent of the country’s population, their proportion among those uprooted by development projects is as high as 40 per cent (Government of India, 1985: 18-19). Similarly though the scheduled castes form only 15 per cent of the country’s population (Registrar General and Census Commissioner 1989: XIX) and their proportion among the displaced people (DPs) is much higher, though the exact figure are not available.

The tribal people happen to be among the most disadvantageous and unprivileged community in India. Even after five decades of planning and development, they still remained outside the pale of any form of visible change in their condition. Thus, the effects of displacement is more disastrous in case of
tribal whose very survival is already at stake (Bharati, 1991). Experience from across the tribal areas in the country illustrates the severe difficulties that displaced tribal communities have led in dealing with the market economy. Their low level of modern skills coupled with almost non-existent effort to facilitate an easier entry into the dominant economy push a majority of tribals into conditions of servility and bondage (Kothari, 1996: 1477).

The other problems associated with displacement are the issue of rehabilitation and resettlement of the forcefully uprooted people. Despite large-scale displacement, the resettlement and rehabilitation of project affected people has been minimal. Among the reasons for dismal record of rehabilitation are the biases of project designers, their emphasis on engineering and financial aspect and non-recognition of human sufferings. Besides administrative weakness, adhoc rehabilitation planning and lack of proficiency capacity to cope with such challenges are other reasons for the abysmal record of resettlement of displaced people. Empirical evidence shows that over the decades, fewer than 25 per cent of the uprooted people have been rehabilitated properly (Hansda: 1983:23). In other words, 75 per cent of the displaced people have not been rehabilitated and their incomes and livelihoods have not been restored which implies the vast majority of development resettles in India have been impoverished (Cerna; 1997: 1568).

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6 Rehabilitation refers to the process of reconstruction of the livelihood of displaced persons.
Even it is a national problem there is lack of awareness of the situation. Policy makers and planners do not know the extent and seriousness of displacement. It is a cruel joke that for 50 years the state did not wish to promulgate a National Policy on Rehabilitation and Resettlement (R and R) and skilled institutions to carry out adequate resettlement for those who have been displaced for Nation's prosperity. It needs to be highlighted that there is neither special federal legislation nor explicit policy statement to define country's general resettlement norms. Within the Federal structure of government resettlement is being regarded as a state, not a federal matter. Nevertheless, most states in India still lack state-level resettlement policy. Till date, rehabilitation and resettlement is being done project wise and on adhoc basis. Nearly 50 years after the departure of the British, this shameful legacy of social injustice continues to exist (Paranjepe: 1988). After 1947, displacement continues under the same colonial law of 1894. This Land Acquisition Act of 1894 has till recently been used to provide only cash compensation to the PAPs whose lands have been claimed for public purpose. Though this act was amended in 1984, which allowed the state to provide alternative land as compensation, this act was not legally binding. Both of the colonial government's act and its recent amendment, do not acknowledge the rights of the landless (e.g. those who do not have formal land titles or pattas but have been customarily cultivating the land, actually landless but with user right to land) and wage labourers, artisans and communities and castes who are not dependent on agriculture.
Thus lack of national policy on rehabilitation and resettlement, skilled institutions and above all, lack of commitment on the part of the state to rehabilitate uprooted people, causes a profound unravelling of the existing patterns of social organization, impoverishment and brutal violations of human rights (Cernea, 1996; 1517, Cernea, 1995; 265). This implies de-facto lack of social justice and equity involuntary resettlement process. This is nothing but pathology of development. The displaced people who are already poor and living in a backward region of the country end up worse off for a long period. The overall result is that some people enjoy the gains, while displaced share only pains of development. Even though some degree of population relocation is at times unavoidable, this inequitable distribution of gains and pains, benefits and losses, it is neither inevitable nor justified. It is in fact contrary to the very goals of development. This scenario raises the fundamental question “Development for whom”? (Mohapatra: 1991).

In the process of displacement, it is the poor more particularly the tribal who bear its brunt most at all. The dislocated of the life of the poor is total stripped off their possession, they are compelled to move in search for livelihood to unknown destination. On the other hand, the affluent groups do not lose so completely. They are in a better position to adjust to the change (Mathur, 1995:20). In sharing benefits from development also the poor lag behind the rich. The rich are quick to seize opportunities, which open up with the inauguration of development project, while the poor bear the cost of development. Since the poor
who lose most from displacement, critics see development projects are some kind of conspiracy to promote the interest of the rich at the expenses of the poor (Shiva, 1991). In their view development projects that cause displacement and hence disruption in the lives of the people, reflects the interests and power of an elite minority. It is a model of development in which there is no place for poor majority. The way development has been carried out by the state over the years is making the rich richer and poor poorer.

Thus, all over the country, more and more people are being disadvantaged by this version of development. Among the people marginalised in this way of development are many indigenous communities, the inhabitants of forest and rural poor (Sea brook, 1993: 2). Hence, the western path of development has not only produced a more and more wasteful civilization, but also it has given rise to an increasing iniquitous and conflict ridden social structure. The model that our planners are following bears no relation to the real needs of the majority of the people. Infact, it has given rise to a techno-economic progress that renderdered millions of human being obsolescent, redundant and has greatly eroded resources and opportunities that could have sustained productiveness in countless human resettlements (Kothari, 1988:53). The model thus has not only uprooted millions of people from their ancestral homes but it has widened the gap between rich and poor people. These have as a result, thrown up grass-root movements, organised by marginalised and subaltern groups against the statist policies of the state (Shah, 1988: 262, Gail Ombvedt, 1993: 153). The anti-dam movement for instance has
captured the deep-rooted resistance of indigenous people against big dams all over the country. The marginalised people have shown that “damming a river is damming the poor”. Big dams are not ‘temples’ that Nehru promised, but ‘burning ghats’ (cremation ground) for the indigenous people (Parajuli, 1991: 180). The anti-dam movements are not luxury of the rich but are a survival impetus for the majority of the tribal whose survival is not taken care by the state (Bandopadhyay and Shiva, 1988, 1223).

The magnitude and frequency of development related displacement and dismal picture of rehabilitation makes displacement a problem of national importance. During current decades about 5 lakhs people each year are being displaced by infrastructural development programme (dam construction, urban development, industrialization, high way construction etc). But the state has not paid enough attention to their problems to rehabilitate them properly. As a result, displaced people who generally belong to tribal and other weaker sections of the society pushed themselves into marginalization and pauperization. This is nothing but what Mathew Areepanampil calls a state of “dispossession” of the displaced people more particularly the indigenous people. This dispossession is not merely economic but social, political and cultural (Areepanampil: 1989). The indigenous people and other uprooted people are deprived of their own land. This what can be called as ‘internal colonialization’ in which the resource-rich areas and tribal dominated areas is being pushed into underdevelopment for ‘national development’, which is enriching the upper class.
Thus, the issue of development and large-scale displacement of people by various planned development projects has now become a question of national importance. If unaddressed effectively, the impoverishment of such large number of people constantly adds to the problem of national poverty. Therefore, understanding the process that cause impoverishment and social disruption under development programmes and ways to prevent them is crucial for mitigating the hazards intrinsic to displacement.

**Purpose of Research**

In view of the above problems of development and displacement, an attempt has been made in this work to study how does impoverishment and social disruptions occur through displacement and how it can be prevented and how the livelihood of the uprooted people can be reconstructed. To understand these questions and to arrive at a plausible solution to it, the present study has been undertaken at Upper Indravati Hydro Electric project, situated in one eastern Indian state, Orissa. Thus, the present study intends to:

1. Understand the nature and process of displacement, its socio-economic impact on displaced people.

2. Study the rehabilitation and resettlement policy that has been undertaken to resettle uprooted people and examines how far the R and R policy has been able to support to mitigate the hazards of displacement.

3. Make some suggestions to prevent the risks of impoverishment and plausible solution to reconstruct the livelihood of the displaced people.
These are both theoretical and empirical questions. For decades, these basic questions have confronted social researchers, policy makers, planners and also resettlers. A vast social science and policy literature exists on these, offering many answers, some are more and other are less convincing. We still have much that we need search for.

Relying on much of the various displacements researches both empirical and theoretical, the present study proposes a conceptual model for analyzing the socio-economic content of displacement. The model anticipates displacement’s major risks, explains the behavioural responses of displaced people and can guide the reconstruction of ‘livelihood’ of the resettlers.