CHAPTER-1

INTRODUCTION

India has been following a policy of large-scale public sector investment for providing infrastructure for development, since independence. This manifested itself in the setting up of large-scale projects in power generation, mining, heavy industrial complexes, construction of mega dams etc. These projects have caused major changes in the use of land and other natural resources and thereby contributed remarkably to the Gross National Product. At the same time they have caused irreversible changes in the lives of millions who depend on land and other natural resources for their survival. The acquisition of land for development involuntarily displaces the local inhabitants, mostly the poor and the deprived sections of population. Given the process of economic development and population growth which is taking place in many Third World countries, the scale of involuntary dislocation is likely to increase manifold. This will expose more people to compulsory relocation and displacement, which reduces the number of people with secure access to land.

Development projects that displace people generally give rise to severe social, economic, political, psychological, ecological and cultural problems. The positive effects of displacement are - rise in income, improvement in the economic status, a break in some oppressive social hierarchies etc. Forced displacements improve the lives of many people, provide employment and supply better amenities of life. But the negative impacts are often underestimated and so ignored. The involuntary resettlement
involves forced relocation of people without any prior agreement or approval of the affected people. In its widest sense involuntary displacement can be conceived of as the total deprivation of the community life, amenities, facilities, assets, access to natural resources and the hardships involved before and after the process. This raises major issues of social justice and equity. In fact the displaced have become “people in the way of progress”. Displacement without proper rehabilitation leads to a process of impoverishment and marginalization of the already powerless. These problems have come to the concern of Indian statesmen and planners only recently.

Development dilemmas should have solutions. Development is necessary and inevitable. But its social cost is not inevitable. Such social costs should not be accepted passively or be thrown upon the shoulders of people who could not bear them without becoming more impoverished. Negative impacts of compulsory relocation should be reduced purposively or mitigated systematically. When they cannot be eliminated altogether they should be shared by the society in its entirety, not by a victimized group.

In the fast growing world of increased involuntary land acquisition, rehabilitation of the displaced deserves greater significance. Rehabilitation means restoration of the displaced to their previous state. If possible, they should be placed better situation, because of the price they pay for development. Certainly, they should not be worse than before. What is required is a proper policy of Resettlement and Rehabilitation (R&R), which is lacking in many countries.
1.1 Causes of Displacement

There are different forms of displacement caused by various factors. People forced out of their habitat by wars and civil unrest is known as refugees. India faced such a situation during the partition in 1947. Around 15 million persons migrated from India to Pakistan or from Pakistan to India. They were called refugees. When natural or human made disasters force people to leave their land, they are disaster refugees as in the case of the Bhopal disaster and the Latur and Gujarat earthquake. People may be forced to leave their land or ancestral jobs due to changes introduced in the economy. This is known as ‘process-induced displacement’. Then displacement is deliberate and purposive. This type of displacement is consequent to national development pursued by the planners.

The most common classification is ‘voluntary’ versus ‘deliberate’ displacement. The former takes place when people migrate voluntarily in search of employment or better prospects. Involuntary displacement occurs when people are deprived of their livelihood by planned development programs. Displacement here refers to forced migration. It occurs in at least two distinguishable ways. Direct displacement consists of evictions. Thus, direct development refugees are people who are removed for the construction of dams and reservoirs and other infrastructural projects, for slum clearance and urban development, and in forests, for conservation or logging purposes. On the other hand, indirect displacement is that mediated by processes not directly under the control of decision makers, such as market processes and environmental
degradation resulting from various interacting development activities resulting in
impoverishment.

Displacement is the ‘price of development’ when priority is given to economic
growth and profit rather than to the people. Involuntary displacement caused by
planned political decision is permanent in nature. The displaced need permanent
income and better living conditions.

1.2 Consequences of Displacement

1.2.1 Psychological Trauma

Most theories of development assume that industrialization, continuous growth and
modern technology are a pre-condition for development. They lead to large scale
displacement for growth purposes. The links between economic development and
displacement issues are of vital significance. Development projects that displace people
inevitably constitute several years of ‘psychological trauma’ due to disruption of the set
pattern of life of the displaced people, as people find themselves landless and jobless,
without food and access to community resources (Paranjpye, 1990). When people are
relocated to new places and environment, adjustment problems and alienation take
place. In the new circumstance, their acquired production skills may not be applicable
and there may be competition for the use of scarce resources.

In the process of displacement those without assets and land are the most
vulnerable. Displacement results in social disorganization, low self esteem, loss of
identity, loss of health, loss of culture and political institutions. Family as a system crumbles down. Its long established heritage and ancestry are scattered. People’s values, belief systems, attitude, customs and tradition receive a severe setback. Consequently social tensions may increase. Also, social support networks tend to disintegrate. This has far reaching consequences for the community. It is those social networks which often help people cope with poverty through informal loans, exchange of food, clothing, durable goods, mutual help in farming, caring for children etc. Involuntary resettlement results in loss of such virtually invisible social networks. This acts as a hidden but serious cause of impoverishment through displacement. If resettlement is in dispersed manner rather than in social groups, it is very difficult for the oustees to reconstruct similar social structures and networks. The displaced are faced with many fundamental life and welfare threatening problems, which are not given adequate regard.

In many cases, callousness and lack of proper planning makes these development related refugees, victims of ‘multiple displacements’. Fernandes (1997) proves this by quoting the example of Rihand dam oustees of the early 1960s in the border area of Uttar Pradesh and Madhya Pradesh, who have been displaced four times—first by the Rihand dam in the 1960s, second when coal was found in the area in the mid 1970s, a few years later for industries and a fourth time by the National Thermal Power Corporation (NTPC) owned Singrauli Super Thermal Plant in the 1980s. In Karnataka the Soliga tribals, who were displaced in the 1970s, are not resettled and are threatened with displacement a second time by the Rajiv Gandhi National Park. The tribals of Koraput district of Orissa have been displaced by the Upper Kolab Dam in the
1980s and again by the Naval Armament Depot in the 1990s. (Fernandes, 1997). No trauma is more painful for a community than being uprooted from a place where they have been living for generations and compelled to move to a totally strange area. This is all the more painful when forced re-location is repeated.

1.2.2 Marginalisation

Displacement leads to total marginalisation. This means deterioration in social status and psychological attitudes. These changes deprive the displaced of their motivation for improvement of their status. The oustees are pushed into a powerful external world without proper training. They gradually internalize a sense of helplessness and powerlessness in their encounter with the new set up. Their standard of living, social status and self esteem deteriorate.

Agricultural land symbolizes food security for the majority of the rural population. After relocation, alternative agricultural land is not always available. Moreover, the compensation amount received piecemeal is unfortunately too low to buy land equivalent to that lost. The affected person reaches the stage of ‘hand to mouth’. In similar situations, people migrate to other places in search of lost livelihood. Apart from economic problems, forced relocation leads to dispossession in the social, cultural and political spheres. Ultimately all these lead to marginalisation.
1.2.3 Socio-Economic Impoverishment

The growth of industrialisation during the last centuries accelerated the process of human intervention in nature to worrying levels. Human beings are a part of an immensely complex and interrelated natural world. Displacement of a community from its traditional ‘lived-in’ environs has severe consequences. Displacement uproots people from their ancestral land. Most significantly, land for them is not merely an economic entity. It is the space where their forefathers lie buried and where the spirits of the living too shall reside following death. In other words, land is what holds the past, the present and the future together. It is this land that ensures the continuity of the clan. Involuntary displacement jeopardises all this. From producers they may become mere consumers. Exposure to new environment can bring about changes in religious and cultural identities. When entire communities are uprooted from familiar surroundings, it creates feelings of helplessness and alienation. A majority of the displaced people undergo a process of dispossession and disempowerment. When people are forcibly removed from their lived-in environs the following situations are likely to occur.

- Production system gets dismantled.

- Productive assets and income sources get lost when people are relocated to places where their production skills are less applicable.

- Competition for scarce resources becomes greater.

- Long established social groups get disorganized, kinship groups get scattered.
• Involuntary displacement is thus a painful process. Economically, socially and culturally, it creates chronic types of impoverishment among the displaced people.

The overemphasis on development ignoring the displaced raises fundamental questions - “development at what cost” and “whose development”? Gadgil & Fernandes (1997) see displacement as a result of the ‘absence’ of ‘proper’ planning. The failure to take people into consideration when development projects are undertaken has resulted in large scale displacements. Thus displacement has most seriously affected the life of the people in such situations.

The major issues which require analysis when dealing with development projects involving displacements are: Whether the displaced are relocated properly to enable them to achieve at least their previous income levels and whether current development strategies which cause compulsory displacement also ensure the socio-economic reestablishment of the displaced? Whether the rehabilitation package for the oustees is adequate, whether it includes compensation in kind rather than in cash, especially for the poor section? Whether the displaced persons (DPs) or their representatives have been consulted or given opportunity to participate in planning an acceptable displacement package? How to improve the legal framework of land acquisition to protect the oustees? Whether national policies can be reformulated so that involuntary resettlement can be minimised, if not completely avoided? Whether measures can be made compulsory for protecting the interests of the oustees, when dislocation becomes inevitable?
Another major issue is how to measure the benefits and costs of development. Benefits are usually measured in Gross National Product, ignoring the cost of displacement in the form of improper rehabilitation leading to impoverishment. In cost-benefit analysis gains and losses are measured in monetary income alone. This method ignores the positive effect of Common Property Resources (CPRs) and other sources of non-monetised sustenance of the oustees before relocation. This is also a major issue to be resolved. Economically land oustees pay a great price for development. Production systems which had sustained them earlier are destroyed, close kinship groups get scattered, cultural identity and traditional sources of employment are lost, market links broken, food security, social capital etc, get dissolved. Such sudden changes obviously result in economic and social impoverishment.

1.3 Magnitude of Displacement

1.3.1 World Scenario

Displacement is a problem both for the Third World and for developed countries. The high visibility given by the media to dams like Narmada in India, Xingu in Brazil, Aswan in Egypt, Pergan in Malaysia, Three Georges in China, Kiambere in Kenya or Yacyreta in Argentina gave a strong image that development-induced displacements occur in Third World countries only. While the media give more focus to the ‘Third World’, the process of forced relocation takes place constantly in all industrialized and post-industrialized countries such as United States, France, Canada and Japan.
Field experience and research show that Asia has one of the highest rates of development-induced displacement in the world. It is reported that India uprooted over 21 million people during the period 1950–1990, but that 75 per cent of them have not been ‘rehabilitated’(Fernandes1991; Fernandes, Das, and Rao1989). During the same period China evacuated over 10 million for water conservation projects, seven million for urban projects and 14 million for transport projects. In Africa, the number of hydropower and irrigation projects decreased between 1985 and 1995, compared to prior decades. But relocation for urban projects is increasing (Cook 1999, Cernea 1997b). Among the displacing factors the major role is played by dams. Table 1.1 shows the number of people affected by dam-caused displacement across countries.
**Table 1.1**

<table>
<thead>
<tr>
<th>Dam</th>
<th>Country</th>
<th>Number of People</th>
</tr>
</thead>
<tbody>
<tr>
<td>Srisailam</td>
<td>India</td>
<td>100,000</td>
</tr>
<tr>
<td>Assad</td>
<td>Syria</td>
<td>60,000</td>
</tr>
<tr>
<td>Victoria</td>
<td>Sri Lanka</td>
<td>31,500</td>
</tr>
<tr>
<td>Akosombo</td>
<td>Ghana</td>
<td>84,000</td>
</tr>
<tr>
<td>High Aswan</td>
<td>Egypt</td>
<td>100,000</td>
</tr>
<tr>
<td>Sanguling</td>
<td>Indonesia</td>
<td>55,000</td>
</tr>
<tr>
<td>Danjiangkou</td>
<td>China</td>
<td>383,000</td>
</tr>
<tr>
<td>Sobradinho</td>
<td>Brazil</td>
<td>60,000</td>
</tr>
<tr>
<td>Mangla</td>
<td>Pakistan</td>
<td>90,000</td>
</tr>
<tr>
<td>Shuikou</td>
<td>China</td>
<td>68,000</td>
</tr>
<tr>
<td>Tehri</td>
<td>India</td>
<td>105,000</td>
</tr>
<tr>
<td>Narmada Sardar Sarovar</td>
<td>India</td>
<td>250,000</td>
</tr>
<tr>
<td>Yacyreta</td>
<td>Argentina / Paraguay</td>
<td>48,000</td>
</tr>
<tr>
<td>Three Gorges</td>
<td>China</td>
<td>110,000</td>
</tr>
</tbody>
</table>

*Source: Cernea M.M. (1993 b)*

The above data show that the magnitude of development-induced displacement across the world is increasing. But this is not a justification for unnecessary hardships caused due to improper planning.

### 1.3.2 Indian Scenario

#### 1.3.2.1 Displacements in Pre-independence India

A development policy resulting in involuntary displacement is not new in India as is made clear by table 1.1. Scientific irrigation seems to have been practised since the time of the Rig-Veda. Traces of development-induced displacement existed during the period of the Guptas from the third to the sixth century. It continued to some extent in
the Mughal age. It existed in the colonial times and has intensified in the decades of planned development. According to one estimate, 35 million persons were believed to have been deprived of their livelihood due to the forest laws and the planned destruction of Indian industries in the nineteenth century by the British (Navoroje 1998). The Land Acquisition Act, 1894 (LAA) enacted by the colonial rulers, used the concept of ‘public domain’ to theorise and legitimise their control over land. This enabled acquisition of the fundamental resource of the people effortlessly and without compensation, making them worse off in economic terms. The annexationist approach of the India Forest Acts of 1865 and 1878 led to the acquisition of 84,000 sq. miles of forest area by the year 1890 (Fernandes and Paranjype, 1997).

1.3.2.2 Displacement in Post-independence India

An important feature of displacement and rehabilitation after independence is that even when the number of the displaced is enormously increasing, no official database exists. The official figures are not reliable. The scale of the under-estimation of the magnitude of displacement is a matter of serious concern. One researcher puts the number of dam-displaced persons alone between 1951-1985 at 21.6 million, while official data puts the number of DPs at a minimum of 21.3 million between 1951 to 1990 (Fernandes, 1998 b) due to dams, mines, wildlife sanctuaries and industries together. If various other deliberate or planned activities are included, then the number would be 35-55 million (Sen, 1995). As per Government records at least 75 per cent of these displaced are still not cared for or rehabilitated. Studies show that most official figures are underestimates. By official count 100,000 people were displaced by the
Hirakud dam. But the researchers put the figure at 180,000 (Pattanaik et al 1987). The estimates for Sriramsagar in Andhra Pradesh range from 200,000 to 240,000 DPs (Guggenheim, 1990).

By official count, the major coal mines displaced 32,751 families in 1981-85. The four steel plants displaced 1.25 lakhs in the 1950s and 1960s (Government of India: 198500), Singrauli displaced 50,000 (Guggenhein1990), Korba in Madhya Pradesh and other industries like Heavy Electrical Corporation (HEC) at Hatia’ near Ranchi and Thermal Plants in the Damodar valley gave similar figures (Dams, 1991) Officially, the Farakka Super-Thermal Plant in West Bengal has no DPs /PAPs (Project Affected Persons). But World Bank estimates put the number of PAPs at 53,500. In 1992 the government acknowledged that the number of families to be displaced by the Sardar Sarovar Project reservoir would be 40,000. However, the Narmada Bachao Andolan puts the actual figure at about 85,000 families. Table 1.2 shows the difference between official data and researchers’ findings.
Table 1.2
Difference in the Number of DPs/PAPs in Some Projects

<table>
<thead>
<tr>
<th>Sl. No.</th>
<th>Project</th>
<th>Official</th>
<th>Researchers</th>
<th>Others</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Hirakud</td>
<td>110,000 to 160,000 (GOO)</td>
<td>180,000 (PDM)</td>
<td>NA</td>
</tr>
<tr>
<td>2.</td>
<td>Singrauli</td>
<td>40,000 (H.B.)</td>
<td>80,000 (M.G.)</td>
<td>50,000 (S.G.)</td>
</tr>
<tr>
<td>3.</td>
<td>Nedumbassery Airport</td>
<td>1937 families #</td>
<td>NA</td>
<td>820 families +</td>
</tr>
<tr>
<td>4.</td>
<td>Srisailam</td>
<td>NA</td>
<td>100,000 (MG)</td>
<td>125,000 (S.G.)</td>
</tr>
<tr>
<td>5.</td>
<td>Farakka</td>
<td>None</td>
<td>NA</td>
<td>53,500 (W.B.) +</td>
</tr>
</tbody>
</table>

Sources: Areeparambil, 1987


Planners do not collect correct information on the DPs and Project Affected Persons (PAPs), which is crucial for minimising displacement, planning adequate rehabilitation and an accurate cost-benefit evaluation. Inadequate rehabilitation results in poverty and destitution of the displaced, especially the disadvantaged social groups

1.3.2.3 Tribal Displacement

Another major issue of displacement, resettlement and rehabilitation in India is the prevalence of a large proportion of tribals among the displaced. Tribals, who are 8.08 percent of the population, are estimated to be more than 40 percent of the DPs and
PAPs. (Fernandes, 1998). Tribal cultures are different from those of the groups of modern economy. Their encounter with the modern economy through displacement resulted in material impoverishment and social disintegration.

According to estimates of the Scheduled Castes (SCs) and Scheduled Tribes (STs) Commission more than 40 per cent of the pre-1990 DPs and around 50 per cent after 1990 are tribals (Fernandes, 1994) who form only 7.8 per cent the country’s population. Dalits are probably around 20 per cent of the displaced. A substantial number also belong to the other asset less rural poor classes. In Andhra Pradesh while tribals constitute a little over 6 per cent of the state’s population, they are 27 per cent of the total number of DPs and PAPs. In Orissa the tribals are 22 per cent of the population while they comprise 42 per cent of the DPs and the PAPs. Even in Kerala where tribals form only a little over one per cent of the population, they are a majority amongst the DPs and PAPs for large projects like the Idukky Hydel Dam. Dalits are around 16 per cent of the population, but they constitute 20 per cent of the DPs and PAPs. Dalits are 43 per cent of the DPs of the Nedumbassery Airport in Kerala (Muriken et al, 2003). Displacements seriously affect women, especially Dalits and Adivasis and those belonging to poorer sections. Studies confirm that when resources are scarce, distribution become gender-biased.
1.4 DISPLACEMENT ISSUES IN KERALA

1.4.1 Kerala Scenario

Most of the NTPC projects are located in remote areas, leading to large-scale displacement of rural population especially the marginalised and vulnerable sections. This proved to be true when NTPC set up a project in Kerala. Development projects leading to involuntary relocation have serious impact on the socio economic condition of the people of Kerala, whose population density is 819 as against the national average of 324. This becomes more critical when acquisition is mainly from private land owners. This is proved by taking a representative study of land acquisition in Kerala, which is given in table 1.3.

Table: 1.3

<table>
<thead>
<tr>
<th>Category</th>
<th>Private</th>
<th>Common</th>
<th>Forest</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Water resources</td>
<td>32079.4170</td>
<td>349.8</td>
<td>21226.65</td>
<td>53655.8590</td>
</tr>
<tr>
<td>Transport</td>
<td>5112.4057</td>
<td>NA</td>
<td>NA</td>
<td>46405.7566</td>
</tr>
<tr>
<td>Farms and fisheries</td>
<td>1347.4891</td>
<td>331.9749</td>
<td>18197.361</td>
<td>19875.8250</td>
</tr>
<tr>
<td>Industries</td>
<td>12638.668</td>
<td>131.1829</td>
<td>386.29</td>
<td>13156.1411</td>
</tr>
<tr>
<td>Educational institutions</td>
<td>5497.4259</td>
<td>44.99</td>
<td>265.534</td>
<td>5807.9499</td>
</tr>
</tbody>
</table>

*Source: Muriken et al 2003, adapted*

Table 1.3 reveals that displacement always affects private land owners unfavorably. Out of a total acquisition of 5807.9499 hectare, private land acquired is 5497.4259 hectare. Forest and common land together comes to only 310.52 hectare.
This shows that each large scale investment increases the number of landless people and marginal land holders. This problem is more complicated in a state like Kerala where availability of land per head is very low. The numbers of families/persons displaced by projects too stand as testimony to this reality. This is proved by table 1.4, which shows the case of two non-hydel projects in Kerala.

### Table: 1.4
**Number of Families/Persons Displaced by Non-Hydel Power Projects-Kerala**

<table>
<thead>
<tr>
<th>Name of the project</th>
<th>Families</th>
<th>Persons</th>
<th>Source</th>
</tr>
</thead>
<tbody>
<tr>
<td>NTPC, Kayamkulam</td>
<td>Displaced</td>
<td>NA</td>
<td>NTPC(brochure), 1996</td>
</tr>
<tr>
<td></td>
<td>Affected</td>
<td>NA</td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td>2,556</td>
<td></td>
</tr>
</tbody>
</table>

*Source: Muriken et al 2003, adapted*

Table 1.4 clearly shows that the NTPC project at Kayamkulam displaced a large number of people as compared to the Nallalam project. The impact of land acquisition is severely felt as the population density of Alappuzha district (1492) is more than the State average (819) which itself is higher than the national average (324) (ER, DR 2007).
1.4.2 Feminisation of Displacement

In the planned developmental process after post-independence, the insensitivity of the planners profoundly added to the plight of the displaced and their eco-systems. Jose Murikan et al (2003), in their study on displacement in Kerala explain why persons involved in struggle against development, particularly dams; have been fighting against the state and the judiciary in recent years. The calculation of compensation based on the golden value of the land taken over rather than on its replacement value has only added to the enormous burden of the displaced family. Compared to other States, compensation is relatively high in Kerala, yet it cannot be a substitute for rehabilitation because the law limits it to ‘patta’* land alone. The victims of big projects, even in Kerala, are the tribals and the dalits. Though Kerala is a progressive and developed State, yet the evidence from the study clearly indicates that it has resettled the displaced persons of only a handful of projects. The argument that the attempt for development results in the "feminisation of displacement" is justified by this study.

*patta land-land for which tax can be collected).

The absence of a strong social policy and a determined political will has further heightened the prevailing problem of involuntary displacement. Except Maharashtra, Madhya Pradesh and Karnataka, which have enacted such laws, none of the other States have any law on rehabilitation. Liberalisation has further intensified the process of sacrificing people, the poor in particular, especially the women among them, to the profit of the entrepreneur. Needless to say, all these reflect the frame of mind of the policy-makers and politicians.
### 1.5 Resettlement and Rehabilitation

The magnitude of world-wide resettlement is staggering. Aggregate global statistics of development-induced displacements are still lacking. This impedes public awareness about the severity of the displacement problem. The first estimate of the worldwide magnitude of displacement was done by a World Bank research team led by Michael M. Cernea in 1993 (World Bank, 1994). They carried out a broad review of resettlement outcomes. Their estimates show that about 10 million people have been displaced and relocated per year for different developmental purposes.

Causes of resettlement may be natural, political or development-induced. Studies conducted by Guggenheim and Cernea, (1993) point out that the close of the twentieth century will be remembered for the large number of resettlements worldwide. Resettlement has gained importance in development literature for the following reasons:

A world-wide concern exists over the adverse socio-economic and environmental cost of large infrastructure programs. There are well-organized popular resistance movements against involuntary resettlement in many countries e.g. the Regional Commission Against Large Dams (CRAB) in Brazil, and the Narmada Bachao Andolan (NBA) in India. Estimates by the World Bank (1994a) across the world reveal that above four million people are resettled every year by large dams alone. Some estimates of national resettlement caused by development projects are in table 1.5.
Table 1.5
Estimates of National Resettlement Caused by Development Projects

<table>
<thead>
<tr>
<th>Countries</th>
<th>Time-Period</th>
<th>Number of People Resettled</th>
</tr>
</thead>
<tbody>
<tr>
<td>China</td>
<td>1950 – 90</td>
<td>20,000,000</td>
</tr>
<tr>
<td>India</td>
<td>1950 – 90</td>
<td>18,500,000</td>
</tr>
<tr>
<td>Thailand</td>
<td>1963 – 77</td>
<td>130,000</td>
</tr>
<tr>
<td>Brazil</td>
<td>1980 – 90</td>
<td>400,000</td>
</tr>
<tr>
<td>Turkey</td>
<td>1980 – 90</td>
<td>300,000</td>
</tr>
</tbody>
</table>

*Source: Guggenheims and Cernea, 1993*

The 1980s have been called the “decade of displacement” since developing countries invest around $200 billion per year in new infrastructure (World Bank 1994). This will continue and probably even multiply in the near future. The population keeps increasing and every new major infrastructure requires ‘space’ - space that is often inhabited or already in use. Then the challenge of ‘solving’ the resettlement dilemma can only grow.

According to estimates by researchers, in India less than 30 percent of those displaced in the 1950s and 1960s had been resettled till 1980 (Hansda, 1983). The displacing authorities do not have reliable data on the extent of displacement and rehabilitation. This is a sign of the decision makers’ lack of commitment to the rehabilitation of the displaced. Till recently the approach to the displaced was – pay them the minimum cash compensation and after a period of transitional help, leave them to their own devices. In the absence of adequate rehabilitation, most of the displaced, especially the marginalized social groups, have been reduced to poverty and destitution.
The fact that around 80 per cent of the displaced people belong to the powerless classes may explain why, after depriving millions of people of their livelihood, India formulated a rehabilitation policy only in 2007, 57 years after it was declared a Republic.

1.6 Policy Issues and Ground Realities

Development projects are planned in advance. If there is a will, displacement can be minimised. If relocation is inevitable, rehabilitation can be planned properly. But in reality neither is done. Government bureaucrats and technocrats see rehabilitation only as a localised, project-related issue. This is indeed a sad reflection of the government’s lack of sincerity and sense of responsibility toward the displaced.

In India the R&R budget earmarked by project authorities has typically been a very small percentage of total project costs. In twelve World Bank-aided development projects in India, the resettlement and rehabilitation budget was, on an average, 3.1 percent of the amount lent by the Bank (World Bank, 1994). The R&R budget is only a very small portion of the total project costs, because World Bank loans usually cover only a small proportion of the total project costs. Better R&R provisions may add to the benefits of the projects by reducing time and cost overruns and facilitates the smooth implementation of projects.

Compared to India, China since the 1980s has relatively greater success in rehabilitating people displaced by development projects. In four World Bank-aided
projects in China, the average R&R budget was 16 per cent of the total project costs. In the case of the Shuikon I and II projects, it was as much as 28 per cent (World Bank, 1994a).

The reasons for low allocation to R&R are

(i) Under-numeration of project-affected people

(ii) Non-recognition of certain categories of the entitlements of project-affected people

(iii) Non-recognition of certain categories of people as being project-affected in the first place.

The poor record of R&R is a sign of ignoring the social component of displacement. The main reason for this is the inadequacy of a proper legal institutional framework. So far, less than a third of the DPs have been rehabilitated even partially. Three states – Madhya Pradesh, Karnataka and Maharashtra - have separate Acts on rehabilitation of Water Resource DPs. Two other states, Orissa and Rajasthan, have policies on R&R.

In Dharampuri, the Madhya Pradesh government claimed to have settled 4,000 project affected families. As per the findings of the Group of Ministers (GoM) they were “settled only on paper”. It was not possible for any oustee to settle there as no infrastructure was built. There was no sanitation, no drinking water, no system of sewage, no roads, not to speak of other facilities like hospitals, schools, post-offices, etc. Dharampuri was shown as a success story, whereas it turned out to be the worst example of lapse of rehabilitation when there was no difficulty in respect of resources.
In the case of Lakhangaon, Bollani, the status report showed 18,965 project affected families as settled. Group of Ministers, saw, at the most, 80 incomplete dwellings without the provision of infrastructure. For those who were forced to accept cash compensation, the amounts would not be enough to buy even two acres of land, as against the five hectares they were entitled to. In Awalda, a far-flung tribal village, a group of 1,500 oustees raised slogans against the cash compensation. They said that it was a ‘fraud’ and that the officials insisted on it because they got bribes. Each displaced oustee had to pay a bribe of Rs.20,000 on receipt of every cheque. Besides, Rs.10,000 was deducted as income-tax on every unit of Rs.10 lakh paid as compensation. People narrated how they had lost their home and hearth and were now on the road. The Grama Sabha was never consulted and everything was done by force. Not a single family was rehabilitated in Nisarpur as per the orders of the Supreme Court. The R&R sub-group and the Grievance Redressal Agency never visited them – the report says. (The Hindu, April 17, 2006).

A key finding of a world-wide World Bank survey of involuntary resettlement is that R&R of the displaced has been more successful where a development policy for the purpose exists.

When losses and gains are calculated on the basis of monetary income alone, usually it is seen that financial status of the DPs improves after displacement. This is so because most DPs and PAPs belonged to the non-monetised or semi-monetised
informal economy before displacement. Many of them subsisted on CPRs or by serving the village as a community. These non-monetised sources of their livelihood are not recognized, compensated or replaced after displacement. When analysis is limited to monetary income and marketable commodities, what the DPs / PAPs used to get from the informal economy is excluded. Even when monetary income rises after displacement, they are often impoverished in economic terms.

1.7 Research Problem

Stress on rapid economic development leading to large-scale displacement is becoming a serious threat to human rights and it generates a number of issues. Displacement without adequate rehabilitation leads to destructive socio-economic impacts on the project area and the people of that area. The oustees have to make certain adjustments which may be painful. When people are forced to resettle, it results in immediate disorganization and disintegration of the production system, consumption pattern, education system, and social set-up like family, caste and community, values of life etc. The family, which was a traditional system of production, may change into a system of consumption. Owing to industrialisation and exposure to the external world, changes take place in caste and customs, traditions and beliefs. Cultural identity is at a risk. The social network of mutual help gets dispersed. The consumption pattern, education system, values of life etc, are subject to dramatic change.
Developmental displacements may result in social insecurity and psychological trauma. Compulsory relocation creates problems for the weaker segments of the population – infants, children and the elderly are seriously affected. Very little information is available about what happens to the most vulnerable sections of the society – women, scheduled castes, scheduled tribes etc.

In spite of the serious problems associated with displacement, India formulated a National Policy on Resettlement and Rehabilitation only in 2007. Some government organisations like NTPC and Coal India Ltd. have developed their own policies. This is due to the pressure from the project affected persons and the funding agencies like the World Bank and the Asian Development Bank (ADB). Keen interest taken by social activists and both national and international Non Governmental Organisations (NGOs) has brought the serious problem of displacement without proper rehabilitation to the limelight. It raises central questions about all developmental projects involving compulsory displacement.

Who pays the price for the development – whether it is to be met by the Government or the project authorities or any other agency? Is it in line with any national policy? Is the compensation paid to the displaced persons adequate? What is the status of the DPs after displacement? Is there any model to explain this? Can we improve their position further?
A study of the developmental projects is necessary toanalyse these problems, particularly in the context of a power project. Many studies have been done on the displacement of population due to mega dams and other development projects in other states of India. Not much research has been done in the case of NTPC’s Combined Cycle Power Plant, Kayamkulam. The present study is conceived with a view to filling this void. It seeks to understand the change in the environment with respect to the socio-economic impact of the project, particularly on the displaced population and the PAPs. It is an attempt to find out the efficacy of the R&R programme in the context of this particular project of NTPC.

1.8 Objectives of the Study

1.8.1 Broad Objective

The present work provides an intensive and detailed study of the National Thermal Power Corporation’s project at Kayamkulam, the socio-economic impact on the local community, especially the displaced persons, and NTPC’s policies and programmes for the displaced persons.

1.8.2 Specific Objectives

The following specific objectives are set in the study:

1) To see the socio-economic impact of NTPC, Kayamkulam on the people of project area in general.
2) To examine the resettlement and the rehabilitation of the NTPC, Kayamkulam and to assess the role of people’s organisations and the NGO’s in the R & R process.

3) To analyse the socio-economic status of PAPs before and after displacement in terms occupation, income, and economic activities.

4) To look into the impact of the development project on displaced in the framework of Risk Model as developed by Cernea.

5) To make suggestions for the improvement of PAPs.

1.9 Hypotheses

The following hypotheses are proposed.

1) The displaced persons as a consequence of a development project are adversely affected in terms of utilisation of compensation, nature of employment, income generation etc.

2) The Risk Model as developed by Cernea explains that the displaced are impoverished in terms of eight risks.

1.10 Theoretical Frame Work

The issue of development and displacement brings out the necessity of examining the impact of displacement and assessing the measures of reestablishment. The emphasis on these requirements assumes importance because in almost all the cases the displaced persons face the risk of impoverishment. Thus it is evident that
impoverishment is a key issue in development induced-displacement and resettlement. As an analytical tool for assessing the risk and measures of reestablishment the “Impoverishment Risks and Reestablishment Model” (IRR Model) has been adapted. The appropriateness of this model is discussed below.

Michael Cernea, through the use of a Risk Model, has shown how impoverishment can occur through displacement. He identified eight risks and they are:

- Landlessness
- Joblessness
- Homelessness
- Food-insecurity
- Marginalisation
- Morbidity and Mortality
- Loss of common property
- Social disarticulation

The impoverishment risk model addresses not only the economic but also the social and cultural dimensions of impoverishment. Cernea’s model shows that during displacement people are deprived of natural capital, man-made capital, human capital and social capital. This model also shows that during reestablishment they must be able to regain this capital. So this is also a model for the socio-economic reconstruction of the displaced persons. This model also provides an insight into the possible outcome, should its warning be ignored. Thus the IRR model provides a matrix directly usable for
planning. More specifically it is a technique of preventive planning. It is a working tool for preparing resettlement plans and monitoring their impact. The message from Cernea’s research is a hopeful one: impoverishment from displacement is not inevitable, it is preventable.

1.11 Methodology

1.11.1 Selection of Project and study area

To study the socio-economic impact of displacement due to the development of infrastructure for power generation, a project of National Thermal Power Corporation (NTPC, a Govt. of India enterprise), is selected. The present study includes the analysis of the socio-economic and cultural condition of the persons affected by this project. The project is situated at Kayamkulam and the project area is a coastal belt, which covers five villages, namely Arattupuzha, Muthukulam, Cheppad, Chingoli and Pallippad, of Karthikapally Taluk in Alleppey district of Kerala.

1.11.2 Collection of Data

The data is collected from both primary and secondary sources. For secondary data, published works of sociologists, anthropologists and social activists; various seminar papers presented by authorities in different fields like politicians, social activists, NGOs, economists, policy makers and articles and survey reports of earlier studies on different projects published in magazines, newspapers and journals like Economic and Political Weekly etc. are used for getting a more vivid picture of the
problem. This gives an idea of the merits and pitfalls in the R & R policies of the different projects and assesses the situation of the project under study. To study the land acquisition, Gazette notifications, newspapers and records of the Land Acquisition Office (LAO), Haripad, Alappuzha are made use of. These data give an idea about the area of land acquired, the number of persons displaced, specific communities affected, monetary compensation paid to the oustees and about the number of persons or families resettled, the type of rehabilitation and the problems, if any, faced by the resettled.

The primary data has been collected with the help of structured interview schedule. Systematic proportionate random sampling technique has been applied to select the sample of PAPs. Fifteen per cent of the total displaced (2244) in the project area is the sample size of the study. Though it comes to the extent of 336, data could be collected from 300 persons only and hence the response rate is 89.28 per cent. The details of the samples selected are given in table 1.6.
Table 1.6

Number of Sample PAPs by category of PAPs

<table>
<thead>
<tr>
<th>Category of PAPs</th>
<th>Actual number of PAPs</th>
<th>Number of PAPs for study</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Male</td>
<td>Female</td>
</tr>
<tr>
<td>Persons left with land not economically viable</td>
<td>362</td>
<td>518</td>
</tr>
<tr>
<td>Homestead Oustees</td>
<td>29</td>
<td>34</td>
</tr>
<tr>
<td>Land less persons cultivating govt. land</td>
<td>611</td>
<td>441</td>
</tr>
<tr>
<td>A major person in a joint family with a share in land and homestead</td>
<td>139</td>
<td>97</td>
</tr>
<tr>
<td>Absentee land/homestead owner</td>
<td>9</td>
<td>4</td>
</tr>
<tr>
<td>Total</td>
<td>1150</td>
<td>1094</td>
</tr>
</tbody>
</table>

Source: NTPC document

Though 15 per cent of the universe is selected as samples, there are some samples missing in the study and hence there is slight variation in the proportion of the actual sample. The distribution of samples by villages is given in Table 1.7

Table 1.7

Number of Sample PAPs by Village

<table>
<thead>
<tr>
<th>Village</th>
<th>No of Household</th>
</tr>
</thead>
<tbody>
<tr>
<td>Arattupuzha</td>
<td>25 (8.33)</td>
</tr>
<tr>
<td>Muthukulam</td>
<td>10 (3.33)</td>
</tr>
<tr>
<td>Cheppad</td>
<td>86 (28.67)</td>
</tr>
<tr>
<td>Chingoli</td>
<td>167 (55.67)</td>
</tr>
<tr>
<td>Pallipad</td>
<td>12 (4)</td>
</tr>
<tr>
<td>Total</td>
<td>300 (100)</td>
</tr>
</tbody>
</table>

Source: Survey data
Table 1.7 shows the percentage share of population from each village. In the sample of 300 households (PAPs) the highest (55.67%) is from Chingoli followed by 28.67 percent from Cheppad. The area of land acquired from Cheppad is 35 acres and that from Chingoli is 189 acres. The number of land awards is most in Chingoli. To give due representation to the place, more samples are taken from Chingoli.

Primary data has been collected with the help of structured interview schedule. Structured schedules are used to collect information on the families’ socio-economic condition before and after resettlement, infrastructural facilities after displacement, rehabilitation measures, utilization of compensation money etc. From each category of the displaced community, households are selected for the survey. Other methods like interview and focus group discussion (FGD) are used based according to the need of the situation. For base line information, personal visits to the affected places were also made.

1.12 Tools for Analysis

The study makes use of statistical tools like percentages, averages and scaling technique.
1.13 Importance of the Study

The study is useful in understanding the exact state of condition of persons displaced due to the setting up of the NTPC, Kayamkulam. It intends to give suggestions to policy makers for the successful implementation of the ongoing programme of R&R for improving the socio-economic status of the PAPs of the N.T.P.C’s Kayamkulam Combined Cycle Power Plant.

1.14 Limitations of the Study

This study has certain limitations. The major limitation is that the present study is a micro-level approach to the problem. A proper analysis of the development-caused displacement and its impacts on the socio-economic condition of the PAPs can be done only at a macro level study. The difficulty in obtaining adequate information from the NTPC is another limitation.

1.15 Chapter Scheme

The study is reported in seven chapters as follows.

The introductory chapter discusses major issues relating to displacement, resettlement and rehabilitation; it also looks into the empirical study, research problem, objectives of the study, hypotheses, methodology, importance and limitations of the study.
The second chapter portrays the theoretical antecedents of displacement. This chapter gives an overview of various theories of involuntary displacement formulated by anthropologists and economists. It looks into the details of the IRR Model of Cernea, which is used as the theoretical model for the present study.

The third chapter presents a profile of the NTPC first in general and then with respect to the Kayamkulam project in particular. This part also goes into the socio-economic and geographical backdrop of the project affected district and particularly the villages. This chapter also looks into the R&R policy of NTPC for the Kayamkulam project.

The findings of the study are analyzed from the fourth, fifth and sixth chapters. The fourth chapter analyses the socio-economic background of the PAPs and the appropriateness of the Resettlement and Rehabilitation measures adopted by the NTPC for the Kayamkulam project.

The fifth chapter goes further into the details of the effectiveness of the R&R policy by comparing the economic status of the PAPs before and after displacement with respect to occupation, income, output etc. In the sixth chapter a reexamination of the socio-economic impact of the project on the PAPs with the help of the IRR model is done with the survey data.

Chapter seven, which is the concluding chapter gives a brief summary of the study, major findings, contributions and policy implications along with suggestions.