Chapter 6
Summary and Conclusions

6.1 The Scope

The Rengali Multipurpose Project is one of the largest multipurpose river valley projects in Orissa. Around 11,289 families were displaced due to the Rengali Dam Project. Out of the total families displaced, 7861 families belong to Other Castes, 1328 families belong to Scheduled Tribes and the rest, 2100 families are Scheduled Castes. These 11,289 families together constitute a population of 46,570. The total area, which submerged due to Rengali dam project, was 99,717.77 acres. Out of it, 34,335.67 acres are rayati land and the rest of 65,717.77 acres government and forest land. In the context of a general backwardness of the region, the plan for the construction of the dam in 1972 was met with agitation, which lasted till 1980. The agitation was finally suppressed and the rehabilitation of people of the affected villages started.

6.2 The Objectives

The main objectives of the study are:

1. To make an in depth analysis of the process of evolution of the rehabilitation policy;
2. To analyze the implementation of rehabilitation policy measures and their impact on the economic and social life of the displaced people; and
3. To study the income and equity aspects of different categories (ST, SC and OC) of the displaced people with special reference to Rengali Dam in Orissa (India).

6.3 The Methodology

The study involved a three- pronged approach to collection of information: (a) conducting a field survey; (b) collection of data from secondary sources; and (c) discussion with officials in government, non-officials and local leaders in the area. For intensive field study, which was empirical in nature, two structured questionnaires were used. The first one was for the individual households, and the second one was the village schedule, where all the information regarding the villages was collected. The data thus collected were used for assessment of the impact on the socio-economic condition of the people who were displaced and for the assessment of income and equity aspect of the displaced households. For this, the following statistical measures were used:
1. Coefficient of Variation;
2. Pareto Distribution;
3. Lorenz Curve;
4. Ginni’s Coefficient.

6.4 The Policy

The first and foremost objective of the study is to make an in depth analysis of the process of evolution of the rehabilitation policy. In spite of several efforts made, till date, India does not have a national rehabilitation policy. All the policies are project specific. It not only varies from project to project within the same state but also from state to state. The government of Orissa did not have any well-formulated rehabilitation policy for quite some time, even after independence. Historically, the problem of rehabilitation assumed importance in Orissa only when the construction of Hirakud Dam was taken up just before plan development through Five Year Plans commenced in the country. The seriousness of the problem can be seen by the fact that as many as 22,144 families in 249 villages of Hirakud Dam in Orissa, besides affecting 36 villages in Madhya Pradesh, were displaced. Hirakud Dam was followed by Balimela Project in the early seventies. Here, rehabilitation of the people was taken up on the pattern of Hirakud. But Rengali Dam saw a new chapter in the history of irrigation development in Orissa. Initially local people did not welcome the construction of the dam. The obvious anger was against the manner in which problems of displacement were being tackled. There was great agitation, which consequently delayed the construction of the dam. However, considering the concerns for the large number displaced by the dam, the Government of Orissa was compelled to formulate a rehabilitation policy for the oustees of the Rengali Project for the first time in 1973. This policy specifically for the Rengali Project was later on elaborated and developed to be adopted as a uniform policy for all Major and Medium Irrigation Projects in the State. The Government of Orissa, in April 1977, approved this. Various government reports regarding the policy, methods of valuation of compensation, and the various legal documents of the land acquisition cases from the civil court, Deogarh have been collected to analyze the extent to which this policy was implemented (Chapter- IV).

The rehabilitation policy thus evolved by the government has a number of positive impacts on the people. In the first place, due to its homogeneous nature, it treats all the displaced households equally. This policy is an improvement over earlier policies,
in the sense that it includes the landless and also the assess, who generally derive their livelihood by their labour, also as eligible for the allotment of land. However, the weakness of this policy is the distribution of highly unproductive land. Because of the infertile nature of the land, the crop yield has decreased to a large extent. Next weakness of this policy is distribution of land into different patches. In some cases distribution of disputed land has added more miseries in the lives of the displaced people. Hence, the government has to look at these matters and modify these demerits in future projects.

6.5 The Performance

Land for this dam was taken from the people according to the Land Acquisition Act 1894, which was passed by the colonial government. According to this act, government can take any private land for 'public purpose'. The basic objective of this act is to compensate a person who loses land during the process of acquisition of land. The LA Act, 1894 says that land can be compensated according to its market value, which is purely based on the sale deed of the land. In case of Rengali dam oustees, sale deed was not available. Hence for this purpose annual yield of paddy was taken as the market value of land.

The entire process of valuation of all the land and houses were purely arbitrary. This has resulted in low compensation, which is not even equal to 1/4th of the property acquired by the government. The only alternative left to the people was to accept the compensation, however low it was. There is another point to be noted here. According to one of the provisions of the LA Act the interested party must accept the compensation under protest, even if the land is under valued by the LAO. If the compensation is accepted under protest then the case can be referred to the court by the LAO. The court can enhance it if it feels that the value given by LAO is unjust. The fact is that the provisions of the Act are not known to the people. However, a few knowledgeable persons took their compensation under protest and sought relief as per the provision of the Act. Some people (See the two examples in Chapter- III) got enhanced money from the court but in the same village the poor people, having the same kind of in the old village did not get anything because they were unable to go to the court.
6.6 The Findings

The study has revealed that just immediately after displacement the oustees do not have anything with them to cope with the changing situations. Starting from a shelter to food, they needed money for the fulfillment of every minor need, but almost all of them spent their compensation money before they moved out. Hence they did not have anything to fall back upon even during the initial period of settlement. This meant enormous suffering of the displaced people. To avoid such situations the State must ensure as a part of the policy to take care of the livelihood needs of the displaced people during the period transition from the place of displacement to the new settlement.

Further, it has been noticed that the displaced people had a lot of problem during shifting and after shifting to the new place of settlement regarding the compensation of amount, valuation of compensation and etc. Due to lack of exposure and of course lack of education, these people did not complain about this matter. Hence there should be a Rehabilitation Tribunal to look after the cases relating to displacement and resettlement.

Yet an other problem is the indifferent attitude towards the location of resettlement and land allotment. The displaced are resettled upstream and allotted land, which will not have the benefit of irrigation either from the dam or from any other source. While the displaced end up with dry land, those non-displaced with dry land down-stream will have all the benefits of irrigation. This shows gross indifference to the principle of equity and fair distribution. Because the canal system of Rengali Dam, which is under construction would provide 2,00,000 hectares of land under irrigation in Cuttack, Jajpur and Dhenkanal districts of Orissa. Here some body is paying the cost and some body is deriving the benefit, which is really unjust. Hence there is a need to resettle the oustees in the Rengali command areas in the old cluster villages so that they can get the benefit of power and irrigation for which they are sacrificing so much.

The second problem is concerning the implementation of the rehabilitation policy and their impact on the economic and social life of the displaced people. For this the results of socio-economic survey of the sampled villages are discussed in Chapter-V. It is observed that the land ownership of the households has improved substantially. It is only because of the land for land policy adopted in Rengali Dam, where all the oustees received either six acres of un-irrigated land or three acres of irrigated land, irrespective
of his earlier land holding position. In the process of land distribution the ST and SC households are the gainers but the net losers are the OC households as could be seen from the decline in the average land holding size of these communities. Therefore it is concluded that there is a structural change from earlier land system, which favoured the OC households, to the present land system favouring the ST and SC households. Further, some of the major limitations of the land policy is that (i) the cultivable land allotted to each households are in several patches; (ii) some cases the land, which has been allotted to the displaced people are forcibly encroached and cultivated by the other people; (iii) the land allotted is highly unproductive and infertile.

Some of the major findings include that those households who got dry land experience deterioration in their livelihood, where as those who got wet land improved. There are, of course, inter-community differences too. The STs and SCs have improved through access to land but the OCs have experienced a decline in their earnings.

6.7 The Conclusions

It is observed from the yield pattern of the land is that those households who have land in the un-irrigated villages have reduced the produce to half. Because of the dry nature of the land and less moisture capacity of the land in the new settlements the crop yield has decreased. In villages with allotment of 3 acres of irrigated land in the head area, crop yield has increased and people have got a better deal in these places.

There is visible differentiation among households of various castes as could be seen from the annual income. Prior to displacement the annual average income of the OC households is found to be much higher than the ST and SC households. Even after displacement the per capita income of the OC households is more than that of the other two categories of people but the inequality among them has decreased to an extent because of not only an increase of SC and ST households but also because of decrease in the level of income of the OC households. From the Table 5.24, it is seen that CV of ST people has decreased from 62 to 35 in case of villages with allotment un-irrigated land and 43 to 37 in case of SC in the villages with allotment of un-irrigated land. CV has increased in case of OC households in both the types of villages. So far as villages with allotment of irrigated land is concerned, CV of all the types of households has increased i.e. 44 to 63 for ST, 63 to 85 for SC and 63 to 68 in case of OC households. The only reason behind this increase in CV in the irrigated villages is that these sets of villages are
a combination of three villages where two villages are situated in tail area of the canal and one is in the head area. The income of the households of the villages situated in the head area of the canal is much more than that of the income of other two villages situated in the tail area of the canal. Hence there is a disparity of income among the people of these three villages as a result the CV of all the categories of people has increased. From this, it is concluded that the distribution of income of the ST people after displacement is less variable than the other two communities (OC and SC). From the Table 5.28, it is seen from the Ginni's Coefficient that in case of SC and ST households in the villages with un-irrigated land has decreased from 0.32 to 031 in case of ST, and 0.25 to 0.21 in case of SC households.

Hence, it is concluded that the post- displacement incomes of the households are more equal than that of the pre-displaced scenario but not entirely to the liking of the OC households.

To analyze the impact of dam construction on the displaced people of Rengali Dam, Cernea's Risk Model has been tested by analyzing the data collected from the six resettled villages. Eight different risks defined by Cernea, were also analyzed. From this analysis, it is concluded that the landholding of the people has increased to a large extent. Another positive impact is that of increase in the conditions of the dwelling. Apart from this, there is improvement in the infrastructure facilities and medical facilities. Another important conclusion drawn here is that though the accessibility to the forest has been restricted, people’s dependence on forest has increased.

In the absence of an accurate baseline information on pre- displacement income levels, it is necessary to point out that the comparison of the levels of income are only broadly indicative than precise. Given the resource position, landholding structure, ownership of livestock and agricultural implements, it can be safely concluded that the ST households are in a relatively better position in comparison to their pre-displaced position. As far as the OC households are concerned, the quality of life has decreased to an unprecedented level.

Such inequities have occurred in spite of Rengali Project being one of the 'best' rehabilitation policies of India, because of its homogeneity for all the people. The word 'best' does not mean that a more effective policy cannot be made but this policy is an improvement over the earlier project-specific policies, as this policy is uniform for all the
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people. Here the compensation packages are better than that of the earlier policies. Due to this effective attempt of the policy, the landholding of the people has increased. The people's area for house site has also increased. Infrastructural facilities have increased to a large extent.

It is seen from the field study that immediately due to reduction of crop yield, there was food insecurity among the people. It is only because due to the agricultural land provided by the project authority has not been reclaimed and leveled properly. And also the operational land holding has been reduced considerably in the case of OC households.

From the above discussion, it is clear that the current rehabilitation policy has two sides- one is the positive side and the other is the negative side. The positive side is the universal allocation of land to all the displaced households, which makes this policy much superior over the earlier policies. So far as the negative side is concerned, the government has not ensured easy acceptance of the displaced as settlers in new places. The government should rectify it and include some more effective packages so that the people of the concerned area won't treat the intervention as enemy. Because the backbone of the resettlement plans anywhere should be a 'development package', that is, a set of provisions aimed at reconstructing the production base of the relocated. This package must offer suitable opportunities and resources for their economic and social re-establishment as self-sustaining producers. While implementing the rehabilitation programme, it is the duty of policy makers to prepare all facilities in the new places and then only shift the affected people. Utmost caution in planning and execution of shifting the displaced is needed and use of force should be avoided (Shtrugna, 1981). The process of rehabilitation should always educate the person about the programmes and its advantages, which results in economic growth of the region (Vital, 1992).

Ad-hoc policies cannot solve the problems associated with erosion and displacement but they are likely to reduce vulnerability and to ease the difficulties faced by the oustees. Awareness of education and extension work must emphasize the fact that in the long run resettlement policy should ensure further improvements in resettlement policies, in legal frameworks, in the implementation of future land reforms measures, and in regional economic development strategies. The government should seriously consider creating a separate ministry to deal with the development of newly acquired land as much as the relocation of the displaced people (Zaman, 1995).
The displacement of people due to establishment of development projects is a nation-wide problem. Several development projects in different parts of the country are in the process of implementation and several more projects are expected in the near future. In the absence of a national rehabilitation policy, the state governments will follow their own way of rehabilitation. The lesson is that it is time to formulate a comprehensive national rehabilitation policy for complete socio-economic rehabilitation of the displaced people that ensures equity and social justice.