Displacement and Resettlement
In the Development Process

Hari Mohan Mathur
Agenda

- Introduction
- Factors Causing Displacement
- Size and Impact of Displacement
- Protests Surrounding Land Acquisition
- Impact on Investment
- Why are Farmers Protesting?
- Why Land for Industry?
- Dilemmas of Development
- The Way Forward
Introduction

- Most contentious issue in development today
- Displacement is neither new nor uncommon in the development process
- But its growing size and adverse impacts a cause for concern
- In last 60 years, 60 million people displaced
- Inadequate resettlement fuelling resentment
- Bad news: Problem not fading away
- More displacement is in the pipeline
Introduction (continued)

- In future displacement will occur on a much bigger scale.
- Displacement will not affect only rural areas, as dams in the past did.
- Displacement will occur much more by other kinds of projects: power, mining, industries, highways, airports.
- Slum relocation already become a major urban issue.
- Mega events causing hardships to informal dwellers (e.g. Commonwealth Games).
Factors Causing Displacement

A The Impact of Globalization

- Laws being amended to create investor-friendly climate
- SEZs being set up, MNCs being welcomed
- Land requirement for new projects gone up and bound to precipitate unprecedented displacement
- What took national agencies hundred years is being done by globalization process in less than a decade
Factors Causing Displacement

B Demographic Explosion

- Due to high population density not possible to undertake a project without displacing large numbers
- Orissa study: In 1950s, number of persons displaced per hectare was 1.9. In 1980s it rose to 5.52
Size and Impacts of Displacement

- No official count of exact number of people displaced, if available not reliable
- Number estimated by independent researchers higher, 60 million in last 60 years
- New studies suggest that their earlier figures were still on lower side.
- Displacement inherently impoverishing, hurting mostly the poorest, not affluent groups
- Opposition because of this sense of injustice
Why Projects Fail to Help the Poor

- Resettlement not a legal right yet
- No law in India to guarantee protection from displacement
- The existing policy too weak
- Affected people generally voiceless
- So, projects can get away owning no responsibility
- Well-to-do people seldom targeted for displacement
- If displaced, they are treated differently
Protests Surrounding Land Acquisition

- Land acquisition has never been a hassle-free process
- But recent surge in protests is unprecedented
- POSCO, Reliance SEZ Raigarh, Nandigram
- Today no project that is not in trouble over land issue
- List of such projects getting longer, not shorter
- To make things worse most protests occurring in mineral-rich states affecting tribal people
Impact on Investment

- Doing business in India has never been easy
- Land acquisition has made it even more difficult
- Companies finding it impossible to get land
- Huge investments are on hold
- Companies being forced to look for other places to invest
- Tata’s shifted their car factory to Gujarat
- Protests do not send out right signals
- Can scare away investment, much needed FDI
- This likely to put India’s growth story into jeopardy
Why are Farmers Protesting?

- The land issue needs to be addressed upfront
- Do farmers have a point?
- If yes, how should business move forward?
- Can the hostility be turned to mutually beneficial relationship?
- These were not the issues in the initial years of Independence
- But things have since changed
- Farmers more aware and assertive of their rights
Growing Support to Farmers’ Concerns

- Farmers getting strong support from NGOs, environmentalists, media (even novelists, other celebrities etc and now even political parties)
- Often rival companies provide support protests from behind the scene
- Hence farmers can afford to be demanding, even belligerent
- In such circumstances, land acquisition unlikely to remain a trouble-free process
2 The Real Cause: Compensation Inadequacies

- Resettlement packages, based on compensatory approached, have proved inadequate (cash, land, jobs, skills training etc)
- Mostly compensation, which gets frittered away, is not enough to replace loss
- Fear that they will lose completely once land is gone
- The way compensation worked out does not reflect true value of land
- Price paid for land multiplies but farmers denied this gain
3 Emotional Attachment to Land

- Farmer has enjoyed through generations a kind of security that only land can provide.
- He is unwilling to lose it.
- This is particularly true of tribal communities (Nyamgiri Hills).
- It is no coincidence that most protests are reported from states with larger tribal population.
- If compensation enough, people will sacrifice the emotional attachment (initially No, but later Yes, in Gujarat).
4 Anger against the Government

- Government acquiring large tracts of land, whole villages, and handing them over to investors
- Acquiring tribal lands in contravention of protective laws
- Buying land cheap, citing eminent domain, and then selling at higher prices to MNCs
- Farmers angry with the Government, which they see as wooing investors, hurting farmers
5 Farmers See No Gains from Development

- People do not see projects as beneficial
- Protests underline a sense of injustice felt by the farming community
- Past experience with resettlement does not inspire confidence
- Farmer has no trust in either government or industry and their resettlement policies and promises
Land not for Agriculture Alone
Industry also Requires Land

Despite protests, land acquisition not going to be given up
Land important not for agriculture alone
It is also needed for industry, other development purposes
In a country where poverty is widespread, development essential
No country where development has occurred focused on agriculture alone (Amartya Sen)
Land for Industry (Continued)

- Shift to industry essential for development
- Transfer of Land to Industry has No Effect on Food Production
- Industry Creates More Jobs with Less Land
- Farmers Willing to Shift to Industry and Other Occupations
Dilemmas of Development

- How to Protect Farmer Interests and yet Promote Industry?
- How to do mining, set up industry, build highways in places where farmers are hostile, unwilling to part with land?
- Land Scarce, Demand Increasing
- Managing land acquisition, compensation and resettlement presents a serious challenge
The Way Forward

No easy way out of the impasse, but ‘business as usual’ approach will not do

Though it is a sticky issue, development activities can be carried out even in prevailing climate

Even today, land continues to be acquired unopposed (for example, outskirts of metros by builders, for SEZs in Tamil Nadu, Gujarat)

More examples of success being now reported
The need is to follow new approaches that have produced results elsewhere. These will fend off protests, and ensure that everybody wins. Important thing is to keep in mind the concerns of the affected people. Some approaches that have led to success are discussed below.
Gain Trust of the People

In strict legal terms, government can compulsorily acquire land and hand it over to mining, industry, citing ‘public purpose’

But such land acquisition can soon make things difficult later for developer

A local dialogue essential to dispel fear of affected people about their livelihood

Affected people find it easier to accept displacement effects if they are explained objectives, benefits of the project

In Jaipur, M&M began work after winning confidence of the people and were able to complete project well in time (though at a slightly higher cost)
2 Involve Affected People in Decision Making

- Participation builds trust, reduces conflicts, promotes collaboration, and ensures the success of the project.
- This will turn resettlement – a conflict-ridden process – into one which is acceptable and beneficial.
- Despite known virtue of participation, its practice remains limited.
- Coal India considering customizing resettlement packages in consultation with affected people.
- NGOs better equipped to conduct business in participatory ways.
- Coal India worked with them them.
- UNDP resettlement policy project for Orissa also entrusted the task to a local NGO for the purpose.
3 Reduce Land Requirement to the Barest Minimum

- Reduce land requirement to the minimum
- Avoid acquiring fertile land (as far as possible)
- Mundra Port, Gujarat: Land acquired was wasteland
- In West Bengal JSW Steel (Jindal Group) acquired fallow land in Salobani area
4 Acquire Land on Willing Buyer-Willing Seller Basis

- In the market-economy state should have no role in land acquisition
- Jaipur SEZ: One factor that led to success was that it acquired land directly from farmers
- There are some who still see a role for the state
5 Acquire Land on Lease Basis

- Acquire land not permanently on a one-time payment basis, but on a long-term lease basis but renewable
- The arrangement should be to pay a lump sum upfront plus a monthly rent adjusted to price index
- The Jundal Group worked out such an arrangement for the power project in Bhadres, Barmer
6 Compensate Farmers Adequately

- Need to increase compensation amount substantially
- Because valuation methods are flawed
- Haryana has recently announced a liberal package
- In addition to compensation, farmer giving land to HSIDC gets Rs 10000/- per acre for 33 years
- Industry also asked to reserve 25% jobs for those give up land
7 Provide Development Component Over and Above Cash Compensation

- Mere compensation has proved inadequate to address complex resettlement problems
- In addition, there should be a development component
- Development component, to be added as a bonus, could include free education, medical care, free electricity, and water supply.
There is a growing view that farmers who contribute land should be recognized as major ‘shareholders’.

Without land no project can come up.

In India, Orissa policy 2006 was first to adopt this partnership approach.

Specifically, the policy provides that at the option of the displaced family the project may issue convertible preference shares up to a maximum of 50 per cent out of the one-time cash assistance.

A similar provision also include in National R&R policy 2007.
9 Ensure there is a Share in Project Benefits for the Displaced People

- Projects generate many benefits which can be shared with all affected persons
- Benefit sharing is getting support on grounds of equity (People who give up land to be its first beneficiary)
- Sharing benefits can make development an inclusive process
- Benefit sharing is possible in all sorts of projects
Share Benefits (Continued)

- Some projects have indeed attempted benefit sharing, but that is not enough yet.
- This is due to a lack of imagination in using the resources available, poorly prepared resettlement plans, and their indifferent implementation.
- But the real reason is the absence of compelling guidelines.
- Therefore even those projects that can share benefits make no effort to do so.
Share Benefits (continued)

- Benefits can be in any form
- Targeted at individuals, could be in the form of community resources or public services
- Resettlement planning should explore all possibilities
- It is important that benefits make a real difference to the economic status of affected persons, not be just a token
Conclusion

The age old method of acquiring land by paying one-off compensation, howsoever generous, will not work any more.

Landowners will need to be associated with the project as partners, shareholders.

Affected persons must see tangible benefits coming to them from the project on a permanent basis.

To gain acceptance among the affected groups share project benefits and partner with them.

It needs to be understood that without a ‘license’ from the community investors can neither build nor operate their projects.
Thank You
Social Impact Assessment
A Tool for Planning
Better Resettlement

Hari Mohan Mathur
Introduction
Aims and Objectives of SAI

- Analyze how proposals affect people
- Identify and mitigate adverse impacts
- Enhance benefits
- Help manage change
What Are Social Impacts?
What Are Social Impacts?

- Social impacts are consequences to human populations of any public/private actions.
- These include changes in ways they live, work, play, organize to meet their needs.
- Changes may effect: employment, production, way of life, culture, community, political systems, property, norms, values, beliefs, fears, aspirations.
- These impacts can be positive or negative.
- In short, social impact is a significant improvement or deterioration in wellbeing.
What are Social Impacts? (contd)

- Different groups experience impacts differently
- Some win, some lose
- Impacts severe for vulnerable groups (tribal people, women)
- Impacts differ from project to project (dams, urban projects, place to place)
Illustrative List of Impacts

Social/Cultural

- Break-up of community cohesion
- Disintegration of social support systems
- Disruption of women’s economic activities
- Loss of time-honoured sacred places of worship
- Loss of archeological sites and other cultural property
Illustrative List of Impacts

Economic

- Loss of agricultural lands, trees, wells
- Loss of dwellings and other farm buildings
- Loss of access to common property resources
- Loss of shops, commercial buildings
- Loss of businesses/jobs
- Overall reduction in income due to above losses
Illustrative List of Impacts

Public Infrastructure and services

- Government office buildings
- School buildings
- Hospitals
- Roads
- Street lighting
What is Social Impact Assessment?
What is Social Impact Assessment?

- It is the process of assessing, in advance, the social impacts likely to follow from a project proposal.
- It is an attempt to quantify those impacts.
- It alerts the planners to understand the potential consequences of a proposed project.
- It is a powerful tool allowing decision makers to initiate steps necessary to prevent/contain harmful potential impacts.
- SIA is a common requirement in the process of planning resettlement.
Why Do Social Impact Assessment?

- Helps in identifying potential impacts essential for planning purposes
- Helps in identifying groups likely to be adversely affected
- Helps in designing projects that neutralize/soften adverse impacts
- Helps in designing projects that enhance positive impacts
Why Do Social Impact Assessment (contd)

- Provides opportunity to explain project’s objectives to affected groups
- Provides affected people an avenue to express their views
- Helps in allaying fears and winning trust of affected people
- Helps people identify development opportunities from the project
- Lowers projects costs by timely actions
- Reduces delays in projects clearance
Steps in Conducting Social Impact Assessment
Steps in Conducting Social Impact Assessment

- Define the impact area
- Identify information/data requirements and their sources
- Involve all affected stakeholders
- Conduct screening
Steps in Conducting Social Impact Assessment (contd)

- Carry out scoping in the field
- Prepare a socioeconomic profile of baseline condition
- Survey of host population
- Identify and assess the impacts
- Develop a mitigation plan
Principles of Good Practice
Principles of Good Practice

- Involve the diverse public
- Analyze impact equity
- Focus the assessment
- Identify methods and assumptions and define significance
Principles of Good Practice (contd)

- Provide feedback on social impacts to project planner
- Use SIA practitioners
- Establish monitoring and mitigation programmes
- Identify data sources
- Plan for gaps in data
Sources of SIA Information and Methods of Data Collection
Sources of SIA Information

- SIA uses both secondary and primary data
- Secondary sources include: data on the proposal, census and vital statistics, other documents
- Primary sources include: project-specific survey and field research
- SIA uses both quantitative and qualitative methods
Secondary Sources

- Project report and related documents
- Government census data
- Land records
- Published literature on the project area and its people
Secondary Sources (contd)

- Secondary data no substitute for project-specific surveys
- Use primary data: quantitative and qualitative
- Include relevant data gathered directly from the field
- Various other surveys, studies
Methods and Tools

Quantitative Methods

- Land acquisition survey
- Census survey
- Socioeconomic survey
Methods and Tools

Qualitative Methods

- Key informant interviews
- Rapid rural appraisals
- Focus group discussions (FGDs)
- Public hearing
Identification and Assessment of Social Impacts
Identifying and Assessing Social Impacts

- The first task in resettlement planning is to identify project’s adverse impacts
- Identify all people affected by project
- Understand impacts on livelihoods of those affected
Identifying and Assessing Social Impacts (contd)

- Describe project impacts on different groups
- Quantify impacts as far as possible (some are not quantifiable)
- Involve affected groups in ranking impacts according to their severity
Community Involvement in SIA
Purpose and Objective of Public Involvement

- Informing stakeholders
- Obtaining information on local socio-economic conditions
- Gaining their views, concerns
- Winning public trust
- Incorporating people’s perspective in decision making
- Making decision making transparent and accountable
- Reducing conflict
Public Involvement

- Levels of public involvement
- Key stakeholders
- Principles of public involvement
- Public involvement in key stages of the SIA process
Principles of Public Involvement

- *Inclusive*: involves all stakeholders
- *Open and Transparent*: proposal is easily understood
- *Relevant*: focused on issues that matter
- *Fair*: conducted without bias towards any group
- *Responsive*: to stakeholder concerns and needs
- Builds confidence and trust
Developing a Public Involvement Programme

- Determining the scope of involvement
- Identifying affected groups and other stakeholders
- Selecting techniques relevant to local situation
- Providing feedback to stakeholders
Preparing a SIA Report
Format of a SIA Report

- A report on SIA required for decision making by project proponent
- Prepare a formal report for submission to the sponsoring authority after completion of the social impact assessment
- Provide a brief executive summary
Format of a SIA Report (contd)

- Divide the report into distinct sections
- Introduction, methodology used, likely impacts, recommendations, mitigation measures
- Provide recommendations with full justification
- Share the report widely
IMPACT MITIGATION
Mitigating Adverse Impacts

- Give priority to avoid social impacts
- Minimize them as far as practicable
- Identify mitigation measures for each impact
- Customize them to the different affected groups
- Ensure impacts are not borne disproportionately by any group
Mitigating Adverse Impacts (contd)

- No one should be worse off than before
- Treat relocation/resettlement as a special case
- Livelihoods of those displaced should be improved
- Enhance benefits for local people through Job training and development packages
## A Typical Format for Conducting Census

<table>
<thead>
<tr>
<th>Name of Village</th>
<th>Household</th>
<th>Date</th>
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<tr>
<th>Name</th>
<th>Sex</th>
<th>Age</th>
<th>Relation to Household Head (HH)</th>
<th>Primary Occupation</th>
<th>Secondary Occupation</th>
<th>Number of HH Members Disaggregated by Sex</th>
<th>Property Ownership with Estimated Value</th>
<th>Structures</th>
<th>Land and Type</th>
<th>Other: Wells, Trees, Livestock</th>
<th>Highest Level of Education</th>
<th>Income</th>
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<tr>
<th>Farm-based</th>
<th>Off-farm labour</th>
<th>Informal Sector Activities</th>
<th>Other: Remittances</th>
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Name and Signature of Surveyor  
Name and Signature of Informant
Annex II
Draft Outline of a Socioeconomic Profile

A Location and Physical Characteristics
- Map (showing roads, land use, rivers, bridges, major settlement areas)
- Description of location

B Economic
- Ownership of assets
- Land (amount, type, distribution, security of tenure)
- Nonland (livestock, equipment, buildings)
- Type of livelihood (subsistence, commercial or both)
- Household income/expenditure
- Skills
- Use and access to credit
- Use and access to marketing services
- Use and access to commercial inputs

C Social Infrastructure
- Access to health services
- Education (primary, secondary, informal)
- Water and sanitation
- Housing
- Roads and communication
- Energy

D Demographic
- Age/Sex/Family size
- Birth/Death rates
- Health and nutrition (children and adults)
- Migration (in and out)
- Number of single parent households
- Gender differentiation of households

E Social Organization
- Family structures
- Social structures in the community
- Information about how collective decisions are made
- Local institutional structure
- NGOs in the community
- Level of social respect and initiative
Executive Summary

Introduction

Description of the Project

Methods in Identifying Project Impacts
  - Land acquisition survey
  - Census
  - Socioeconomic survey and studies
  - Consultation with project area people

Anticipated Project Impacts
  a. Positive Impacts
  b. Adverse Impacts

Affected Population

Affected Vulnerable Groups
  - Scheduled castes/scheduled tribes/other backward classes
  - Women-headed households
  - Squatters and encroachers
  - Disabled and those unable to work
  - Elderly and children without support
  - The very poor

Inventory of Losses to Households
  - Land
  - Houses
  - Other structures
  - Income and livelihood
  - Social networks

Losses to the Community
  - Public buildings
  - Common property resource
  - Cultural property
  - Infrastructure

Public Consultation and Disclosure

Findings and Recommendations

Mitigation Plan
  - Relocation
  - Income and livelihood restoration
Thank You