R&R ISSUES vs. NRRP 2007

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Introduction

India had, for a long time, been an agriculture based economy and was used to growing at the 'hindu rate of growth'. But as time progressed, industrialization started taking shape and things began to move faster and the phenomena kept on getting bigger and bigger. It gave the nation the opportunity to improve its portfolio in almost every sense; expand its economy, better the standard of living of its citizens, be globally recognized, gain some international might and finally get to change what 'hindu rate of growth' stood for. But it was never meant to be a smooth transition as industrialization brought along its own set of problems. These problems included, inter alia, issues related with land acquisition and R&R and it caught our policy makers off-guard and often ill-equipped and made the government end up standing against its own people. Even to date, we struggle to have a policy which is comprehensive enough to be acceptable to both the project developers and residents of the affected area, and continue to find ourselves in a situation where mass protests and civil outrage have become a commonplace.

Protest Against Land Acquisition

India has witnessed numerous incidents of people of the affected areas coming out against the projects under development and many times it led to large scale agitation. Nandigram, Singur, Chhattisgadh and UP have of late been making headlines for problems with land acquisition. Such issues are more prevalent in case of infrastructure related projects like building reservoir dams, roads, mines or a power plant because such projects generally require much larger area and affect many more lives. But it is not limited to infrastructure sector only, Singur is a burning example where TATA Motors had set up a manufacturing plant for its internationally popular Nano cars. SEZs are another ones which have met with such protests. But all said and done, the truth that should not and cannot be ignored is that the nation needs more and more industrialization and these industries can't be set up in air, land will be required. So the question that needs to be answered is how to go about acquiring the required land and how should the affected people be compensated.

Reasons Why People Protest

In order to analyze the R&R policies of India, it is imperative to understand why people protest and what do they expect in return for giving up their land. India is a dynamic country and it endures variety of cultures, customs, languages and religions, and so different things matter in different parts of the country. But quite fortunately, the reasons for protest against land acquisitions are more or less the same in almost every case. Following can be regarded as some of the major reasons:

Agriculture is the main source of livelihood:

In our country, more than 65 percent of the population still lives on agriculture and it is the main source of their livelihood, so whatever money they are offered does not seem to make it up to what they are asked for in return. They do realize that all the cash benefits being offered would not last a lifetime and they would have to forego the only means of subsistence that they have.

Land is held dear:

For many people, their fields are not just a piece of land but it is rather something much more important, they have a sentimental attachment to it, they worship their land and would do anything thing to keep it from losing. For many others it is a status symbol and in such cases it becomes even harder to exchange it for some money or another piece of land being offered which would be of much less value to them.

Lack of employment options in rural parts:

Absence of employment options is one of the most important factors. In rural India there are not many alternatives to farming. So if someone takes your land away there is not much else to do to scrape a living. In addition to this low literacy level also becomes a hurdle because a large part of rural population is not well equipped with skills required to do something other than farming.

Low price of land:

Governments use their own estimation of market price for deciding the worth of the piece of land to be acquired and more often than not, it comes out to be only a fraction of the actual market price because rates are generally understated to evade taxes. So quite obviously the landowners feel cheated by the compensations being offered as it brings the total worth of their properties down to a meagre part. Land acquisitions would continue to face problems unless such obvious loopholes are not done away with. Then another factor which becomes a deterrent is the future price of that piece of land. After some industrial set up comes up, land-price of the nearby areas shoot up because of the related infrastructural developments and so everybody fights hard to hold tight to his/her part. That is why, while deciding the size compensation it should not be made just at par with market price but should instead be significantly higher than it to sooth the losses to be incurred by people.

Apprehension about the life afterwards:

It is simply the most common and the biggest reason for protests against land acquisitions. When a population gets displaced and is then rehabilitated somewhere else, people lose everything they have ever had, everything that they ever known is suddenly gone, all that they had so far been holding onto is of no value and then they are forced to start a whole new life at a completely strange place. It changes everything for them, not just their profession and live style but their relations, their neighbourhood and their cultural and religious significance, in short, their whole world. It is as dreadful and devastating as it may sound and there is no easy way to go about facing it. This fear of the unknown has many times caused depression to many, some even end up committing suicide.

Insufficient compensation package:

In many cases the kind of compensation package in terms of cash, land or employment opportunities being offered has been so insufficient that people had to resort to agitation. Sometimes, because of the vague R&R policies, the basic definition of the beneficiaries itself is not inclusive enough and leaves out many genuine claimant while many other find ways to get more than their actual cut. These discrepancies lead to further disappointments.

Distrust of promises of compensation:

This issue is not confined to R&R only, the distrust emanates from the way different governments have run themselves so far and have delivered on the innumerable promises made by them. People suspect whether the compensations would actually be received by or not and this factor itself negates all the efforts made in coming up with a comprehensive resettlement and rehabilitation policy, deciding a compensation package and almost every other thing done to smoothen friction with locals.

Political opportunism:

In Indian democratic system finding ways to grab the attention of the public seems to be the sole motive of all the political parties. Whenever they sense any opportunity to deride the incumbent government they make full use of it by pretending to be the only well wisher of the common man, by acting as the only party which puts people's interest above everything else. And doing so is one thing they are adept at, they hire NGOs and the 'free and unbiased' media to help amplify the issues. This is one problem which does not have anything to do with the problems of the public or with the limitations of the benefits being promised to them. But despite of having no relation with the actual problem it does become the real problem.

What should our R&R policy have

To make things easier and resolve the issues, India needs a clear and unambiguous R&R policy which would be uniform all across and at the same time has provisions for taking care of concerns specific to the affected communities and populace at large. India has so far drafted many bills and has approved several R&R policies but all of them have been found to be lacking in many ways. The recent NRRP 2003 was further amended in 2006, and the next year NRRP 2007 was approved which is in effect at the moment. A good NRRP should take care of all the aspects, it should make sure that people being affected get affected in a good way and towards a better life, but at the same time it should see that it doesn't discourage industrialization and investments. Following are some of the important facets that our R&R policies should look at:

Mechanism for compensation determination:

The R&R policy should clearly explain the mechanism to determining the size of compensation and it should unambiguously mention which all bodies should be involved in

such decisions making and how all the stake holders should be involved in it. It should clearly define the role of central and state governments and the developers also, so that their conflict of interests does not get in the way of deciding a just compensation package. Clarity on such issues is indispensible for India because in a multi-party democracy like ours, quite often we are in a situation when state is ruled by one party and centre by some other and then if their ideologies differ or if they are on to settling scores it may hamper both the development of the project and people of that area,

Adequate and appropriate compensation:

The basic definition of compensation is to return somebody to earlier stage, no better no worse. This could have been a solution a century ago but this approach is oblivious to the prevailing economic condition where prices of everything including land have become highly volatile and so returning somebody to his earlier stage is just not good enough. While an adjacent land owner who does not lose his land would get huge benefits from appreciation of land price because of the infrastructural development of that area, but the person who lost his land, the land on which this process of development started off, would be rehabilitated to some other place and alienated from the developmental process. And so the compensation package should reflect the real loss the he is to withstand and should aim at bettering his living standards.

Compensation for the deserving:

Our present compensation policy is based on titles, and therefore only landowners and tenants are considered for compensations. But this approach leaves out many people whose lives were dependent on those assets, these stakeholders include share-croppers, wage-labourers and others who were in possession of some land, house or any other property but did not have any title to it. It is this category of people which is affected the most. A good R&R policy should be highly inclusive in nature while defining the beneficiaries and should emphasize on ensuring that something being done for the betterment of the economy should not hurt any of its societies.

Beyond monetary compensation:

As mentioned before, in India land is not just property but a source of identity and security and when people are asked to let go of it, it literally changes their whole world. Families are separated, traditional livelihoods are lost and so are cultural and religious attributes of that place and it is true that no amount of money can make up for these losses. So the R&R policy has to take into account several other factors related to rebuilding a society and this can certainly not be done through a one-size-fits-all strategy because of the ethnic diversity. It demands for a more human and customized programme while re-establishing displaced people.

Affected people should have a say

The Indian constitution mentioned right to property as a fundamental right of every citizen under Articles 19 and 31 until the 44th amendment of 1978 deleted it from the list and reduced it to just a constitutional right. But still, right to property being a constitutional right an aggrieved person can move to court if he feels that the government has acted unfairly. Any R&R policy should always make sure that it includes the affected people also while deciding their compensation package and gives them a say. Apart from letting them in the loop for package determination another thing which is very important is convincing on how the upcoming project would improve their lives and how they can further contribute to the economy by making use of the employment opportunities that such projects will bring forward. It would also ensure that the most of the concerns and grievances are sorted out at the earliest.

Monitoring the development of R&R activities:

Our national R&R policy should define or authorize an independent body to look after the implementation and progress of rehabilitation activities in order to ensure that the affected people are delivered what they were promised and that it is done in time and with care. This body should be headed by members who have no interest or stake in the project or related activities and have no relation with either the developers or the affected people.

National Resettlement and Rehabilitation Policy 2007

After having realized the limitations and ineffectiveness of NRRP 2003, which resulted into nationwide protests and large scale damage of public and private property when the government started acquiring land for establishing SEZs in various states, the Government of India came up with NRRP 2007, promising to have taken care of the shortcomings of its predecessor. This new policy is a significant improvement of its earlier version and has made it much more acceptable and has more stringent provisions. It claims to aim at striking a balance between the need for land for developmental activities and, at the same time, protecting the interests of the land owners, tenants and other dependants.

The main objectives indentified in the NRRP 2007 are:

- To minimise displacement and to promote, as far as possible, non-displacing or least-displacing alternatives.
- To ensure adequate rehabilitation package and expeditious implementation of rehabilitation with active people's participation.
- To protect the right of weaker sections, especially SCs and STs.

- To provide better standard of living and to ensure sustainable income to affected families.
- To integrate rehabilitation concerns into the development planning and implementation process.
- To facilitate harmonious relationship between the body which acquires land and the affected families through mutual cooperation which land and at what cost.

Source: NRRP 2007 policy document

Major Improvements

The new R&R policy features many improvements and is much more detailed and broader in terms coverage of issues. It has some very welcome provisions that would help the nation in resolving the issues related to rehabilitation. Some of the key features and improvements are:

Focuses of minimizing displacement:

The new policy stipulates that one of its main objectives is to minimize displacement. To fulfil this objective it proposes to ask the project developer to scout for location which has lesser population so that one, less people are affected and two, carrying out R&R activities is easier.

Definition of affected families:

One of the provisions that an R&R policy must have is compensation for all the deserving elements, and this act does exactly that by broadening the definitions of affected families. It clearly states all the dependants like landowners, tenure holders, wage-labourer, landless farmers etc. Their definition too is quite exhaustive. The housing benefits are now mandatorily provided to everyone, including landless and wage-labourers too.

Social Impact Assessment

This policy has made another very important improvement by including many more things, that affect the lives of the displaced people, under its fold for rehabilitation purposes. It says that the projects displacing people above a threshold number will have to conduct a Social Impact Assessment (SIA) which will identify impact of the project on properties of common interest. It includes public and community properties, buildings, infrastructure and other assets. These provisions are good for both the developers and the public as these things would not require much investment, are also not controversial in terms ownership but will go a long way in making the displaced feel more comfortable in their new neighbourhood.

Principle of rehabilitation before displacement:

This principle, once it comes in force, would definitely pave the way to make sure that the displaced people are not forced to live in temporary arrangements and that these housing related infrastructure are in place before the actual displacement takes place. It will also help in quicker accomplishment of R&R activities as it incentivizes the developers to finish these

things fast, in the way that they cannot begin the construction on their project site unless they are done with rehabilitation related work.

Administrator for R&R activities:

The new R&R policy has clearly set the rules for deciding who should be the administrator for rehabilitation & resettlement. According to this policy, R&R activities for a project displacing 400 people (200 in hilly areas) will be administered by the official appointed the concerned state government and he/she should not be of a rank lower than of District Collector.

Provisions to stop misuse of the acquired land:

The policy states that the land acquired for public purpose cannot be transferred to any other purpose but a public purpose, and if the acquired land remains unused for more than five years, it will be reverted back to the government. This provision is there to make sure that the land is used for the same purpose for which it was acquired and that project developers don't acquire more than what is actually required. In the past what used to happen is that projects would acquire land far in excess of their requirement and then use if commercial or other purposes less useful for the society. One such incident worthy of being mentioned here is of Narmada dam project where six villages were acquired for developing extravagant project colonies and the residents of the village were not considered for rehabilitation. That piece of land is still lying unused and it is now being proposed to be handed over for constructing a golf course, while the displaced residents are still fighting for their compensation. This provision would make sure that such grotesque incidents are not repeated in future.

Provision for skill development of displaced:

NRRP 2007 also talks about not just compensating but about improving the living standard of the affected families by making them more employable. Before it was just about compensating them with land, cash or if possible a job at the project site, but all this had no intention of improving the affected lives in the long run. But after the implementation of this policy the developers are expected to focus on imparting employable skills and run programs for training and capacity building for the members of affected families.

A National Rehabilitation Commission:

After the approval of this policy the Government of India soon announced that it would be building central body to oversee R&R related activities. Having a national body for monitoring would make the entire process much more uniform and structured, it will lead to better transparency and thus better control.

Promise of bringing a new legislation on the lines of NRRP 2007:

This is one of the most important assurances that this policy has proposed. One of the key criticisms about land acquisitions is the fact that there is a law the acquiring land (Land Acquisition Act) but no law for rehabilitation and resettlement. It would lay the foundation for providing more strength and legal power to the member of affected families.

Shortcomings of NRRP 2007

Even though the new policy has many improvements but it still has a number of limitations. Some of the most consequential loopholes in NRRP 2007 are:

Minimize displacement, but how?

The prime objective of this new policy on R&R is to minimize displacement but it doesn't say what should be the steps taken by developers to do so and at what stage such considerations should be made. One of the most effective ways to do so is through the choice of technology and not just the size of it. It is not clear how the policy would ensure that such criterion is followed at the different stages like conception, design and preparation.

Ifs and Buts:

The R&R policy makers have been quite liberal with clauses like 'as far as possible' and 'if available'. We know it quite well that such ambiguities have been used widely and extensively by project authorities to evade obligations. A policy as crucial as NRRP, or for that matter any policy, should have no place for such loopholes and if they are still there they would again be used very 'wisely' by our project developers.

Silent on power to committees and commissions:

The policy has some very important mechanism for grievance redressal, like Project/District R&R Committees, an Ombudsman, a National Monitoring Committee, a National Monitoring Cell and a National Rehabilitation Commission, but stays mum on what powers these bodies would have and what authority they would be able to command if some issue comes up.

No provision to divert projects to less populated areas:

This policy should have had provisions for making the project developers opt for areas which are less accessible and are not densely populated, in addition to this it could have come up with clauses that would have made using arid and waste land more favourable. Such provisions would have been probably the most effective tool to counter displacement related issues.

Conclusion

The sole idea of moving towards industrialization was for improving the economic situation, which going forward meant improving the living standard of people. And so making sure that these developmental activities do not end up hurting the ones who were supposed to benefit from them should be of utmost priority. India has already had enough displacement related conflicts, our policy makers should now realize that we cannot afford to go on like this

forever and we need a solution that would translate our GDP growth rate into the growth of its people and make room for a more equitable distribution of resources among the rich and the poor. NRRP 2007 is a very remarkable step in this direction but still much more needs to been done to ensure that the newfound 'hindu rate of growth' reaches out to the last man in the row.

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