Development and Displacement in Odisha: 
A Study of Anti-POSCO Movement 
in Jagatsinghpur District

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Introduction:

The research proposal deals with the issue of displacement caused by industrial projects, which affects a large number of people and the resistance offered by people to this development-induced-displacement. It also tries to analyze the role of government in the process. Development projects not only bring changes in country’s economy but also alter the lives of millions of people by displacing them from their natural habitat. The tragedy is that experience shows these development projects are boon for few sections of society but proved disaster for most of displaced people. So naturally displaced people oppose or resist these development projects which affect them adversely. As a result, the protest movements against industrial projects are gaining momentum. All over India industrial projects are facing resistance from displaced or potentially displaced people.

The growing awareness among the communities who face displacement has given rise to a wide range of protest movements all over the country. Through struggles in Nandigram and Singur of West Bengal, Kalinganagar and Paradip of Odisha or the Bastar region of Chhattisgarh people are asserting the need to both democratize the model as well as to seek alternative to them.

The protest movement has not only created national awareness of the problem but also has raised question of equity, fairness, justice and equality before law in the matter of distribution of benefits and burdens. Though the process of acquisition of land for setting up mining, irrigation, transportation and other mega projects (mostly in the public sector) is not new, the intensity of adverse effects was never comprehended in the past as it is today. R.N. Sharma, “Involuntary Displacement: A Few Encounters,” Economic and Political Weekly, Vol.38, No.09, p.907, 2003.

The problem of displacement and resistance is result of present development pattern followed by Indian states. People feel these patterns which threaten their cultural and social fabric and which seek their ‘sacrifices’ for a ‘public good’ that is both disputable and dubious, are fundamentally flawed. Protest by the tribal and other vulnerable communities challenge the use of development programmes which sustain dependency on the governmental apparatus as well as resettlement exercise which legitimize greater control by this apparatus over the lives and livelihood of those dispersed by development intervention. In addition to highlighting the extent of displacement, the inadequacy of resettlement
efforts as well as a critique of development projects themselves, resistance movements are also challenging the limited democratization of the Indian states where the strategies of nation-building and national security and of integrating into the national mainstream continue to be predominant.  

In the absence of any serious attempt to measure the magnitude of displacement due to development projects since the introduction of planned development in India in the early 1950s, nothing substantial can be said about it. Vijaya Paranjpye (1988) puts the number of people displaced due to dams alone at 21.6 millions. According to another estimate, the country’s development programmes have caused the displacement of approximately 20 million people over roughly four decades, but that as many as 75 percent of these people have not been rehabilitated. Their incomes and livelihoods have not been restored. That means the vast majority of development-induced displaced people in the country have been impoverished. According to Smitu Kothari (1995), since independence of the country, development projects of the Five-Year Plans have displaced 0.5 million persons each year primarily as a direct consequences of administrative land acquisition which does not include displacement by non-Plan projects, changes in land-use, acquisition for urban growth, and loss of livelihood caused by environmental degradation and pollution.

A common question from people facing displacement is that while precise details exist regarding the technical and economic aspect of the projects, backed by scores of professionals, why is there never a plan for the affected people? Why are they not consulted, even post-facto? “If detail blue print exist for every bolt and every bag of cement”, why is comprehensive rehabilitation seen as such a burden at best to be reluctantly handled as an act of benevolence? Although projects are undertaken to promote wider societal development, yet the displaced person is seldom the beneficiary of development projects. The benefits mostly go to an entirely different section of society. Those who receive the benefits, usually urban dwellers, commercial farmers and industries, are typically not the same groups who bear the social cost. Development creates both winners and losers, and this gives rise to conflicting situation. Those who stand to gain from the projects justify them in the national interest, while portraying those opposing them as obstacle on the path of development.

Today the project affected people are no longer in a mood to suffer displacement along with its concomitant attributes like occupational degeneration, social disorientation, pauperization, loss in dignity and often getting cheated of the compensation amount, which serve to make the experience a trauma. This has given rise to protest movements, marked by growing militancy. An interesting feature of the growing protest movement has been the creation of a national awareness of the problem. Also protest movements of the displaced have played a major role in displacement becoming a key issue in the debate on development.

REVIEW OF LITERATURE

However as the number of displaced people soared, as the civil society gained strength, and as the legitimacy of the state eroded, the discontents of development manifested in numerous protest movements against displacement gradually surfaced. The estimates of displacement vary vastly. According to one such estimate some 35 to 55 million people have been displaced in independent India. Of these, displacement due to large projects according to
the government, between 1951 and 1985, is 16.5 million. But critics estimate that the figure for 1951-90 is little over 21 million. Therefore it is no accident that the ‘temples of modern India’ got de-sacralised and the ‘destructive development’ pursued by the Indian state came to be intensely interrogated by late 1970s. In the 1980s the struggle against the KoelKaro Dam in Jharkhand and the Hirakud Dam in Odisha attracted wide public attention in India. In the 1990s the Sardar Sarovar Dam in Gujarat and Tehri Dam in Uttarakhand did the same. In the present decade one cannot speak of any one struggle as central. Though some like Nandigram and Singur in West Bengal hog headlines, such struggle exists all over India. Examples include protest against the SEZs in Navi Mumbai, Gujarat, and Haryana, regional planning in Goa, mining and industries in Chhattisgarh, Jharkhand, and Odisha, and others elsewhere. They symbolize the change wrought by globalization. Walter Fernandes, “Sixty Years of Development-induced Displacement in India: Scale, Impacts and the Search for Alternatives”, Indian Social Development Report 2008, CSD, Oxford University Press, New Delhi p.89, 2008.

Upendra Baxi provides a human right perspective in the development induced displacement and resettlement. He is emphatic that no development without displacement is the mantra that makes good sense only to the few who stand to gain from the development projects. These are develop mentalist in contrast to developees numerically much larger who are displaced by development projects. They not only bear disproportionate cost of development but are also treated less than citizens and human beings. Any voice raised against project is at once dubbed as anti-national, and if the developees with their human right supporter lunch protests, then they run the risk of repression by police and even paramilitary forces.

The popular belief is that [L.K Mohapatra (1994), Amit Basole (2010), Michale M.Cernea (1998), Smithu Kothari (1996), R. N. Sharma (2003), Neera Chandhoke (2006-07)] due to displacement it is the marginalized section of society who are dependent on common resources suffer the most.

According to Kothari, displacement most critically threaten the poor and the weak with even greater impoverishment. Displacement caused widespread traumatic psychological and socio-cultural consequences. These include the dismantling of production system, desecration of ancestral sacred zones or graves and temples, scattering of kinship groups and family systems, disorganization of informal social networks that provide mutual support, weakening of self management and social control, disruption of trade and market links etc. The neglected dimension of displacement is its adverse impact on women. Their trauma is compounded by the loss of access to fuel, fodder and food collection of which inevitably requires greater time and effort. Similarly children are adversely affected since not only is schooling less accessible, in most cases there is also disruption in the traditional socialization process.

Sharma argues that the present model of development necessitates the setting up of large industrial and related projects-mostly in locations close to the natural resources. It alienated people from their traditional sources of sustenance, such as lands, forest and village habitats. The product of these mega projects, rarely reach the affected people, moreover, the displaced family hardly get fair treatment from the projects in terms of their resettlement and rehabilitation. They have no say in the legitimacy of setting up such projects as the government is empowered with legal rights in the name of public interest.
Neera Chandhoke argues that in the name of public purpose the local people have been disposed of their homes, their access to means of subsistence, disposed of their life style. Displacement means breaking up of communities, sundering their ties with their ancestral lands, dividing people who may be tied by organic links making in short people rootless. It is systematic violation of basic right i.e. the right to move and live freely in any part of India, the right to livelihood, the right to culture and community. Violation of these basic rights by development project leads to resistance to displacement. It is something thrown upon people. This resistance or what Chandhoke call people’s movements are fighting for the survival and against exploitation, for the assertion of rights i.e. right to freedom, freedom to decide their own future. These resistance movements show how people who are marginalized by the state and by the dominant classes re-enter the political arena often on their own terms and regenerates agendas. These movements exposed class biased state policy and raised wider issues about justice (who benefits and who loses and questions about development).

For Medha Patkar (1998) and Parthasarthi Banerjee(2006) resistance to displacement is natural and they find the marginalized farmers, landless peasants and women in the forefront of these resistance movements.

In the face of efforts to displace them, the poor, indigenous peoples and other marginalized groups are increasingly choosing to resist to development induced displacement and resettlement in the hope it will prove more effective in protecting their long term interest. This shows displacement no more being taken for granted by the affected persons. The demand and struggle was not to remain confined only to the resettlement aspect. People started questioning the displacement itself. Why displacement? For whom? What is public purpose? Who decides the public purpose, the propriety of displacement? Whether the evaluation of resources of affected people, which includes their social, cultural and other aspects of life, could re-compensate them adequately? The consent of people becomes an important factor. According to Medha Patkar the peoples movements in all corners of India have brought forth number of serious issues related to the rights, resources and life of people, particularly the deprived sections of population. All these relates to an alternative approach towards development projects, policies and paradigm itself. The struggle by tribal, peasant, backward classes, labourers and other sections of population against the displacement have added an important aspect to the exploration of the alternative. So she defines these peoples movement as struggle for paradigms change, for an alternative model of development.

Resistance of people against dominance, direction and command of dominant group is treated as social movement, when it involves confrontation and collective action. Ghanshyam Shah argued that protest movements are strictly not social movement. Because protest or agitation may not have the organization or ideology for change, precisely Shah treat agitation, protest, strikes etc as part of a social movement of a particular stratum or strata of society. From this point struggle of people on the issue of their livelihood and access to forest resources are coined as environmental movement. If we take Amita Baviskar view that social movement as collective action directed against the state demanding change in the policy and have some degree of organization, shared objective and ideologies, then anti-project protest movement can be termed as social movement. According to
Baviskar environmental movement raised the question of inequities in the distribution of natural resources and class conflict, which refracted through state policy that favoured industrial elite. These movements challenge the prevailing model on development on the ground of both ecology and social justice.\(^{20}\)

For Anthony Oliver-Smith resistances to development induced displacement and resettlement is call for greater democratization and participation of local people in decision making. It questions the fundamental social, cultural and economic assumption of development. Resistance brings into high focus the serious defect and shortcomings in policy frameworks, legal options. According to Smith the violation of basic human rights and environmental right is the core substance of resistance movement. Smith again argues that lack of resistance does not mean displacement is voluntary. Where government has a history of abuse and coercion, displaced may accept it as only alternative. Resistance not always means reluctant to relocate, in this case resistance becomes a tool of negotiation to increase the level of compensation.\(^{21}\)

According to R.N. Sharma and Shashi R. Singh involuntary displacement of people from their lands or homesteads for industrial, mining, irrigation and infrastructure projects all across the country is a major cause of widespread agitation. These agitations of people against involuntary displacement question the sovereign right of the state to acquire properties of the people for setting up such projects.\(^{22}\) India’s land, rivers, hills, seas and forests are being sold to global corporate, displacing millions of farmers, Dalits, Adivasis and fisher folk today, devastating this country’s environment.

**Statement of Problem**

The project planned by the multinational giant POSCO represents the largest Foreign Direct Investment of this country (FDI) during the post-globalised India. The people’s movement against POSCO started soon after the signing of the MoU between POSCO and Odisha Government. The $12 billion Pohang Iron and Steel Company (POSCO) project in Odisha is the largest foreign investment project ever in India. This project has three components: Captive iron ore mines in three areas of Keonjhar District and Sundargarh District. Mining lease on 6204 hectares in Sundargarh District recommended to be approved by the Supreme Court. Steel plant in Jagatsinghpur District, coastal area. Private port: at the mouth of the river Jatadhari, close to steel plant area; the MoU only makes reference to the possibility of a “minor port” being created. So for this project POSCO needs 3719 acres land and the Odisha Govt. also try to provide the required land to the Company. So after the MoU signed between the POSCO and Odisha govt. people of this area started agitation and also started a movement (anti POSCO movement) for withdrawal of this project because of the following reasons such as creating food insecurity: the destruction and appropriation of fertile farmland for industrial projects at a time when the country is facing a severe food security crisis.

The 3 Gram Panchayats that would be affected by the project have already rejected it and they are staunchly resisting the project. Encouraging predatory investment: While, the local population and civil society are strongly campaigning for the project to be dropped on grounds of innumerable law violations, manipulation of data and considerable threats to local communities and the environment, the Govt is lobbying relentlessly on behalf of POSCO to
attract the FDI. Government Committees have rejected the project on grounds of gross regulatory violations and procedures and deliberate misuse of information. Two Committees have been appointed the MoEF to assess the project: both N.C. Saxena Committee and the Meena Gupta Committee majority recommended the withdrawal of the Forest clearance and stopping of the illegal land acquisition in this area, cancellation of the CRZ clearance and Environment clearance for this project.

Objectives of the Study are as follows:

- to examine the rationale of setting of POSCO,
- to assess the possible impact of POSCO project on the livelihood of the affected people in this area in future,
- to analyze the cost-benefit analyses of this project on environment and also on the fertile land of this area,
- to examine the role of governments (both central and state) on POSCO issue,
- to analyze the role played by political parties, NGOs and civil society on the projects,
- to interpret the findings of the various committees and judicial decisions regarding POSCO project; and
- to analyse the demand of Anti-Posco movements and other related issues.

Hypotheses

- Development which degrades environment is self-defeating.
- People's basic livelihood will be severely affected with the setting up of POSCO.
- This project will degrade environment adversely affecting the lives of the people.
- The compulsory displacement, in the long run will accumulate resentment and negativity as it will lead to loss of cultivable land and their livelihood.
- The corporate social responsibilities are too inadequate.

Method of Study

Broadly the methods adopted for the study are descriptive, empirical and analytical. As part of empirical study, a cluster of three villages are taken as the universe of study. For the selection of the respondents, suitable types of samplings (random and stratified) will be adopted. Nearly 220 respondents will be chosen for the empirical study. Questionnaire and interview method will be adopted for primary data collection. Questionnaire and interview method will be adopted for primary data collection. Questionnaires are to be framed bilingually. Besides data analysis is to be done through the use of tables, diagrams and statistical methods. Data are to be collected from both primary and secondary sources.

TENTATIVE CHAPTERISATION:

1. Introduction
2. Development and Displacement: Multiple perspectives
3. Review of literature
   - Objectives and Scope of the study
   - Formulation of Hypotheses
   - Methods
4. Anti POSCO Movement: An overview
5. Protest Movement and the strategies and interventions of Govt. and judicial decisions
6. Problems of land acquisition, compensation and rehabilitation
7. Corporate Social Responsibilities: An Appraisal

8. Findings
   · Select Bibliography
   · Appendices
   · Events

Significance of Study

The study on this issue is very important because now the state of Odisha has established itself as an emerging industrialized state and it has signed 90 MoUs with corporate houses including POSCO, Vedanta, TATA Steel etc. So there is a need to find out whether or not this industrialization process is addressing the issues like poverty, livelihood, illiteracy, ill health, inequality etc. The study will help the policymakers to formulate judicious and pragmatic policies and strategies to address the issues of development induced displacement and rehabilitation in Odisha, in particular and India, in general.

References:


Patkar, Medha. “The Peoples policy on Development, Displacement and Resettlement: Need to Link


(Footnotes)

6. Ibid.
10. Binaya Kumar Rout & Balaji Panday, *Development induced Displacement in India: Impact on Women*, National Commission for Women, New Delhi, p.13, 2004. The press, the activist groups, the NGOs, the social workers and the judiciary have combined together not only to educate masses but also to build up a national consciousness.

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