

# Orissa – Rehabilitation crises with improper policy

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Amid lots of grievances and settlement of disputes, the government of Orissa again marked dates in the annals of bloody clash over development of the state. Despite lots of proposals have been cleared by the state government so far from investors from within and outside the country, the government has some unresolved disputes which draws an immediate attention.

Orissa – one of the least developed states in India - rocked again with yet another hit to its economy due to 10-day economic blockade by angry tribals at Kalinganagar, about 100 kilometers from capital Bhubaneswar, agitating the killings of their 12 kins in the recent police firings. Thousands of the about half a million tribals carrying tradition weapons like bows, arrows and axes were demanding the adequate compensation for their land which they had lost a decade ago. Surprisingly, other section of tribals who had lost their land 50 years ago with the Rourkela Steel Plant, Steel Authority of India, and others are demand to return surplus land to the original owners.

This is not the first time tribals had shown their anger on government's insufficient compensation. They had



resorted to an economic blockade on April 4, 2004 which had been withdrawn following intervention of the state government. But no progress was made thereafter.

Orissa has a long history of such bloody clashes. In December 2000, three persons were killed in police firing at Maikanch, near Kashipur in Rayagada district while protesting against the

establishment of an Rs 400 billion alumina project by Utkal Alumina International Ltd, a joint venture between Indian Aluminium, now an arm of Hindalco, and Alcan of the US. Two persons were killed in a police action in 1997 during land acquisition for the now-shelved Tata Steel project at Gopalpur. The same company had to back out of a prawn culture project at Chilka following protests by local fishermen in early 90s. The Vedanta group which is setting up a Rs 400 billion alumina refinery at Lanjigarh in Kalahandi too had to face tribal protest in 2004.

At the root of this ire is the poor track record of rehabilitation of the project-affected people. Be it Rourkela Steel Plant, Nalco, Hirakud, Indravati or Rengali dam project,

the people who had lost their homes to the projects are yet to be settled.

According to a study, more than a lakh families have so far been displaced by different irrigation and hydro power projects in Orissa. Besides, more than 20 lakh other families too have been affected in varying degrees of industrialization.

The Kalinganagar industrial complex at Duburi is a 12,000-acre complex, where various industries propose to set up steel units. While two companies Nilachal Ispat Nigam Ltd and Mideast Integrated Steel Ltd have already set up plants in the area, Tata Steel proposes to set up a six million ton steel plant there in two modules of three million tons each. The plot had two villages, Chandia and Gadapur and six hamlets.

#### **Tribals denied vacation**

Agitating under the banner of Rourkela Local Displaced Association (RLDA) and the Anchalik Surakhya Committee, the tribals had put forth a five-point charter of demands including restoration of the surplus land acquired for RSP in 1954 to the original owners and employment for other land oustees. In yet another demand, tribals have asked the satisfactory displacement of land losers by facilitating job for at least one member of each family and immediate termination of those who got the job on false documents as tribals and displaced.

The government acquired enough land five decades ago for the public sector undertakings like National Aluminium Company and Rourkela Steel Plant, but later the surplus land which was just meant for no special purposes, was encroached upon by the neighbouring tribals. Surprisingly, the land so acquired was recognized later by the government as the property of the possessors. Tribals refused to vacate land required for setting up of steel mills. Therefore, the government used police force but instead of bullets firing they could have used non-lethal weapons like water cannons and rubber bullets to scatter the agitating crowd. Despite, the central (federal) government announced Rs half a million compensation to bereaved family, apart from Rs one lac (Rs 0.1 million) and the job for one family member was announced by the state government, the tribals representatives found the compensation insufficient.

The government officials, after the incident, went on counting the gains the state has achieved and tribals who were uplifted due to industrialization after meaningful

utilization of their land. Surprisingly, no issues of clashes came into light at the public sector undertakings.

In another attempt, the government acquired 12,000 acres of land between 1992 and 1994 (at presumably the then prevailing market prices), it used only 5,000 acres for two steel mills and allowed tribals who had sold the land to remain in situ, or to return as encroachers. A decade later, when the government took land that it had bought for Rs 37,000 an acre and sold it to Tata Steel at Rs 350,000 an acre, protests were inevitable when evictions began. Whatever notions of natural justice may be applied to the case, the hard fact remains that ownership of the land had passed to the government, and it is impossible for any government to pay anyone a second time for the same land because it would get hauled over the coals by auditors. But, since politics intersects with economics, the state government has to make a gesture to the now dispossessed tribals. The only feasible option is to use some of the unearned profits on tribal resettlement or rehabilitation-and to take action against those officials who failed to secure and retain vacant possession when the land was first acquired.

#### **Resettlement and rehabilitation**

Such incidents could multiply and hit the industrialization process of the mineral rich state if a proper rehabilitation policy is not framed and tribals are not adequately compensated for their land. The regional government has signed at least 43 memorandums of understanding (MoUs) with various companies for setting up steel plants with a combined investment of Rs 150,000 billion. In one of the recent announcements, Dubai Aluminium (Dubal) has decided to invest Rs 900 billion to set up a mega aluminium project with first phase is likely to be completed by 2009.

The Orissa government has formed a high powered committee headed by the state industry minister is likely to work out a revised compensation package for those who displaced in Kalinganagar. Besides, the committee would draw up guidelines for rehabilitation for all the industrial projects which are to be followed. The committee would submit its report very soon. Meanwhile, the state chief minister Navin Patnaik has requested the prime minister of the country Dr. Manmohan Singh for releasing the surplus land of Rourkela Steel Plant for future industrialization of the state.

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