

MODULE 18 - RESETTLEMENT AND REHABILITATION

OBJECTIVES

By the end of the session, the students will be able to know:

1. Know more about resettlement and rehabilitation
2. Understand the connection between resettlement and rehabilitation
3. Learn about the laws that govern resettlement and rehabilitation in India and around the world.

SUMMARY

Human beings have been interacting with the environment since time immemorial. Human interaction with the environment has led to over exploitation of the ecology, leading to environmental degradation. Rapid industrialisation and development has also led to the repurposing and reuse of available land. On the other hand the need to conserve flora and fauna has resulted in the formation of natural reserves, for which the traditional communities are being moved out of the forest areas. All these factors have led to the need to shift populations from their original homes to new areas, resulting in the problem and the need for resettlement and rehabilitation.

This module/program discusses the causes, need, problems, legislations related with resettlement and rehabilitation.

TRANSCRIPTION

INTRODUCTION:

Human beings have been interacting with the environment since time immemorial. Human interaction with the environment has been growing exponentially all along. This has led to over exploitation of the ecology in a number of ways, resulting in environmental degradation. Overwhelming environmental degradation is the prime cause for various natural calamities like landslides, earthquakes, floods, tsunamis, cyclones, avalanches, etc.

Simultaneously, rapid industrialization and globalization during the last few years has resulted in repurposing of land use. Major economic transformation has been possible only by changing the use of land for various purposes.

On the other hand, attempts at environmental conservation, by creating national reserves & parks, has also led to a change in land use practices . All such activities have been responsible for forcing communities to move out of their traditional homes and localities to new areas where they are forced to start life afresh. This has created a major problem of resettlement and rehabilitation of people around the globe.

ACTIVITIES LEADING TO RESETTLEMENT:

Resettlement of people is needed due to two major reasons:

- (a) Natural Reasons
- (b) Manmade Reasons

(a) Natural Reasons for Resettlement:

Natural reasons for needing resettlement of populations are various kinds of *natural calamities, like landslides, floods, earthquakes, tsunami, avalanche, etc.* These are usually a result of over exploitation of natural resources, leading to an erosion & destruction of the ecology.

As a result of natural calamities, homes and lifestyles of the affected populace are destroyed and the people are forced to move to new areas to start life afresh.

(b) Manmade Reasons for Resettlement:

Today's *economic growth* has been possible only by repurposing the use of land. Growing industrialization has led to an increase in the number of factories, etc, being set up. Globalization has led to the setting up of *Special Economic Zones* or SEZ in most countries, especially in the Third World, for the setting up of industries of various kinds, with all the modern amenities and infrastructure being provided to the industries concerned. This needs a lot of land to be set aside for the development of such areas with the necessary infrastructure – roads, transportation, ports, warehouses, electricity, water, etc. As a result cities are expanding, with the villages being moved into forest areas and forest cover being reduced. The original inhabitants of the area, therefore, need to be resettled in new areas.

The *infrastructure needs of urban and industrial areas* has increased manifold during the last few decades. This has led to an increase in the exploitation of the various resources of energy, renewable and non-renewable. A number of dams, power plants, etc., have come up to fulfill these needs. The *construction of dams* requires evacuation of all the villages that come in the area which will be flooded by the dam waters. As a result massive resettlement needs to be undertaken throughout the course of the river wherever dams are being built on it.

Industrialization also needs plenty of raw materials. *Mining* has been the source for a lot of the raw materials needed by industries. The issuing of mining permits in areas rich in resources means that the local populace has to be evacuated, to ensure that the mining activities can be performed unhindered.

Another manmade cause responsible for large scale resettlement is the *declaration of various areas as national reserves*, in an attempt to conserve existing wildlife. The history of human civilization has always been set in areas where natural resources abound. This has usually meant river banks and forests. Early settlers lived in harmony with the flora and fauna around, knowing that conserving them was essential for their survival. With industrialization came greed for individual development, resulting in over exploitation of species and at times its extermination. The drastic imbalance today has made governments realize that they need to conserve the ecology of their various forests. In this attempt forests have been declared as national reserves and the indigenous people residing in them have been moved out of their traditional homes.

Manmade disasters like Bhopal-gas tragedy, derailment of trains, etc., also create situations demanding resettlement of large populations.

REHABILITATION:

Resettlement is not just about moving people from one home and environment to another. It also entails ensuring that they are able to provide for and fulfill their families' needs, specially food, clothing and shelter. It, thus, falls on the authorities concerned to make sure that adequate arrangements are made to ensure this in the new area that the community shifts to.

PROBLEMS FACED DURING RESETTLEMENT & REHABILITATION

Various problems are faced during the process of resettlement and rehabilitation, mostly by the people who are being resettled.

Loss of arable land: A lot of land has been acquired for building dams. This means that thousands of acres of fertile, arable farm land which was used for cultivation have now been submerged and are not available for cultivation. Alternative land provided is usually on barren land which needs decades of tilling for it to become profitably productive. Similar is the case with land acquired for industries.

Loss of forests, flora & fauna: Where the construction of various dams is concerned, large tracts of forest areas have been flooded and have now disappeared. The entire flora and fauna and the associated ecologies of these regions have been destroyed.

Extinction of indigenous populations: The displacement of indigenous communities from their ancestral lands has led to a destruction of their traditional lifestyles, cultures,

customs and traditions. As a result indigenous populations are rapidly diminishing and heading towards extinction.

Quality of land/area of resettlement: It has been found that the resettlement area is usually such that the quality of land given in compensation is much lower than the original land that the displaced people possessed. As a result, it becomes very difficult for these oustees to grow crops on this land to feed their families.

Water facilities: In India, most acquisition of land so far has been for building big dams. The people living along the rivers are used to free availability of water. Though the authorities are supposed to keep in mind the water requirements of the communities that are to be moved, specially drinking water facilities, more often than not this has not been done.

Loss of means of livelihood: In India, even today, most professions are inherited, especially in the rural areas and the poorer segments of society. When a population moves to a new area they are forced to take up new professions which they are not trained for or skilled in. As a result they are unable to feed their families, leading to deepening poverty.

Multiple displacements: People are moved from one area to another due to a new development project. A few years later another new project is envisaged in the area where they have now been resettled. As a result they have to move yet again. This has repeated effects on their lifestyles and livelihoods, leading to a further deepening of their poverty.

Project Beneficiaries Vs Project Affected: It has generally been found that project affected do not end up being project beneficiaries. The fruits of developmental projects are directly enjoyed by the affluent residing in urban areas, rather than those who have sacrificed their homes for the so-called development of the country. Result is that the displaced find themselves doubly exploited – loss of homes, cultures, traditional livelihoods on the one hand and continued deepening poverty on the other, since they are not trained for the jobs that are available.

LAWS REGARDING RESETTLEMENT & REHABILITATION

A. International policies regarding Resettlement and Rehabilitation: The World Bank, Asian Development Bank, International Finance Corporation, United Nations Development Program, as well as most multilateral and private agencies, including commercial banks, require some kind of prior social impact assessment and some form of resettlement and rehabilitation provisions for all the projects that they finance. The World Bank was the first lending agency to adopt a policy on resettlement and rehabilitation through its 'Operative Policy (OP) 4.30 – Involuntary Resettlement', in June 1990. Its 'Operative Policy 4.01 – Environmental Assessment', Oct. 1991, is also applicable to all projects. These two, in

conjunction, have now forced governments round the world to bring environmental assessment and resettlement into the development process.

- B. Land Acquisition Act, 1894 (Amended 1984):** The Land Acquisition Act is the only legal instrument available in the country to address the issue of development-induced displacement. Compensation and rehabilitation benefit for the project affected/displaced people in the project is determined on the basis of ownership to land as per the said Act. A serious weakness of the Act is that it only offers cash compensation for the land being acquired in the project. The resettlement and rehabilitation of affected/displaced people does not fall within the scope of the Act.

The Act recognises only the individuals, not collective or community rights and hereditary usufruct/usage rights. Again the Act recognises only the legal records of rights. Thus, those who are living upon government land for generations but do not have any records of rights, or traditionally depended on the common property resources, or have survived by rendering services to the village community as a whole, are not entitled to get any compensation according to the present legislation.

- C. Coal Mining Bearing Act, 1957:** The Coal Mining Bearing Act, 1957, was established in the economic interest of the Government to gain greater public control over the coal mining industry and its development by providing for the acquisition by the State of unworked land containing or likely to contain coal deposits or of rights in or over such land. However, though this Act speaks of financial compensation for the owners of such land, it does not mention anything about any compensation or resettlement and rehabilitation of those whose livelihoods will be affected by such an acquisition.

- D. Resettlement and Rehabilitation law in the country:** Till date there is no national legislation or policy in India for comprehensive resettlement and rehabilitation for development-induced displacement across the country. However, National Thermal Power Corporation (NTPC) and Coal India Limited (CIL), both Public Sector Undertakings of Central Government, have their own resettlement and rehabilitation policies prepared in 1993 and 1994 respectively, for the rehabilitation of displaced people for the execution of their projects.

In the absence of a central law or even a central policy that governs resettlement and rehabilitation or lays down guidelines, resettlement and rehabilitation of displaced people has been based on ad hoc plans, resolutions and orders, adopted for specific States or even projects, as and when the need arises. Thus, resettlement and rehabilitation has been ad hoc and piecemeal. As a result, different State governments have formulated different resettlement and rehabilitation policies.

In most States there is no uniform policy on resettlement and rehabilitation even for different kinds of development projects. Maharashtra and Karnataka have legislations on resettlement and rehabilitation for displaced people for all kinds of projects. Madhya Pradesh has legislation on resettlement and rehabilitation for the displaced people for irrigation projects only; the law may be applicable to other projects at the discretion of the Government. Orissa has resettlement and rehabilitation policy for the water resource development projects. Gujarat has passed several Government Orders for resettlement and rehabilitation of displaced people of Sardar Sarovar Project but the State is yet to come out with a comprehensive resettlement and rehabilitation policy for displaced people of other development projects. Andhra Pradesh, Tamil Nadu and Rajasthan have passed several Government Orders for resettlement and rehabilitation of people displaced by development projects, most of them funded by the World Bank (Thangraj, 1996 quoted in Fernandes and Paranjpe, 1997). Other states have Government Orders or policy forms for resettlement and rehabilitation of displaced people due to different kinds of development projects.

Lack of legal framework for resettlement & rehabilitation of those affected by natural calamities: There is no law which speaks of the need for resettlement and rehabilitation of victims of natural calamities like floods, earthquakes, cyclones, famines, etc.

- E. Draft Land Acquisition, Resettlement & Rehabilitation Bill, 2011:** The Draft Land Acquisition, Resettlement & Rehabilitation Bill was placed before the Indian Parliament for discussion by the Ministry of Rural Development, Government of India, on July 27 2011. Various versions of this Bill have been seen in the Parliament over the years. This Bill is an attempt to scrap the old Land Acquisition Act, 1894 altogether. It proposes to combine land acquisition and resettlement and rehabilitation together, so that resettlement and rehabilitation becomes an essential part of the land acquisition process. This will ensure that the interests of project affected families are not neglected. It also seems to reflect international requirements by lending agencies like the World Bank, in this regard.

The Draft makes it mandatory for a social impact assessment report to be prepared before the project begins. It proposes a comprehensive compensation plan for those affected, including those whose lands are to be acquired and others who live & work in the area. It envisages the setting up of a National Monitoring Committee for Resettlement and Rehabilitation to monitor the speedy implementation of resettlement and rehabilitation. It also proposes the establishment of Land Acquisition Rehabilitation and Resettlement Dispute Settlement Authority at the Centre and the States to deal with any disputes that may arise under the proposed Act. The Draft Bill makes it mandatory to give employment to at least one member of each project affected family.

However, the Draft Bill too does not specifically mention that the rehabilitation and resettlement provisions listed here are in any way applicable to those who are displaced by natural calamities.

CONCLUSION:

Considering that the country is on the path of economic development, and the requirements of the World Bank and other major lending agencies include mandatory environmental assessment and resettlement and rehabilitation policies in the execution of any major project, there is a ray of hope that they will soon take centre stage in any project. This will go a long way in protecting the poor from being exploited in the guise of developmental work.

1. onal priority.

GLOSSARY

1. Displacement = Displacement is a process by which development projects cause people to lose land or other assets, or access to resources. This may result in physical dislocation, loss of income, or other adverse impacts.
2. Environmental impact assessment = Assessment of the probable impact of the proposed project on the environment, ecology, population, livelihoods at the proposed site/area.
3. Involuntary resettlement = People needing to move to new areas when they do not want to, but have to do so due to government pressures.
4. Land Acquisition = Acquiring land from original settlers so that it may be used for developmental/industrial works or creation of a natural reserve.
5. Manmade disaster = Disaster due to human intervention like nuclear hazards, collapse of mines/dams, industrial disasters like oil spills, toxic contamination of sites, etc.
6. Multiple Displacement = Repeatedly moving previously displaced people from their area of resettlement to another area.
7. Natural disaster = Calamities due to natural causes like earthquakes, floods, avalanches, tsunamis, volcano eruptions, etc.
8. Project Affected = Those who are to be displaced by the planned project.

9. Project Beneficiaries = Those who will enjoy the fruits of the project once it is completed/executed.
10. Rehabilitation = Ensuring that the people resettled are able to make ends meet, even if it means retraining and changing their sources of livelihood.
11. Resettlement = Shifting people residing in one area to another.
12. Resettlement action plan = Resettlement Action Plan, consists of several basic features: a statement of policy principles; a list or matrix indicating eligibility for compensation and other entitlements or forms of assistance; a review of the extent and scope of resettlement, based upon a census/survey of those affected by the project; an implementation plan establishing responsibility for delivery of all forms of assistance, and evaluating the organizational capacity of involved agencies; a resettlement timetable coordinated with the project timetable, assuring (among other things) that compensation and relocation are completed before initiation of civil works; and discussion of opportunities afforded those affected to participate in design and implementation of resettlement, including grievance procedures.

FREQUENTLY ASKED QUESTIONS

Q1. What is Resettlement and rehabilitation?

Ans: People are forced to move out of their land due to both natural and manmade disasters. Natural disasters like earthquakes, cyclones, tsunami etc. render thousands of people homeless and sometime even force them to move and resettle in other areas. Similarly, developmental projects like construction of roads, dams, canals and flyovers displace people from their homes. Leakage of nuclear material in Japan resulted in millions of people being forced to leave the area for their safety. Thus, resettlement refers to the process of settling again in a new area. Rehabilitation means restoration to the former state.

Q2. What Is Involuntary Resettlement?

Ans: Involuntary Resettlement refers to two distinct but related processes. Displacement is a process by which development projects cause people to lose land or other assets, or access to resources. This may result in physical dislocation, loss of income, or other adverse impacts. Resettlement or rehabilitation is a process by which those adversely affected are assisted in their efforts to improve, or at least to restore, their incomes and living standards.

Q3. What are the reasons for displacement of people?

Ans: Various causes for displacement of people are:

- Natural disasters like earthquake, cyclones, tsunamis, volcanic eruptions, prolonged

droughts conditions, floods, hurricanes etc.

- Manmade disasters like industrial accidents (e.g. Bhopal gas tragedy), nuclear accidents (Chernobyl; Japan), oil spills (Exxon Valdez oil spill), toxic contamination of sites etc.
- In search of better employment opportunities.
- Developmental projects like:
 - Construction of dams, irrigation canals, reservoirs, etc.
 - Infrastructural projects like flyovers, bridges, roads, etc.
 - Transportation activities like roads, highways, canals, etc.
 - Energy related project like power plants, oil exploration, mining activities, pipelines like HBJ pipeline etc.
- Agricultural projects
- Projects related with the conservation of wildlife like national parks, sanctuaries and biosphere reserves.

Q4. What are some of the issues regarding Resettlement?

Ans: As per the World Bank estimates, nearly 10 lakh people are displaced worldwide for a variety of reasons. Some of the issues faced by the people being resettled are:

- Little or no support: Displacement mainly hits tribal and rural people who usually do not figure in the priority list of any political authorities or parties. This may lead people to take things in their own hands, for example the Maoists that are to be seen in a number of Indian states today.
- Meagre compensation: The compensation for the land lost is often not paid, is delayed or even if paid, is too small both in monetary terms and social changes forced on them by these mega developmental projects.
- Loss of livelihood: Displacement is not a simple incident in the lives of the displaced people. They have to leave their ancestral land and forests on which they depend for their livelihood. Many of them have no skills to take up another activity or pick up any other occupation. Usually, the new land that is offered to them is of poor quality and the refugees are unable to make a living.
- Lack of facilities: When people are resettled in a new area, basic infrastructure and amenities are not provided in that area. Very often, temporary camps become permanent settlements. It is also a major problem of displacement or

resettlement that people have to face.

- Increase in stress: Resettlement disrupts the entire life of the people. They are unable to bear the shocks of emptiness and purposelessness created in their life. Payment of compensation to the head of the family often leads to bitter quarrels over sharing of compensation amount within the family, leading to stress and even withering of family life. Moreover, land ownership has a certain prestige attached to it which cannot be compensated for even after providing the new land. With the loss of property and prestige, marriages of young people also become difficult as people from outside villages are not willing to marry their daughters to the refugees.
- Increase in health problems: Lack of nutrition due to the loss of agriculture and forest based livelihood, leads to the general decline in the health of the people. People are used to traditional home remedies. But the herbal remedies and plants get submerged/destroyed due to the developmental projects.
- Secondary displacement: Occupational groups residing outside the submergence area but depending on the area for the livelihood also experience unemployment. Village artisans, petty traders, labourers, etc, lose their living.
- Loss of identity: Tribal life is community based. The tribals are simple people who have a lifestyle of their own. Displacement have a negative impact on their livelihood, culture and spiritual existence in the following ways:
 - ✓ Break up of families and communities are the important social issues of displacement. The women suffer the most as they are deprived even a little compensation.
 - ✓ Inter-community marriages, cultural functions, folk songs and dances do not take place among the displaced people. When they are resettled, it is generally individual based resettlement, which ignores communal character.
 - ✓ Resettlement increases the poverty of the tribal due to the loss of land, livelihood, food insecurity, jobs, skills etc.
 - ✓ Loss of identity of individuals and the loss of connection between the people and the environment is the greatest loss in the process. The indigenous knowledge that they have regarding the wildlife and the herbal plants are lost.
 - ✓ The land acquisition laws do not pay attention to the idea of communal ownership of property which increases stress within the family.
 - ✓ The tribal people are not familiar with the market trends, prices of commodities and policies. As such, they are exploited and get alienated in

the modern era. For example, people from Nepal who came newly to the city of Gangtok were exploited by shopkeepers. Earlier, when they demanded four meters cloth piece, the shopkeeper would measure the same from all the four sides of the piece. Actually it was only one meter in length but they were charged the price of four meter cloth.

Q5. How can it be determined if a project involves resettlement?

Ans: In most cases, involuntary resettlement is triggered by land acquisition through eminent domain or other powers of the state. In some instances, people may lose the right to use resources without losing possession of them. Such involuntary loss of access to resources may also be considered involuntary resettlement. A Land Acquisition Assessment, examining present ownership, occupancy and use of land identified for project purposes (including public land) is the most reliable method for determining the extent and scope of resettlement.

Q6. Who is entitled to compensation and other forms of assistance?

Ans: All persons losing assets or use of resources as a direct result of a Bank-supported project are considered 'Project Affected People' entitled to compensation and/or other forms of assistance. This includes people losing land they have held under customary or traditional rights, people utilizing common property resources, squatters residing on public lands, and encroachers deprived of established access to resources, as well as those with formally recognized property rights. It also includes tenants, artisans, and wage earners whose livelihoods or living standards would be adversely affected as a direct result of the project. It does not include persons opportunistically invading a site after disclosure of project plans for the purpose of obtaining assistance.

Q7. What kind of planning is required for resettlement?

Ans: If it is determined that a project will involve involuntary resettlement, the World Bank requires preparation and implementation of a plan to improve, or at least to restore, incomes and living standards of those affected. However, planning requirements vary according to the extent and severity of impacts. If resettlement involves preparation of new residential sites, requires some of those affected to shift to alternative forms of livelihood, or otherwise affects more than 200 people, a full Resettlement Action Plan is required. Otherwise, a simplified plan is acceptable for projects with relatively minor impacts.

Q8. What is a RAP?

Ans: A RAP, or Resettlement Action Plan, consists of several basic features: a statement of policy principles; a list or matrix indicating eligibility for compensation and other entitlements or forms of assistance; a review of the extent and scope of resettlement, based upon a census/survey of those affected by the project; an implementation plan establishing responsibility for delivery of all forms of assistance, and evaluating the organizational capacity of involved agencies; a resettlement timetable coordinated with the project timetable, assuring (among other things) that compensation and relocation are completed before initiation of civil works; and discussion of opportunities afforded those affected to participate in design and implementation of resettlement, including grievance procedures.

Q9. When must a RAP be submitted to the World Bank and international lending organisations for legal and technical review?

Ans: Because of the complexities inherent in resettlement processes, it is best to begin resettlement planning as early as practicable. In most projects, a draft RAP is submitted to the Bank for legal and technical review during project pre-appraisal, and Bank approval of a RAP is normally a condition of project appraisal. In some projects with multiple subcomponents, or projects for which final designs cannot be known by appraisal, the World Bank and international lending organisations requires submission of an acceptable policy framework establishing entitlements and organizational responsibilities by appraisal. Approval of a supplemental RAP based upon final designs and census/survey is then typically a condition of initiating civil works.

Q10. What are the objectives of rehabilitation?

Ans: The following objectives of rehabilitation should be kept in mind before the people are given an alternative site for living:

- Tribal people should be allowed to live along the lines of their own patterns and others should avoid imposing anything on them.
- They should be provided means to develop their own traditional art and culture in every way.
- Villagers should be given the option of shifting out with others to enable them to live a community based life.
- Removal of poverty should be one of the objectives of rehabilitation.
- The people displaced should get an appropriate share in the fruits of the development. I should say that it is really a good move by ISC to share its profits among the active contributors.
- The displaced people should be given employment opportunities.
- Resettlement should be in the neighborhood of their own environment.
- If resettlement is not possible in the neighborhood area, priority should be given to the development of the irrigation facilities and supply of basic inputs for agriculture, drinking water, wells, grazing ground for the cattle, schools for the children, primary healthcare units and other amenities.
- Villagers should be taken into confidence at every stage of implementation of the displacement and they should be educated, through public meetings, discussion

about the legalities of the Land Acquisition act and other rehabilitation provisions.

- The elderly people of the village should be involved in the decision making.

Q11. Enlist some examples of resettlement and rehabilitation.

Ans: Some examples of resettlement and rehabilitation are:

- ***Displacement due to dams***

India has been constructing dams and other hydel projects. In the last 50 years, 20 million people have been affected by the construction of such projects.

The Hirakud dam displaced about 20000 people living in about 250 villages. The Bhakra Nangal dam was constructed around 1950's and displaced a number of people. Some of them have not been rehabilitated even today.

- ***Displacement due to mining***

Due to possibility of the accidents or sinking of the land, people have to be displaced in and around mining areas. Mining takes up several hectares of land. As a result, thousands of people have to be evacuated.

Jharia coal fields posed a problem to the local residents due to underground fires. Some 3 lakh people were to be shifted and it became a problem to find an alternative site. A huge amount of money to the tune of Rs. 115 crores was spent to put out the fire. The problem still persists.

- ***Displacement in Japan due to nuclear crisis***

In Japan there was an explosion in three of the major nuclear reactors of Fukushima city due to the tsunami. Currently, more than 2,00,000 people have been displaced from their native place. People were evacuated to protect them from the possible nuclear hazard and exposure. They suffered from acute hunger as all the food supply was interrupted due to contamination of food particles by radiation.