

## **Development and Resistance : A Case study of Rourkela Steel Plant**

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### **Introduction**

*As a result of Industrialization there is a rapid increase in the urban populace. This has resulted to various problems such as involuntary displacement of human populations, loss of traditional sustainable livelihoods and land holdings and increase in ecological imbalances in the region. With the pace of development there is a social cleavage – that is the rich are becoming richer and the poor are becoming poorer. This has posed serious threats to the urban population particularly the tribal people. Rourkela emerged as a highly modernized city resulting to large scale impact on the indigenous people in terms of livelihood and well-being.*

*This study attempts to examine the impacts of industrialization and protest movements of the OUSTEES of Rourkela Steel Plant in the context of development.*

### **ORISSA – A resourceful State with down trodden people**

As per details from Census 2011, Orissa has population of 4.2 Crores, an increase from figure of 3.68 Crore in 2001 census. Total population of Orissa as per 2011 census is 41,974,218 of which male and female are 21,212,136 and 20,762,082 respectively. In 2001, total population was 36,804,660 in which males were 18,660,570 while females were 18,144,090. The total population growth in this decade was 14.05 percent while in previous decade it was 15.94 percent. The population of Orissa forms 3.47 percent of India in 2011. In 2001, the figure was 3.58 percent.

The Population of Orissa according to the 2011 census stands at about 41 million, making it the 11th most populated state in India. The state makes up about 3.4% of the country's population a figure which was about 3% during the last census in 2001. The state is spread over an area of about 150000 sq. km. making it the 9th largest state in the country in terms of area. The density of population per sq. Km. is about 260 and fairly below the national average. The state has a growth rate of about 14% which is below the national average by a good three points. The population of the state is rising considerably due to rapid efforts towards development and progress. The literacy rate in the state is about 73% a figure that has improved tremendously in the last few years .The sex ratio in Orissa is a healthy 978 and it has never been a state that has seen a major fall in this figure.

Literacy rate in Orissa has seen upward trend and is 72.87 percent as per 2011 population census. Of that, male literacy stands at 81.59 percent while female literacy is at 64.01 percent. In 2001, literacy rate in Orissa stood at 63.08 percent of which male and female were 75.35 percent and 50.51 percent literate respectively.

In actual numbers, total literates in Orissa stands at 26,742,595 of which males were 15,089,681 and females were 11,652,914.

Total area of Orissa is 155,707 sq. km. Density of Orissa is 270 per sq km which is lower than national average 382 per sq km. In 2001, density of Orissa was 236 per sq km, while nation average in 2001 was 324 per sq km.

Sex Ratio in Orissa is 979 i.e. for each 1000 male, which is below national average of 940 as per census 2011. In 2001, the sex ratio of female was 972 per 1000 males in Orissa.

Apart from the above, Orissa is an asset rich state with needy individuals. The state is lavishly endowed with minerals, coal, press metal, Manganese, Chromites, limestone, Dolomite, Bauxite, Graphite, lead, and so on. Orissa alone has 16 iron mines and delivers 40 percent for every penny of the aggregate yield of the nation. The state is the third most vital state in Manganese stores. The aggregate woods region of the state is 67,925 sq. kms. Which constitutes around 43 percent of the State which is about 22.7 percent of the Country. Given their sizes, woodlands assume an essential part in the monetary existence of the general population of the state.

Orissa did not have any industry worth the name before Independence. Regardless of its massive natural assets like minerals, woodlands, water and labor, the state keeps on lying behind all the neighboring states in the field of financial development. The mineral, forest and water resources have been exploited through almost all spheres of the economy which has given rise to a change in the productive force, this has restructured the economy, encouraged more capital penetration, the market forces, etc. However, these changes have their own contradictions which have become manifested in various ways particularly the marginalization of a section of the peasantry has brought the people's point of view to the forefront.

### **Victims of Development**

The exploitation of minerals started in the first part of the 20th century. Manganese Ore Mining in Sundargarh District, Open Cast Coal mining in Ib Valley, Jharsuguda District and coal mining at Talcher in Angul District and a Gopalpur in Sundargarh District, lime stone quarry at Dungri in Bolangir District are some of the mining operations taken up in the state. One interesting factor in all the mining operations listed above is that they were located in the most backward areas of the state, either surrounded by deep forest or plain agricultural lands. The inhabitants of these localities were primarily agriculturist, depending on land of their own or tenure land. The Land Acquisition (Mines) Act 18 of 1885 and the Land Acquisition Act of 1894, as amended from time to time, provide for the payment of compensation for the land acquired for mining purposes, but only when all the procedures laid down in these Acts are duly followed. In most of the cases, however, there was gross violation of these Acts. Moreover, even if there is no violation, yet the rayats or recorded farmers having superior rights over land and the village headmen or zamindars would be the top beneficiaries. But the ST and SC people, those who have inferior rights or no rights at all over land, would not get any compensation. It is the upper section of the caste hierarchy who - for their access to education and authority - are the beneficiaries of employment opportunities provided by these mining operations.

In order to convert the traditional agricultural economy of the state into an industrial one, the establishment of the steel plant at Rourkela, of Hindustan Aeronautics Limited at Sunabeda, of the Angul and Damanjodi sectors of NALCO, of Ordinance Factory in the industry-less district of Bolangir, etc. were considered as milestones in the Orissa economy. Besides these public sector investments, a number of companies like Indian Aluminum Industries Limited at Hirakud (1959), Orient Paper Mill Ltd. at Brajraj Nagar (1939), Belpahar Refractory Limited, Belpahar (1954), etc. may be listed. These are a few illustrations of how industries were established in the state by acquiring land for their factories as well as civil townships under the Land Acquisition Act.

Sundargarh is known for its industries. At Birmitrapur, lime stone quarrying started already in the pre-Independence era. In fact, lime stone and dolomite mining was started by E.G. Barton in 1898. The establishment of the cement factory at Rajgangpur in 1955 and the steel plant at Rourkela in 1955 were responsible for the rapid industrial development of the district. L & T has also established a machinery factory at Kansbahal. How-ever, the immediate and direct effect of all these industrial works was the uprootment of a large section of the SC and ST population settling in these localities. After decades of planning and industrialization in the country, a visit to those areas today would show how these industries have maximized their private benefit at a public cost in terms of displacing the local people without

reintegrating them in the developmental process. As agriculture has been the mainstay of the people of Orissa and the major source of income of the state, attempts have been made to construct major and medium irrigation projects. Hirakud (1948) Salandi (1960), Balimela (1962), Rengali (1973), Upper Kolab (1976), Upper Indrabati (1978), Subarnarekha, Samal, Mandira are some of the major irrigation projects which have been commissioned. However, even these projects up-rooted a large number of people and created enormous difficulties in the matter of rehabilitation and payment of compensation. Admittedly the tenants-at-will and share-croppers, almost all belonging to the ST and SC social group were the worst sufferers. By utilizing the Land Acquisition Act 1948 of Orissa, the zamindars and landed proprietors were in a position to get whatever benefit was accruing to them. Most of them also could contest with the state in legal battles and have won certain concessions. But the loss of their source of living and social standing for the tenants and the agricultural laborers was enormous. Virtually, these people were turned to destitute in the name of development.

As indicated above, development in Orissa is equated with establishment of multipurpose dam projects, factories, mines, railways and highways. One of the noteworthy features of these projects is that they are two-dimensional. On the one hand, they have contributed to the economic development in terms of material gain. On the other hand these projects have displaced a large number of households from their habitats. Hence there is socio-economic deprivation involving landless-ness, joblessness, loss of common property resources.

In spite of the fact that there is considerable measure of studies regarding the matter, yet there is an absence of solid subjective information on the topic of development and displacement. Even a conservative estimate shows that the total number of those displaced by all these developmental projects between 1950 to 1993 in Orissa is 81,176 families from 1,446 villages by acquiring 6,22,463.94 hectares of land. This figure is based on irrigation projects (major and medium), coal mining, public sector industries and thermal power stations. If we also consider the private Industrial houses in paper, cement, refractory steel, aluminum, thermal power stations, mines owned by private sector, wild life sanctuaries and parks, railways and highways, and defense industries, then the actual figures of displacement may be more than one lakh families. Another disquieting factor is that since the resource rich districts like Sundargarh in Orissa are tribal dominated and nearly 40 per cent of the displaced persons are tribal people. Regardless of whether the ventures have physically uprooted them or not, they have certainly displaced them from their conventional life .

**Absence of a Rehabilitation Policy**

A considerable measure of infrastructural undertakings has come up since the commencement of an arranged financial development in India which has displaced an extraordinary number of individuals. However there is no national displacement and proper Rehabilitation Policy, neither at the national level nor at the state level for the rehabilitation of oustees. Therefore, it is difficult to claim rehabilitation as a matter of constitutional right of the citizens once they are displaced. In the absence of a unified central or state level rehabilitation policy, each project evolved certain rehabilitation notes, administrative orders or resolutions and promises. However, it is not binding on the government to rehabilitate them in all the projects. Despite the World Bank's repeated insistence, there is no attempt towards a compensatory rehabilitation. The land acquisition has got the legal standing whereas there is no constitutional or legal right for rehabilitation. The rights of tribal and other rights enjoyed by the people in their ancestral lands including the common property resources are not recognized by the state to rehabilitate the people in order to attain a higher quality of life.

**People's Resist to Displacement**

The land and forest based living of people with little spread of literacy and modern education, when the survey work for the steel plant was carried out in the region, people were completely indifferent and they showed little interest. However, when they became aware of the survey and acquisition of their land and houses for the steel plant, the village people began to show resentment. In the last part of 1951, the village headman of several villages in a convened public meeting passed a resolution that the people of the locality did not want steel plant by sacrificing their hearth and home. To pacify them the government of Orissa issued a Press Note taking responsibility for the rehabilitation of displaced people. Notwithstanding this, the locals had started organizing themselves from around 1953 and an organization called, 'Steel Plant Site People's Federation' was formed to protect the interest of oustee population. Within a short time, the agitations of the locals increased in magnitude and the leadership passed into the hands of politicians. However, in 1953 the then chief minister of Orissa, Shri. Nabakrushna Choudhury in a meeting held at Vedavyas, near Rourkela assured the displaced people that their interest would be looked after as far as land and employment was concerned. This is to some extent calm down the situation and thereby removing opposition from the local people. Nevertheless, the discontentment and the opposition of the locals, especially the tribal against the steel project kept continuing. The tribal demanded that in the matter of rehabilitation they should receive special consideration; otherwise they would be lagging behind the other communities because of the inherent weakness of their society. For this they got the support of Catholic Church. The state authority in Orissa was, however, very keen and

enthusiastic for the project. The construction work of the plant kept on continuing by acceding to various demand of the locals raised from time to time. The Company that was called HSL (Hindustan Steel Limited) at that time paid compensation money to the displaced people according to the standardized gradation of their land and houses. It also promised to employ at least one member in the steel plant from each displaced household. The government of Orissa took the responsibility of rehabilitation of displaced people. Under the rehabilitation scheme, the government set up three resettlement colonies near Rourkela at Jalda, Jhirpani and Bandomunda and allotted 2400 sq. ft (18.29mt × 12.19 mt.) housing plots to all the heads of the displaced families of Rourkela Steel plant. Besides 15 reclamation sites were demarcated within a radius of 100 km of Rourkela by clearing forests. In these reclamation sites the displaced persons were given waste land for agriculture purpose and they were given Rs.100 as subsidy per acre for the reclamation of the land. However, this did not help much for the tribal households, as many of them did not have proper record of rights over the land operated by them. In the past the region did not have a proper land revenue system and many immigrant tribal of Ranchi and Singhbhum of Chotanagour region had been verbally allowed by the king of Gangpur state to settle in the region. As a result, they failed to get any displacement benefits. On the other hand, the Ganjhus who were the recognized official owners of the village land took away the maximum amount of compensation money taking advantage of tribal' ignorance and illiteracy (Meher 2004: 71).

It is found from the latest record about displaced people available at the Office of the Additional District Magistrate (ADM), Rourkela that altogether land in 33 villages were acquired for the steel plant and its township in Rourkela. The total land acquired for the purpose was 19,722.69 acres (7,984.89 Ha), out of which 14,824.18 (75.16%) acres were private land and the rest 4,898.51 acres were government land. The total number of families displaced by the land acquisition process was 2,901, out of which 1974 (68.05%) were STs (tribal), 279 (9.62%) were SCs and the rest others (22.34%) were general category households. Apart from that the plant was responsible for the acquisition of land in another 31 villages for the construction of a water reservoir at Mandira in river Sankh located at a distance of 30km away from Rourkela. According to the government record the reservoir submerged 11,964 acres (4,843.72 Ha) and the number of families displaced due to Mandira dam was 1,193. Although the detailed caste and ethnic picture of the oustee families are not available, it is quite possible that among the oustees the tribal families must have been around 70 per cent, as the region was having very high per cent of tribal population. Even during 1961 census, Sundargarh district of which Rourkela forms a part was having 58.1 per cent tribal population, notwithstanding large scale exodus of caste Hindu population from the plains and other states of India after the functioning of the steel plant. Precisely, it may be said that setting

up of RSP caused direct displacement of 4,094 families out of which around 70 per cent were tribal and another 10 per cent were SCs, who are in fact the most depressed and vulnerable groups of population in India. The total livelihood sustaining land lost for the project was 31,687 acres (12,829 Ha), or say at the rate of 7.74 acres per displaced family.

The government record shows that the oustees were given only nominal cash compensation for the land and other lost properties, as per the price fixed by the government for different grades of land at that time. The cultivated lands in this part are of four types, viz. Bahal (best quality low lying paddy land), Berna (terraced paddy land), Mal (up paddy land) and Guda (dry land). The price fixed for compensation at that time for different categories of lands per acre was as follows: i) Bahal- Rs.900, ii) Berna- Rs.600, iii) Mal- Rs.400, and iv) Guda- Rs.200. For homestead land the price was fixed Rs.227 per acre. It is also revealed from the records that in the 15 reclamation sites none of the oustee family was compensated for the loss of Guda land and only 684 families were given 3,983.12 acres of agricultural land, which was in fact the waste land. Added to that, 625 families were given 155.40 acres for homestead land in the reclamation sites, @ 24.86 decimals of land per family.

According to the government records, land acquisition for the RSP and Mandira dam project was started respectively in the year 1954 and 1957 and continued up to 1976. However, unlike the oustees of RSP, the Mandira dam oustees did not get all such benefits extended to the former. They did not get any housing plot in the resettlement colonies set up for the RSP oustees. Even there was no firm assurance of steel plant job for one adult member of each dam oustee family. Later on after many protests, some of the oustees were considered for steel plant jobs and the problem continues till date. It may be recapitulated that the Mandira dam affected 31 villages and submerged 11,964 acres of land by displacing 1,193 families. All those displaced families were rehabilitated in six resettlement colonies namely, Lachhada, Jhandapahad, Laing, Ushra, Jaidega and Bankibahal. In these six colonies all the 1,193 oustee families were given all total 149.74 acres of homestead land, @ 12.55 decimals per family. The amount of agricultural land allotted to them in these resettlement areas was 1,833.22 acres and that also to the families having Bahal, Berna and Mal lands, whereas the average amount of land lost by a displaced family was around 10 acres. The record, however, does not show how many Mandira dam oustee families got land in these reclamation sites. Rather it is found that against the government record of 1,193 displaced families, 1,929 persons have accepted cash compensation for Rs.3,217,486.64, @Rs.1,667.96 per person and 130 persons refused to accept compensation amounting to Rs.283,141.49. Similarly, it has been found from government record that 210 persons among the RSP oustees also refused to accept

compensation amounting to Rs.194, 440.55 at that time. That means there were more shareholders of the landed properties than the reported number of displaced families.

Although there was a better effort of land based rehabilitation of the oustees, this was found to be a half-hearted measure. There was no uniformity in the principle of compensation paid to RSP oustees and Mandira dam oustees. The decision relating R&R measures was totally ad hoc and arbitrary. This is how the steel plant and the township at Rourkela came up carrying lots of discontents and unhappiness of the oustee families.

Often the project authorities are in the habit of presenting the project itself as a development and that displacement is un-avoidable. They do not bother to look at the alternatives provided by the peoples' movements. On the contrary, they label the participants in the agitations as "anti-project", "anti-development", "anti-national", "anti-so-cial", etc. That is why the response of the government to almost all these agitations has been severe repression. The government thinks of it as a law and order problem. In this way those who control the state machinery do enforce their own concept of the process of development. The appropriate-ness of the project is thus judged in terms of the benefits to the powerful - and not to the supposed beneficiaries. The project authorities present the project as being beneficial to the people at large, and hence the oustees need to sacrifice themselves for the cause of development. However it is very often seen that the project provides benefits to a certain set of people other than the project oustees. Thus exploitation of natural resources may be beneficial to the overall economic growth in the country, but the oustees are certainly not a part of those beneficiaries. In a sense, the history of the development process in India is a history of the transfer of economic resources from the have-nots to the haves.

In past also, the marginalized section of Orissa population had propelled different rebellions and revolt against such changes that prompt to their marginalization. At the point when Orissa went under British organization with its dynamic impedance and aggregate evaluation of the land and an extremely strict way of income generation the tribal individuals strongly resented. They promptly acknowledged the initiative of Surendra Sai and Birsa Munda who were battling valiantly against British expansionism. The Khond revolt of 1878 in Kalahandi, the Binjhal revolt in 1900 in Patna, and the Munda revolt in Gangpur State (in the present Sundargarh District), are a portion of the uprisings coordinated against British colonialism and their trusted allies ,the high caste and plain people of the state.



After Independence, there were also a large number of agitations against marginalization as result of the state's development attempts. Orissa has witnessed agitations against the construction of Hirakud Dam, Rengali Dam, Rourkela Steel Plant, BALCO, NALCO, Baliapal, Gopalpur, Kashipur, Kalinga Nagar, Lanjigarh, Bhusan Steel etc. Certain agitations have taken violent form and led to bloodshed. At times the movements were powerful enough to stall the projects. The Baliapal missile project in Baleswar District, the Tikkarpada irrigation project in Angul District, the BALCO aluminum project in Paikmal in Bargarh District were withdrawn due to mounting agitation against these projects. In the 1950s, Hindustan Steel Limited (HSL) acquired 19,537.06 acres of land for Rourkela Steel Plant (RSP) displacing mostly Oraon and Munda tribals. They agitated against the land acquisition since it destabilized their lifestyles, throwing them to uncertainty. Later the RSP oustees found out that a large portion of land acquired by the steel project had not been put to use. Hence people hailing from Chhend, Bankia, Pardhan Palli, Barkani, Durgapur, Raghunathpali, Tumkela, Tarkera, Deogaon, Hamirpur, Tangarpali, Bijubandha and Jharabahal went back to their villages from which they had been formally evacuated. Though HSL and the state government authority think that such occupation of evacuated land is illegal, yet even today some of these people are in possession of this land and are cultivating it. Till today the RSP has not be able to provide all the displaced people either with jobs or land. Therefore, agitation is going on and on even more than half a century after the establishment of RSP.

Like in the case of RSP, so also in almost all cases of land acquisition for the other projects, the authorities were acquiring land much in excess of their actual needs. Such mindless acquisition of mostly agricultural tracts has led to a loss of land for cultivation, thereby making the peasants landless laborers.

Further, many people who had parted with their land for the establishment of Rourkela Steel Plant (RSP) years ago are still waiting to get jobs in the plant while ineligible persons have managed to get employment in RSP by forging land pattas of the oustees. There is a strong resentment amongst the RSP Ousteers and regularly protesting before the Authorities.

Recently, peeved about inordinate delay in getting employment in Rourkela Steel Plant (RSP), hundreds of left-out tribal land oustees of RSP y resorted to economic blockade at Dumerta railway station here to cut off raw material supply to RSP. Hundreds of young land oustees of RSP under the banner of the 32 Mouza Local Displaced Persons Association squatted on the railway tracks at Dumerta station on the Bondamunda-Barsuan section of South Eastern Railway (SER) from 8 am. The agitators stopped goods trains that were carrying raw materials to the RSP or transporting finished products from the plant. They resorted to economic blockade as two hunger strikes in the last one year failed to evoke any response.

RSP authorities received 8,006 applications and after scrutiny, the administration sponsored names of 146 job claimants in 2009 and 2010. Around the same time, 597 more applications were short listed. At three meetings held since February, 2014, the State Government has directed RSP to settle the employment issue, but the latter continued with its dilly-dallying attitude. In fact, providing employment to fresh job claimants remains a contentious issue with the RSP considering them as third generation claimants who are extended family members of original displaced persons. Apart from 146 sponsored names and 597 short listed applications, the RSP is also under pressure to abide by the 1993 decision of the Supreme Court to provide employment to 1098 displaced persons. Out of 1098 claimants, the RSP is learnt to have given employment assistance to about 730.

### **Conclusion**

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. Protest movements are strictly not social movement. Further protest or agitation may not have the organization or ideology for change, precisely agitation; protest, strikes etc are now treated as part of a social movement of a particular stratum or strata of society.

If one looks at development as a social process, it has two components, i.e. the material component and the human component. The material component is necessary but not sufficient, while the human component is the sufficient condition for the development process. It is the primacy of this material component of development which has driven out the STs and SCs and other vulnerable sections of the society including women - without integrating them into the production framework. The development policies instead have destabilized the material base.

Resistances to development induced displacement and resettlement is call for greater democratization and participation of local people in decision making.

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