

Impact of Industry Induced Displacement on Livelihood of Displaced Tribal Household- A Case Study of Tata Steel, Kalinganagar, Odisha

Abstract: Industrialization is the period of social and economic change that transform a human group from an agrarian to industrial one. The main objective of this paper is to analyse the impact of industry-induced displacement on livelihood of tribal displaced households. This paper gives an idea how tribal peoples livelihood changes after setup of a steel plant. Development projects are considered as wheels of developing nation and Industrialization is engine of economic growth. Industrialization is an ongoing process of every developing economy. Odisha as a mineral rich state always attract big industrialist and corporate sector to setup their plants. Due to these industries a large scale of people gets displaced from their homes and homeland. The study involves both qualitative and quantitative data. Primary data collected from 100 displaced household of TATA Steel Kalinganagar. Two resettlement colonies namely Sansailo and Gobarghati have selected for field survey. Micro soft excel is used to interpret the data. It is found that though these development projects are carefully planned and executed in a judicious manner in order to achieve faster economic growth, but large displacement caused by these big industries affects the lives and livelihood of the displaced people. Though they gain economically but there is always an uncertainty regarding the sustainability of new livelihood after displacement because for vulnerable old people loss of land is loss of their social and economical identity.

Keywords: Displacement, livelihood, Industrialization

Industrialization is regarded as an engine of economic growth after industrial revolution. Historically it is evident that industrialization is the only path to development, countries that known today as developed had gone through industrial revolution. It promotes structural transformation of the economy from traditional to modern economy. Industrial development enables a more rapid advancement towards developed economy living standard¹. Most of the third world countries are committed to transfer or change their rural based agriculture

economies to urban based industrial one². The industrial projects have far-reaching positive results to the economy like creating employment, income, infrastructure, transport, and communication for the welfare of the citizen. Liberalization, privatization, and globalization policy in India had led to unregulated growth of mineral based large scale industries. Odisha as a mineral rich state mining and quarrying induce rapid industrialization in state. In the year 2019-20, Industry sector contributing 37.92 percent to states Gross Value Added (GVA) and 27.48 percent in all India GVA. The real annual average growth rate of state industry sector during last nine years has been 5.36 percent. In the year 2019-20 Industry, share 29.49 percent of total employment in Odisha and 25.15 percent in India according to Odisha Economic Survey 2020-21.

Development comes at the cost of few people who bear the pain of development. Most of the time to setup these large scale industries a piece of land is acquired through displacing people. Human displacement is a “global crisis”³. The scale of displacement has increased rapidly in past few decades thanks to the immense Industrial growth. The increasing scale of neo liberal development policies is intensifying the process of land acquisition and displacement of the people^{4,5}. It is estimated that, every year about 15 million people are directly affected by development induce displacement over the world⁶. Displacement can be three types-Voluntary displacement, Force displacement and Induced displacement. Development Induced displacement means forcing the communities and individual out of their homes, often their homeland for the purpose of economic development. M.Cernea⁷ identified eight potential risk of displacement, which lead to impoverishment. The risk factors are Homelessness, Joblessness, Landlessness, Marginalization, Increased Morbidity, food insecurity and Loss of Access to Natural resources.

Steel is one of the critical inputs to industries, urban development and infrastructural development. According to world Steel Association 2018, India is the second largest steel producer in the World after China. India has target

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to produce 300MT of Steel one-third of which would from Odisha. Odisha is one of the largest steel producing state in India due to the abundance of raw material. Being mineral rich state, it has more than 35 percent of countries iron ore deposit, which create a favourable environment for steel industries. The large scale mining and allied activities caused severe damage to land and livelihood of tribes⁸. Mining operation also causing severe damage to environment. A comparative study of three development projects of Koraput, namely Machkund Hydroelectric Project, Upper Kolab Multipurpose project and NALCO Bauxite plant and Mines project shows how development project result large scale of tribal displacement. Even the quality of life indicator like literacy, life expectancy, employment, and health are very low in displaced tribals⁹. Additionally, reduced land holdings may be a significant vulnerability for affected household and this loss of productive land corresponds to long-term loss of social security. State policies are only confined to resettlement and neglect the rehabilitation of displaced people¹⁰. Due to industrialisation, the living condition and livelihood of the people changes from substance agriculture to contract labourer¹¹. Hence an attempt has been made in the present study to analyse the impact of industry induced displacement on livelihood of displaced tribal.

Methodology: The study relies on primary and secondary data collected through various sources. The primary data collected through interview schedules. The secondary data were collected from related article, journals, government gazettes and publishes.

Finding and Discussion: Profile of Project Area: Kalinganagar spread over 458.78 Sq Km and located in Jajpur District. It is a geographical unit consisting of land mass of Danagadi and Sukinda block. It is a planned industrial complex. It is rich in mineral area. Because of high demand for steel, Kalinganagar is becoming a major industrial hub in India. The name Kalinganagar is given by Odisha Industrial Infrastructure Development Corporation (IDCO). Kalinganagar is surrounded by four lane segment NH-5, NH-200, NH-215 and Jajpur road Duburi. Brahmani, one of the major rivers of Odisha flows around 4 to 5 Kms away from Kalinganagar. The population of this area consists mainly of schedule caste and schedule tribes. Twelve private companies and One public sector have set up their steel and ancillary plants in Kalinganagar (Table-1).

Impact of Displacement on Livelihood: Displacement is often justified, when it results from development activities as costs borne by some people for the greater

Table 1: Plants and Land Allotted in Kalinganagar

Sl. No.	Name Of Plants	Land Allotted (In Acres)
1	MESCO	530
2	ORION	150
3	MAITHAN ISPAT	100
4	UTTAM GALLA	370
5	NINL	2500
6	MAHARASTRA SEAMLESS	500
7	TISCO	2400
8	ROHIT FEROTECH	50
9	JINDAL	678
10	VISA STEEL	390
11	DINABANDHU	100
12	K.J ISPAT	50

Source: ADM office Kalinganagar and IDCO, Bhubaneswar

public good. Tata Steel Kalinganagar is one of the largest steel plant of India with production capacity of three million tonnes per annum. The plant has started its phase two expansion, which will increase the production capacity. Currently Tata Steel has a 13 million tonnes production capacity in India with ten million tonnes from Jamshedpur plant three million from Kalinganagar. Tata Steel Kalinganagar provide employment to more than 2 thousands person both directly and indirectly. The study is based on primary data collected through scheduled questionnaire. Data collected from one hundred displaced household of Tata Steel Kalinganagar, Jajpur Odisha. The samples collected randomly from two rehab colonies Sansailo and Gobarghati. The secondary data collected from ADM Office Kalinganagar, IDCO Bhubaneswar and other govt sources.

A total of 1195 families from three revenue villages were displaced. The villages are Chandia, Gadapur and Gobarghati (Table-2). Nobody wants to leave their homes and homeland even if government and company authority financially assure them. Initially the displaced people shifted to a temporary shelter near rehabilitation colony. Each displaced family received a two decimal land plot with Rs 15,000 from Govt and Rs 100,000 from TATA Steel for construction of new house. All the displaced families are shifted to resettlement colonies, only eight families have not shifted and staying near the plant site.

Along with cash compensation and Job each displaced family receive monthly essential grocery items

(oil, rice, dal, salt) until they get a job at TATA Steel. Initially they get Rs. 300,000 after that Rs 20,000 cash per month with Rs.600 increment in the subsequent year. A health card provided to all the displaced person to avail free medical facility at TATA Medica. Free tutorial facility provided to displaced student by TSRDS from year 2006 to 2015. Even these projects are prepared and executed carefully still they have been proved to be destructive due to mass displacement^{12,13}.

Table 2: Categories of Displaced by TATA

Sl. No.	Village Name	SC	ST	General	No of Family Displaced
1	Chandia	0	465	101	566
2	Gadapur	42	259	6	307
3	Gobarghati	53	311	0	322
	Total	95	1035	107	1195

Source: ADM Office, Kalinganagar

A livelihood comprises the capabilities assets (including both material and social resources) and activities required for a means of living. Livelihood assets includes Natural capital, Economic or Financial capital, Physical capital, Human capital and Social capital by which people are able to attain a range of livelihood strategies, activities and choices that determines their livelihood outcomes according to DFID, 1999. Affected people lost their homes and land. They lost their source of income, livelihood, and other common property resources. The involuntary resettlement policies of International Financial Institution place livelihood at the centre of resettlement objective, defining Livelihood broadly “the full range of means that individual families and communities utilize to make a living such as wage-based income, agriculture, fishing and other natural resources-based livelihood, petty trade and bartering”¹⁴. Displacement disrupts the lives and livelihood of displaced households. Livelihood as which comprises “the assets (natural, physical, human, social and financial capital), the activities and the access to these that together

determine the living gained by the individual or house hold¹⁵. Displacement disrupts people lives and livelihood for long time, especially when there is no proper restoration programme by project authority. Land is always regarded as important source of livelihood. Land are different in types, size and uses. It was found during field survey that majority of people lost their homestead and agricultural land. Table-3 represent the extent of land loss due to displacement by TATA company.

Table 3: Extent of Land Loss for TATA Company

Sl.No.	Land (acres)	No. of Household	Percentage
1	Jan-20	32	32
2	20-40	48	48
3	40-60	17	17
4	60-80	3	3
	Total	100	100

Source: Field survey

It is clear from the above table that majority of household lost 20 to 40 acres of land. 32 percent household have lost 01 to 20 acres land only 3 percent of people have lost 60-80 acres.

Before displacement, agriculture was primary occupation. Figure 1 represents the occupational structure or sources of livelihood of displaced household before displacement. It is clearly shown in Figure 1, that before displacement 70 percent people are dependent on

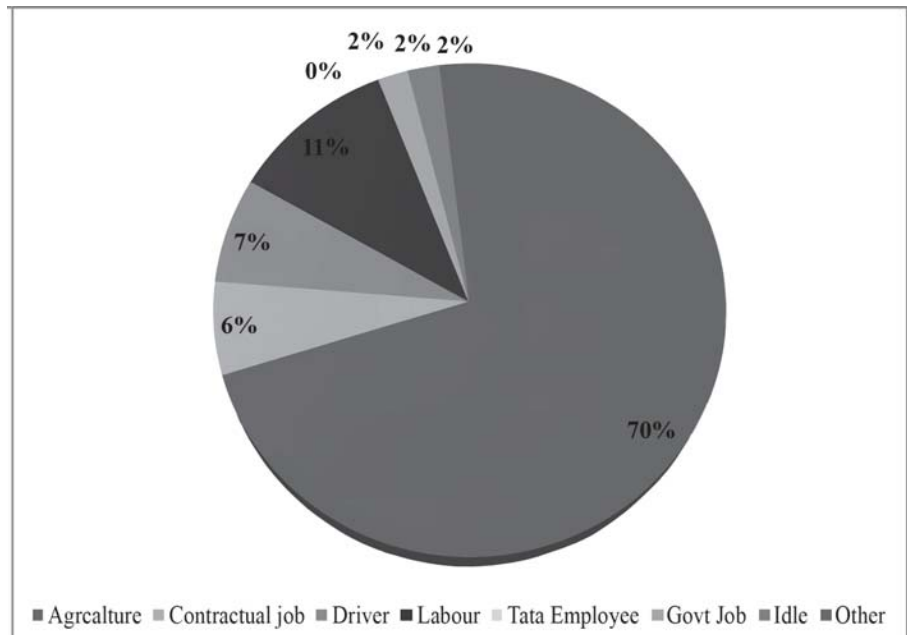


Figure 1: Sources of Livelihood before Displacement

Source: Field Survey

agriculture and allied activities. 11 percent people are engaged in labour work in different small industries and crusher units.

Table 4 represents a comparative scenario of different sources of livelihood after and before displacement. After displacement, there is huge change in occupational structure, out of 100-household only 7 percent household are engaged in agricultural activities. This is because they lost their land and other common property resources after displacement. After displacement 80 percent households are now work in different Industries. Displacement and resettlement not only affects the people economically and socially, many people lost their traditional means of livelihood like barber, carpenter, and other traditional livelihood activities. Due to industrialization land value of Kalinganagar is far higher than market price for which people are less interested in agricultural activities.

Table 4: Shifting of Livelihood after Displacement

Sl. No.	Source	Before Displacement	After Displacement
1	Agriculture and Allied activities	70%	7%
2	Contractual job	6%	23%
3	Driver	7%	2%
4	Labour	11%	4%
5	Tata Employee	0	57%
6	Govt Job	2%	2%
7	Idle	2%	3%
8	Other	2%	2%

Source: Field Survey

The lifestyle of displaced people changed after they settled at new resettlement colonies. The dependency on agriculture has decreased. Table 5 shows people opinion regarding their new livelihood after displacement. Only 8 percent people regarded displacement not a threat to livelihood and 92 percent people regarded it as a threat, because they lost their agricultural land on which their entire family depended.

Conclusion: Industrialisation after new economic reform connected with impulsive changes of people's lives and livelihood. It is seen in the above discussion that displacement resulted due to a development project directly impact on lives and livelihood of the displaced household. It has been found that are more dependent on industry after displacement and less on agriculture. This is because they lost their land and common property resources, which

Table 5: Displacement as a threat to livelihood sustainability

Opinion	No. of Household	Percentage
Yes	92	92%
No	8	8%
Total	100	100

Source: Field Survey.

earlier used to be their sources of livelihood before displacement. It also found that employment opportunities which were created by the development project raised the income level of the people. But the question arises regarding the sustainability of industry job after displacement. Whether the compensation and job are sustainable? Because it is found that these large-scale industries are dependent on mineral ore which is non renewable in nature. But it doesn't mean to stop industrial activities. Rather Government and Company authorities should try make a proper resettlement policy in order to restore the traditional livelihood of displaced household. A Standard size of agricultural land should be provided to each displaced household in order to restore their traditional livelihood. The industries that displaced people from their homes and homeland should try to compensate their loss of Common Property Resources, because common property resources are one of the major sources of livelihood. The common worship place, community halls and all other traditions which were followed by the displaced masses should be rebuild, so that the displaced people can start their lives in the manner they had previously maintained. □

**POONAM DAS
MINATI SAHOO***

*HoD (I/c), Department of Economics,
Central University of Odisha, Koraput

Corresponding author: msahoos@cuo.ac.in, minati.sahoo@gmail.com

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