As Modi Government in India Proceeds with Economic Development Agenda, New Map Tracking Land Disputes Shows Disturbing Pattern of Conflicts with Local People

With land and forest related disputes reported in at least 25 percent of India’s districts, wave of conflicts around land takeovers raises questions about India’s quest to become global economic power

WASHINGTON, D.C. (November 25, 2014)—A new map of land conflicts in India shows that at least one quarter of India’s districts are affected by some form of land conflict. Most of these conflicts arise from state land takeover of lands, often on behalf of private investors.

The map, updated from a previous study in 2012, tracks takeovers from January 2013 to June 2014. The updated map shows 252 conflicts in 165 of India’s 664 districts.

Prepared by the Society for Promotion of Wasteland Development (SPWD) and the Rights and Resources Initiative, the information was collected through a survey of media reports and court cases. The takeovers include acquisition of private land, diversion of forest land, or transfer of common lands.

These developments raise important questions regarding India’s ability to address complex social problems at home while its new government pursues a fast-tracked development agenda, punctuated by an accelerated land giveaway to investors and recently announced dilutions of India’s Forest Rights Act.

“This raises serious doubts about whether the current model of land takeover – where bureaucrats make decisions behind closed doors to displace or impoverish millions of people – is sustainable in the long run,” Kundan Kumar, Director of the Asia Regional Program at RRI said. “Given India’s complex land and forest tenure history, transparent and accountable decision making as well as respect for people’s rights are vital missing elements.”

As land conflicts escalate there will be greater associated risks to investment, as these conflicts will threaten and delay ongoing projects. A recent study by The Research Collective (PSA) shows that it is the public sector banks that end up bearing the burden of non-performing assets resulting from poorly assessed business projects. Not taking local people into account when conducting land acquisitions has a cost, and in essence, Indian taxpayers are bearing this cost when businesses built on such acquisition practices lose out.

In recent years, India has become a cauldron of land and resource conflicts, driven by the increasing demand for land and resources by investors and infrastructure projects, often at the expense of millions of rural poor who subsist on these resources and have few other avenues for earning a livelihood. Researchers forecast considerable civil unrest in response to major projects planned for the next 15 years, which require over 11 million hectares of land and will affect the livelihoods and welfare of tens of millions of people.
The trend has shown little respite in spite of legislations such as the Panchayats (Extension to Scheduled Areas) Act and the Forest Rights Act, which ostensibly aim to make land takeover more democratic. In practice, compliance and enforcement are inconsistent while the legislations are themselves inadequate.

“The increase in the number and intensity of conflicts indicates that India’s current development juggernaut model is one-sided and excludes the people on the ground in decision-making,” said Viren Lobo, Executive Director of the Society for Promotion of Wasteland Development (SPWD). “The rise in cost of production resulting from this approach is not only reflected in the cost of enhanced security for projects, but in the rise of non-performing assets as well.”

Another recent study, by The Munden Project, shows that tenure conflicts add massively to the investment risks in emerging market economies. India is an especially high risk country because of its high population density, high dependence on land and natural resources, and complex and disputed history of conflict over tenure rights.

A case in point is the nine year-long conflict over the proposed steel plant of the South-Korea based Pohang Steel Company (POSCO) in the eastern state of Odisha (Orissa). At $12bn, POSCO, partially funded by Warren Buffett, Citibank and JP Morgan Chase, was slated to be the largest foreign direct investment ever to be made in India in 2005. But as a result of protests by thousands of local villagers at risk of displacement by the plant, the company has not been able to take possession of any land to date. However, despite the fact that three official inquiries have found the POSCO land deal to be in violation of the Forest Rights Act, the government clearance for the project has been allowed to stand. The villagers continue to protest relentlessly, despite media reports of violent police intimidation.

“There is little justification for businesses and their lenders to complain of delays and political difficulties in their projects when they fail to take into account local people’s rights while appraising investments,” Dr. Kumar added. “Investors and financial institutions, as well as the government authorities transferring community lands to investors, must start taking the risk of land and tenure related conflicts seriously. Upholding communities’ basic rights to their lands and resources is the only path to achieving true prosperity for India, and truly risk-free investments.”

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**Society for Promotion of Wasteland Development (SPWD)**

SPWD was established in 1982 in response to land degradation in India, which was assuming alarming proportions by the late 1970s and early 1980s. SPWD’s mission is to prevent arrest and reverse degradation of life support systems, particularly land and water, so as to expand livelihood opportunities in a sustainable and equitable manner through people’s participation. With a livelihood focus to natural resource management, SPWD works on the identification of needs of the local communities, documentation of technologies in the field, and development of appropriate institutional mechanisms to deal with the concrete issues emerging on the ground. For more information, see [www.spwd.org](http://www.spwd.org).

**Rights and Resources Initiative (RRI)**

RRI is a global coalition of 14 Partners and over 150 international, regional and community organizations advancing forest tenure, policy and market reforms. RRI leverages the strategic collaboration and
investment of its Partners and Collaborators around the world by working together on research, advocacy, and convening strategic actors to catalyze change on the ground. RRI is coordinated by the Rights and Resources Group, a non-profit organization based in Washington, DC. For more information, see www.rightsandresources.org.