

Neo-liberal Natural Resource Policy in India: A Few Issues in Water and Land

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1. As in the colonial period, the current neo-liberal era too witnesses a huge demand by global capital for natural resources and tropical biodiversity. These resources exist in two types of property relations: (a) As the ‘common property resources’ of often differentiated communities (esp. outside adivasis or forest dwelling communities) usually tended, collected/harvested by women and adivasis (b) As ‘state owned resources’ which are purportedly being held in public trust for their conservation but in fact are ‘fenced’ and ‘enclosed’ to dispossess primary producers and gatherers.
2. The process of annexation of common property resources through primitive accumulation, ever-present under capitalism, has accelerated and become more ruthless under neo-liberal imperialism. The separation of the direct producers and users from these means of production and subsistence takes two mutually reinforcing routes: (a) ‘bloody legislation’ and extra-economic co-ercion by an aggressively interventionist state, acting on behalf of plunder by global capital (b) Capitalist plunder and accumulation through the ‘market’. If we look closely at developments regarding land, water, forests, minerals, this story repeats itself continuously.
3. The analytical/ theoretical justification for these interventions by the state are not hard to find and are contained in World Bank and ADB etc. funded ‘research’, often carried out by off-shore and home-grown ‘consultants’ like Pricewater House Coopers, etc. They make essentially three sets of arguments.
 - a) the first argument is in terms of ‘**environmental sustainability**’ – since natural resources are scarce and vulnerable, ‘**resource use efficiency**’ and ‘**demand management**’ are essential to arrest profligacy, and this is to be achieved through a slew of policy measures which combine strong armed tactics by the state with market interventions:

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- i. **'Fencing'** or **'enclosing'** the commons to create 'inviolable', 'pristine' spaces by throwing out primary producers/collectors or squeezing their access ;
 - ii. Prohibitively **high pricing of common property resources** in order to restrict demand to high value end use.
- b) The second argument is rooted in **'fiscal conservation'** and the urge to reduce fiscal deficit without taxing and disciplining the capitalists and the rich. The policy outcomes flowing from this are:
 - i. Privatisation of water and sanitation, irrigation and hydroelectric projects, and other large mining and infrastructure projects, with huge government subsidies and finances, esp. in the alluvial valleys of snow-fed river systems with perennial flow.
 - ii. Further neglect of the rainfed areas with seasonal flow in the hilly and plateau regions in Central and Eastern India. These are typically the dry lands with a high variability, location specificity, and fragility in terms of terrain, soil, rain and geology. In these backward areas, which also tend to co-incide with the rainfed tracts that are home to some of India's poorest people with a very high dependence on common property resources, private companies too do not find them attractive areas due to poor concomitants like infrastructure, etc. The result is that these areas are left to the mercy of heavily subsidized private companies, service delivery NGOs or their own devices.
- c) The third argument is a restatement of the **regional comparative advantage doctrine**. The argument is that it is best to leave foodgrain production to the temperate countries, and instead use available biodiversity and scarce land and water resources to grow high value tropical non foodgrains that will optimise use of scarce resources and maximise incomes with which food can be purchased. This results in the argument for crop diversification away from food towards spices, aromatics, etc.

I will look more closely at how these arguments have been used to effect changes in water policy and land acquisition in India.

- 4. Water Sector Reforms:** The new draft water policy is driven by several World Bank, ADB and PWC documents pushing for neoliberal water sector reform entailing privatization, far higher user charges and hi-tech mega projects. The approach is extremely discriminatory and unequal when it comes to the poor direct producers vis a vis the private corporate interests even as class, caste and gender based inequalities. While it is ‘conservation’, ‘fiscal prudence’ and ‘crop diversification’ for the poor, it is a no holds barred-exploitation of resources by the corporate sector, including global capital. As far as **technology** is concerned it is ‘traditional’ for subsistence and ‘modern’ for profit driven mega projects. **‘Financial principles’** are such that there is demand for ‘full cost recovery’ and even ‘disincentive pricing’ with self financing and labour-cess from the poor, whereas for-profit mega projects receive huge price protection, credit and public funds. **Policies and laws** are changed to ensure centralisation of powers to grant quick clearance to for-profit mega projects. **Institutional basis** for bigger/larger rivers and water bodies has moved towards greater centralisation of ownership and control, vesting powers in river basin organisations etc. that are ‘autonomous’ of the state governments and riparian right holders but controlled by the centre. For local resources and direct producers the area of jurisdiction is narrowed more and more – to extreme localisation. They can catch rainwater where it falls, not the run-off; they can own biomass on limited village commons not in the forest; and land and soil is limited to the family plot. For the management, ownership and control over water resources, PRIs, or institutions of local Self Government do not have adequate powers devolved despite functional devolution. In any case, except in a few states where land reforms undermined landlordism, these are dominated by big landlords, upper castes, and men. Women, Dalits, Adivasis have little say. PESAA in tribal areas is increasingly ignored and where there are strong movements, ‘rural’ areas are converted to ‘municipalities’ in an arbitrary manner.

5. Neo-liberal Land Policy

There is a definite acceleration of land alienation under the current phase of imperialist globalization. The combination of corporate land grab and state-sponsored land alienation has resulted in an unprecedented loss of land of all kinds and land based resources for the direct producers. The separation of direct producers from land has been achieved through the following overlapping routes:

- a. **Enclosures:** The State has enclosed forest land through the forest conservation act and diverted of forest land based on fraudulent Environment Impact Assessments with disregard to Schedule 5 provisions, PESAA, FRA, and other protective legislation. It now proposes titling land into two categories – private and government - to create government monopoly over commons. It has handing over ‘barrens’ and ‘wastelands’ that are home to the poorest communities to the corporate sector and for bio-fuels.
- b. **Evictions through Land acquisition:** Using the Colonial land acquisition act for compulsory and cheap land acquisition for private companies and profit in mega projects rather than genuine public purpose
- c. **Land use policies:** promoting crop diversification away from food security to high value commercial crops, encouragement of corporate farming; and permitting post facto and un-scrutinized change in land use from agriculture to industry, infrastructure, real estate, etc.
- d. **Reverse land reforms:** legalizing reverse tenancy, Increasing land ceilings, ignoring/sanctioning dubious mechanisms of Dalit and Adivasi land alienation
- e. **Land takeover by the land mafia and corporate sector:** Large areas being bought up through the market or simply grabbed in an unregulated manner with a view to subsequently change land use

There has also been a huge demand for liberalisation of land use policies. Even though the draconian Forest Conservation Act vests absolute powers over ‘forests’ (amounting to 23% or more of India’s geographical area) in the State’s Forest Department, this was not considered

enough by adherents of neo-liberalism since it gave rise to huge contestation between forest dwellers and the state, as well as with the corporate sector to whom large areas were handed over. Thus the Forest Rights Act was proposed to settle marginal rights over family plots while releasing other territories from forest dwellers' subsistence. Though the State failed to fully attain this in the law due to stiff resistance from the Left and democratic forces, it has succeeded significantly by sabotaging its effective implementation.

In the case of land acquisition, the demand from global and national capital was to dilute 'public purpose' for invoking eminent domain of the state, fully making the state a real estate agent for capital, using both force and compensation, depending on what was more effective. This is the opposite of what was demanded by peasant organisations and Adivasi movements, who demanded that the old colonial Act be replaced by a new one which

1. Tightens and democratises definition of **public purpose** and **land use**
2. Compensates all land dependent people irrespective of their legal titles at replacement and augmented rates.
3. Compensates and replaces common property resources, not only private land and incomes
4. Gives livelihood losers and land losers a share in profits and enhanced land values after the change in land use.
5. Protects food security
6. Requires prior informed consent from all affected and interested persons
7. Regulates land use changes and market purchases

Instead, the government has made land acquisition much easier and further diluted the public purpose and land use policies.

Or take the case of land titling. The demand was to settle occupational and usufructory rights by giving security of tenure etc. to those using it for bona fide livelihood purposes in urban and rural areas. Instead, the proposed legislation will classify every bit of commons as 'government land', leaving only private land with established titles for the masses.

The result of these developments is that government land, public land, common property resources and acquired land, which was under agriculture, or under agro-silvi-pastoral systems, or under urban slums and forests, or considered wastelands and barrens where the poorest eke out their subsistence, has been shifted to real estate, infrastructure mega projects, industry, etc.

6. Resistance

Much of the resistance to this kind of primitive accumulation and land grab comes from communitarian approaches underlying 'people's movements', with women, dalits, and adivasis forming the backbone. This is no surprise since the gender based division of labour puts the burden of harvesting, collecting and preserving CPRs upon women. In tribal areas, the neglect in economic development has meant a greater dependence on CPRs.

While the communitarian people's movements have been effective in highlighting the annexation of the commons, they unfortunately suffer from extreme localism and their engagement with issue based politics has resulted in a narrow approach and an inability to correctly identify the cause of encroachment of the commons and loss of resource rights as capitalist and primitive accumulation under finance capital. There is also an underlying romanticism about the community, with a failure to appreciate class, gender and caste-based oppression. They are thus unable to raise demands and struggle for the democratisation of the community through land reforms, women's greater role in decision making etc. as a necessary concomitant of resisting the government's neo-liberal natural resource policies, or to relate the fight for democratic ownership and control over the CPRs to the anti-imperialist movement.

However the left movement which has the greatest potential to take up demands for protecting and deepening CPR rights and integrating it in an anti-imperialist movement has not done enough to link equitable growth, location specific technologies, economic sovereignty and environmental sustainability. In the absence of this, the communitarian people's movements remain the main voices and have the tendency either to be co-opted by right wing forces like the Swadeshi Jagran Manch etc. or are drowned out by NGO led advocacy and governance politics or service delivery, or fall prey to left extremism.