

## **People's Movement against the South Korean POSCO in Orissa, India and the Indian Democratic System.**

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The South Korean steel major *Pohang Steel Company* (POSCO) created history in India by making the single largest Foreign Direct Investment (FDI) in India of Rs. 52,000 crores (US\$ 1202.87 crores) in the year 2005 by announcing to set up an integrated steel plant & captive port at Paradeep in Jagatsinghpur district of the state of Orissa in eastern India. The total land requirement for the plant is 4004 Acres (16203487.30 sq. metres) and this has to be allotted in the coastal area.

The question of giving land for the steel project has given rise to a dispute between the local villagers on the one side and the governments, both the central government and the state government, on the other side. In between these two sides, the POSCO is eagerly waiting to get the land so as to start the steel project.

Out of the total 4004 Acres of land, government land is 3566.56 Acres and private land is 437.68 Ac. The private land is the bone of contention and for which reason the local villagers have started their movement protesting against the POSCO project and the state government. The land where the steel project is going to be set up is very fertile and is cropped twice in a year. Apart from rice cultivation and vegetables, the local villagers cultivate betel leaves by erecting betel-vines. This betel-vine cultivation is very profitable and is also land specific. It cannot be grown in every land and requires specific soil, climatic conditions and also expertise labour to grow it. The betel leaves from this village is transported to Kolkata, the eastern metropolitan city of India and to other parts of India. If the land is given to the project then the betel-vine labourers will certainly loose their livelihood.

Another group of people who would certainly loose their livelihood are the fishermen community, just like one sees in the Pak Mun dam case. Due to the proximity to the Bay of Bengal (hardly 2 kms from the villages), a lot of the fishermen community live in the villages and who are going to be displaced. They fish in the sea and sell their catch in the local markets and in the Paradeep port town, which is approximately 8 kms from the villages. These groups of fishermen community question that if we are to be displaced then can the government resettle us near the sea so as to continue our livelihood and also to preserve our ancestral traditional knowledge of fishing.

Hence the people of the 7 villages (Dhinkia, Govindpur, Nuagaon, Bhuyanpal, Polanga, Bayanal Kandha, Noliasahi), which is going to be displaced due to the project, question sustainability of their life and livelihood and are severely protesting against the project. The local people have formed the *POSCO Pratirodh Sangram Samity* and under the banner of this committee are continuing their struggle to block the entry of the steel giant POSCO and also to petition the government to shift the site of the project to some other area in Orissa.

On the other hand the reason why POSCO is insisting for the same land for the project is due to three reasons, (1) the land is very near to the sea, and hence can construct the

port at Jatadhari village. The river mouth at Jatadhari is like a natural port with deep sea level making it the most appropriate for a port; (2) the land is most suitable for sand reclamation and that too at a very less cost; and (3) presence of sweet groundwater at a depth of 4-5 metres. Allied with this is the fact that the district has good infrastructural facilities like, road connectivity, railway network, existing port, proximity to airport (90 KMs only), electricity facility, etc. These are the most attractive reasons for which POSCO is interested for this area.

*Population (with Scheduled Caste & Tribe) of the Villages going to be displaced by POSCO*

Village	Household	Male	Female	Total	SC	ST
Dhinkia	693	1983	1891	3874	1425(36.8%)	0
Noliasahi	140	326	298	624	0	0
Bhuyanpal	63	145	114	259	15(5.8%)	0
Polanga	87	192	183	375	71(18.9%)	23(6.1%)
Gobindpur	532	1347	1265	2612	1037(39.7%)	0
Nuagaon	919	2413	2333	4746	377(7.9%)	0
Bayanalkandha	41	103	92	195	125(64.1%)	0

*Source: Census 2001*

Among the various activities conducted by the villagers in connection with the *people's movement*, includes, *desh premi abhiyan (padyatra)* from Gadakujang village to Bhubaneswar and protest in front of POSCO Office from 18 to 29 October 2005, *dharna* at Revenue Office, Nuagaon from 27 December 2005 to 15 February 2006 which was supported by Rabi Ray, former Speaker, *Lok Sabha* (House of the People- Lower House of Indian Parliament) and by Medha Patkar (social activist), fast by Akshaya Kumar in front of Revenue Inspector Office at Nuagaon from 15 to 22 February 2006, blocking of road and ceasing the entry of the Revenue Minister and Panchayati Raj Ministers at Balitutha bridge, protest rally in front of POSCO Office on 22 June 2006, demonstration on 18 September 2006 in front of State Secretariat demanding open debate with the Chief Minister of Orissa, *gherao* of the Chief Minister's residence on 15 October 2006, organization of an alternative Assembly from 1 to 7 March 2007 for discussion on the issue and submission of a memorandum to the Governor of Orissa on 7 March 2007, and organization of a national *people's movement* from 15 to 16 October 2007 to drive away the global POSCO group. The *satyagrahis* are continuing their struggle and not letting go anybody into their village without prior permission of the Samity members.

In January 2008, some miscreants tried to create disturbance in the villages and there was violent conflict among the villagers, between some who are in favour of the project and those who are against. Taking advantage of this, the government which was earlier unable to enter the villages, entered with the police force and imposed Section 144 of *Indian Penal Code* restricting the movement of people in groups. All these has not yet deterred the soul force of the villagers and they have vowed to continue their struggle till they are alive or the project site is not shifted. As everyone is aware, India is the largest democracy in the world and the roots of the democratic movement have strengthened our mental faculties to sustain movements like this.

**Orissa Resettlement & Rehabilitation (R & R) Policy 2006  
Key Features for Industrial Projects**

1. Socio-economic survey by the state government, ordinarily within 2 months of notification for land acquisition.
2. List of displaced families to approved by the RPDAC (Rehabilitation-cum-Periphery Development Advisory Committee), a district-level committee, and made public for wider dissemination.
3. A socio-cultural, resource mapping & infrastructural survey to be conducted by an independent agency identified by the Government to ensure proper benchmarking. This is the responsibility of the Project authorities to do it within 2 months of notification for acquiring land.
4. Gram Sabha & Panchayats to be consulted in Scheduled Areas only, before initiating land acquisition proposal.
5. All compensation payment by Account payee cheques.
6. Public property like schools, club houses, Panchayat Office, temples, etc. Value of such place to be deposited by the project authorities with concerned Dist. Collector and later to be constructed by the Project authority or Dist. Administration, in consultation with the representatives of displaced persons.
7. R & R plan shall be prepared by the Collector after consultation with displaced families. The plan should address the specific needs of the women, vulnerable groups, and indigenous communities and approved by RPDAC.
  - (a) Resettlement site selected by RPDAC in consultation with displaced families,
  - (b) No physical displacement till the completion of resettlement work and approved by RPDAC and then certified by the Collector,
  - (c) Gram Sabha shall be consulted,
  - (d) Provisions relating to rehabilitation will be given effect from the date of actual vacation of the land,
  - (e) RoR to be allotted for resettlement colony inhabitants. New Resettlement colony to be declared a revenue village, if not a part of any other revenue village, and
  - (f) Project authorities will take steps for maintaining cordiality between the inhabitants of the resettlement colony and the host village.
8. (I) Employment:
  - 1 member from each displaced family-eligible for employment in the project. However, the division of categorization of families, like major son or unmarried daughter of more than 30 years will not be entitled as a separate family and the whole undivided family will be considered as a single family unit for the purpose of employment.
  - For employment, the family is to nominate one amongst them.
  - Preference by the project authorities in giving employment to the displaced families are as in the order follows:
    - (a) Displaced families losing all land including home-stead land,
    - (b) Displaced families losing more than 2/3 agricultural land & home-stead land,

- (c) Displaced families losing more than 1/3 agricultural land & home-stead land,
- (d) Displaced families losing only home-stead land, and
- (e) Families losing only agricultural land.

- Special facilities for employment
  - 1) Upper age limit relaxed by 5 years,
  - 2) Employment capacity should be notified in sufficiently advance, and
  - 3) One-time Cash assistance in lieu of employment/self-employment, as follows:

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|------------------------|----------------|
| (a) as above 'a'       | - Rs. 5 lakhs, |
| (b) as above 'b'       | - Rs. 3 lakhs  |
| (c) as above 'c'       | - Rs. 2 lakhs  |
| (d) as above 'd' & 'e' | - Rs. 1 lakh   |

(II) Training- To be borne by the Project authority under the guidance of the Dist. Collector for employment/self-employment opportunity. Special training for traditional occupations/handicrafts, etc.

(III) Convertible Preference Share or Secured Bonds- Up to 50% of the one-time cash assistance.

(IV) Home-stead land- Subject to availability, displaced family to be given free of cost 1/10<sup>th</sup> of an acre of land for home-stead purpose in the resettled colony.

(V) Self-relocation- One-time cash grant of Rs. 50,000/- for those opting for self-relocation elsewhere other than the Resettlement colony.

(VI) House Building Assistance- Project authority to construct houses in the resettlement colony or provide Rs. 1,50,000/- to those opting for self-relocation.

(VII) Shops & Service Units- Project authority to construct shops & service units at feasible locations for those opting self-employment. These units to be allotted in consultation with the Dist. Collector. Preference will be given to physically challenged and members of SC & ST families.

9. Landless & Home-steadless encroachers-

(a) An encroacher family, who is landless, as defined in the *Orissa Prevention of Land Encroachment Act, 1972*, and is in possession of encroached land for atleast consecutively 10 years prior to the date of notification of land acquisition, shall get *ex gratia* equal to compensation for a similar category of land, subject to maximum of one standard acre. The encroachment should be unobjectionable.

(b) An encroacher family, who is home-steadless, as defined in the *Orissa Prevention of Land Encroachment Act, 1972*, and is in possession of the encroached land for atleast consecutively 10 years prior to the date of notification of land acquisition, shall get *ex gratia* equal to compensation for a similar category of home-stead land, subject to maximum of 1/10<sup>th</sup> of an acre in rural area and 1/25<sup>th</sup> of an acre in urban area. The encroachment should be unobjectionable. In addition, he will get the cost of the structure. If there is any objection, then he will get only the cost of the structure.

10. Other Assistance:

- (a) Maintenance Allowance of Rs. 2,000/- per month for one year per displaced family on vacation of land/house,
- (b) Assistance for Temporary shed: Rs. 10,000/- per displaced family,
- (c) Transportation allowance of Rs. 2,000/- or free transportation to the resettled habitat provided by the Project authority.

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