LOSS OF COMMONS AND THE STATE- A STUDY OF SPECIAL ECONOMIC ZONES IN ANDHRA PRADESH, INDIA

NehaVaddiparti, Sheela Prasad[1]

Abstract

The neoliberal orientation of the state in India developed over the last decade has resulted in a change in the way the state engages with issues like common good, public purpose, livelihoods and displacement. Democratic politics around resource use has seen different developments with the state, which has some very powerful tools at its disposal, and acts as a pivotal player even though its role has been changing from that of governance to "facilitating" developmental policies. The role that the state plays in facilitating the loss of commons in the wake of the recent Special Economic Zones Act, 2005 is what the paper seeks to highlight with special reference to the coastal belt of the southern Indian state of Andhra Pradesh.

Key Words: Eminent Domain, Commons, Special Economic Zones, Livelihoods, Public Purpose, Development

INTRODUCTION

The state in India has always taken refuge in a huge plethora of laws, rules and regulations laid down by the Constitution of India with regard to environmental protection and related rights of the people. The right to life, freedom, livelihood and basic necessities through explicit and implicit references suggests that the State is committed to rights provision. In other words, it is definitely within a user rights perspective that the State structures its framework of reference in any domain of policy making. State practice of rules and regulations are derived from the written law of the land, therefore they must also refer to the user rights perspective. But this is exactly where one sees a dichotomy. Though the framework of reference remains the same, state theory and practice are almost never in tandem with each other due to conflicting interests.

Thus we observe that there are two very different notions of rights to life: one of development and the other of survival, both of them defined by the state but causing a disjuncture between theory and practice. Added to this is the use of the concept of eminent domain[2] by the state to justify development as a 'common good' that is equally available to all citizens. The principle of eminent domain allows the state the

[1]NehaVaddiparti is a Research Scholar currently working on her PhD Thesis with the Department of Political Science at the University of Hyderabad, India.
Sheela Prasad is a Professor at the Centre for Regional Studies, University of Hyderabad, India.

[2] The term 'Eminent Domain' was first used by from Grotius, a 17th century jurist, who said that the state possessed the power to take or destroy property for society's benefit, but it was obligated to provide compensation to those dispossessed or displaced by the act.

right to acquire any private land for public purpose and is based on the assumption that natural resources, like forests, land and minerals with no individual title belong to the state. Such a view that has legal sanction has serious implications for the commons.

A recent evidence of this is the Special Economic Zone (SEZ hereafter) Act passed by the Government of India as recently as 2005 and implemented with almost immediate effect in most states across the country where large tracts of land (up to 5000 acres) are cordoned off designated as foreign enclaves where no domestic laws pertaining to law and labor can be applied[3]. The rationale for setting up SEZs is that economic development through increased revenue from foreign direct investment and exports would lead to an upsurge in Gross Domestic Product growth rates which would translate into a higher standard of living for people, reflected automatically through changed livelihood options in both rural and urban areas.

This change in land policies has been accompanied by a number of protests/unrests across the country with discrepancies on the part of the State when it comes to land acquisitions and Environmental Impact Assessments associated with these zones coming up in environmentally sensitive areas like the coasts(Menon2007, 63). While state theory has been motivated by the theory of economic rights of the citizens to development, state practice in land acquisition, by use of the doctrine of eminent domain, contradicts the right to livelihood of the poor –tribals, farmers and villagers on whose lands these zones have come up. An importantfallout of this whole process is the loss of common lands or commons that these people heavily depend on for their very survival.

FOCUS OF THIS PAPER

Drawing heavily from the study done by S Seethalakshmi (2009) in the same field this paper seeks to critically review the role of the state in the context of land acquisition and loss of commons by focusing on the SEZs in coastal Andhra Pradesh. In the process the paper draws attention to the deployment by the state of some terms that are problematique: common good, public purpose, compensation and displacement. The paper argues that the burden of loss and displacement, brought about by the setting up of SEZs, is highest among those communities dependent on commons and having no land rights.

What is brought to focus is the neoliberal orientation of the Indian state in recent years which has changed democratic politics around resource use especially in the commons. There has been a shift from actual governance to mere “facilitation” on the part of the state of economic policy although the power of the two key instruments, the Land Acquisition Act, 1894 and the power of eminent domain of the state remains unchanged.

[3]For more details see www.sezindia.nic.in.

THE COMMONS IN INDIA-VICTIM OF EMINENT DOMAIN

Following Douglass North (1990, 33-68), property rights can be defined as the institutional framework within which people can establish or exercise their rights over their labor, goods and services that they offer and own. The form and character of this appropriation depends upon legal laws of the land and organizational rules. Property rights basically translate ownership patterns into ownership rights defining a framework of economic management especially when it comes to natural resources. Various forms of property rights regimes stretch along a continuum ranging from private, public, state ownership of rights, common property resources and open access regimes. Rights to Common Property Resources(CPRs hereafter) include access and use of grazing lands and pastures, use of fuel wood, non-timber produce from forests, fodder for animals from forest patches, fish ponds, rivers, seas as also ground water and the right to irrigation and drinking water.

In all developing states as also in India, the state has always championed itself as a custodian of CPRs and the rights of those dependent on them either through a framework of welfare, as a developmental state or restricting itself to policing duties.

The state carries out these duties in three principal ways:

-helps local systems by providing a legal framework which assists people in obtaining a legally enforceable recognition of their identity and rights to natural resources which the state must protect.

-technical and financial assistance in the form of infrastructure, grants, subsidies and loans.

-if management policies of the state are to be sustainable, their success depends on empowerment of communities dependent on CPR’s through participatory democracy.

The basic philosophy is that of participatory development as against individual development where participation of stakeholders in determining decisions regarding the use and access to resources ensures independence and equity. Participatory management as literature on the subject suggests includes sharing of information, mutual negotiations, collective decision making and implementation (Kadekodi, 2006, 131). In recent years, the concept of governance has become more inclusive, with the state has roping in the civil society, Non-Governmental Organizations and scientific institutions to contribute to planning and implementation of schemes.

But the most important right that the state has to take cognizance of is the right to livelihood of the people dependent on the commons – across generations and also to meet the basic needs of the present generation, to sustain their livelihood with resilience, equity and growth. In fact, livelihood is the single most important factor that can contribute to sustainable protection of CPRs for economic reasons, as a complement to the privatization of resources in rural settings.

In addition to all these, according to Ostrom, Dietz and Stern (2003,1910) there are certain requirements of adaptive governance that the state must fulfill. It must formulate rules that are congruent with ecological conditions that provide proper information, deal with conflict through low cost means of conflict resolution to employing various types of governing institutions like central hierarchy, markets, communal and self-governance. The state must also induce rule compliance as this is an important input if rights are not to be violated. Standards for digression tolerance should be set within reasonable limits through structured monitoring and enforcement. But most importantly, keeping in tune with democracy, the state must facilitate deliberation based on proper analysis that is a well structured dialogue between the various stakeholders involved.

The Indian state has recognized the diversity of CPRs in India and categorized them according to their relevance to communities dependent on them, and their significance in terms of sustainability with the underlying acknowledgement that the poor depend on the commons and that their rights need to be protected. Various aspects around CPRs may be referred to various governmental departments like the Ministry of Environment and Forests (MoEF), Agriculture, National Wastelands Development Board (NWDB), Ministry of Rural Areas which have undertaken a number of programs like Social Forestry, National Biodiversity Strategy and Action Plan, the Watershed Development Program, Joint Forest Management and Desert Area Development Program, the list goes on. A huge framework of laws structure the orientation of these programs, most of these have to do with the commons. The Environment (Protection) Act of 1986, the Wildlife Protection Act of 1972, Water (Prevention and Control of Pollution) Act of 1974, Water Cess Act, 1977, Air Act, 1981, Land Acquisition Act of 1894 and Biodiversity Conservation Act of 2002 are some of the major ones, with India also being a signatory of the International Convention of Biological Diversity of 1992. Besides these, international regulations from the World Trade Organization (WTO), General Agreement on Tariffs and Trade (GATT) and Convention on International Trade in Endangered Species (CITES) are also factored in.

Nearly 500 million poor people in India depend directly or indirectly on CPRs for their livelihood. It is a fundamental and a difficult to substitute link in view of the high degree of dependency on CPRs to meet minimum daily needs of people as also for ecological benefits. As Jodha (2001) submits, CPRs provide a collective strategy for risk management and production enhancement for the rural poor. Most of the CPRs are under threat from state and private ownership with the substitution of customary laws with codified law. An example of the latter is the doctrine of eminent domain that the state invokes to legitimize its development agenda and takeover the commons.

ON THE PLAYING FIELD-DEVELOPMENT AND LOSS OF CPRs

It is thus clear that the theoretical base of Indian laws relating to land use and management is well founded but various studies on the subject have shown that strong legislation does not necessarily entail successful implementation. At the ground level there is very little participation of local communities, too many agencies operating at tangents to each other, minimal conflict resolution mechanisms and no proper financial planning or database of information stemming from faulty design of developmental programs. Local knowledge is ignored, but this is not substituted with proper techniques for land and water management with limited training given to human resource capabilities.

This state of affairs can be attributed in large measure to the Land Acquisition Act of 1894 which supersedes and over rides all other laws in India relating to land. The original intent of the British when they formulated this law based on the premise that all land belonged to the state and people engaged with this resource as mere tenants was to acquire land in the name of “public purpose” for economic exploitation and to create channels of raw material supply to British industries.

Beginning with the Bengal Regulation I in 1824, when railways were declared public works, this need for appropriation of land and resources was consolidated in the form of a law in 1857 only to become the Indian Expropriation Act in 1870. The Land Acquisition Act of 1894 laid down rules for compensation to those whose lands were taken away based on market value, a solarium (additional compensation over market value in view of the involuntary nature of parting with land) was introduced along with the right to appeal to a civil court in case of dispute over compensation. Land losers could only appeal to the judiciary in case of the above; the authority of the state to appropriate land whenever required was absolute. The law recognized only individual ownership of land and those that did not belong to any individual like Common Property Resources automatically belonged to the government. Community rights over CPRs were not recognized and hence not compensated for.

The law with its roots in the principle of eminent domainof the state acted as a lever for displacement and dispossession. Eminent domain is basically a legal doctrine that awards the state the sovereign right to appropriate any land, public or private for “the greater public good” in return for a just compensation. A mutual relationship, the Land Acquisition act of 1894 only further consolidated this power of the state and legalized all forms of state sponsored acquisition for so called development projects. The concept of eminent domain vests absolute power in the state and is critical in understanding the relationship between the people, land, development and the state.

The Republican Socialist Constitution of free India in 1950 did nothing to change the situation; Article 372 allowed colonial laws to remain the way they were unless specifically repealed. Over the years the Land Acquisition Act of 1894 has seen deliberations and amendments. The term public purpose has never been properly

defined and the Law Commission appointed by the Government of India in 1956 only furthered added to this ambiguity by stating that it was not expedient to define an exhaustive list of what constituted public purpose. In 1962, the Nehruvian government amended the law which till then permitted only government led “public purposes” to benefit from the law to now allow land to be acquired for any private company that may be engaged in any work that might contribute to the same cause.

While the 1984 amendment was to streamline the acquisition process, the more recent one in 1998 was justified under the New Economic Policy which is based on generation of capital and increased inflow of capital investments. The Land Acquisition Bill in 1998 revolves around some basic issues. It further added to displacement of several people in major development projects across the country over the years like who were dependent on CPRs for their livelihood. Since the LAA recognizes only individual patta owners, the actual number of Project Affected Persons was underestimated as those dependent on CPRs are discounted. With regard to compensation, this amendment brought about much deliberation on the inadequacy of only monetary compensation for CPR dependents as they have never sufficiently engaged with the monetary economy. The replacement value in lieu of land should also factor in loss of environmental, human, social infrastructure and community support systems.

With the passing of the Special Economic Zones Act in 2006, a further amendment in 2007 approved by the UPA government allows the state to provide at least 30 % of land for these industrial enclaves through acquisition. The LAA, 1894 thus in its draconian form continues to shape the pattern of land use and management. Whatever be the ideological orientation of the government in question, the law and its justification through use of the principle of eminent domain, forms the backbone of the implementation of development policies.

A few case studies illustrate this perfectly in the context of the loss of CPRs.

Take the case of the pastoralists in Gujarat who form 5-8 % of the state’s population but who have been systematically ignored by the state, policy makers and academicians alike. These people call their common pasture lands ‘gauchars’ which are the basis of their survival. But with new land policies in recent years that view only agriculture and industry as synonymous with development never considering that there can also be other land based livelihood systems, the whole system of rights that the state has a duty to safeguard comes under question. A recent government resolution in the state has begun bringing wastelands under cultivation through what is called corporate farming. Big corporate houses and rich farmers are being invited to start cultivation on lands as big as 2000 acres for a lease of 20 years.

The recent Government Resolution of May 17, 2005 states that “the objective of bringing wastelands under cultivation has not been met till now by the existing

policies and thus it was under active government consideration to lease out these lands so as to cultivate it using modern technology for horticulture and biofuel trees to the big corporate houses and individual resourceful farmers" (Barwada and Mahajan 2006, 314). Not only does this resolution smack of being motivated purely by profit through cultivation of trees that can be used as biofuel, it also assumes that wastelands are indeed useless and that no one depends on them. It has very conveniently sidelined entire communities of pastoralists whose lifeline these very pastures are. Thus there is an urgent need to understand the use and dependence of wastelands to communities associated with them before redefining their usage as has been done. The directive principle under Article 39 b and c of the Indian Constitution states that, "The state shall, in particular, direct its policy towards securing, that the ownership and control of the material resources of community are so distributed as best to sub serve the common good; that the operation of economic system does not result in the concentration of wealth and means of production to the common detriment".

The same is the case with fishing communities along the coast of Goa. With the sea as the CPRs of these communities called 'Kharvis', traditional community based fishing practices have an in built system of conservation of marine life and other natural resources at sea. Since the 1960's the government has consistently encouraged the use of mechanized trawlers for fishing to tap the potential of fishing activities in Goa for export purposes. A department of fisheries was set up which designs and implements several schemes under 5 year plans for infrastructure and financial assistance. Fishermen are encouraged to form fisheries cooperatives to leverage financial aid and subsidies better.

This whole story can be looked at from two angles. The state if it had to justify its stance would say that these steps are taken to bring more economic benefits to traditional communities by harnessing technological development. On the other hand, development or profit through exports seems to dictate all government policies like the one above for more revenue without paying heed to the ecological requirements of CPRs or the rights of communities that have always depended on the sea for their livelihood for several generations.

A case of water and governance rights is typified by the southern Indian state Kerala's adivasistruggle against the Coca Cola plant in Plachimada which is a very good example of contradictions in state policy. On the one hand while it was the ruling government of the time that allocated land to the Coca Cola plant in around 2000 with the motive of reaping in profits from the sale of the very popular drink, it has also resulted in local self-governments (panchayats) rising up to their responsibility of public welfare. When the plant began to use up huge amounts of portable water for production purposes it upset the water table in the area and contaminated water to dangerous levels making it unfit for humans or animals or even irrigation purposes. What happened subsequently reinforced the legal duty of the state to protect and regulate natural resources in accordance with the doctrine of

public trust. Article 244 Clause (1) V Schedule, Para 5(2) of the Constitution of India makes it mandatory for the state to ensure total prohibition of immovable property to any person other than to a tribe for peace and proven good management of a tribal area and to protect possession, rights, title and interests of the Scheduled Tribes' held in the land at one time by the tribals. These provisions are applicable to those areas notified as scheduled areas which are also accorded a certain level of self-governance under the PanchayatiRaj(Extension to the Scheduled Areas) Act of 1996.

The struggle of the local adivasis in the area brings to focus the symbiotic relationship of people and natural resources which they access from within a community. It calls into question the jurisdiction of governance rights on ponds, tanks and the water table in the area- who has primary rights over them? The state government of Kerala and the relevant courts have been consistently ignoring reports by research organizations in the country on the presence of dangerous toxins in the groundwater though it was the Kerala state itself which enacted the Groundwater (Control and Regulation) Act in 2002 for the purpose of conservation, regulation and control of extraction and use of groundwater.

The state is unable to act against the very capital that it is supposed to regulate only highlighting flaws in governing policies with regard to jurisdictional rights between the community (devolution of powers enacted by the Panchayati Raj Act) and the state over fundamental basics of Common Property Resources.

Thus the only way of reigning in the power of Eminent Domain is strengthening democracy and making it accountable through empowerment of local self-governance bodies such as panchayats and gram sabhas and the active involvement of civil society. Interpretation of the ambiguous term public purpose is left to the courts; it thus depends on the judiciary to change its hands-off approach to governmental policies and demand that high standards of public interest are maintained.

CHANGING ROLE OF THE STATE

The key principles of neoliberalism and globalization include less government and a move away from government intervention to a greater reliance on the market to fulfill roles like that of welfare provision that traditionally belonged to the state, privatization through shifting of services and activities from the public to the private sphere, and devolution of governance to lower levels of government. A neoliberal state seeks to separate the political from the economic and gains control over natural and human resources. The roles and powers of the state in this new environment are being redefined through changing frameworks of rights, obligations and powers. The state is forced to function within a framework of "multilayed governance" with the international community acting from above, the civil society from below demanding accountability and transparency and private interests acting laterally to influence

state priorities. To retain its power in such an environment, the state has taken to furthering the neoliberal agenda through what David Harvey (2005) calls “accumulation by dispossession”. Primitive accumulation, Karl Marx’s concept to explain the logic of capitalism

“effects a redistribution and transfer of claims to already existing assets and resources rather than creating new assets. In this sense it is an accumulation of intangible rights and not the accumulation of tangible assets and goods. This aspect of primitive accumulation is important… because the current frenzy of state-assisted acquisition of land and other resources in India is precisely a process whereby rights of access and usage of already existing resources are being redistributed and transferred”. (Chandra &Basu,2007)

Primitive accumulation is most often ensured in a well-developed capitalist economy through the market that is by economic means. The other way is through the use of force when alternative forms of subsistence are encountered by the proletariat, like that of communal living of the tribals. The proletariat in today’s scenario is made up of the state and some particular social classes who aim at separating the means of production from those directly connected to it.

During times of economic recession and fall of markets the use of force comes into play to ensure primitive accumulation and the continuance of the capitalist ideology. The use of arbitrary force by the state to cordon off areas to create Special Economic Zones, or clearing Villages, agricultural lands and Common Property Resources to make way for expanding urbanized cities is a fine example of this which entails large scale displacement and dispossession of the weaker and marginalized sections of society. Also most land acquisition takes place in those areas where peasant movements have had some measure of success in resisting capitalist exploitation or expropriation. Thus there is accumulation of land and other resources in the hands of a few while dispossessing many.

Displacement and state led “land grabbing” feeds into the process of primitive accumulation by divorcing primary producers from land and restricting their access to CPRs. Thusconservation, development and utilization of CPRs arguesKatar Singh according to Dolly Arora(1994) are highly influenced by national and international policies and ideologies. National export promotion policies and international transfer of technology have added to the mode and manner in which resources are used which are most often beyond limits set by local conventions and traditions. International aid and trade policies tend to promote free markets, privatization, entrepreneurship and export led growth which leads to over exploitation of resources and CPRs. World Bank and International Monetary Fund loans require Structural Adjustment in domestic economies of recipient countries leading to increased and unsustainable use of resources.

The roles and powers of the state as said above in this new environment are being redefined through changing references of rights, obligations and powers. It has come to stand at a point where its role can be best described as that of a “facilitator”- it facilitates the manner in which market forces operate and then subsequently manages the repercussions thereof. Neoliberalism has of course heralded the retreat of the developmental state but it has not ousted it from the crucial role it plays in managing the economy in countries like India. The only change is that it now facilitates “accumulation by dispossession”.

SPECIAL ECONOMIC ZONES AND LAND ACQUISITION

The Special Economic Zones Act of 2005 is a product of such a nexus. As mentioned earlier, the SEZ Act designates lands as foreign enclaves for businesses dedicated to export earnings. The Coastal Regulation Zone Notification stands as a check to this Act by preventing such zones from coming up in coastal areas for fear of upsetting the delicate ecological balance that is maintained in these areas. Nevertheless the statein its compulsion to maintain the 9 % gross domestic product (GDP) growth rate uses its power of eminent domain to acquire land for industrial development andis involved in transferring huge tracts of land to private players to set up these zones with industries and other infrastructural facilities. The lands under siege are agricultural fields belonging usually to small and marginal farmers justified by the small farm versus unproductivity debate, government lands or assigned lands which over the years were given to the poor under various developmental programs which allows the state to apparently “resume” these lands as they belong to it and finally unassigned lands often known as common property resources which the state deems as unproductive and as waste barren lands.

In this new phase of capitalism, the state through the SEZ Act enables consolidation of lands and resources in the hands of a few thus taking it duties related to the economy far more seriously than its duties as a governing body. The state in fact is “facilitating” the conversion of the commons from communal properties to private resources. This it does by raising the flag of “public purpose” where appropriation of resources is incorporated as an obligation of its role as a facilitator to benefit private purposes. As a “facilitator, it converts in most cases tribal lands to government lands which are then transferred to housing cooperatives and other private players.

Governance patterns are changing as in the cases discussed earlier.The case under study in this paper is that of the southern Indian state of Andhra Pradesh that will be elaborated upon below where access to resources in India today are mediated through a range of stakeholder or membership based groups like farmers groups, watershed communities, water user associations, women self-help groups and forest protection ones. These in fact have deepened the penetration of the Developmental state but only as a facilitator overseeing the provision of a whole range of developmental services and benefits through these bodies. But the flip side is that rights are now mediated, governed and exercised through “membership or market

driven spaces” rather than within the framework of citizenship or democracy where accountability from the state can be demanded. This is a dangerous trend because rights and laws are now defined through temporary arrangements arising from membership of these groups rather than through constitutionally defined laws. There is no direct engagement with the state or its governing agencies around rights.

SPECIAL ECONOMIC ZONES IN ANDHRA PRADESH: ENDANGERING THE COMMONS

Way back in 1965, India set up Asia’s first Export Processing Zone in Kandla, Gujarat recognizing the apparent effectiveness of this model in promoting exports. The SEZ Act subsequently in 2005 passed by the Central Government of India provides for drastic simplification of procedures relating to the same envisaging a key role for State Governments in export promotion and creation of related infrastructure.

Falling in line, the Andhra Pradesh (AP) Government drafted a policy framework for Special Economic Zones in the State through the Department of Industries and Commerce in 2002 and later passed the AP SEZ Bill in 2005 which very magnanimously states that the first priority would be acquisition of “waste and barren lands” and if necessary single crop lands would be acquired. After Maharashtra, Andhra Pradesh has the second largest number of Special Economic Zones in the country with 68 out of a total 322 notified SEZs in the country as of 2009 (Seethalakshmi, 2009).

In the coastal regions of the state, SEZs are being set up along with other projects such as the Coastal Industrial Corridor as well as the development of Petroleum, Chemical and Petrochemical Investment Regions (PCPIR) which in turn are governed by separate policy initiatives and departments of the government. Industries are being encouraged in the sectors of pharmaceuticals, petroleum, petrochemicals and refineries along the entire coastal stretch of 972 kilometers fromIchapuram in Srikakulam district in the North to Tada in Nellore district in the South. As a result this has resulted in large scale appropriation of “Government Lands” in the categories of assessed waste, unassessed waste and poramboke lands. Common property resources such as ponds, grazing lands and forests on which pastoral and tribal communities depend for grazing livestock, collecting minor forest produce and fishing fall into the third category.

According to the little data available as given below (see table), about 20 % of 20,000 odd kilometers of land acquired for Notified SEZs[4] in the state happen to be commons thus depleting livelihood resources for a huge chunk of the state's population. While under Section 58 of the Gram Panchayat Act of 1994, the porambake lands fall under the jurisdiction of the local Panchayats if the state does not require them for any purpose but the SEZ Act overrides this Constitutional amendment paying no heed to the needs of few million people. The Centre in fact has been encouraging States to formulate a Model State Policy on SEZs and amend whatever relevant Acts may be conducive for their smooth functioning.

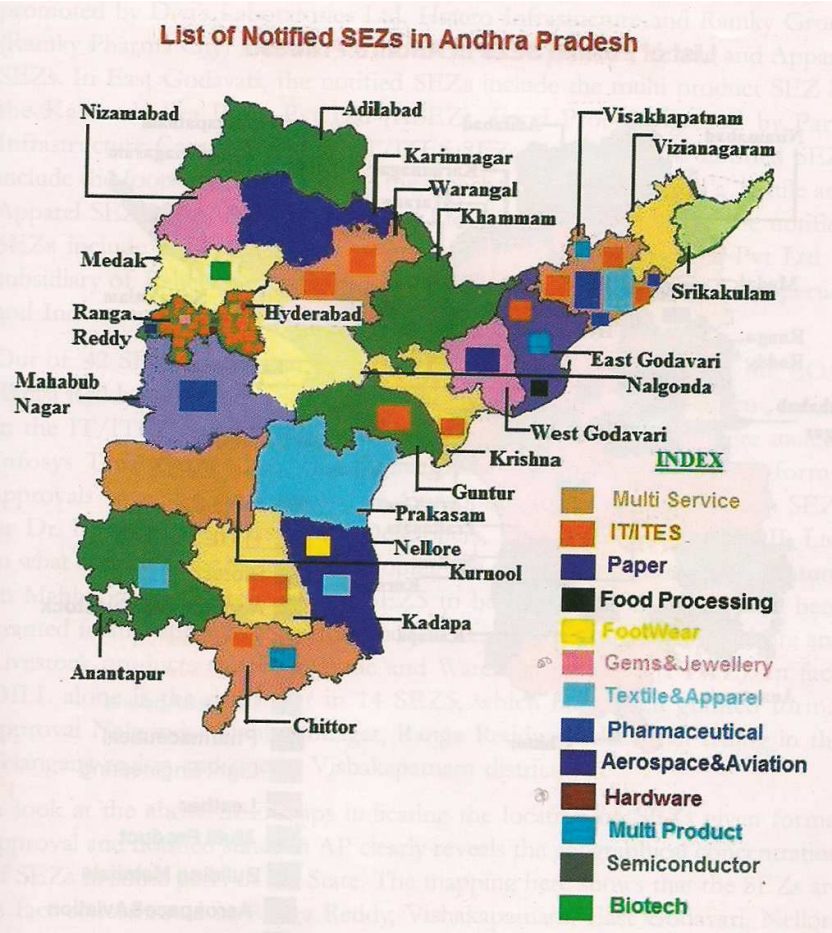
Table 1: Details of Land Acquired for Notified SEZs in Andhra Pradesh, 2008-2009

Developer	Notified SEZ	Patta Lands (Dry) in Acres	Patta Lands (Wet) in Acres	Government Assigned (Acres)	**Government Un-Assigned (Acres)**	Total (Acres)
APIIC and Other Developers	37	10,339	1,823	2,078	**4,020**	18,260
Private Developers	21	2,440				2,440
Total	58	12,779	1,873	2,078	**4,020**	20,700

Source: Special Economic Zones in Andhra Pradesh, Policy Claims and People's Experiences, S Seethalakshmi, 2009.

[4]There are three stages to approval of an SEZ after an application has been made either to the State Government or the Board of Approval (BOA) at the Centre. These are in-principle approval, formal approval and notified SEZs. Upon receiving recommendation from the BOA, the Department of Commerce issues a letter of formal approval to the applicant who is then called the 'developer' of the SEZ and is required to take steps to implement the proposal within three years. The Central Government "Notifies" an area as a SEZ through a publication in its official gazette after it is satisfied with the requirements under the SEZ Act, 2005 relating to land etc.

Figure 1: Notified SEZs in Andhra Pradesh.



Source: Special Economic Zones in Andhra Pradesh, Policy Claims and People's Experiences, S Seethalakshmi, 2009.

In Karakapatla village of Mulugumandal in Medak district Government lands were appropriated in 2007 for developing a Biotech SEZ. While official data puts this at 100 acres, surveys conducted on the ground reveal that 515 acres of land were resumed which included around 106 acres of unassessed waste land. Most of the 200 households in the village depend on the hillocks and village commons for grazing their livestock. Not only have these people not been paid any compensation in lieu of their lifeline being taken away but once construction activities for the Biotech plant started, they were not allowed to graze their animals even in the surroundings.

Further down south in Tada Mandal of Nellore district, 1200 acres of land have been allocated for setting up a SEZ for manufacture of footwear. But this has come at the cost of alienating 1000 acres of land adjoining the area which formed the livelihood base of the surrounding Panchayats. Many households in the area depended on these lands for collection of fuel wood, grazing their livestock, collection of soil and stones for construction of village roads and houses. Small patches have also been cleared of shrubs and bushes over the years for cultivation purposes. Among those

affected, the most vulnerable are the Yanaditribals who have no concept of individual land ownership and hence received little or no compensation for being displaced. Further, their livelihoods, dependent on CPRs that have now been taken over by the state are lost and they get pushed into greater deprivation and poverty.

In addition discharge of pollutants which is involved in working with leather from Apache Footwear, a multinational company in this SEZ has seeped into traditional fishing tanks of surrounding villages like PeddaMambattu, ChinnaMambattu, Kasim Khan Kandriga, NM Kandriga, Andagundala, KundurGradda etc. This has adversely affected the local livelihood of fishing in these ponds and lakes like the PulicatLakein the area which have been severely polluted. Men from these villages are forced to take a circuitous route to get to water bodies as the company has taken over large areas of the farming and fishing areas.

Special Economic Zones from an economics perspective are touted as employment engines creating many jobs that would contribute to the growth rate of the country. As studies and statistics on the government website show (www.sezindia.nic.in), this form of rehabilitation is not in proportion to the number of people displaced besides creating a host of social and cultural problems. But a more pertinent issue here is the high handedness of the state in valuing some forms of livelihood more than others if the distribution is skewed. Livelihoods based on commons counts for nothing in state policies as is seen in the coastal belt of Andhra Pradesh. (Seethalakshmi, 2009, 55-59, 99-108)

If the Coastal Zone Notification brought into force in 1991 by the Ministry of Environment and Forests was hailed as progressive legislation by fish workers and environmentalists as it acknowledged and recognized that coastal areas need to be protected from unregulated development to avoid adverse impacts on livelihood security, it was undone by the Coastal Zone Management Notification in 2007 by the same Ministry which has incorporated “Integrated Coastal Zone Management Plans” which permits private investments in industrial development and development of SEZs in areas marked ecologically fragile in earlier provisions.

This brings us to the other aspect regarding the importance of the commons – one of ecological and environmental significance. Commons may be one of the last vestiges of unbridled environmental landscapes which help maintain ecological balance in areas where they exist whether they are forests or pastureland. Even with respect to this concern, the Special Economic Zone Act of 2005 is completely silent. This Act very conveniently incorporates only those aspects of the Environmental Impact Assessment (EIA) notification of 1994 that suit the purpose. For instance under Schedule I of EIA, projects cannot take off until a public hearing is organized and the locals have voiced their concerns. Those projects that do not fall into this category are assessed by State Governments where a public hearing is not mandatory.

Many projects like the Andhra Pradesh PCPIR in Kakinada and Vishakhapatnam and in the South Coastal Districts of Guntur and Prakasam have been carried out without any informed public debate and in flagrant violation of existing Environmental Laws.

CONCLUSION

It is very ironic that when lands remain with the poor either for agricultural purposes or as commons they almost have no value attached to them with no state policy favoring subsidies or investments to develop these lands but as soon as the very same lands are handed over to private players in the name of public purpose, they gain a value that increases many times over. A whole range of support policies spring up about the same. Land is treated as a transferable commodity in the market with no focus on people or their livelihoods.

This paper has highlighted various issues around the commons which are in the line of fire in the wake of one of India's most controversial pieces of legislation, the Special Economic Zones Act, 2005. It does not attempt to pass any sort of judgment or claim to have answers to any of the problems stated. The main objective is to raise some key questions that may merit further thinking and analysis.

REFERENCES

Seethalakshmi, S. 2009.*Special Economic Zones in Andhra Pradesh, Policy Claims and People's Experiences.*Hyderabad: Deccan Press.

Menon, Manju, KanchiKohli and DivyaBadami. 2007. "The SEZ Onslaught, At a critical juncture." Survey of the Environment brought out by The Hindu.Chennai: M/s Kasturi& Sons LTD.

North, Douglass C. 1990.*Institutions, Institutional Change and Economic Performance.*Cambridge: Cambridge University Press.

Kadekdi, Gopal K. 2004.*Common Property Resource Management, Reflections on Theory and the Indian Experience*. New Delhi: Oxford University Press.

Dietz, Thomas, ElinorOstrom and Paul C. Stern. 2003. "The Struggle to Govern the Commons."*Science*, New Series, Dec 12:1907-12.

Jodha, N.S. 2001. "Common Property Resources in Crisis." In *Life on the Edge: Sustaining Agriculture and Community Resources in Fragile Environments,* edited by N.S. Jodha. New Delhi: Oxford University Press.

Bharwada, Charul and VinayMahajan. 2006. "Quiet Transfer of Commons." *Economic and Political Weekly*, Jan 28: 313-15.

Harvey, David. 2005. *A Brief History of Neoliberalism*. New York: Oxford University Press.

Chandra, Pratyush&DipankarBasu. 2007. "Neoliberalism and Primitive Accumulation in India." Accessed November 22. http://www.countercurrents.org/chandra090207.html.

Arora, Dolly. 1994."Managing Commons." *Review ofManaging Common Property Resources: Principals and Case Studies*, by Katar Singh.*Economic and Political Weekly, September 3.*

Berkes, Fikret (ed). 1991. *Common Property Resources, Ecology and Community based Sustainable Development*.Dehradun, India: International Book Distributors.

Srinivasan, V.K and P. S Sundaram. 2008.*Special Economic Zones, International Experience and Indian Scenario. Hyderabad:* Media India News Service.

Modi, Renu (ed). 2009. *Beyond Relocation, The Imperative of Sustainable Resettlement.*New Delhi*:* Sage Publications.

Jayal, NirajaGopal. 1994. "Rights, Justice and Common Property Resources." *Economic and Political Weekly*, July 9: 1810-11.'

Feeny, David, FikretBerkes, Bonnie J Mc Cay and James M Acheson. 1990. “The Tragedy of the Commons: Twenty Two Years Later.”*Human Ecology*, Vol. 18: 1-19.

Wade, Robert. 1987. “The Management of Common Property Resources, Finding a Cooperative Solution.”*The World Bank Research Observer*, Vol. 2: 219-234.

Pasha, Syed Ajmal. 1992. “CPR’s and Rural Poor A Micro Level Analysis.”*Economic and Political Weekly*, Nov, 14: 2499-2503.

D’Cruz, Sharon and Avinash V Raikar. 2004. “Ramponkars in Goa BetweenModernisation, Government and the Deep Blue Sea.”*Economic and Political Weekly*, May 15: 2048-54.

Bijoy, C.R. 2006. “Kerala’s Plachimida Struggle A Narrative on Water and Governance Rights.” *Economic and Political Weekly*, Oct 14: 4332-4339.

Pinto, Ambrose. 1998. “Fillip to Land Transfers: Land Acquisition Bill, 1998.” *Economic and Political Weekly*, Dec 5-11: 3107-3109.

Fernandes Walter. 1998. “Land Acquisition (Amendment) Bill, 1998: Rights of Project Affected People Ignored.” *Economic and Political Weekly*, Oct 17-30: 2703-2706.

Asif, Mohammed. 1999. “Land Acquisition Act: Need for an Alternative Paradigm.” *Economic and Political Weekly*, June 19-25: 1564-1566.

Kasturi, Kannan. 2007. “Land Acquisition from Colonial Times to the Present.” *GhadarJariHai*, Vol 2, Issue 1: 5-8.

Vasudevan, Ramaa. 2008. “Accumulation by Dispossession.” Review of *Abandoned: Development and Displacement* by The Perspectives Team; Perspectives, New Delhi. *Economic and Political Weekly*, March 15: 41-43.