Economic & Political WEEKLY

Displacement Due to Mining in Jharkhand

Author(s): Mathew Areeparampil

Source: Economic and Political Weekly, Vol. 31, No. 24 (Jun. 15, 1996), pp. 1524-1528

Published by: Economic and Political Weekly Stable URL: http://www.jstor.org/stable/4404276

Accessed: 14/04/2010 00:57

Your use of the JSTOR archive indicates your acceptance of JSTOR's Terms and Conditions of Use, available at http://www.jstor.org/page/info/about/policies/terms.jsp. JSTOR's Terms and Conditions of Use provides, in part, that unless you have obtained prior permission, you may not download an entire issue of a journal or multiple copies of articles, and you may use content in the JSTOR archive only for your personal, non-commercial use.

Please contact the publisher regarding any further use of this work. Publisher contact information may be obtained at http://www.jstor.org/action/showPublisher?publisherCode=epw.

Each copy of any part of a JSTOR transmission must contain the same copyright notice that appears on the screen or printed page of such transmission.

JSTOR is a not-for-profit service that helps scholars, researchers, and students discover, use, and build upon a wide range of content in a trusted digital archive. We use information technology and tools to increase productivity and facilitate new forms of scholarship. For more information about JSTOR, please contact support@jstor.org.



Economic and Political Weekly is collaborating with JSTOR to digitize, preserve and extend access to Economic and Political Weekly.

Displacement due to Mining in Jharkhand

Mathew Areeparampil

The history of the indigenous people of Jharkhand is one of struggles against outside exploiters, who have gradually reduced them to a subordinate position in their own land. With the expansion of mining activities, especially with the opening of 50 new coal mines in the area to achieve the targeted production by 2000 AD, land degradation, air, water and noise pollution will attain alarming proportions. This will have serious economic impact upon the villages and their agrarian population.

FOR a proper understanding of the problem of displacement of people due to mining we have to look at it from the wider perspective of dispossession that results from such mining activities. Displacement becomes a problem because of the dispossession that results from it. In this paper we shall consider the phenomenon of dispossession of the indigenous people of Jharkhand area in middle India due to the gigantic mineral exploitation programmes going on in that region.

Jharkhand which means 'forest tract' is the ancient name given, as a whole, to the forested upland geographically known as the Chhotanagpur plateau forming the northeastern portion of the Peninsular plateau of India. Jharkhand is one of the richest areas in the whole country, rich in minerals with huge reserves of coal, iron ore, mica, bauxite and limestone and considerable reserves of copper, chromite, asbestos, kyanite, china clay, fire clay, steatite, uranium, manganese, dolomite, tungsten, gold, etc. The distribution of these minerals is mostly localised. Coal is found in the Gondwana rocks of the Damodar basin. The well known coalfields of the area are Raniganj, Jharia, east and west Bokaro, Ramgarh, and south and north

If Damodar valley is the repository of coal resources, Singhbhum is a veritable museum of non-fuel minerals with huge deposits of iron ore and sizeable deposits of copper, uranium, chromite, asbestos, kyanite, china clay, manganese, etc. The Kolhan series of iron ore in Singhbhum is one of the richest iron belts in the world. The Singhbhum copper-uranium belt contains the largest deposits of copper and uranium in the country today. The world's largest deposit of high grade kyanite occurs at Lapsa Buru in the Singhbhum shear zone.

Mica is an important mineral for whose deposits the Jharkhand area leads all countries in the world. The mica belt covering about 3,800 sq km lies in the northern parts of the districts of Hazaribagh and Giridih. Bauxite is found in and around the Pat region in north-west Ranchi district. Thus, Jharkhand area has rich endowments of both metallic and non-metallic minerals. This region produces 48 per cent of the country's coal, 45 per cent of its mica, 48 per cent of its

bauxite, 90 per cent of its apatite and all of its kyanite. Further, this region is very rich in forests. 84.42 per cent of Bihar's forest area lies in Jharkhand. Singhbhum has Asia's richest sal forests.

The natural wealth of this area contrasts sharply with the desperate poverty of its inhabitants. For centuries this region has been the homeland of indigenous people such as the Santals, Mundas, Oraons, Hos, Gonds, Kharias, Bhuiyas, Bhumij, Birhors, Turi, Sadans, Kamar, Kumhars, Kurmis, etc. who are also known as adivasis which literally means 'original settlers'. They have a distinct culture and an identity rooted in their land which they are determined to preserve. Their societies are community-based with land owned communally. Community life is cooperative and based on sharing, with decisions taken jointly through consensus. They consider their societies classless, egalitarian and close to nature.

These indigenous groups comprising 85 to 90 per cent of the total population of Jharkhand have been the worst hit by the large-scale exploitation of the natural resources of the region through the development of mines, industries and commercial exploitation of forests. The majority of them live in a state of semi-starvation throughout the year. The remaining 10 to 15 per cent of the population of the area are immigrants who migrated to amass wealth for themselves. The history of the indigenous people of Jharkhand is one of struggles against such outside exploiters whom they contemptuously call 'dikus'. These dikus have gradually reduced them to a non-dominant position [Areeparampil 1989: 13-38].

MINERAL EXPLOITATION

In the name of 'national interest' Jharkhand area is witnessing a gigantic industrialisation and developmental process involving the exploitation of its natural and human resources. The opening of coal mining in Dhanbad area during the second half of the 19th century and the establishment of the Tata Iron and Steel Company in Jamshedpur in Singhbhum district in 1907 marked the beginning of the large-scale exploitation of mineral and other industrial resources in this area.

Coal is the biggest mining industry of Jharkhand. Prior to nationalisation in 1971 coal was mined in a haphazard manner by private mine owners. After nationalisation the entire coal industry of the region was entrusted to Coal India (CIL) and its subsidiaries (excepting a few captive mines of TISCO and IISCO). Coal India owns and operates 494 mines and 15 coal washeries through its subsidiary companies. From a mere 72.95 mt in 1970-71, coal production has quadrupled to around 305 mt per annum today. It is poised to touch 417 mt by the year 2000 AD. Over 60 per cent of this is expected to come from open cast mining [Tandon 1990:23]. At present massive programmes in collaboration with multinational companies are going on for the exploitation of the coal wealth of Jharkhand.

After coal, iron ore is the next important mining industry of the region. Mining of iron ore in Singhbhum area started at the beginning of this century. At present large-scale mining is going on at Gua, Jamda, Noamundi, Chiria, Manoharpur, Kiriburu and Meghahatuburu. These mines contribute about 40 per cent of iron ore produced in India. Most of the ore is consumed by steel plants at Jamshedpur, Bokaro and Durgapur.

Copper is a very important mineral found in east Singhbhum. This area has been a site of extensive mining activity for a long time. Ancient pits, rock dumps and slag heaps scattered over this tract date between 2000 BC and 6th century AD. In recent years mining activities in many old workings have been revived by the Hindustan Copper and continuous production is maintained by the five operating mines at Rakha, Kendadih, Surda, Pathargora and Mosaboni.

The mica belt of the region supplies 71 per cent of the world's high quality sheet mica. The major mining activities are centred in the Kodarma reserved forest area lying north of Kodarma covering an area of 147.61 sq km. Other mica producing centres of the region are Chatkari, Domchanch and Dhab. The mica godowns and dressing industries are located mainly in Kodarma, Jhumri Tilaiya, Domchanch and Giridih towns.

Limestone is quarried in Singhbhum, Hazaribagh and Ranchi districts. Kyanite is an important refractory mineral used in iron and steel industry. It is found mainly in Singhbhum district. This mineral enables the country to earn a good deal of foreign exchange. Bauxite quarries are located in north-west Ranchi district. Besides the above, china clay mining is developed mainly in the Hat Gahmaria area of Singhbhum and in Palamau, Ranchi and Santal Parganas. Fire clay mining and its associated industries have developed in the Damodar basin in Jharia and Ranigani coalfields. Mining and processing of manganese, apatite, chromite, quartz, silica, steatite and asbestos have developed on a large scale in various parts of Singhbhum. Sizeable production of silica sand comes from Sahibganj district. Rock phosphate is mined in Palamau area. The Uranium Corporation of India, a public sector undertaking, has established a uranium processing plant at Jaduguda in east Singhbhum and has started mining uranium at Bhatin, Narwapahar, Turamdih and other areas of this district.

The industrial landscape of Jharkhand has undergone considerable change during recent years mainly around Jamshedpur, Rourkela, Ranchi, Bokaro and in the coal mining areas of Dhanbad and Ramgarh. The large-scale industries of these centres are based mostly on the vast metallic and non-metallic mineral resources available in the area. All these centres have attracted a large number of other industries in their suburbs and adjoining areas. The non-metallic mineral industries are mainly situated in the Damodar basin centred around Dhanbad and Ramgarh. The important non-metallic mineral industries include cement factories at Japla, Jhinkpani, Sindri, Khalari and Rajgangpur, fertiliser factories at Sindri and Rourkela, refractory works at Dhanbad and Ramgarh, glass factories at Kandra and Bhurkunda, mica industries at Jhumri Telaiya and Giridih and coal washeries and coke oven plants in Hazaribagh and Dhanbad districts. Besides, a large number of medium and small industrial hubs of forest and agriculturebased industries, small engineering and manufacturing industries, chemical industries, etc, have developed at other centres of the region.

Large thermal power generating plants have been built at Bokaro, Patratu, Chandrapura, Sindri, etc, and hydro-electricity is generated by the Damodar Valley Corporation at its various plants which supply power for industries in Jharkhand and adjoining areas.

With the intensification of mining and manufacturing activities this region has registered a phenomenal growth in urbanisation. From less than 2 per cent at the beginning of the century and 11.5 per cent in 1961, the urban population in Jharkhand has grown to 21.25 per cent in 1991 as compared to 16.14 per cent for the whole of Bihar. The number of towns increased

from eight in 1872 to 134 in 1991. The urban centres are chiefly concentrated in the Damodar and Subarnarekha basins which are the two main mining and manufacturing zones of the region.

The industrial revolution taking place in the Jharkhand region is causing an explosion of various sorts in the area. One can call it an explosion because of its totally unparalleled scope and the catastrophic nature of the changes that it is bringing about in this region. It is causing an unprecedented assault on the relatively stable and self-sufficient indigenous people and their land and other resources.

IMPACT OF MINING

For centuries the indigenous people of Jharkhand lived in a harmonious relationship with their environment. Since their lives are closely related to nature, any adverse impact on the environment in which they live will adversely affect their lives also, and vice versa. The concept of displacement should be seen from the wider perspective of this symbiotic relationship between environment and people. The exploitation of mineral resources through surface and underground mining has caused wide ranging environmental problems such as land degradation, air, water and noise pollution, etc. These problems are accentuated by the multiplier effect of mining in a region which has acted as a catalyst for urbanisation and industrialisation. The direct effects of mining are compounded by the indirect effects of these inescapable developments.

The large-scale mining and allied activities going on in the Jharkhand region have caused severe damage to the land resources of the area. Vast areas of rich forests and agricultural lands belonging to the indigenous people have been laid waste because of haphazard mining. Underground mining operations, especially of coal, have created unsafe surface conditions in many areas warranting diversion of roads, railway lines, etc, and the shifting of a number of townships. Over 49 localities have been declared unsafe for human habitation in the Ranigani coalfield alone. The union government is reportedly planning to rehabilitate the new town of Mangalpur near Raniganj where 60,000 people are affected by mine-related subsidence [Anon,1994a]. According to the Chari Committee report, 6,055.5 hectares of land in Ranigani coalfield and 4,561.14 hectares in Jharia coalfield have been severely damaged due to subsidence, abandoned quarries and spoil dumps [Chari et al 1989].

Of the 2.13 million hectares of land in which coal is found in India, over 0.36 million hectares (16.9 per cent) have been damaged due to past coal mining activities

[Rehana and Saxena 1994:235]. According to B P Baliga, former head of the environmental engineering division of CMPDI, 'In the 1980s the coal mining industry became identified as a major cause of damage to the environment', with more than 75 sq km of land being destroyed every year. In a recent paper, Baliga has pointed out that as early as 1973, the following negative effects of coal mining over the years came into focus: (a) 651 (352 in ECL 299 in BCCL) abandoned open cast mines; (b) 6,898 (4,343 in ECL, 2,031 in BCCL, 524 in CCL) subsided areas due to past underground mining operations; (c) 1,101 (370 in ECL, 631 in BCCL, 100 in CCL) abandoned external reject dumps; (d) 70 mine fires covering an area of 17.32 sq km in Jharia coalfield, eight mine fires each in Raniganj, East Bokaro and Karanpura coalfield [Baliga 1994]. As a result, more than 122 sq km of area belonging to CIL alone has now become derelict.

The large-scale mining operations going on in the region have adversely affected ground water table in many areas with the result that the yield of water from the wells of adjoining villages has drastically reduced. Further, effluents discharged from mine sites have seriously polluted the streams and underground waters of the area. Acid mine drainage, liquid effluents from coal handling plants, colliery workshops and mine sites and suspended solids from coal washeries have caused serious water pollution in the region, adversely affecting fish and aquatic life.

The Damodar river, the major source of water in the region, is perhaps the most polluted river in India. It receives wastes from the many industries situated on its banks. A study of the area showed that a single coal washery was discharging about 40 tonnes of fine coal into the Damodar every day. There are as many as eleven coal washeries in the region with an annual installed capacity of 20.52 million tonnes [Singh J 1985:217]. Today the Damodar or Damuda, considered a sacred river by the Santal tribals, is quite like a sewage canal shrunken and filled with filth and rubbish, emanating obnoxious odours.

Other major rivers of the region are also seriously polluted. The Karo river in west Singhbhum is polluted with red oxide from the iron ore mines of Noamundi, Gua and Chiria. The Subarnarekha shows a different type of pollution, even more hazardous than this. Metallic and dissolved toxic wastes from TISCO, Jamshedpur and HCL, Ghatsila and radioactive wastes from the uranium mill and tailings ponds of the UCIL at Jaduguda flow into Subarnarekha and its tributaries. Millions of people living along the banks of these rivers are compelled to drink water which contains the

radioactive and chemically contaminated

Mining and allied operations are causing serious air pollution in the region. Open cast quarries, coal washeries, thermal power plants, coke-oven plants, cement factories, fertiliser plant, etc, contribute to serious air pollution.

VICTIMS OF DEVELOPMENT

The large-scale exploitation of the natural resources of the region through the development of mines, industries, etc, has adversely affected the indigenous people of Jharkhand. They are systematically and methodically being dispossessed of the ownership of their means of production, of the products of their labour and of the very means of human existence. They are dispossessed of their political autonomy and their communities broken up in the name of 'development' for 'national interest'.

A new type of internal colonialism is being unleashed on them by the ruling classes of the country. The new liberalisation policy of the government and the opening of the mining sector to private concerns and multinational corporations will lead to further destruction of the area by these vested interests.

LAND ALIENATION AND DISPLACEMENT

The indigenous people have a special relationship with their land. To them land is not simply a factor of production as it is for other people, but a source of spirituality as well. Regarding ownership of land the indigenous people have different concepts, often incomprehensible to outsiders. In the first place, ownership of land is vested in the community. No individual has the right to permanently alienate the land from the community. The tribe is the trustee of the land it occupies. The community or tribe includes not only the living members but also the ancestors and future generations. That is why for the indigenous people land and blood are homologous. Their society, culture, religion, identity and their very existence are intimately linked to the land they hold.

To separate the indigenous people from their land is tantamount to tearing them apart from their life-giving source. But colonial exploitation of their territory has meant precisely that for many of the indigenous people of Jharkhand region. A number of them have been illegally dispossessed of their land. Many have been forced to leave their homes to work in the brick kilns and stone quarries of north Bihar, West Bengal, UP, Punjab and other places as contract and even bonded labourers.

Although the exact extent of land alienation and displacement is difficult to ascertain, we

shall try to get a rough picture of the situation by examining the extent of displacement caused by some of the major projects of the area. One of the major causes of land alienation and displacement in the area is the mining industry, particularly coal. In the past, vast tracts of the coal bearing areas of Damodar Valley had been acquired by private firms often by fraud and turned into wastelands by haphazard mining. After the nationalisation of the coal industry the coal mining in this region was entrusted to Coal India (CIL) and its subsidiary companies BCCL, ECL, and CCL.

These coal companies are at present acquiring extensive land areas and displacing a large number of families. According to an estimate, between 1981 and 1985, the Central Coalfields acquired 1,20,300 acres of land. Similarly, Eastern Coalfields has acquired about 30,000 acres during the Sixth Plan period. More than 32,750 families have been displaced. But Coal India could offer jobs only to 11,901 displaced people [Government of India 1985].

A study by CMPDI has envisaged that up to 1994-95 the total land requirement for coal projects in Jharkhand area would be 62,642 hectares of which 22,843 ha (37 per cent) would be forest land. Out of this 11,909 hectares of forest land and 26,576 hectares of non-forest land would be taken up by coal projects in the Karanpura valley alone [Tandon G L 1990:29]. The Rajmahal Coal Mining project of ECL in the Godda district will displace about 6,000 people from seven villages. In this project the pit area under proposed mining covers 5.5 sq km.

The Piparwar Coal Project, located in the North Karanpura valley, covers an area of 6.38 sq km with mineable coal reserves of 197 million tonnes. The Piparwar open pit mine started in January 1990 is the first of what could be no less than 24 new coal mines which would rip the valley from one end to the other to yield 29 tonnes of coal annually. According to official claims the project will displace 460 families from two villages. However, unofficial reports say that at least 15,000 people from 14 villages and hamlets will be severely affected by the mines, the washery and other auxiliaries. The project is causing severe damage to the environment - 289 hectares of reserved forests are being clear-felled for the construction of the mine and other facilities. The coal produced at Piparwar will be transported to two thermal plants near Delhi for generating electricity for the use of industry and domestic consumers in Delhi. All this would happen at the terrible cost of environmental destruction and social damage in the entire north Karanpura valley.

The north Karanpura valley contains some of the best rice lands and forests in Hazari-

bagh district. The valley is also unique in its archaelogical significance. Recently, exquisite pre-historic rock paintings have been discovered in cave shelters at Isco and Thethangi in the eastern part of the valley. Further, ancient stone implements, iron slag and burial grounds have been found at several places close to the Piparwar mine site. All these remnants of a rich and long cultural history are threatened with imminent destruction due to the project.

According to the Directory of Mines and Mine Leases published in 1976 by the Indian Bureau of Mines there were about 300 mines operating in Singhbhum and more than 1,51,000 acres of land were leased out, owned mostly by private agencies. However, the total land area affected by mining is many times greater than the simple lease area. A lot of land is illegally mined by private contractors. Besides, land is also converted into roads, townships for miners, infrastructure for administrative purposes, stockyard for preliminary processing operations, etc. Further, disposal of mining debris creates pollution and makes agricultural fields infertile forcing the people to abandon or alienate their lands and move out to other

The Uranium Corporation of India (UCIL), situated at Jaduguda in east Singhbhum is the only producer in the country of the vital nuclear fuel needed in all atomic reactors fed by natural uranium. Presently, UCIL operates two mines at Jaduguda and Bhatin, a uranium mill at Jaduguda and plants for uranium by-product recovery. The company has started work on setting up new underground mines at Narwapahar and Turamdih, a mill at Turamdih at an estimated cost of over Rs 4,950 million.

Exact figures are not yet available about the extent of land alienation and displacement due to uranium mining and allied activities. UCIL has taken over five villages belonging to the indigenous people for setting up the mines, the processing plant, colony and the township at Jaduguda. According to the 1961 Census the total population of these villages was 2,047, of whom 47.1 per cent were tribals, mainly Santals. Many indigenous families were displaced from their ancestral lands due to the construction of mines and mills at Bhatin. Turamdih and Narwapahar. They have not yet been properly resettled, nor have they received full compensation for their lands. Many of them are living on vacant lands along the railway lines and roadsides near the Sundernagar area.

Due to the mining and processing of uranium in their area the indigenous people and others living at Jaduguda and nearby villages have become the immediate victims of the hazards of radioactivity. They are meeting a slow, agonising death due to

radiation and contamination of their environment. Life-giving sources such as air, water, animals, fishes, plants, etc, have been affected. Known and unknown diseases have spread into the villages ringing the knell of death [Areeparampil 1993:33-47; Anon 1994b].

The growth of mining activities in the region has acted as the most powerful stimulant in the emergence of new industries and in the growth of new urban centres. These in turn have caused further alienation of indigenous people's land and their displacement. Thus, the Damodar Valley project (DVC) alone has displaced 93,874 persons from 84,140 acres of land in 305 villages. Of these 37,320 acres were cultivated land [Singh 1985:223]. For the construction of Rourkela steel plant, mines and the Mandira dam 32,567.71 acres of land were acquired resulting in the displacement of 4,251 families of which 2,074 families belonged to ST. The Heavy Engineering Corporation established at Hatia near Ranchi in 1958 displaced 12,990 persons, who belonged mostly to Oraon and Munda tribes, from 9,200 acres of land. For the construction of Bokaro Steel plant 30,984.22 acres of land from 46 villages were acquired displacing 12,990 families, 2,707 of them tribal.

The rapid expansion of industries and mines in Jharkhand was followed by a phenomenal growth in urbanisation and a large-scale influx of outsiders to the area. This in turn has resulted in increased land alienation and displacement of indigenous people. This displacement caused by the expansion of the industrial-urban sector further resulted in many cases in the migration of indigenous people to outside regions in search of livelihood. The immigrant outsiders have legally or by fraud displaced the indigenous people from their habitat.

The extent of the influx of these outsiders to the area can be seen from the fall in the proportion of STs and SCs to the total population of the area: in Singhbhum the proportion of STs and SCs fell from 58.54 per cent in 1931 to 47.38 per cent in 1991; the proportion of ST alone fell from 54.08 per cent in 1931 to 42.28 per cent in 1991. The situation is similar in other parts of Jharkhand. Districts like Dhanbad, Ranchi and Hazaribagh have also had very great increase in the number of immigrants. About 32 per cent of the people living in Dhanbad district in 1981 were in-migrants. During 1981-91 alone the proportion of STs to the total population in the whole of Chhotanagpur and Santhal Parganas fell from 30.26 per cent to 27.67 per cent. This clearly shows the rapid increase in the influx of outsiders.

The displacement of indigenous people can also occur through indirect pressure on

their lives by the establishment of industries, mines, towns, etc. One such factor which forces them to move out of their habitats is pollution of air and water. For example, the cement dust from the ACC cement factory at Jhinkpani in Singhbhum is polluting the air and making vast areas of agricultural land practically useless. Besides, the adivasis have an aversion towards the dikus and move out of their areas because of conflict of cultures when the dikus become a majority. The increasing criminalisation of society in the industrial-urban sector due to robbery, goondaism, prostitution, communal riots, etc, is another reason why the simple indigenous people opt out of such areas. This negative urban pressure is accompanied by rising price offers by speculators for their land. These push and pull effects have indirectly forced the indigenous people to move out of their hearths and homes.

Enslavement of Indigenous People

In the name of 'development' for 'national interest' the Jharkhand area is witnessing not development but the rape of its people and of its natural wealth through a process of colonialist and capitalist exploitation. The brutality inherent in the process of industrialisation – the plundering of its mineral wealth, and the decimation of its forests which provided much of the livelihood for its people, has not only reduced the majority of its inhabitants to destitution but has also brought the area to the brink of an ecological disaster.

The large-scale capitalist exploitation of the wealth of Jharkhand requires a vast army of cheap casual labour. The indigenous people who are reduced to destitution are forced to accept this role. The capitalist development and exploitation thus form a vicious circle for the indigenous people. On the one hand, it has rendered ever increasing numbers of them destitute through eviction. destruction of their sources of livelihood. etc. and on the other, it has utilised their destitute condition to employ them for a specific role in this process, namely, that of sweat labour or proletariat. Moreover, every attempt is made to keep them in such a situation because without them remaining in such a state, no so-called 'development' is possible.

The New National Mineral Policy announced by the government in March 1993 with much fanfare is designed to attract private and multinational investors for large-scale expansion of mineral exploitation in the country. India is a major mineral producer. It is the world's fourth biggest producer of hard coal and bauxite and fifth in terms of iron ore. Since all these major minerals are mined mostly from the Jharkhand region the new mineral policy will have far reaching

consequences for the environment and people of this area

The dominant mining companies of the world are now showing great interest in India, especially in the Jharkhand region. The White Industries of Australia and the Canadian Met-Chem company have already taken up projects in the coal sector. The Piparwar Coal Project, is being jointly run by CIL and the White Industries. The total cost of the project is estimated at Rs 542.43 crore. The Australian aid component will be A\$206 million, three quarters of which will actually be spent in Australia on design and implementation. The Australian business interests will make a substantial profit (more than A\$150 million) from this project.

The Rajmahal Coal Mining project, one of India's largest open pit mines, is an ambitious hi-tech project in one of the country's poorest districts, Godda. Met-Chem, a Canada-based multinational serves as collaborator-consultant to ECL in this project and has been awarded a contract of C\$166 million by CIL. According to a recent study, Met-Chem is a living example of how it is possible to make big money out of one of the country's poorest districts. In a project worth Rs 966 crore the charges made by Met-Chem for consultancy service alone come to Rs 105 crore. In accordance with the agreement Met-Chem is placed in charge of "procurement of equipment, technology transfer, technical consultancy in mining, mine planning, maintenance and truck dispatch systems". In effect, Met-Chem became purchaser, middleman, consultant and collaborator, a deadly combination as it proved. The multinational has gained enormously being the sole entity in charge of procuring equipment worth Rs 474 crore. The indigenous people of Godda district have not benefitted from this great project. The ECL is making losses. The only visible beneficiary is the multinational Met-Chem that, by its own admission, is doing okay [Sainath, 1993a and 1993bl.

It is reported that Coal India is planning a massive expansion programme of its coal mining operations in the Jharkhand and adjoining areas. The total costs of the proposed programme, known as 'Coal Sector Rehabilitation Programme', are estimated at about US \$1.9 billion. The estimated foreign exchange requirements are about US \$1.1 billion. Part of the financing would be provided through a World Bank loan of US \$400 million and an IDA credit of US \$25 million, most of which will be used for purchase of machinery and for technical assistance from multinational companies. The proposed aim of the project is to implement various reform measures to make coal industry commercially viable and financially self-sustaining. Some of the planned reform measures are: closure of old mines and opening of new economically viable mines, mechanisation of mining operations and retrenchment of workers. All these will have tremendous adverse impact on the ecology and on the people of Jharkhand. While the multinationals and the commercial and industrial sectors will amass huge profits, a large number of indigenous people of Jharkhand will be driven out of their homelands and deprived of their sources of livelihood.

According to press reports the UK based RTZ Corporation, one of the two largest mining conglomerates in the world, and notorious for various human rights violations, has recently held discussions with the Indian and Orissa state governments on the possibilities of mining iron ore in proven areas. International environment pressure groups and human rights organisations, such as Minewatch and Partizans - both based in London, monitoring global mining industry - are watching with great apprehension the proposed entry of RTZ into India. These organisations have documented RTZ's recent involvement in the violation of indigenous people's rights, the alleged contribution of the corporation to the war in Papua New Guinea, environmental destruction in south America and south-east Asia, and the export of toxic wastes. The company was fined in 1988 and 1990 for breaches of health and safety regulations.

The developed countries with one-fourth of the world's population consumed 75 per cent of the minerals produced in the world [United Nations 1992:35]. As the deposits of minerals in these countries are gradually getting depleted, mining multinationals like RTZ are looking for huge, cheap and easily exploitable mineral zones. Their eyes are now turned to countries like India which has vast potential for mineral exploitation. As a result of the new mineral policy which encourages the entry of multinationals into the mining sector there will be an unprecedented assault on the mineral rich areas of the country by these companies whose only interest is to maximise their profits, whatever the cost.

The entire Jharkhand area, rich in minerals, will be now thrown open for plunder and loot by these vested interests. With the expansion of mining activities, especially with the opening of 50 new coal mines in the area to achieve the targeted production of 417 Mt coal by 2000 AD, land degradation, air, water and noise pollution will attain alarming proportions. It is estimated that the rate of degradation of land will intensify to 1,400 hectares a year or more [Rehana and Saxena, 1994:235]. This will have serious economic impact upon the villages and their agrarian population. The existing agricultural and forest lands will shrink further with the eventual emergence of more wastelands. More and more indigenous people will be forced to move out of their hearths and homes to brick kilns, stone quarries, etc, in search of livelihood. Their wealth will be forcibly taken away from them leaving behind heartbreak, destruction and degradation. As things are, there is little hope of better future for the deprived indigenous people of Jharkhand. The gaping holes of abandoned pits scattered all over Jharkhand left after the plundering of its mineral wealth symbolise the ultimate fate of the indigenous people of this region.

References

- Anon (1994a): 'Subsidence Fears in India', *Mining Journal* (London), March 11.
- (1994b): 'Uranium Eaters, Radio-Active Contamination Ravages 50 Villages in Bihar', The Week, June 26.
- Areeparampil, Mathew (1989): 'Industries, Mines and Dispossession of Indigenous Peoples: The Case of Chhotanagpur', in Walter Fernandes and Enakshi Ganguli Thukral (eds), Development, Displacement and Rehabilitation, Indian Social Institute, New Delhi, pp 13-38.
- (1993): 'The Impact of Uranium Mining and Processing on the Indigenous People of Singhbhum District in Chhotanagpur', in Walter Fernandes (ed) The Indigenous Question: Search for an Identity, Indian Social Institute, New Delhi, pp.32-47.

Baliga, B P (1993): 'Crisis in the Upper Damodar Valley – Need for Environmentally Sound

- Mining Preserving Natural Heritage', Paper presented during a workshop on Crisis of the Upper Damodar Valley: Cultural and Ecological Implications of Mining held at India International Centre, New Delhi on July 10.
- Chari, K S R et al (1989): Report of the Expert Committee on Restoration of Abandoned Coal Mines A project proposal submitted by CMPDI
- Dhar, B B (1990): Environmental Management of Mining Operations Ashish Publishing House, New Delhi.
- Dhar, B B and N C Saxena (1994): Socio-Economic Impact of Environment, Ashish Publishing House, New Delhi.
- Government of India, (1985): Report of the Committee on Rehabilitation of Displaced Tribals Due to Development Projects, Ministry of Home Affairs, New Delhi.
- Rehana, Abidi and N C Saxena (1994): 'Reclamation of Degraded Mining Areas' in B B Dhar, and N C Saxena, 1994, op cit, pp 233-47.
- Singh, Jagadish (1985): Upper Damodar Valley: A Study in Settlement Geography, Inter-India Publications, New Delhi.
- Sainath, P (1993a): 'Canadian Company Officers Sole Beneficiaries', *Times of India*, October 23.
- (1993b) 'The Curious Tale of Met-Chem', Times of India, November 2.
- Tandon, G L (1990): 'Scenario of Environmental Status in Coal Mining in India' in B B Dhar, op cit, pp 17-57.
- United Nations (1992): Human Development Report 1992, Oxford University Press, New Delhi.

NEW AGE INTERNATIONAL PUBLISHERS



Poverty and Employment

Edited by

K. Raghavan & Leena Sekhar

This book is a collection of papers presented at the National Conference on Poverty and Employment — Analysis of the Present Situation and Strategies for the Future held in New Delhi in March 1995.

Contributors include:

S.P. Gupta • Ajit Mozoomdar • Amitabh Kundu • Bhaskar Datta • C.H. Hanumantha Rao • K.M. Chadha • G.S. Ram • P.K. Ray • S.C. Jain • K.L. Datta • Nilakantha Rath • Subrata Dhar • Uma Datta Roy Choudhury • M.S. Bhatia • P.K.K. Nair • B.T. Acharya • Mahavir Jain • U.C. Dikshit

81-224-0928-8

1996

528pp

HB

Rs. 500



NEW AGE INTERNATIONAL (P) LIMITED, PUBLISHERS

4835/24 Ansari Road, Daryaganj, New Delhi 110 002. Phones: 3276802, 3261487