World Wide Journal of Multidisciplinary Research and Development

WWJMRD 2015; 1(3): 1-5
www.wwjmrd.com
e-ISSN: 2454-6615

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Participatory paradigm for linear land acquisition projects

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Abstract
Although most of the linear projects like roads and highways have larger infrastructural value and developmental linkages, yet, like almost all other cases of land acquisitions, they are also marred by compensatory deficit, capital base meltdown and spatial inequity. This article attempts at theoretical exposition of an alternate mechanism, heavily drawing upon land-losers' participation and cooperation. It relies upon post-acquisition utility of remaining land and occurrence of use and exchange value windfalls. It proposes an 'extended' scale of acquisition in the first instance, followed by land return in certain proportion to all the participant land-losers, so that no one gets exclusively hurt and no one turns out land-less while the cohort fares together.

Keywords: Linear Projects, Land Acquisition, Compensatory Failure, Extended Participation, Neighborhood Equity, Gain Absorption Capacity, India

Introduction
Land acquisition is a process of legal and institutional incidence of 'eminent domain' of the state to acquire private property in land for a public purpose, on the pretext of supremacy of public cause over a private one and the loss of private interest being reimbursed through a legally defined compensatory entitlement (Law Commission of India, 1958). In its essence it becomes a compulsory land levy on subjected land-owners (subsequent land-losers) with three inherent features: a) supposed existence of a public purpose, b) elimination of private entitlement, and c) compensatory payment. It makes land a malleable factor of production to accompany long term capital accumulation, as a fulfilling condition of neo-classical constant returns to scale production function (see for example 'non-scarcity' condition for land in Solow's 1956 model).

However, in terms of its effects upon the affected persons, there occurs a devastating loss of productive assets, work environment and capital base. Monetary compensation as determined and paid by the 'competent' authorities necessarily remains acutely minimalist, inordinately delayed, and institutionally ingrained in 'embedded autonomy' of the state to successfully minimize democratic freedoms of affected persons, as well as to apply detention tactics, bureaucratic discretion and legal embezzlement and physical force of enforcement machinery against the land-losers befittingly tantamount to 'custodial extortion'.

Compensation money, on the other hand, as and when received by the losers does not guarantee any pre and post-acquisition equivalence of economic outcome. Mostly it results into total or partial meltdown of productive capital base of affected persons because of, among others, three reasons: a) inadequacy or shortfall of compensation equivalence, b) assignment of compensation money, which represents liquidated form of land-asset, to consumption and other non-productive pressing needs, and c) intervening and dynamic changes like delays, institutional deficits, loss of output, income and employment, land shortage, inflation, and of course the poverty of the land-loss as a material deficit and decisional context.

Justice S. U. Khan exclaims that "land Acquisition is no more a holy cow. At present it is a fallen ox. 'Everybody is a butcher when the ox falls" (Gajraj vs. State of U.P. 2011: 245). Compensation fails to provide meaningful relief to the displaced people (Sainath, 1996). So does the resettlement. The land-losers' life after official resettlement does not really get resettled because of the loss of "the interlocking links between agricultural land, people's daily lives, and the wider environment" (Cook, Bhatta, & Dinker, 2013: 45).

Keeping in view the long term socio-economic considerations compensation mechanism ought to rely on monetary and non-monetary incentives (Carnes, et al, 1983). Compensation failure can be avoided only by 'adequate equivalence' ascertained through reversibility-test (Khan, IJLLJS, 2015).

The defining features, for our purpose, of a linear project are: a) infinitesimally narrow width comparative to infinite longitude, on a two dimensional plane, and b) contiguous land requirement, with affected land-holding ownership being scattered across settlements, so that acquisition incidence as well as expropriation for any settlement (e.g. a revenue village) are substantially less than one in terms of total land-holding and population of that settlement.

Apart from macroeconomic connotations, linkages and developmental gains, linear projects, too, have different types of direct and indirect effects on the spatial populations and PAPs over a range of time. However of the greater importance for our context are two dimensions of any linear land acquisition, occurring within an administrative or official settlement unit (e.g. the revenue village which is a basic unit for land records and other official purposes). These are:

a. Spatial change in relative equity of pre and post-acquisition land ownership with respect to PAP and non-PAP populations; and
b. Post-acquisition 'gain-absorption' capacity of land-losers.

A supposed linear project affects varying areas of land-holdings of some land-owners. While it leaves the other owners unaffected. Suppose it passes along three equal size land-patches owned by three distinct owners X, Y and Z, and falls upon L_1 L_2 L_3 L_4 that is, due to locational position as shown in figure 1 below, equivalent of total area of X, partial area of Y and no area of Z. In so far as out of these three land patches the said project requires X in full, Y in part, and touches but needs no part of Z within the limited neighborhood, distributive dimensions of post-acquisition land-holding pattern will be inferior to the pre-acquisition one.

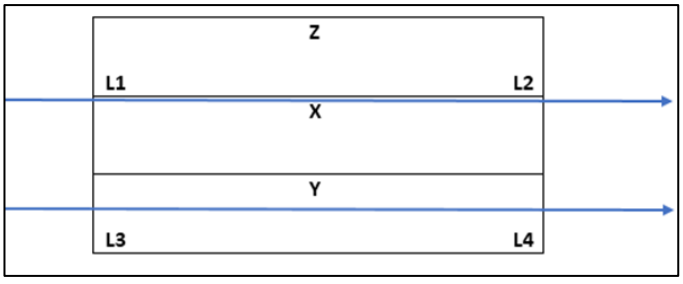


Fig 1: Linear Incidence

If we are to allow the idea of equity, as 'fairness or justice in the way people are treated' (online Merriam Webster Dictionary), to this sort of linear land acquisition projects, we find a lamenting deterioration. It can be conclusively inferred that equity, viewed in terms of distributive transition from status quo, has been disturbed with resultant land-less-ness for X, land-poverty for Y, and a neutral state for Z. In terms of subsistence X has lost her productive capital and source of employment and output in total, Y in part, and Z by chance succeeds to retain her economic kingdom. However it is not that simple. In fact Z has come out richer on a comparative scale but X has turned out to be a destitute for no fault of her. The change, in every part of it, is due to the functioning of 'eminent domain' of the state.

Even accompanied by compensation, land acquisition results into serious depreciation and lapse of productive capital base on account of 'compensatory shortfall', 'consumption component' out of compensation money, and 'dynamic' intervening factors (Khan M. I., EIJSR, 2014; Khan M. I., IJIRD, 2015). Compensation mechanism, therefore, fails to provide meaningful corrections in the position of land-losers when compared with a scenario of no compensation. Most probably X remains land-less and capital-less. Y stands land and capital poor. And Z rests either uninfluenced, or better positioned due to dynamic changes (windfalls) occurring there which, irrespective of being direct or indirect, can be ascribed to the project.

Though seemed not so gigantic, yet, most highway projects require an enormous amount of land e.g. a six lane highway between Agra and New Delhi will require 43,000 hectares (LARRDIS, 2013), or 430 km^2 that is an area more than the total area of about a hundred revenue villages in the region. On an average a four lane highway affects about eighty land-owners and around eight hectare land per kilometer of length (Khan & Alam, IJMRD, 2015). The proposed simulation is aimed at avoidance of landlessness, exclusion and other conflicts involved, as well as at promoting equity and inclusion of the land-losers in the process of development, possibly via:

a. Thinly distributing the pain of dispossession over a larger section on a shared basis;
b. Producing 'zero incident of landlessness' for acquisition affected tenant population;
c. Producing 'zero incident of spatial displacement' for acquisition affected population;

The scheme has both an iota of land reforms and a measure of inclusion. It looks ahead of the conventional wisdom of acquisition and compensation underlying Land Acquisition Act of 1894, NH Act, 1956 and the recently enacted Land Acquisition, Rehabilitation and Resettlement Act, 2013.

Extended Participation

This issue of inequity related to distribution of sacrifice of dispossession and land value appreciation benefits, amongst the farmers, can be amicably solved by increasing the scale of land acquisition, in the first instance, and then returning excess land on pro rata basis, to all neighborhood society of farmers, participating in the process. The proposed scheme utilizes the following three resultant outcomes of any land acquisition for highway construction:

A. **Status Differential:** The same road has different outcome scenarios for immediate neighbors living in close vicinity historically.

B. **Locational Value Differential:** Taking the advantage of spatial locational value (LV) of left over land pieces, total asset value and economic status of individuals take different outcomes.

C. **Marginal Utility Differential:**
   i. Equity among the farmers gets disturbed, post land acquisition;

ii. A redistribution of land from the relatively richer farmers, whose marginal utility of land is lesser, to the farmers, for whom the same is infinitely high, will increase total utility, hence, total welfare of the society.

iii. Restoration of equity or proportionate equality among the farmers is in the interest of economic justice, at least, in the limited neighborhood.

The hypothesis aims at achieving an equity oriented conflict resolution to the problem of land acquisition for highway projects.

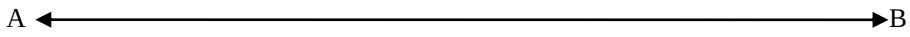
Simplified Explanation of the Scheme

Accounting for the emergence of windfalls (gains and losses) and consequent disproportionate change in post-acquisition status of the concerned agents in the vicinity, the proposed hypothetical alternative suggestively provides for distribution of these windfalls across a broader section so that the land acquisition process and its outcome yield a higher value to all participant land owners.

The alternative scheme of land acquisition is being explained in comparison with the conventional approach as follows.

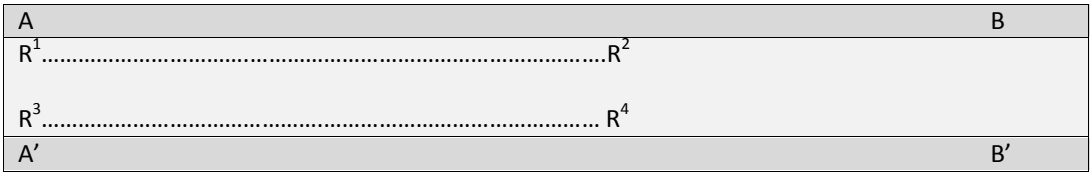
Conventional Scheme

a. A supposed highway is to be built from point A to point B.



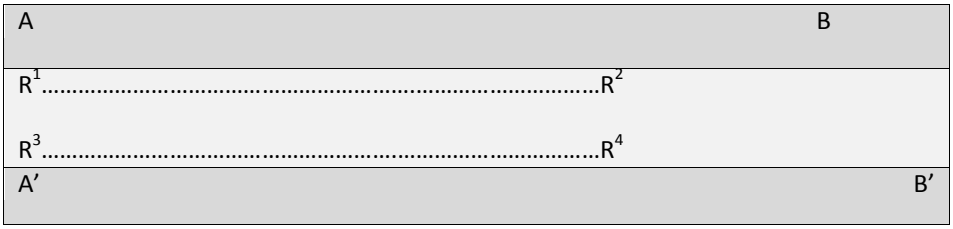
b. Specific land area X, where X= AA'BB', will be acquired as required by the structural layout.

c. Road will be built on area $R^1R^2R^3R^4$, with unused/other use space left on both sides.



d. Economic value of the land, in the vicinity of both sides of road will multiply in monetary as well as utility terms.

Land value appreciation zone: ZN1



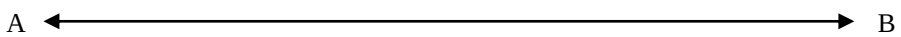
Land value appreciation zone: ZN2

e. The economic prosperity/value appreciation is distributed unequally, and irrespective of cost of sacrifice among the farmers.

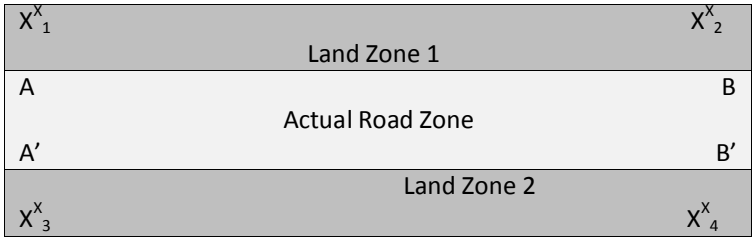
Alternate Scheme

The conventional approach can purposively be substituted by the 'Extended Participation and Redistribution' approach as suggested here:

a. Highway road AB is to be constructed, as earlier.



b. Instead of area X of land where X= AA'BB' being acquired, X^x area of land where $X^x = X^X_1X^X_2X^X_3X^X_4$ will supposedly be acquired.

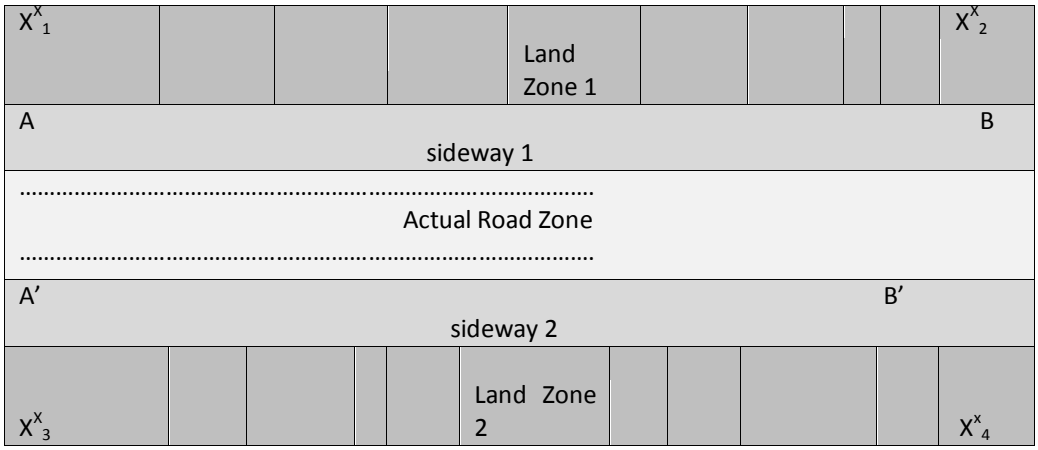


$X^x = X^X_1X^X_2X^X_3X^X_4 > X = AA'BB'$.

c. Area $X^X_1X^X_2X^X_3X^X_4$ includes land actually required for the road construction plus additional areas comprising land zones 1 and 2. Area AA'BB' is earmarked for actual road construction and sideways.

d. Patches of land zones 1 and 2 are assumed economically homogenous. These patches are to be returned and distributed among all the farmers, whose land was included in the scheme; reallocated area being proportional to originally sacrificed land area.
   - Number of pieces of land will equal the number of farmers affected, plus some spare pieces for other common/social purposes.
   - Each farmer will get a proportional patch/plot of land opening onto the road. Its width will vary according to size of area, depth remaining the same.
   - The costs of dispossession will be proportionally shared by all participants. Also the distribution of benefits will be egalitarian and even.

There is a sufficient reason for every participant to feel less aggrieved because of getting a part of her land back in the form of a high worth business or commercial property, on a busy and valuable highway and experiencing both the use value and exchange value appreciation, accordingly.



Comparative Merit

The proposed scheme has potential to provide the following positive results:

a. The most important feature of the proposed hypothesis is the fact that it does not drag the objective value and aspects of land reforms in reverse direction.
b. It proposes to spread the physical burden of land acquisition thinly over a larger section of land owners;
c. It leaves no farmer land-less as a result of land acquisition;
d. It makes resultant benefits of exchange and economic value escalation available to all farmers who had to sacrifice their land in the first instance;
e. Consequent rehabilitation and compensation cost would be lesser in terms of physical and monetary outlay;
f. It is substantially helpful to minimize the impact of 'exclusion' and promote 'inclusion' of the project affected persons.

There may be several theoretical and practical issues in this regard. Some of the important ones being determination of compensation amount, determination of the scale of zones of appreciation and economic activity, discounting factor, provision of green-belts, road congestion, farmers' inclination, size/width of the highway, bureaucratic mindset, basis of segmentation, common property resources, expertise of revenue machinery etc. It requires a lot of contemplation but the proposed hypothesis has the basic value of conflict-resolution on a larger scale, not only for highways and roads but also for other linear and non-linear land acquisition cases.

Acknowledgement

The article is devoted to the farmers and their families who have gone the trauma of development caused land acquisition and displacement. Basically, it owes to the favor of compulsory expropriation affected farmers of district Bareilly in Uttar Pradesh province of India. They extended him the valuable opportunity of working and learning with them. Author is extremely thankful to these bearers of the burden of 'eminent domain'.

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