# POLITICS OF DEVELOPMENT IN LOCAL ECONOMIC GROWTH: A CASE OF JHARKHAND

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# ABSTRACT

India is considered one of the fastest growing economies in contemporary times among developing countries in the world because of its historical legacies of commercial and cultural wealth of past. Despite being a newly industrializing nation, it continues to face the challenges of attributes of developing countries like; poverty, illiteracy, poor health services and discursive politics. Jharkhand being the 28<sup>th</sup> state of India has been separated 17<sup>th</sup> years ago from Bihar on the pretext of regional development that had been neglected since long. The tribal state has huge natural resources that attracted many business houses to set-up industries. The contemporary CNT Act 1908 and SPT Act 1949 has become hotly contested topic in local politics. There is huge stake of politics in development in local economic growth. The negative political trend has become hurdles affecting the prospects for positive growth in Jharkhand. This paper tries to study the causal effects of pervasive politics on recent government initiatives to amend the CNT and SPT Acts to ease the land transfer for industrial development in Jharkhand. It tries to understand why political parties persistent on amending these two bills which has been brought to protect the tribal land & properties. The study conduct on the basis of primary data from the field and secondary data has been collected from various reports and newspapers.

Keywords: Economic growth, Governance, Development initiatives, CNT & SPT Acts

## **INTRODUCTION**

India is considered one of the fastest growing economies among developing countries in the world. It has a long history of commercial and cultural wealth that is why it led to become one of the fastest developing countries in the world. Despite being a newly industrializing nation, it continues to face the challenges of attributes of developing countries like; poverty, illiteracy, poor health services and discursive politics (Gracer, Lalani, Nguyen, 2013). Jharkhand being the 28<sup>th</sup> state of India has been separated 17<sup>th</sup> years ago from Bihar on the pretext of regional development that had been neglected since long. The tribal state has huge natural resources that attracted many business houses to set-up industries but the local politics was always there to derail the development drives. The government of India has taken many initiatives for the development of tribal region through many schemes and programmes but it has not been even successful acquiring the land for the industrial purposes.

There is huge stake of politics in development in local economic growth. The negative trends show the parties affiliation of local politicians affects the prospects for positive growth in Jharkhand. The politicians use to take control over the provisions of government inputs rhetorically to determine their interest safe. While doing so, it mobilizes people calling them to protect their land from outsiders. The contemporary CNT Act 1908 and SPT Act 1949 has become hotly contested topic in Jharkhand politics. The coalition and opposition has come into confrontational position citing each other enemy of the people and obstruction in development of Jharkhand. There is huge deficit of trust between people and state approaches that goes against the development initiatives. The deepening mistrust among different stakeholders narrowing the chances of local economic growth and if this trend goes on state have to pay the price as it has been subsided by many big industrialists.

So, therefore there is a need felt to go through study on this issue with necessary measure to highlight and bring some constructive assessment. The issue picked in this study are primarily based on recent government initiatives to amend the CNT and SPT Acts to ease the land transfer for industrial development in Jharkhand. The proposed study does endeavour these acts in the light of political deadlock that hampered the development initiatives. It tries to understand why political parties persistent on amending these two bills which has been brought to protect the tribal land & properties. The study conduct on the basis of primary data from the field and secondary data has been collected from various reports and newspapers.

#### DEVELOPMENT, GOVERNANCE AND GOVERNMENT

Development of any society depends on the performance of governance of any government. Governance was always there from Kingship to new modern democratically elected government; it has strong co-relations that ultimately used to remain or change functional on the basis of good or bad performance. If we go through experts view development means the movement upward of the entire social system and this social system contains economic factors all non-economic factors in which all sorts of consumption shared collectively (M. Gunnar, 1974). UN Secretary-General Kofi Annan once opined that good governance is perhaps the single most important factor in eradicating poverty and promoting development (Kofi Annan, 1998). The essence of governance is the way that state-society relations are being structured and managed. Managing a government successfully has a lot to do with how citizens perceive the rules that guide their interaction with public officials and vice versa (Goran, Julius, Ken, 2003). The assessment of any government takes place in the context of both policy aggregation and implementation. Equally matters in this context how well the government deals with broader underlying issues that transcend specific policies. Is the government so structured that citizens experience that government cares about their welfare and security, whether individual or collective? This is the basic questions which guide us to make assessment of governance of any government.

# **DEMOGRAPHIC PROFILE OF STATE**

Jharkhand as a separate state came into being on 15<sup>th</sup> November 2000, the day of birth Anniversary of revolutionary leader Birsa Munda as 28<sup>th</sup> sate of Indian Union by state reorganisation act. The state is famous for its rich mineral resources, it has a population of 3.3 Crores, consisting of male and female are 16,930,315 and 16,057,819 respectively. The sex ratio is 948 females to 1000 males. The population consists of 26.21 % tribals, 12.08% SCs, and 61.71% others (Census 2011). The population density of the state is 274 persons per square kilometer of land. However, it varies from as low as 148 per square kilometre in Gumla district to as high as 1167 per square kilometer in Dhanbad district. Around 10% of the population is Bengali speaking and 70% speak various dialects of Hindi. Hinduism is the majority religion in the state, with 67.8% of the population practicing the faith. Islam is followed by 14.5% of the population and the Animistic Sarna religion is practiced by 12.8% of the population. The fourth largest religion is Christianity with 4.3% of the population in Jharkhand. Jainism, Buddhism and Sikhism are all practiced making few less than 1% (Census 2011). It is essential to look the socio-economic conditions of people in the background of the origin and development of the state and its resources.

Jharkhand growth rate is considered better as comparison to other states only Gujrat, Mijoram and Tripura have better performance over 9 percent of it in the financial year 2011-12. Later on 2015-16 year 12.1 percent growth recorded above on national average 7.6 growths per year (Business Standard, 21 Jan 2017). In the financial year 2017-18 state GSDP has been recorded 2.82 lakh crores at current prices (Jharkhand state budget 2017-18). In undivided Bihar it contribution hovers around 70 percent of the output of the total state GSDP. Since it is rich in minerals, the state per capita income is likely to increase in the coming years (Jharkhand Observer). Jharkhand has a concentration of some of the country's highly industrialized cities such as Jamshedpur, Ranchi, Bokaro Steel City and Dhanbad (Jharkhandonline.in). But one of the factors which minimize the growth of the state is because Jharkhand is one of the thirteen states in which the Naxalite rebels have considerable influence. But the important factor of the less developed state of affair to the state is due to the non-development political orientation and ill informed citizen of this state. The old traditional social structure has been not replaced by citizen centric political development that is why least interest shown by the state machinery and governance in local economic growth.

## **CNT & SPT ACT AND POLITICS OF DEVELOPMENT**

In the last year, Jharkhand government passed an amendment bill of land tenancy laws that is considered as a major hurdle in economic growth of state. This news angered Adivasi and domicile people mixed with fear of insecurity leading them into street in large numbers on 25<sup>th</sup> November called a state wide bandh. The protest was successful because of majority of masses among STs, SCs and OBCs were participated and gave tough resistance to BJP-led Raghubar Das government. Any tempering of these two laws seen among locals confiscation of their land and properties, although, Adivasis are known for their generally pacific nature. But, when frustration mounts into uncontrollable proportions, its unleashing can be staggering and frightening demonstrations called 'hulla bol' against government consequently it was demonstrated a trial of strength between the state police and the demonstrators. Both sides had casualties as it happens in most of cases in Indian political system. Ultimately, peoples have to pay the price of these loses; they are being fooled by their political masters.

The state has governed by mostly NDA regime since its origination with some intervening period. So, the question obviously is being asked to ruling party BJP that what it has brought changes in terms of development. There is tantamount pressure on both state and centre due to lose last year in 3 main states of Hindi heartland ruled by BJP to bring some concrete policy initiatives to appease their voters as it has promised deliverance of development is its core agenda. For fulfilling such promises need huge capital inflow in state development investment. In parliament and many states assembly's elections BJP had begged huge donations from many corporate houses once it came into power all the doors are opened for their friends and it has been alleged by oppositions many favours to them in terms of land allocations and tax exemptions. Any positive move of government is branded with deviant approaches that are why government current move has huge negative impact on common masses. Jharkhand has huge potential to transform into industrial estate and PM Modi has promised to convert state into industrial hub as his slogan of "Vikas" agenda demand some major reformulations of laws for development. Jharkhand is backward and needs development, so goes the slogan. Development means changing the nature of agricultural land by turning it into utilitarian needs like business and industry.

Therefore, the government amended the state's two important and longstanding Tenancy Acts, the Chotanagpur Tenancy Act, (CNT 1908) and Santal Parganas Tenancy Act, SPTA 1949. In this Acts Sections 21, 49(1) & (2), 71(A) of CNT Act and section 13 of SPT Act has been amended according to suitability of industries. The state government gets empowered to turn agricultural land for non-agricultural purposes. It can make rules accordingly from time to time to specify in which geographical area the rule will prevail and what industries have to be set up. In sum, the hitherto non-transferable land can be transferred in the name of development which may mean industries, welfare projects and what have you.

The tenancy-related CNT Act (1908) and SPT Act (1949) have historical ramifications. The Adivasis did not get these laws on a platter from the British or from the government of Independent India. The tribal movements and insurrections against encroachers, jagirdars, landlords, petty business men and others give evidence to the indigenous people fighting for freedom from exploitation, land alienation and tribal identity for over two centuries beginning with the British era. The Paharias, the Mundas, the Kols, the Santals, the Bhils and other indigenous groups under the leadership of Jawra Paharia, Tilka Manjhi, Sido-Kanhu Murmu, Birsa Munda, and many others fought for land rights and many of them sacrificed

their lives. Their sacrifice did not go waste. The British displayed sagacity in framing tenancy laws for tribal areas for protecting them from land hawks, exploiters and vested interests. But, the Jharkhand government has thrown these protective measures to the winds and is providing all interested parties to swoop in on the constitutionally protected scheduled area lands (Chako, 2016).

Jharkhand government has to answer questions of law which it may find uncomfortable to answer. Adivasi lands have been protected under the Fifth Schedule of the Constitution of India. The Schedule covers Jharkhand too. 13 districts, three Blocks in two other districts and two Panchyats in one more district of Jharkhand's 24 districts were last notified as Scheduled Areas in 2007 under the Fifth Schedule. The purport of the Fifth Schedule is to "prohibit or restrict transfer of land by or among members of Scheduled Tribes in such area," and to "regulate allotment of land to members of the Scheduled Tribes in such area."The Fifth Schedule covers comprehensive provisions to protect the tribals of the Scheduled Areas 'against the State as also other exotic forces (Supriya Anshul, 2018).' She later point out citing Dr. B. D. Sharma works in his 29<sup>th</sup> Report of the Commissioner for SCs and STs, in Nehru's Panchsheel Agreement;

"People should develop along the lines of their own genius and we should avoid imposing anything on them. We should try to encourage in every way their own traditional arts and culture. Tribal rights in land and forest should be respected. We should try to build up a team of their own people to do the work of administration and development. Some technical personnel from outside will, no doubt, are needed, especially in the beginning. But we should avoid introducing too many outsiders into tribal territory. We should not over-administer these areas or overwhelm them with a multiplicity of schemes. We should rather work through, and not in rivalry to, their own social and cultural institutions. We should judge results, not by statistics, or the amount of money spent, but by the quality of human character that is evolved" (Supriya Anshul).

The recent somersault attempt of the Jharkhand government's amendment goes in the opposite direction and is against the interests of scheduled tribes while it is in favour of industrialists, businessmen and real estate promoters. Another illegal somersault of Raghubar Das government has been to flout the provisions of the Panchayati Raj Act. The 73<sup>rd</sup>amendment of the Constitution incorporated Part IX in 1992 bringing the Panchayati Raj system under the Constitutional provision. However, a special provision was made for a

separate law for Panchayats in the Scheduled Areas for the protection of tribal lands and tribal interests. Panchayat Extension in Scheduled Areas, 1996 (PESA) clearly states that Panchayats and Gram Sabhas in the Scheduled Areas are empowered with authority "to prevent alienation of land in the Scheduled Areas and to take appropriate action to restore any unlawfully alienated land of a Scheduled Tribe" (Chako, 2016). In one fell swoop this amendment divests Gram Sabhas of their constitutionally invested authority. Hence it is unconstitutional.

The Jharkhand government's recent land amendment completely overrules powers of Pachayats and Gram Sabhas in respect of land alienation of Adivasi lands. The government has side-tracked these two constitutional institutions from the role of protecting tribal interests with regard to land rights. The amendment has, by one stroke, made the lands of STs, SCs and OBCs freely transferable and marketable. In a word, both CNT Act 1908 and SPT Act 1949 are made redundant and meaningless by a government that has least interest in genuine development (R. Upadhyay, 24 Nov 2016).

Where will the tribals go when they are dispossessed of their homestead, agricultural and pastoral lands? Will a pittance of cash remuneration compensate for their becoming migrants in their own home state? It is a burning question. No vote bank politics can honestly give a fitting answer. The disastrous example of Pachwara colliery in Pakur district of Jharkhand is fresh in the minds of all Jharkhandis. Kolkata based PANEM COAL MINES LTD. acquired mining rights on tribal lands at Pachwara after the government acquired it for supplying coal to Punjab State Electricity Board (PSEB). Pachwara Central Coal Block was allotted to PSEB. It measured approximately 13 square kilometres covering nine revenue villages holding 562 million ton coal reserve. Along with compensation it was agreed that rehabilitation measures like school, hospital, roads, village market and worshipping places would be built for the people. But, due to some legal tangle, the mining company decamped after making crores of rupees in profit. One social activist was murdered while another died in a mysterious road accident. Today, the locals are left with a huge gaping gorge of coal pit infested with mosquitoes and vermin. No trace of school, hospital or other rehabilitation items except a few match-boxes like houses for the land owners who parted with their agricultural land. Such is the face of development in Jharkhand.

The BJP-led state government hurried up with the passing of the bill by a voice vote immediately after land reforms minister Amar Bauri tabled it. In the 81 member House the

ruling alliance has 43 members. Opposition parties in unison have decried the move and questioned the hurry in passing the bill. Most people feel that chief minister Raghubar Das' statement that the amendment was in the interest of 'the poor and indigenous' people sounds hollow. The agitating masses find it difficult to swallow.

If industries are needed, why not train tribals and other poorer secretions who are landholders to organise themselves into business concerns. Why not provide them with opportunities to open up agro-based industries instead of inviting outsiders to grab land and mint money? Or, in the alternative, will the government see to it that when private land is taken for industry, the landowner will get 50 percent share of profit of the industry, mine or company in return for the land which in itself is a mega investment? These are some of the questions emerging in the minds of the affected people.

# CONCLUSION

The critical challenges Jharkhand faces today can only be overcome through communication and cooperative initiatives between the people of state and the current political administration. Once both parties recognize that these critical issues have to deal sensitively then there are chances of remedies to the obstruction of development initiatives, so that it can enable the local economic growth possible and this can be realized with the mutual trust and cooperation. If these issues go unaddressed, Jharkhand might encounter severe consequences that can result in potential damage and growth stagnation to development of state as it has huge potential to become a developed state.

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