

Tragedy of the Commons Revisited (II)

Mining in Tribal Habitats of Araku Valley

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Reviewing the manner in which tribal lands in the Araku Valley of Visakhapatnam district have been encroached upon by mining companies, this article argues that the various routes through which the commons are being eroded signal the urgent need for improving our models of the commons. This will help devise better vocabularies and strategies for a livelihoods-based approach to ecological conservation as opposed to an accumulation-based one.

There has been extensive legislation¹ in India to protect forests and tribal habitats from encroachment by outsiders (Menon 2007). The most recent, the Scheduled Tribes and Other Traditional Forest Dwellers (Recognition of Forest Rights) Act, 2006 (FRA hereafter) has enhanced this protection by taking a reasoned position that conserving forests and recognising the rights of forest dwellers (individual and community) are not conflicting but mutually reinforcing goals.² Yet, in practice, outsiders have often rendered forests and their dwellers vulnerable to incursions and encroachment.

We take the case of the Araku tribal economy in Visakhapatnam district of Andhra Pradesh (AP) to examine how the post-liberalisation Indian state, in the form of the state government, has played a key role in speeding up incursions into the tribal commons. In Araku, two private companies have been selected for bauxite mining – Jindal South West Holdings Ltd (JSWHL)³ and ANRAK.⁴ Memoranda of understanding (MOUs) were signed between the AP government and these companies in 2005 and 2007 respectively. A port, Nakkavaram, has already been dedicated to exclusive use by ANRAK. Attempts are on to build refineries outside the scheduled areas that will become operational when bauxite mining begins (Suchitra 2012). It may not be easy for these companies to overcome legislative protection and public resistance but they are attempting to do so in various ways. This article throws light on some of these processes in the Araku region and attempts to draw broad lessons from the experience.

Much of the theoretical and empirical work on forests – viewed as common-pool resources⁵ – done in the tradition of

Elinor Ostrom has focused on whether self-governance can produce sustainable forests (Ostrom 1999; Gibson, McKean and Ostrom 2000). Conditions in which such arrangements can work have been delineated through various field-level and conceptual exercises. It has been argued that homogeneous communities, medium-sized populations and incentives for users to protect their habitats through mutual monitoring could mean a greater chance of arriving at sustainable institutions of self-governance. In other cases, government control or inscribing private property rights may be more successful.

One important insight from the literature is that there is no one-size-fits-all solution to these questions. Concrete conditions determine actual solutions. To explain the Araku conundrum, we need to compliment this literature with a political economy perspective. Here, it is large private companies backed by the authority of the state that threaten the existence of the commons and we need to invoke David Harvey's (2003) idea of "accumulation by dispossession" to explain this. If we better understand the complex interaction between the commons and the larger political economy in which they are situated, we may be able to more suitably model our commons and more effectively organise resistance to the illegitimate process of encroachment. Based on our fieldwork in the Araku region, secondary literature and non-governmental organisation (NGO) reports, we present our understanding of these processes.

Tribal Livelihoods in Araku

The Araku region falls under the fifth schedule of the Indian Constitution, which is meant to safeguard the rights of tribals and prevent non-tribal occupation of tribal lands. There are 3,564 tribal hamlets comprising multiple tribal groups in this region. Most of these tribes are vulnerable tribal groups (VTGs). The tribals cultivate coarse rice, jowar, ragi, pulses and varieties of beans. This cultivation is interlinked with the forest commons in the sense that slope agriculture and shifting cultivation are part of forest-based ecological livelihoods. Many of

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them also collect food from the forests such as *dumpalu* (roots), honey, *usiri pikkalu* (gooseberries), *karakkayalu* (galnuts) and *kanugu pikkalu* (pongamia) and ingredients to make *maddikallu* (local rice liquor). Other minor forest produce (MFP) such as tamarind, pepper, gum and *addakulu* (plate leaves) is also gathered, some of which they sell in the market. The Girijan Cooperative Corporation (GCC), which procures MFP, mainly concentrates on tamarind purchases.

In the last 15 years, an increasing number of tribals have been involved in coffee plantation. The Integrated Tribal Development Agency (ITDA) has provided loans and coffee saplings, and supplied rice for consumption as the tribals do not get income from coffee in the first few years. As the initial experiment generated stable income flows, more tribals started taking an interest in coffee. Now, coffee plantation is one of the significant sources of income for tribals in the Anantagiri, G K Veedhi and Chintapalli areas or mandals. The other commercial crops grown in the agency area are cashew and turmeric.

Moneylenders and non-tribals extract heavily from the tribals. At the flowering stage of coffee, middlemen provide loans to the tribals, which force them to sell their produce to these intermediaries. The moneylenders charge exorbitant interest rates (36-60% per annum) from the tribals. On the whole, the tribals have a domain of relative autonomy in terms of subsistence crops and MFP or in their sales to the GCC, while they are weakly integrated into the exploitative economy of the moneylender-merchant combine through the sales of their commercial produce.

Recent Mining Attempts in Araku

The tribal region of Visakhapatnam district is rich in minerals – bauxite, laterite, calcite, limestone, mica, China clay, and precious red and white stones. According to the Geological Survey of India, AP holds 600 million tonnes of bauxite, which is 21% of the total bauxite reserves in the country. More than 90% of these reserves are in six deposits in the Visakhapatnam forest region (*District Census Handbook 1967*).

The number of countries that use aluminium has been increasing due to the growth of the aviation industry. However, since India uses aluminium minimally, multinational companies have been exerting pressure on the central and state governments to make bauxite available to them. The state, in response to these global pressures, has been making consistent efforts over the last decade to facilitate the process of large-scale mining by private players, especially in forest areas. As mentioned above, it has entered into MOUs with private companies for bauxite mining in the Araku region. Apart from the Jindal and ANRAK projects, the government is planning to mine 27 hills in Araku Valley, Anantagiri, Chintapalli and G K Veedhi blocks.⁶

What are the possible effects of mining on the commons? First, the rivers Sarada, Tandava and Varaha in the Araku region that pass through these hills will be disturbed, which will seriously affect the tribal commons and, by extension, the sources of livelihoods such as subsistence cultivation, MFP and even small-scale coffee plantations that the state has helped build. This will also affect the commons of larger non-tribal populations such as the water supply to various towns and the city of Visakhapatnam (Suchitra 2012). Second, as bauxite exists in thin but extensive layers on top of hills, it has to be mined opencast. This would require clearing the forest cover and blasting the hilltops up to a depth of 100 feet (*ibid*: 3). Third, the proposed mining activity will pollute larger commons such as air, water and biodiversity. Fourth, to convert bauxite into alumina, a great deal of power and water is required. It is estimated that the Jindal refinery alone would need 36,45,000 MW of power per year, which is equivalent to the power produced by a 500 MW plant. It would consume eight million gallons of water a day, eroding the common-pool resource of water for urban areas in Vizianagaram and Visakhapatnam districts (*ibid*: 3). Fifth, it is estimated that it takes about six tonnes of bauxite to produce half a tonne of alumina. The residual radioactive red mud (after alumina is extracted) would most likely be dumped in open ponds and can

contaminate nearby water sources, creating negative externalities (or further erosion of the commons). An increase in respiratory and skin diseases was reported in the laterite mining areas in our field investigation.

Overcoming Legislative Barriers

How does the state and capital combine to circumvent or overcome the protective legislation for scheduled areas? We focus, in particular, on three processes. First, how does the state skirt legislation that is already in place? Second, how does the state strategically skip (fully or partly) implementing the existing laws? Third, how does the state construct popular consent either through following a complex policy structure or through various intermediary agents between the state-capital combine and the tribal communities?

Here is an instance of the first process in Araku. In response to the granting of leases in scheduled areas to non-tribals, despite the existence of laws such as the AP Scheduled Area Land Transfer Regulation Act (1 of 1959) as amended by Regulation 11 of 1970, Samata, an NGO that works for tribal livelihoods, filed a public interest litigation (PIL) in 1997 in the Supreme Court questioning the encroachment of tribal lands by non-tribal actors in the region. The Supreme Court's judgment declared that mining leases to private companies in scheduled areas were against the law; it allowed either tribal cooperatives or the Andhra Pradesh Mineral Development Corporation (APMDC) to undertake mining in scheduled areas.

From 2005 onwards, the Congress government has been tactfully using ambiguities in the Samata judgment to grant leases to private companies. Accordingly, the government has asked the APMDC to mine bauxite on behalf of

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the private companies. The agreement with the companies is that they will bear the cost of mining while the APMDC will receive 1.25 times of the seigniorage fee paid to the mining department and 0.5% of the annual turnover of the companies. The APMDC has not yet obtained the mandatory consent from the gram sabhas and tribal advisory council for these projects approved in 2005 and 2007. It is a clear case of the state acting as an agent of the private companies to encroach on land in scheduled areas. There have been instances of the state performing a similar role in land acquisition for special economic zones (Balagopal 2007).

The second process can be described in the context of the implementation of FRA. The state government is yet to fully distribute land titles in accordance with the Act. Around 1,60,000 hectares of the Araku agency belongs to tribals as per FRA but the government has so far granted land titles (pattas) for only 16,000 hectares.⁷ What we found is that all the land adjoining the bauxite reserves has been exempted from allocation despite claims by legitimate forest dwellers. Most of the claims from the tribal communities are for individual pattas (Münster and Vishnudas 2012 for similar problems in the implementation of FRA in Wayanad, Kerala). Community rights claims for MFP, while present among the claims, are not as encompassing as actual community use. Moreover, community rights have been wrongly vested in the hands of ad hoc joint forest management committees (Reddy et al 2011). Given that bauxite reserves are usually under the hills, which would be covered under the community rights of the FRA, these processes enable the state to easily lease out land to the APMDC, which violates the spirit of the law. Also, if and when bauxite mining begins, the destruction of hill spaces will have significant harmful consequences even for the individual patta holders.

The third process of consent building can be described at two levels. At the first level, even as the Y S Rajasekhara Reddy (YSR) government was entering into contracts with private parties to implement its mining agenda in Araku, it

pursued a series of populist schemes to build popular support for the regime among the tribals. In our field research we found that a majority of tribals are supporters of the YSR Congress (or YSR's son, Y S Jaganmohan Reddy). The respondents reasoned that all regimes were corrupt but that among all the chief ministers, YSR alone had provided housing (for example, the Indiramma housing scheme), health (Arogyasri), employment (Mahatma Gandhi National Rural Employment Guarantee Scheme) and drinking water. The success of this formula of combining a neo-liberal primitive accumulation agenda with populism to amass unprecedented levels of wealth is now visible not just in Araku but also across coastal Andhra and Rayalaseema as the recent by-election results in AP indicate.

The second level of consent building through intermediaries can be understood through a few examples. The mining contractors (private firms) have agents at various levels. For instance, a professor of economics at a local university who was an active supporter of the mining industry eventually became a Member of the Legislative Assembly (MLA). Throughout his stint as an MLA, he acted as an agent of JSWHL and negotiated with the government to get land allotments or leases for mining companies. The present MLA has also supported the efforts of JSWHL. It was widely reported during our field research that the company had financed both their elections. Similarly, a contractor from Khammam district illegally mined laterite in Walasy and neighbouring villages in Araku mandal by planting an agent,⁸ a registered medical practitioner, among the tribals. Several small-time, non-tribal contractors have obtained *benami* (proxy) mining leases.

Another example is the APMDC practice of hiring consultants and technical experts authorised by private companies. Similarly, to mobilise local support, an eligibility list of 230 tribal youth from Anantagiri and Araku mandals was prepared by the APMDC. These youths were trained in barite mining in Kadapa district for about three months in 2008. All of them are now on the payroll of the

APMDC and get a salary of Rs 7,000 per month. The training in barite mining has no relevance to bauxite mining. If the APMDC were really serious about training youth, it should have trained them in a reputed government institution like the Indian School of Mines in Dhanbad, Jharkhand. These are some of the devious ways in which consent is sought to be manufactured among the tribal communities.

Conclusions

Outside the legal space, resistance has been organised by political groups such as the Communist Party of India (CPI), CPI (Maoist), CPI (Marxist), CPI (Marxist Leninist), NGOs (Samata, Girijan Sangham, and Giri Mitra) and tribal communities. They have been partially successful and have also resorted to using the available legal infrastructure, which, on paper, is quite strong. However, the tragedy in this case is that the state-capital combine finds ways to circumvent legal safeguards, aided by the neo-liberal era with its focus on rapid growth (achieved in part through accumulation by dispossession) and its concomitant heightening of inequalities. Both in Karimnagar and Araku, the commons have been encroached on through a process of accumulation by dispossession. In one case, this process skates on a thin legal space, whereas in the other, given the legal and constitutional protection for tribals and their habitats and the low level of their engagement with the commercial exchange economy, it requires the direct involvement of state agencies and reconfiguration of the ideological space through populist politics.

In conclusion, we argue that the various routes through which the commons are being eroded signal the urgent need for improving our models of the commons. There are a couple of important lessons to take home from the case studies of Karimnagar and Araku. First, the commons are not merely self-contained spaces that require better forms of governance either through local communities or through state supervision. It is crucial to understand that the commons cannot be isolated from the larger political economy of states, multilateral

institutions and capital (both national and multinational). Second, processes such as mining, which adversely affect the commons, have lasting effects on not merely communities of tribals or peasants (who are immediately threatened) but also other populations. Attempts to model and safeguard the commons have to therefore take into account the broader structures in which they are located, and forms of resistance should attempt to construct a politics of solidarity with larger communities.

NOTES

- 1 Article 342 of the Constitution of India (notification of scheduled tribes), Article 46 of the Directive Principles of State Policy (to ensure the economic and educational interests), Article 244 and the fifth schedule (autonomy of tribal groups), and the 1996 Panchayat (Extension to Scheduled Areas) Act (PESA) (for self-governance and power to manage natural resources) are just a few examples.
- 2 There was a rich debate leading up to the FRA between conservationists (mostly middle-classed groups) and advocates of adivasi rights. For example, see Rangarajan (2005).
- 3 The Jindal company (in Boddavara panchayat in S Kota mandal of Vizianagaram district) was allotted land by the AP government at a nominal price. It is supposed to set up a refinery to produce 1.4 million tonnes of alumina per year,

mainly for export, with an investment of Rs 900 million.

- 4 ANRAK, a joint venture of the government of Ras Al Khaimah, United Arab Emirates, and AP-based Pennar Cements, intends to set up an aluminium plant in Visakhapatnam. While ANRAK estimated that it needed 600 acres of land for setting up the company, Y S Rajasekhara Reddy, the then chief minister, agreed to give it 2,500 acres of land at a nominal cost in Rachapalli village in Makavaripalem, Narsipatnam revenue division. The government also allowed the Nakkavaram port to be used exclusively by the company. ANRAK is supposed to produce one million tonnes of alumina and 2,50,000 tonnes of aluminium a year with an investment of \$2 billion.
- 5 Common-pool resources are defined by non-excludability but are rivals in the sense that one person's use of finite resources reduces the use of the same resource by others.
- 6 According to a study by the Centre for Economic and Social Sciences (CESS), Hyderabad, this mining project will affect at least 270 villages of the Kondh (Samantha), Bagata, Konda Reddi, Parjah and Valmiki tribes, and others. Araku and Chintapalli are located at high altitudes in the Eastern Ghats.
- 7 This was revealed by the tribal welfare department on 18 February 2012 in a meeting at the Damodaram Sanjeevayya Welfare building. Data on the FRA (ROFR), claims and settlements are available at <http://www.aptribes.gov.in/>
- 8 This doctor gained the confidence of the local people by providing free consultations and dispensing free medicines. He married a tribal woman from a local village and tried to persuade the locals to agree to bauxite mining. An advance of Rs 20,000 was arranged through the doctor for each tribal landowner. It took a while for

the people of the village to discover that he was actually an agent of the mining contractor.

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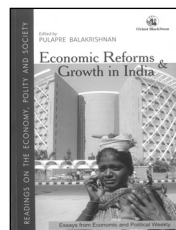
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