4 Displacement Due to the Durgapur Steel Plant

4.1 Introduction

Upon Independence in India, there was a sense of urgency to eliminate poverty and improve the quality of life of the people. A massive industrialization programme was carried out in the 1950s and 1960s, to enable the industrial sector to fuel development in other sectors. Enormous sums were invested in large projects such as irrigation and power installations, steel plants, and mining projects.

The post-Independence industrialization efforts included the government's establishment, in the late 1950s, of three new integrated steel plants (Bhilai, Durgapur and Rourkela) in the iron- and coal-producing region of Eastern India. A fourth plant was built in the 1960s in Bokaro. These steel plants, the largest in India, were administered by the public sector Steel Authority of India Limited (SAIL). All were built on 'greenfield' sites, and thus necessitated the development of new towns to provide housing and essential services for the newly recruited labour force. Together, these four steel plants and the infrastructure created for them directly displaced 135,200 persons from landed households (BHPE-KINHILL 1991), and over 50,000 persons from landless households (Parasuraman 1990a, 1990b).

This chapter presents an assessment of the nature and extent of the displacement caused by the Durgapur Steel Plant (DSP) in the Burdwan district of West Bengal, and an evaluation of the consequences of displacement and resettlement for people from both fully and partially affected villages. The chapter examines the interaction of factors that determine the social and economic condition of displaced people, the role
played by the steel plant in mitigating their economic hardship, and the impact of population pressure on the social environment of the steel town.

Displacement in Durgapur occurred during 1955–65; the study was conducted during 1989–90. Due to the fact that displacement took place long before this study was carried out, data on socioeconomic conditions prior to displacement could not be collected. Neither the government of West Bengal nor the DSP had baseline socioeconomic information about the displaced households. However, there were records providing details of the amount of land owned and lost, and the compensation paid for land and housing.

4.2 Land Acquisition

In order to launch the DSP project, the government of West Bengal acquired 16,384 acres of land in the 1950s. Some 11,164 acres came from 3,947 households in 37 villages, 5,077 acres had been forest, and 144 acres came from the Revenue Department. Over two-thirds of the land acquired was under cultivation: Burdwan district was densely populated in the 1950s, and forest land was rapidly being converted for agricultural use. The DSP devoted 6,116 acres to the establishment of the plant itself and 10,270 acres to the establishment of a township that would far exceed immediate needs, but could be expanded in the future.

In 11 villages, all houses and agricultural lands were acquired for the DSP project. These villages were called displaced villages. The 2,171 households in these villages were resettled in five localities within the Durgapur limits, close to the township and to the plant. Thus, people did not move long distances for resettlement. In the displaced villages, 27.6 per cent of the households were landless. A few households owned land in excess of 25 acres in 1950. About one-fourth of the landless and marginal landowning households cultivated land as tenants when land was acquired.

In another 26 villages, 40 to 80 per cent of the arable land was acquired. These villages are known as partially affected villages. Of the 3,900 households in these villages, 3,315 were directly affected by land acquisition. In the partially affected villages, 26.5 per cent of the households were landless.