Global Implications of Development, Disasters and Climate Change

Responses to displacement from Asia Pacific

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2016





Foreword

Five decades of research and experience confirm that disaster- and development-forced displacement creates interconnected social and economic risks with lasting negative impacts. Productive systems are dismantled. Well-defined spatial-temporal and social landscapes are nullified. Fortunately, the findings have also established that such harm might be avoided or mitigated. Building on this foundation, Global Implications of Development, Disasters and Climate Change explores the extent to which these findings are applicable to the extensive Asian and Pacific forced displacements.

This exploration comes at a time when forced displacement is becoming a moral minefield, sown with discredited excuses and false justifications by those who stand to benefit from a project. No longer can a state or an enterprise easily justify the forceful taking of land and livelihoods as being in 'the public interest'. It is difficult to rationalise the dismissal of the property, lives and livelihoods of those people deemed 'in the way' in favour of the benefits a project would bring to society at large. The claim that 'you can't make an omelette without breaking a few eggs' reveals a callous ignorance of alternative, technical options. People are now asking: 'Whose eggs will be broken? Who gets the omelette? Who will pay for it?' Politicians once engineered public opinion to support a forced displacement by branding those who opposed it as 'enemies of the state'. They are discovering the winds blow in both directions. Displacees may also be viewed as victims of political corruption.

Equally discredited is the argument that compensation for lost houses or land is enough to make the displacees whole. Those who view involuntary resettlement, forced displacement, land grabs or forced resettlement as simple land transactions must face the painful truth. Involuntary resettlement is not a real-estate transaction. More than 400 years ago, Shakespeare knew the difference:

You take my house when you do take the prop That doth sustain my house; You take my life When you do take the means whereby I live. The Merchant of Venice (1596–98) Also being questioned are the attempts to avoid paying displacees full compensation by narrowing the definition of who is entitled to compensation.

As the full spectrum of the socio-economic disabling and multisided pauperization impacts unleashed by forced displacement becomes clearer, under-assessments for compensating land expropriation and exclusion are denounced as flawed economics. The flaws may be responsible for untrustworthy project budgets that fail to fully disclose project liabilities. The bottom line is: development that impoverishes is not development.

This book offers ample evidence that existing national and subnational laws and policies are insufficiently robust to avoid or mitigate the sociocultural and economic risks facing the forcefully displaced. In Asia and elsewhere, a few nations have been reforming their national land acquisition laws and policies to facilitate economic development and ease private sector access to natural resources. After earlier, misguided forced displacement norms and practices harmed millions of people, China began to substantially reform its involuntary resettlement policies. These reforms were based on its own high-quality social research and negative experiences, with the active assistance of the World Bank. The Chinese became aware that the traditional compensation-for-land model of involuntary resettlement created new poverty, a serious contraction to the intent of socialism. New industry needed access to land, threatening serious social unrest. Consequently, government has encouraged a rewriting of scores of new involuntary resettlement laws and regulations. Over 20 years ago, China began to recalculate land compensation rates, not on understated appraised or market value but on the future livelihood value of the land. They did this by compensating for the average annual output value (AAOV) years prior to the acquisitioning of land and multiplying it by a factor up to 16 (Cernea and Mathur 2008, Wilmsen 2011). China also began taking encouraging steps to address less tangible sociocultural risks using methods that may be transferable elsewhere. At the time of this writing, China's resettlement policies provide a higher level of protection with more financial support for displaced people's economic reconstruction than the World Bank's policy (OP/BP 4.12). Unfortunately, these enlightened national policies are not yet used as guidelines for overseas Chinese-financed or Chinese-sponsored projects in developing

India also modernized its old policy framework, the outdated Land Acquisition Act of 1894, passing the "Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement Act, 2013" (LARR). The LARR clarifies what is and is not a public purpose, defines land ownership, sets limits on acquisition, provides for just and fair compensation and legislates the need for rehabilitation. Certain types of takings, from a scientific perspective, were unjustifiably excluded from the act, including special economic zones and railways. Political circumstances have led to subsequent repeals and changes in some elements of this act, but this does not nullify the incremental progress that has been made.

In China, India and elsewhere, national and subnational laws extend far beyond the limited reach of the policies and guidelines of the international financial intermediaries. Advocates for justice are discovering that national legal changes are rewarding and dynamic, but demand constant vigilance lest they be reversed.

The new frameworks are encountering resistance from those who gain, unfairly and unjustly, at the expense of those who are in their way. Who are the real enemies of the state? Advocates of sustainable, equitable development in Asia and the Pacific have an opportunity to correct a legacy of abuse. They can find inspiration and support in the research-based findings and international standards referenced in this volume.

My colleagues who are working with forced displacements have unearthed a paradox. Development-induced, forced displacement may cause its opposite – counter-development – or, as specialists in my organisation prefer to call it, 'new poverty', making poor people poorer. This underlying paradox offers an important lesson for development economists and sociologists. Development-forced displacement and resettlement (DFDR) is proving to be much more than an economic transaction. Humans define themselves, in great part, in much wider dimensions. Economies are embedded and supported by organising social transactions within routine spatial and temporal patterns. To cite the most obvious, economic transactions regularly peak at certain places and certain times and when life cycles enter new phases, such as when couples marry. Forced displacement alters the embedded socio-cultural foundations of an economy, a change likely to have wide-ranging, long-term consequences. In this situation, the sociocultural tail wags the economic dog.

Forced displacements create localised, economic chaos by shattering the spatial and temporal orders in which an economy is embedded. Payment for one factor of production, compensating for land, is only one side of this multilateral equation. The landscapes being razed are a consequence of historical – often forgotten – negotiations and decisions, of detailed social interactions, of reciprocal and informal ties and agreements: a sociocultural assemblage of what we call routine culture that facilitates, supports and sustains an economy (Downing and Garcia-Downing 2009). Conversely, these economic constructs and actions are fundamental to routine culture, assuring that both essential resources and energy can be identified and supplied sufficient to meet the community's material needs. Routine culture is often organised around regular cycles of natural forces – this is the basis of the real socio-economic threat from the vicissitudes of climate change. Consequently, the restoration of livelihoods and lives following a forced displacement is not a simple land acquisition – it is one of the most theoretical and practical challenges in development.

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