

HOW THE ARGUMENTIVE INDIAN FAILED

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In his long interview (1682 words) published in *The Telegraph* (a Kolkata based English daily) on 23 July, Nobel laureate economist Amartya Sen unequivocally supported the acquisition of fertile agricultural land for industries in West Bengal¹. It is quite shocking to find that nowhere in his interview the Nobel laureate, who is known as a welfare economist, did utter a single sentence on the need for resettlement and rehabilitation of the peasants who are dispossessed from their only source of livelihood.² Professor Sen, like the bureaucrats and ruling party politicians, but unlike resettlement researchers, confined himself only within the domain of monetary compensation, which is awarded to the landlosers by following a 112-year-old colonial law—The Land Acquisition Act, 1894. He also seemed to be totally oblivious about the various categories of the peasantry, viz. landless agricultural workers, unrecorded bargadars, artisans and small traders who though badly affected, are not paid any compensation (according to the law) against land take-over for modern technologically sophisticated and capital-intensive industries which do not have the capacity to absorb even a small portion of the population engaged in labour-intensive agriculture. Undoubtedly, Sen's blatant support to the acquisition of fertile land at the cost of the sufferings of thousands of poor peasants in a widely circulated newspaper would not only strengthen the hands of the bureaucrats and ruling party politicians who want to keep the colonial law intact, but it would also spread confusion among the ordinary people who search for a balanced view on this very important issue.

OMISSIONS

In reply to a question regarding his views on farmland acquisition, Sen went back to the pre-colonial and colonial history of Bengal. He stated: 'It is also very important to recognise that production of industrial goods was based on the banks of the Hooghly and the Ganges, which are fertile areas anyway. So, to say that "this is fertile agricultural land and you should not have industry here" not only goes against the policy of the West Bengal Government but also against the 2000-year history of Bengal'. This sweeping statement is not only simplistic but it also obscured the qualitative differences between pre-British and post-colonial industries which grew on the banks of rivers. It is now a well known fact of history that pre-colonial and indigenous industries of India were small scale family and caste based enterprises which had an organic relationship with the then agriculture and one should not forget the fact that India was one of the world's most urbanised countries during the Mughal period. R G Hambley Gavin, an historian estimated that in Akbar's Kingdom there were 3,200 big cities, and towns whose hinterlands reached far out into the rural areas and many of these

cities developed along the rivers or major trade routes (Gavin 1982). The famous French historian Fernand Braudel estimated that the total urban population in India during 17th Century was about 20 million which was approximately the total population of France in 17th century(Braudel 1984). But did all these mean that agricultural land was rampantly grabbed and destroyed in the medieval period in India for the sake of building industries and townships as it happened during industrialisation in England? Braudel's observations are pertinent in this context. According to him in 1600 AD, rural India was farming only a portion of its best available land and the uncultivated land, where new villages were later built, had then offered peasants extra space to support more grazing which in turn meant more draught animals for ploughing, and more dairy products (*Ibid*). The authoritative historian of Mughal India, Irfan Habib has found that with two annual harvests, cereal yields in India were higher than those in Europe until the 19th century and the modest quantity subtracted from the harvest for the peasant's own subsistence left a larger surplus available for marketing (Habib 1963) . So, markets, urban centres and industries in pre-colonial India were all organically linked with agriculture which in turn was based on the prudent use of land, water and forest (Agarwal and Narain 1997). This organic relationship was broken and almost shattered during the colonial period when indigenous crafts and cottage industries were destroyed for the interest of the large scale heavy industries of England. Amartya Sen has spoken about the growth of Manchester and Lancashire on fertile farmland. But where from cotton for the mills of these industrial cities came? They came from the agricultural fields of the British colonies where the peasants were forced to give up cultivation of food crops to supply the raw materials for the industries in Great Britain. So the question is not simply whether agricultural lands were acquired for industries or not, but for whose interest and at the cost of whose sufferings? Professor Sen seems to have forgotten the economic history of India!

The second observation that Amartya Sen made in his interview dealt with compensation. Here again, one finds him totally silent on the anti-people, undemocratic and extremely authoritative nature of the colonial Land Acquisition Act. Regarding the payment of compensation at Singur for the small car factory of the Tatas, he said : 'The government paid much higher price than the value of the land in the free market. From that view it was fair.' This sentence simply revealed Sen's ignorance about land acquisition in India in general and Singur in particular. Because, the value of the privately owned land to be acquired (whether it is in Singur or in any place of India) for a project is calculated on the basis of the average sale data (usually 3 years) of the land in the market prior to the date of notification for land acquisition. After the calculation of the land value, a solatium of 30 percent and a requisition compensation of 12 percent is added on the land value. The provision for 30 percent solatium on land value was made by an amendment in the colonial law in 1984 in the Lok Sabha. Before that it was 15 percent. The point of paying 'higher' price for compensation as Sen has claimed in favour of the Left Front Government [LFG] is therefore, out of question.

In Singur, however the LFG had added an extra complexity by offering a bonus of 10 percent in addition to solatium and requisition compensation for those

peasants (some of whom were absentee landowners) who gave consent to give away their land for the industry. There is no scope in the law to offer this sort of bonus. Court cases are now being filed on this point and other procedural flaws which is plaguing the government regarding Singur land acquisition till today. An economist, Abhirup Sarkar of the Indian Statistical Institute, in his paper published in the *Economic and Political Weekly* has shown that the compensation paid to the farmers of Singur for their multicrop land is much less than the current agricultural return from the land if one takes into account the savings bank interest and the prevailing rate of inflation(Sarkar 2007).³ The basic lacunae in the calculation of land value through previous land sale data lie with the fact that the colonial law ignores the future potential of a particular piece of land whether in terms of providing food security and empowerment to a family for successive generations or in terms of the escalation in the price of the land after the building of industries, real estates and townships. The affected peasant, therefore, is always a loser in this mighty game of industrialisation which Amartya Sen viewed as a panacea for countries all over the world.

The third observation of Amartya Sen dealt with agriculture in Bengal. It is better to quote him first before one dissects his views : 'The prosperity of the peasantry in the world always depends on the number of peasants going down. It is not that historically agricultural production goes up so much that they become hugely rich on that basis. Bengal has done very well in terms of agriculture compared to other states. But that has not made Bengal immensely prosperous'. One, who is slightly familiar with Sen's own contribution in the field of economics and the history of land reforms under the initial years of the Left Front Government would be simply astonished by this statement for two reasons.

Firstly, prosperity does not only mean a rise in agricultural production but it also includes poverty reduction, which was achieved largely through land reforms and decentralisation of power through panchayats in West Bengal, it may not be out of place to quote from a recent book. "India : Development and Participation" (2002) written by Jean Dreze and Amartya Sen : 'Changes were rapid after the Left Front coalition came to office at the state level in 1977 ... This change in the balance of power has made it possible to implement a number of far-reaching social programmes that are often considered "politically infeasible" in many other states. Two notable examples are land reform and the revitalization of democratic institutions at the village-level. The Left Front's commitments and initiatives appear to have achieved some important results. In particular, there has been a comparatively rapid decline of rural poverty in West Bengal since 1977' (pp. 94-95). It is a real irony that the idea of prosperity which Sen expressed in his interview did not contain one of its vital indicator, viz. poverty reduction. Secondly, Amartya Sen's own concept of 'entitlement failures' applies well to the staggering number of displaced peasants who are involuntarily deprived of their livelihood by large scale acquisition of agricultural land. But strangely, Sen does not seem to be interested in applying his concept of 'entitlement failure' to those group of dispossessed peasantry; instead, he opined in favour of their reduction in number, as if all these peasants are absorbed in gainful employment in those industries!

The fourth and final observation of Amartya Sen which he expressed in his interview was on violence practised by both government and the opposition parties. He said: 'It is now very important for both the government and the opposition to avoid violence. There is never a case for violence'. Interestingly, just on the next day, after his interview was published, *The Telegraph* carried a news item entitled : 'Farm OK but no force : Trinamul'. In the news item the Trinamul MLA Sougata Roy stated : 'The question is whether fertile land can be taken by force. Our state can't afford to move away from highly productive land as that in Singur. Mamata Banerjee had demanded that the land of unwilling owners be returned. Sen bypassed this crucial issue.' Here again one finds Sen's treatment of the issue of violence centered round land acquisition highly superficial. The reason behind the contention is simple. Because, when the only source of livelihood of a person is taken away by the state with the help of a very powerful law against which she/he cannot even appeal to a court in a democratic country to nullify government action, then it is already an act of coercion backed by physical force. If one resists land acquisition, the state would apply physical force to evict him. A scholar of Amartya Sen's stature should have opined towards changing the colonial Land Acquisition Act which does not contain provisions for rehabilitation and consultation with the statutory panchayats instead of invoking the spirit of Indian non-violence.

IRONIES

Amartya Sen's long interview evokes two interesting ironies. In an article entitled 'Portents of Famine' published in *The Statesman* (27 January 2007) D Bandopadhyay mentioned : 'Did not Amartya Sen point out that in the Great Bengal famine of 1943 it was not the absence of stock of food but inability of the households to access such food through their own income (entitlements) that 3 to 4 million men, women and children died mostly on the pavements of what was then Calcutta City due to hunger and starvation?' Mr Bandopadhyay referenced Amartya Sen to criticise the policy of rampant acquisition of fertile farmland by the Left Front Government, which the former thought may lead to the 'same situation as was witnessed during the Great Bengal Famine in 1943'. Professor Amartya Sen would now definitely disagree with D Bandopadhyay!

The second irony of Sen's interview was revealed when the Bureau reporter of the daily in which the interview was published talked to Mr Nirupam Sen, the industry Minister of West Bengal. Amartya Sen told in the interview that the government has committed a 'tactical mistake' by not exploring the possibility of maximising the land price in Singur. The economist, (Prof Sen) despite saying that the government paid higher rates of compensation, also suggested that the value of the land would have been higher had the land been made free for competition among industries. Interestingly, on this point the Trinamul leaders agreed with Prof Sen but Mr Nirupam Sen disagreed with him. The industry minister rejected the Nobel Laureate's proposal by saying that government intervention (i.e. land acquisition by the colonial law) is necessary since 'thousands of small plot owners would not be able to negotiate and extract the best price from big companies and their agents'.

So, land will be acquired by the colonial law, there will be no rehabilitation, people will protest, violence will continue and, people are back to square one!

Amartya Sen's flashy interview has not been able to convince the minister of the Left Front Government in following the principles of free market capitalist economy in allowing the peasants to sell their land to the highest bidder. The minister of the LFG preferred to stay with the colonial law to acquire land for the capitalists.

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Notes :

1. Just few months before *The Telegraph* interview Amartya Sen was in Kolkata to attend a collaborative seminar of Pratichi(India) Trust and Institute of Development Studies Kolkata (IDS) and made an interesting comment on Singur land acquisition which was printed in a booklet. Sen's statement literally translated being from Bengali reads: ... 'a lot of criticisms are on regarding the land acquisition for the small car factory project of the Tatas at Singur in Hooghly. But the middle and upper classes uprooted the adivasis from their agricultural land in Santiniketan to build houses. I have not seen any protest against this incident.' (Sen 2006 : p.12) Suffice it to say that this statement of Sen is factually incorrect since Mahasewata Devi had been protesting against the take-over of adivasi land in Santiniketan since long. Secondly, his statement is logically inconsistent because absence of protest against land acquisition in one place should not prevent people to protest in another place. By this statement at IDS Sen simply tried to advance an weak argument against the political parties, affected farmers' organization and other civil society groups who were protesting against the acquisition of fertile land in Singur. On hindsight, Sen's IDS comment however is consistent with his *The Telegraph* interview.
2. Sen is however not alone to remain silent on resettlement and rehabilitation among the celebrated economists while talking on development or globalization. Another celebrated economist Stanely Fischer in his long paper '*Globalization and its Challenges*' also did not consider displacement of millions of people by development projects all over the world and the need for their rehabilitation as one of the challenges of globalization(Fischer 2003).
3. It seems from Amartya Sen's statements which he made in the interview that he did not seriously read the series of papers, letters and editorials published in EPW on the issues of land acquisition, compensation and rehabilitation in Singur during 2006-2007. When the reporter of *The Telegraph* asked him about the land acquisition in Singur and Nandigram, Sen, after commenting elaborately on Singur said:
'Nandigram is a much more complex issue. There is a question whether that kind of operation was needed, whether it was the right place. But I have not studied it in the

way I have studied Singur. So I won't comment'. Any layperson, would surely think that the Nobel laureate has studied on Singur and since he is frank, he did not want to comment on Nandigram.