

ABSTRACT

While importance of mining as an economic activity and its potential to enhance level of income, employment and standard of living are well recognized, resistance against land acquisition for the same in Indian in recent years appears to be a matter of serious concern. Stiff protests by various stakeholders against land acquisition have halted many of the proposed investments resulting in an impasse of various development initiatives. It is expected that such resistances against land acquisition would cause considerable adverse impacts on overall development of Indian economy and society. This is particularly so for the Indian state of Odisha as it is one of the mineral rich but economically backward states of the country. Further, non-suitability of a large part of the geographical area of the state for farming and lack of adequate alternative livelihood opportunities call for emphasis on growth of the secondary sector like mining. In this perspective, the present study is an attempt to understand the welfare implications of land acquisition for mining in Talcher coalfields region of Odisha. Specific objectives of the study include examining the differences in socio-economic conditions of households following mining at various levels, accounting for the mining-led ecological changes, and to understand if such socio-economic differences and ecological changes have influenced households' willingness to give up land. The study uses both primary and secondary data to address the research objectives. Applying standard statistical tools and econometric techniques, it is found that mining has resulted in better socio-economic conditions at the state and district level, whereas the experience is not so encouraging at the household level, particularly for those who have given up land. Although the experience differs across various socio-economic indicators, giving up land for mining fails to make any significant difference when comprehensive indices of development and deprivation are considered. It is found that giving up land for mining does not necessarily make a household socially or economically better off. Such experience of socio-economic outcomes along with caste category, size of land holding and qualified workforce, access to basic amenities and perception about ecological consequences appear to have significant influence on households' willingness towards giving up land for mining. The study concludes that enhancing households' willingness to give up land for mining requires greater inclusiveness and ecological sustainability. Well-defined property rights over natural resources and participatory approach to corporate social responsibility are necessary to make mining led development process more inclusive and sustainable and thus encourage people to give up land.

Keywords: Mining, Socio-Economic Development, Ecology, Property Rights, Corporate Social Responsibility, Talcher, Odisha