

India: Politics and conflicts behind SEZs in West Bengal

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The dichotomy of left politics regarding SEZs in India can be explicitly found from a study of their rhetoric and practices on this issue and also from a comparative of the central and state SEZ Acts. The essential basis of the Left Front rule, namely land reforms and decentralization, seems to have been reversed by the way the state government tried to implement SEZs ignoring the opinions and interests of the rural people, particularly in the process of land acquisition. Thus, the very issue of land that was once instrumental in bringing the left in power and consolidating its rule in West Bengal has helped the revival of opposition politics. The effort to implement SEZ, particularly in Nandigram, has changed the face of the state politics like never before and jeopardized the very prospect of industrial rejuvenation of the state.

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Introduction

West Bengal has witnessed possibly the greatest violence and the biggest political turmoil over implementation of SEZ than anywhere else in India. This turmoil over SEZ would appear particularly remarkable when seen in the background of the almost unchallenged Left rule in the state for more than 30 years. In fact, just before the happenings of Singur and Nandigram, the Left Front registered a landslide victory in the 2006 assembly elections with a record three-fourth majority for a record seventh consecutive term. More striking is the fact that the Left Front won the 2006 assembly elections principally on the plank of industrialization. The left leaders of the state floated the slogan 'Agriculture is our base and industry our future' during the election campaigns and naturally considered the unprecedented electoral victory as a sign of people's support for the government's drive for industrialization. So immediately after the elections the Chief Minister of the state announced a number of industrial projects to be set up in the state requiring around one lakh acres of land. Among these one lakh acres of land required for industrial projects, around 30,000 acres were then earmarked for SEZ projects. At that time none could predict the upcoming storm over the implementation of these projects.

It should be noted here that SEZ was not at the centre of controversy that broke out in the state immediately after the elections, since the first stir up occurred in Singur over a Tata project, which was not a SEZ. Moreover, SEZ was not new in the state at that time and three SEZs were operating in West Bengal for years without much recognizable hassles. The principal opposition parties in the state had not come out in opposition of SEZs and no movement as such took place over the

implementation of SEZ projects till then. More interesting may be the fact that the state SEZ Act was passed in the state assembly in 2003 without much noise from any quarter though even the smaller Left Front partners had come out with their strong opposition to SEZs in the later period (we shall deal them in details after a while). So the crucial question seems to be why the state political parties were so reluctant towards SEZ at the initial stage of its implementation in West Bengal and became so vocal only at the later stage.

The role of the principal ruling party in West Bengal, i.e. the CPI (M), in dealing with SEZ poses another problematic that needs serious attention. At the level of party policy, the party seems to oppose the very concept of SEZ while, being at the helm of the state government, it went all out to implement the same. How can we explain the politics of the principal left party of India regarding SEZ, one of the most controversial policies in the recent times, which it opposes elsewhere in India and implements with so much fanfare in the state?

Finally, we need to examine the role of people's movement in determining the fate of SEZ implementation in the post-election situation as well as the course of actions that radically changed the political scenario of the state. Why the people of the state who overwhelmingly voted in favour of the Left Front in the assembly elections, presumably fought on the issue of industrialization, turned against the same soon after the polls?

It may be remembered that while announcing the central government's resolve to introduce SEZs in India in the year 2000, the then Central Commerce Minister Mr. Murasoli Maran had the example of Communist China very much in his mind, the country he had visited just before making the crucial statement on Exim Policy 2000-2001 in the parliament. The policy statement read as follows:

"The rapid growth of exports achieved by China and South East Asian countries has demonstrated that given the right policies and freedom from interference, our entrepreneurs will also ensure that we achieve sustained quantum growth in exports. My recent visit to the various provinces of the People's Republic of China has been an eye opener to me.... I am proposing a major step of establishing, as in China, Special Economic Zones in different parts of the country".

But the same policy implementation got the severest jolt in a state ruled by the Indian communists who seem to have received the ideological inspiration from the Chinese communists to tread the path of industrialization in a capitalist-friendly way. The difference that the Indian communists might have disregarded is the existence of multi-party democracy in India, where the people are free to express their dissensions and opposition parties are always ready behind the wings to jump into the fray utilizing dissenting opinions of the people. Moreover, as the ruling Left Front is composed of a number of parties with their professed left ideology, the principal ruling party can probably ignore other partners' opinions regarding SEZ only to jeopardize the very goal of industrialization that its leaders wanted to spearhead in the state.

It seems worthy to note that West Bengal was one of the pioneer states in India to have a SEZ by transforming its only Export Processing Zone in Falta into Special Economic Zone on 1.01.2003. Subsequently the state government passed its own SEZ Act in December 2003 with a view 'to facilitate the development, operation, maintenance, management, administration and regulation of Special Economic Zones in the state of West Bengal so as to accelerate economic reforms and to promote the rapid and orderly growth, development and operation of industries in such SEZs'.

Notwithstanding this enactment to promote SEZ in West Bengal, the ruling Left Front parties registered their opposition to the Central SEZ Act in no uncertain terms expressing apprehensions over several issues.

The opposition of the left parties to SEZ principally stemmed from their apprehensions that in the SEZs, *'if private entities are allowed to own such huge tracts of land, it would amount to the re-establishment of the zamindari system sixty years after independence. This is totally unacceptable'* (quoted from the joint communiqué of the left parties issued on 19th October 2006). Indeed, the Left Front government of West Bengal has been distinguished in India for its acclaimed success in land reforms and democratic decentralization through the implementation of panchayati raj institutions. The implementation of SEZ projects are apparently incompatible with the above measures meant for the benefit of the rural marginal people as these projects tend to concentrate land in the hands of a few developers and carve out certain areas from the ambit of democratic governance.

In this background, it would be quite interesting to find out how the Left Front government in West Bengal has been adapting with the SEZ policy. What measures, if any, it has contemplated while formulating its own SEZ Act in order to avert the objectionable features that the Left parties raised while criticizing the SEZ Act and Rules formulated by the Central Government? What it has done in practice to implement the same Act would be discussed later.

The dilemma of the left over SEZ

In the joint communiqué dated 19th October 2006, the principal constituents of the Left Front, namely CPI (M), CPI, RSP and Forward Block criticized the Central SEZ Rules 2006 for asking the state governments to delegate power under the Industrial Disputes Act 1947 to Development Commissioner and to declare SEZs as Public Utility Services. In a letter to the Committee on Subordinate Legislation of the Rajya Sabha, Dipankar Mukherjee, the CPI (M) leader and all-India secretary of its labour wing CITU, says that *'no such back door vesting of powers to Development Commissioner through a rule will be acceptable to the trade union movement of the country'*. Hence, he demanded that such clauses should be fully deleted from the SEZ Rules. But the seemingly anti-working class provisions found place in the West Bengal SEZ Act even before the Central SEZ Act and Rules saw the light of the day.

Whereas in the Central SEZ Rules 2006, the state governments are asked to delegate power to the Development Commissioner under the Industrial Disputes Act 1947 in relation to both the operating units and the workmen employed by the Developer, the West Bengal SEZ Act has sought to empower the Development Commissioner *'to act as a conciliation officer for mediating in, and promoting the settlement of, an industrial dispute under the ID Act 1947 and administer labour laws, for the time being in force, under the supervision of the Labour Department of the State Government'*. Chapter IX of the West Bengal SEZ Act deals with miscellaneous agendas that include: 1) declaring the SEZ to be an Industrial Township, 2) where the SEZ Authority shall also perform the functions of an Industrial Township Authority, 3) where the provisions of the West Bengal Town and Country (Planning and Development) Act 1979 shall have no application and 4) *'the units in a SEZ shall be declared as public utility service under the Industrial Disputes Act 1947'*. The last condition mentioned above once again conforms to the recommendation of the Central SEZ Rules 2006 towards the State Governments to declare the SEZ units as Public Utility Services so that sudden strikes can be averted in the units operating there. Anyhow, the ideological position of the left parties contradicts certain provisions, which the Left Front government adopted in formulating its own Act.

The land question gets the highest priority in the above-mentioned joint communiqué of the left parties. It suggested on this question that (a) there should be no transfer of land ownership to the private developers; b) The Central Government should set an appropriate ceiling on the total land area under a SEZ, which can be developed by a private entity; c) SEZs whose land area exceeds the

specified ceiling should only be developed by the State (Public Enterprises of the Central or State Governments); d) SEZs should be built on non-agricultural land and acquisition of agricultural land for the purpose of SEZs should be discouraged. A provision limiting the acquisition of agricultural land should be built into the SEZ Act itself; e) The Government should frame a National Rehabilitation Policy, preferably through a Central legislation, in order to address the issues concerning rehabilitation of displaced families. Suitable amendments should also be made to the Land Acquisition Act in order to address these issues; f) A provision must also be made to compensate those with long-term tenancy rights on the acquired land and farm labourers; g) The Government should urgently address the issue of unblocking and recycling of land and other assets of closed industrial units under liquidation.'

But these concerns were not reflected in the West Bengal SEZ Act that has empowered the Developer *'to allocate and transfer, subject to his own title, either by way of lease or sale or otherwise, plots of land, buildings or installations for industrial, commercial, residential or other purposes'* and also *'to purchase land or to acquire legal right or title independently, in respect of land which is proposed to be developed as SEZ...'* In comparison to this, the Central SEZ Rules has restricted the right of the Developer to the extent that he/she cannot sell land in the SEZ. The Developer can only assign lease-hold right to the entrepreneur or transfer by way of sub-lease or any other mode to a person holding a valid letter of approval issued by the Development Commissioner. It is evident that eschewing the avowed ideological position of the left, the West Bengal government seems more forthcoming in granting the developer even the right to sale the lands allotted for SEZ.

The left parties demanded a ceiling on the total land area in a SEZ to be developed by a Developer. The Polit Bureau of the CPI (M) party in a statement on April 6, 2007, put its view that *'a multi-product SEZ should have a minimum size specified of only 400 hectares (1000 acres) and there should be a ceiling of 2000 hectares (5000 acres)'*. Finally, the Central Government agreed to put a cap on the size of SEZ and brought an amendment to the SEZ Rules on 12th October 2007 whereby it fixed that *'a SEZ for multi-product shall have a contiguous area of 1000 hectares or more, but not exceeding 5000 hectares.'* It also agreed to the demand of the left parties that *'at least 50% of the area shall be earmarked for developing the processing area'*. One of the consistent demands of the left parties was to raise the minimum area to be developed as processing area from 25% to 50%.

The CPI (M) Polit Bureau issued a statement in January 2007 that suggested, *'to (1) include a land use clause to put a ceiling on the land, to define the nature of land which may be used and to ensure that at least 50 per cent of the land must be used for manufacturing, processing and 25 per cent for infrastructural purposes; (2) to ensure a full rehabilitation policy for those affected; (3) removal of tax and other concessions now being offered for the creation of SEZs; and (4) guarantee of labour laws within SEZs.'*

At the same time, the CPI(M) has also called for a complete reworking of the Land Acquisition Act 1894 to strengthen the rights of land losers, tenants and agricultural workers and all those whose livelihood depends on the land'.

The timing of the statement is worthy to note as it was released just after the first flare up in Nandigram with the apparent aim to acquiesce the widespread criticism the party was facing for its handling of the Nandigram problem. It may be noteworthy that apart from the first demand, the party's ideological position does not correspond with the actual practice of the state government led by it in West Bengal. The West Bengal government has not yet formulated a rehabilitation policy of its own for the land-losers though several other state governments have their own Rehabilitation and Resettlement (RR) policies. Chapter VIII of the West Bengal SEZ Act deals with exemptions from State taxes etc narrating that *'the Developer and units located in SEZ shall be exempt from payment of any tax, duty, fee, cess or any other levy payable under the provisions of the State law'*. This is

consistent with the Central SEZ Act where the state governments have been asked to exempt the SEZ units and the Developer from all local taxes, levies and duties, but contrary to the position of the party that called for the *'removal of tax and other concessions now being offered...'*. We have already seen that the provisions in the state SEZ Act regarding compliance of labour laws in SEZs almost correspond with the Central SEZ Act. The demand of the *'complete reworking of the Land Acquisition Act 1894'* was raised after this Act has become a target of criticism from different quarters after the Nandigram incidents. But the West Bengal government did not take much care while implementing the same Act in its own territory and precisely this had been the main cause behind most of the trouble in the state. Before entering into the discussion what the West Bengal government did in the process of implementing SEZ, we need to have a brief look at the ideological position of other Left Front partners over SEZ.

While the brief position of the CPI (M) party is to oppose the Central SEZ Act in the present form, demand for its amendments and implement the same in West Bengal, other smaller Left Front partners seem more vocal in opposing the SEZ concept all together.

RSP: The Revolutionary Socialist Party (RSP) opines in a booklet that *'The Special Economic Zone Act is fully detrimental to the interests of common people of India. That is why building up an intense movement for scrapping the Act is the most urgent task today.'*

The booklet opposes the very concept of SEZ as *'the reflection of pro-globalization approach of the Central Government'*. The party's criticism of SEZ is spearheaded against the Central Government which is the main formulator and implementing authority of the SEZ policy. But it also criticizes the endeavour of the Left Front Government for following the footsteps of the Central Government. In its opinion *'the Left Front Government, being confined only in States, can not pursue an economic policy completely different from that of the Central Government. But that does not mean that it has to enthusiastically carry out the same economic policies, being fully aware of its anti-people nature, in the name of development. This will not only confuse the toiling masses of the State, but also spoil the countrywide anti-capitalist movement'*.

Manoj Bhattacharya, one of the Members of Parliament belonging to the RSP, commented in an interview that his party was rather caught unaware when the West Bengal SEZ Act was passed in the State Legislature. They were not consulted before passing of the Act in the assembly and no discussion was held inside the Left Front about the implication of such an Act. Though his party was completely opposed to the very concept of SEZ, it had to simultaneously struggle and reconcile with the CPI (M) being the largest partner of the Left Front. This was part of the RSP's strategy to keep left unity in tact in the country which was so essential for the emergence of a left alternative in the future, commented the RSP leader.

Forward Block (FB): The FB leader Rathin Chakravarty seems to be more candid in admitting his party's mistake for not being aware of the danger that SEZ Act poses to the people. He expressed the same view as RSP that scrapping of the SEZ Act lock, stock and barrel was the only way out of the danger posed by the Act. But that cannot be done as, in his opinion, the largest party in the Left Front, i.e. the CPI (M), has been still harbouring illusions about the Act.

Forward Block has also published a booklet with its title reading as *'The sharks are out to grab agricultural land in our country'*. It has branded the SEZ as *'the biggest land grab movement in the history of modern India'* quoting from the famous Historian Sumit Sarkar. As usual the main spearhead of criticism of FB is towards the successive Central Governments who have been instrumental in making and implementing the SEZ Act. The essence of the party's position on SEZ is summed up in the booklet as follows:

1) 'SEZ projects will bring about disastrous effects, inequality and conflicts in our social and economic lives. 2) These SEZs will lead to new class polarization and newer class conflicts. 3) The way agricultural land grabbing is continuing for the sake of SEZs will lead to severe crisis in agricultural economy. 4) While a few lakhs of the Indian people will emerge as affluent, the rest thousand million people will turn into destitute. 5) Food security in India will be completely ruined and the country will suffer from severe food crisis. 6) The cottage industry and handicrafts in the country will be doomed. 7) The whole country will be flooded with child beggars, anti-socials youths and prostitutes. 8) SEZ is the newest method of imperialist exploitation and expansion. 9) Hence SEZ has to be resisted. Continuous struggle has to be built up against SEZ by mobilizing the whole people of the country. 10) Obviously we want industry, but not at the cost of agriculture.'

Such has been the strong reactions of the party on SEZ and still it is reconciling with the implementation of SEZ in West Bengal.

Communist Party of India (CPI): The CPI has also registered its differing opinions on the implementation of SEZ in West Bengal. The Political Resolution adopted by the 23rd state conference of the party held on 22-25 December 2007 expressed the party's reservation on SEZ, '*The CPI is obviously against SEZ. The BJP was the first to take initiative in 2002 to introduce SEZ Act. Our state government had also undertaken an effort to formulate its own SEZ Act in 2003. If the present SEZ Act 2005 passed by the central government is put to practice, it will create foreign colony within the country.*'

The All India Secretary of CPI's peasant wing, the Krishak Sabha, and a member of the party's Central committee, Probodh Panda wrote in an article, 'SEZ projects are being implemented in West Bengal as if it is a main engine of development. It is interesting to note that the State SEZ Act contains almost all the objectionable clauses of the Central SEZ Act, against which the Left parties are struggling in Delhi. Hence, we have demanded to stop further implementation of SEZs till the Act is amended properly.We can only hope that the same objectionable clauses will be amended in the State SEZ Act and till then no new SEZ proposal will be forwarded.'

Concluding the article, Panda wrote that, 'In the end, it can be said that the concept and application of SEZ is a very controversial issue. It has created a lot of turmoil in our state, Bengal. The Government is showering capitalist groups like the Tatas and the Salems with admirations, resting confidence on them. This is obliterating our differences with other parties and other State Governments. The outcome may be disastrous if we are swept away in the wave of SEZ. Still we have time to come out of its illusions and rethink the whole matter.'

The above opinions of the major Left Front partners unmistakably show that they did not agree to the implementation of SEZ in the state and were not probably consulted before the steps taken in the state to introduce SEZs or the West Bengal SEZ Act. They had generally put very strong terms to condemn the very idea of SEZ as a vehicle of industrial growth. This may be the reflection of the general mood of the party cadres and grass root leaders of these parties who had been groomed by the anti-capitalist ideology for long. But remarkably these Left Front partners remained almost silent about SEZ until the breakout of trouble in Nandigram. The dilemma of the principal left party, the CPI (M), is no less apparent from the statements its central leadership made from Delhi, or the statement issued by one of its West Bengal leaders in the capacity of his position as secretary of the party's all India trade union, all expressing strong reservations against various clauses of the central SEZ Act and SEZ Rules, most of them are very important and of fundamental in nature. In fact, the left ideology nourished by these parties for decades contradicts the acceptance of a capitalist-friendly act like the SEZ and that have obviously pushed the left to the opposition of SEZ; but the same parties, being in power in West Bengal, that too for long 30 years, have certain compulsions to spearhead industrialization at any cost.

The practice of SEZ in West Bengal

At the time of independence, West Bengal was one of the more industrially developed states in India. After independence, the industrial sector in the state began to decline and in the subsequent periods, the sector faced severe recession forcing many industries to close down. Though some heavy industries in the public sector were set up in the 1950s, that could hardly bolster the industrial health of the state and reverse the trend. By 1960s, most of the labour intensive industries became sick leading to lock-outs, closures, retrenchments and lay offs throwing thousands of employees to the streets and generating a lot of unrest among the workers in particular and discontent in the society in general. The left parties then blamed the Congress government both at the centre and in the state for their pro-capitalist attitude that allegedly aggravated the predicament of the working class. They conducted several movements against lock outs, lay-offs, closures etc in order to rehabilitate the huge out-of-employment labour force.

Moreover, the unemployment problem was also staggering at that time. So in the late 1970s, when the Left Front government came to power, the issues opening of the sick and closed industries and the rejuvenation of the industrial sector were high on the agenda.

But due to the existence of a licencing system where only the Central Government had the privilege to issue industrial licences, the state government could hardly take much initiative to bring capital to the state. There had always been tension in the relationship between the Left Front and the Centre over the state government's accusation that the centre was not inclined to issue industrial licenses for West Bengal. The left raised slogans like 'Fight against the Centre's step-motherly attitude towards the state' and 'Demand more powers to the states' that became major planks of the Left Front to win elections in the 1980s. After the central government began to pursue the policy of liberalization since 1991, the old licencing policy underwent major changes and the provincial governments were empowered to invite private capital to boost up their respective industrial economies. The Left Front government in West Bengal in its efforts to grasp the opportunity framed its own industrial policy in 1994 to draw private capital and rejuvenate the state's industrial sector. But the initial efforts did not attract much response in terms of drawing investments and only a handful of new industries were set up during the regime of the earlier chief minister Mr. Jyoti Basu.

After taking the mantle of leading the ministry in 2000, the present CM Buddhadev Bhattacharya started hectic lobbying with the industrial lobbies in India and abroad to bring more investments and found in the SEZ policy of the Central government an opportunity to attract more capital to the state. Incidentally, the central government introduced the SEZ Policy in 2000, the same year when the new CM of West Bengal took over the charge and started his journey along the controversial path of industrial development. In its eagerness to implement SEZs in the state, the Left Front government passed its own SEZ Act in the year 2003 without even consulting with or taking into confidence the Front partners. But neither the Front partners nor the opposition parties in the state raised any voice over SEZ implementation in the state until the opposition came from the peasants of some affected areas. Hence the crux of the problem originated from the rural people who had been the principal support-base of the Left Front rule for long three decades. This base was disturbed by the way land acquisition drive was launched for the sake of industry, culminating in an apparent tussle between agriculture and industry. As mentioned earlier, the trouble over the renewed effort of industrialization first broke out in Singur of Hooghly district, where 1000 acres of prime agricultural land were acquired for the now-famous Nano plant of the Tata Motors. This was not a SEZ project and the opposition came from the local peasants who were eager to protect their small pieces of agricultural lands on which they depend crucially for their livelihood. It has to be kept in mind that agriculture in West Bengal thrived principally on the efforts of small and marginal farmers who enjoyed whatever benefits were generated by the process of land reforms, but were suffering from

increasing marginalization and landlessness due to fragmentation of land leading to greater dependence on smaller pieces of lands. According to census reports, the number of owner-cultivators in the state had decreased from 64.07 lakhs in 1991 to 56.54 lakhs in 2001, while the number of agricultural labourers had increased from 54.81 lakhs to 73.63 lakhs during the same period. That is, among the working population in agriculture, the percentage of owner-cultivators decreased from 53.9% to 43.4% while the percentage of agricultural labourers increased from 46.1% to 56.6% in just one decade. Most of these owner-cultivators are small and marginal farmers who along with the landless labourers constitute the vast majority of the rural population in West Bengal. An astounding 80.44% of all owner-farmers belong to the marginal category in the state, having less than 1 hectare of land, while 14.86% of the farmers belong to the small category, having land between 1-2 hectares. The economically backward marginal farmers and landless people principally come from the socially ostracized SC -ST and Muslim communities who together constitute 67.7% of the rural population in West Bengal. It is obvious that these sections lack most the opportunity to get employment in the organized sectors and have naturally refused to buy the dream that they would be benefited by the alternative jobs created in the new set up.

These increasingly destitute rural masses saw in the land acquisition process a complete reversal of the policies of both land reforms and rural decentralization. Firstly, it attempts to negate the essence of land reforms by reversing the process, i.e. grabbing land from the poor to hand over the same to the rich. In West Bengal 78.71% of the agricultural land is in the hands of the small and marginal farmers and this was so far showcased by the state government as its success story in land reforms. These sections in the main supported the Left Front so far for the benefits they have derived from land reforms and turned against it with the reversal of the process. Secondly, in the land acquisition drive the decentralization process is also reversed. The Panchayati Raj Institutions (PRIs) were introduced with the avowed aim to strengthen grass root democracy and initiate rural development with the participation of the rural communities from the stage of planning itself. Gram Sansad (village council) meetings and Village Development Committees have been introduced of late to strengthen the process of rural decentralization. But as the blue prints of industrialization are being finalized at the highest level of the government that eventually leave aside even the highest tiers of the PRIs. The PRIs are now at best turned into agencies to implement the programmes decided at the top. No discussion ever took place in the Gram Sansad meetings in the panchayats where land acquisition drive has been taken. The Land Acquisition Act 1894 does not have any provision to take into consideration the opinions of the people losing their livelihood or being evicted by way of land acquisition. This Act stands completely in contrast to the policy of decentralization which has of late become the buzzword of governance for both the state and the central governments.

In the absence of any Rehabilitation and Resettlement policy of its own, the attitude of the West Bengal government towards these rural poor can be realized from the way it has planned the compensation package. The whole plan is conspicuous by the absence of any sort of rehabilitation and/or compensation for the agricultural labourers and unregistered bargadars who stand to lose their livelihood in the process of land acquisition. The registered bargadars are being offered 25% of the land value as compensation while as per law they are supposed to get 75% share of the crops they produce on the land. On the contrary, landowners are being paid the full land value along with an additional 30% solatium. This seems to be another reversal of the avowed class policy of the left parties and Left Front government as well. Only recently after prolonged agitation in Singur, the state government has announced a new package offering 300 days' wage to the agricultural labourers, dependent on the land being acquired, as compensation.

In West Bengal, many marginal farmers and landless agricultural labourers sharecrop in or lease in lands of mainly those landowners who are either absentee landlord or having services or business

activities as their main source of earning. Most of these sharecropping and cultivation on lease are seasonal in nature and hence, remain unregistered. During the land acquisition process, these marginal farmers are offered compensation only for the tiny plots of land they own and not for the whole land they actually cultivate. As the compensation is being planned on the basis of ownership of land, such cases are not considered at all. Thus the landless, the bargadars (registered or unregistered) and the marginal farmers are not being compensated for the loss incurred to their livelihood while the non-cultivator owners of agricultural land are being compensated far more than they stand to lose from the land. This later category of land owners is mainly offering land for acquisition while the real cultivators are mostly opposing the same. In a reversal of class polarization in the wake of land acquisition in West Bengal, the landed gentry sided with the government while the rural poor opposed the government move and joined the movement en mass.

The Nandigram episode

The implementation of SEZ in West Bengal suffered the first big jolt in Nandigram, where the land acquisition notice appeared like bolt from the blue to the rural masses and generated immediate anguish and anger among them. Just a month back the forcible acquisition of land in Singur was accomplished setting a negative example to them. Moreover, in Nandigram, the proposed SEZ required not only large tracts of agricultural land, but also residential areas displacing the entire population of 27 villages. So, the whole village community instantly rose up to 'defend the motherland'. The sudden threat to their life and livelihood have completely alienated the Nandigram people from the government and made them rebellious from the day one.

It may be noted that the first reactions of the peasants in Nandigram took the form of mass upsurge immediately after a notice was sent by the Haldia Development Authority to the concerned Gram Panchayat offices intimating the impending programme of land acquisition. Whether the notice was 'properly authorized' or not is a different question, but the cause of immediate concern of the villagers was their total ignorance about a project which would cause displacement to nearly 65, 000 people living in 3 Gram Panchayat (GP) areas. Remarkably, all the 3 Gram Panchayats were then dominated by the Left Front parties. Following were the numbers of party-wise elected members of these GPs at the time of the incident:

So it was essentially the left-minded people of Nandigram who felt let down by the Left Front government in the wake of its decision to acquire land for a SEZ project and reacted against the 'breach of trust'. Many Left Front panchayat members have, in fact, supported the movement against land acquisition and the proposed SEZ. Even the local MLA belonging to the CPI party initially supported the movement, but later withdrew presumably under pressure from the 'big brother' CPI (M).

Notably, the people of Nandigram have a proud heritage of participating in several militant movements in the pre- and post independence period. Almost the whole Tamluk subdivision including Nandigram was declared independent during the 'Quit India' movement in 1942 and steps were taken to cut off the area by digging entry roads all around to defend the independent government declared there. This time also similar steps were taken to defend their precious land. Afterwards the peasants in these areas, particularly the sharecroppers, joined the struggle for Tebhaga demanding three-fourth share of the crops they produced. The Tebhaga movement also took militant forms in Nandigram. So, many left intellectuals find in the present Nandigram movement the resurgence of the militant peasant movements of the past which had principally given the state the 'left' heritage.

The present Left Front government, particularly the two Communist Parties CPI and CPI (M), usually claim to carry the heritage of the past peasant movements of West Bengal. Ironically, with their role reversal in respect to safeguarding the interests of the rural poor, the present peasant movements are directed against these very parties that once led many such movements. Naturally, the opposition parties, mainly the Trinamool Congress (TMC), immediately jumped into the fray to champion the peasant cause and thereby get a foothold in the erstwhile 'left' bastion. In the next few months Nandigram turned into a battle ground with the principal ruling party vying to establish its exclusive hegemony over the whole area through sheer use of muscle power. Finally the decisive battle was fought in the ballot box in the 2008 panchayat elections that saw the near-complete rout of the ruling Left Front from entire Nandigram area and a thumping victory for the TMC party. In the Nandigram I block, where the Salem SEZ was planned, all 10 gram panchayats (GP) are won by TMC this time, whereas in Nandigram II block the Left Front could manage to win power only in one out of 7 GPs. In the whole Purba Medinipur district where Nandigram is situated, TMC gain control over 20 panchayat samitis out of a total 25 and even won the power of zilla parishad by capturing 35 out of 53 seats. Such results were indeed inconceivable both to the ruling Front and the opposition of the state alike.

In fact, not only in Nandigram, wherever land acquisition attempts was made, successfully or unsuccessfully, the opposition, mainly the TMC party, registered landslide victory in the elections. Not only that, far surpassing the areas affected by land acquisition, the opposition could gain the control over most of the GPs in 8 out of 18 districts in the state. In Singur, where the trouble over setting up the Nano plant is still persisting, the TMC won control over 15 out of 16 GPs in the whole block. It shows that the state government's policy on industrialization has backfired on the issue of land acquisition. Thus the 2008 panchayat election results in West Bengal can be construed as a verdict against acquisition of agricultural land, but not against industrialization in general or SEZ in particular as some may try to interpret it. The ominous signal generated by the election results seems to be: built up industry, but not at the cost of agriculture and the vast population dependent on it.

The great paradox

A great paradox possibly lies in the fact that though none of the mainstream parties seemed to be actually opposed to SEZ in West Bengal, the government had to face the greatest hurdle to implement SEZ in Nandigram. We have already seen that the Falta EPZ was turned into SEZ in 2003 and two other SEZs subsequently began operation in the state without any noticeable objection from any quarter. More important was the approval of the West Bengal SEZ Act by the state assembly without any furore from the parties representing in the assembly. It is evident from this that none of the parliamentary parties in the state had any serious opposition to SEZ. The main opposition party TMC was part of the NDA government at the centre when it introduced SEZs in the country. Naturally this party did not come out to oppose SEZ when it was introduced in West Bengal as well. In fact, it was only in the aftermath of Nandigram agitation that the issue of SEZ became a matter of public debate and the parties had to decide and declare their positions on SEZ.

The Left Front partners might have ideological opposition to SEZ from the beginning, but they remained silent when the same was implemented in the state or the state SEZ Act was passed. These parties became vocal against SEZ and issued statements or printed booklets on the issue only after the Nandigram flare up presumably to distance themselves from the government's act in the face of the public outcry, particularly from the intellectuals and the civil society. Interestingly, though the TMC party endeavored from the very beginning to abstract maximum political mileage from the Nandigram upheaval, it did not take the position to oppose SEZ till the middle of 2007 when a few of

its left allies raised the issue of opposing the SEZ Act. At this point Mamata Banerjee reconciled with the idea and the West Bengal Save Agricultural Land Committee under her leadership put forward the demand to scrap the SEZ Act itself. But the opposition alliance has neither taken up the issue for launching a serious movement, nor opposed implementation of other SEZs in the state even after Nandigram.

It is quite evident from above that the turmoil created first in Singur and then in Nandigram was principally against land acquisition and not so much against the concept of SEZ as such. This does not mean that SEZ has been well received by the people of West Bengal and there is nothing to object in it. The focus of this paper is to properly situate the controversy over SEZ in respect of the state politics and try to examine the dynamics behind the conflicts generated over its implementation. Undoubtedly it was the people of the affected areas that had played the key role in stirring up the issue of land acquisition and subsequently throwing SEZ into the vortex of controversy. The state political parties have tried to score over each other in the mess that followed, but none seemed to have a consistent stand on the issue of SEZ. Their rhetoric and practices often stood diversely opposite to each other.

While the principal ruling party in the state, the CPI (M), demanded to the central government to put a ceiling of 5000 acres on the land to be allotted for a single multi-product SEZ, the party itself became instrumental in trying to implement a SEZ on more than 10, 000 acres of land in Nandigram. Such double-standard on the part of the party helped only to erode its credibility and support-base among the left-leaning people of the state. Other parties, particularly the TMC, tried to fill up the political vacuum created in this situation by maneuvering people's discontent to the utmost without taking any principled stand on the issue. The affected people seemed to be involved in the strategic politics to utilize the contradiction between the two principal contending parties in the state and supported the main opposition party in the panchayat elections to consolidate the gains they achieved through the movement.

Conclusion

There is no denying the fact that the agricultural sector in the state is suffering from deep crisis with rising prices of almost all inputs, decrease in yields and near stagnation in the prices of agricultural produces. But does the lopsided industrialization carry the solution to the crisis? Can this industrialization be able to absorb the labour force becoming surplus from agriculture? While the Left Front government has been continuing to preach its rhetoric of industrialization, including SEZ, in the name of development, nobody can overlook the bleak scenario where thousands of industries, small, medium and big, have either closed down or become sick in West Bengal alone due to the inherent crisis of the system. The latest examples of such sick industries are the labour-intensive tea and jute industries in the state. Even the common people can realize today that employment generation in the upcoming industries would be very minimal, confirming the fear of "jobless growth". The highly mechanized large industries can accommodate only a few. Let us have a quick look at the available statistics on the rise of investment and the decline in employment generation in West Bengal during the last decade. During the period 1990-91 to 2001-02, though the number of industries in the organized private sector has increased from 5606 to 6195 and invested capital has enormously increased from Rs.12, 517.67 crores to Rs.32, 752.98 crores, the number of employees has declined significantly from 740,980 to 545,447 in these industries.

From the above statistics, it transpires that the present industrialization drive would hardly absorb the unemployed and underemployed in the rural areas. With industries depending more and more of high-tech machines to survive in competition, only a section of the educated youth, that too mostly

urban, can find employment in them. The rural poor coming from socially disadvantaged communities like SC-ST and the Muslim with little formal education would hardly find a place in these upcoming industries while they suffer the most in the land acquisition drive. So it is not a question of 'misleading' the poor and the rustic that cause the sudden eruption of peasant discontent in West Bengal as some wants us to believe, but a genuine debate over the development process raised forcefully by the worst sufferers of the process.

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P.S.

* Paru sur le site du CETRI:

<http://www.cetri.be/spip.php?article2056&lang=es>