

PEOPLE'S VOICE

PEOPLE'S VOICE

PEOPLE'S VOICE

PEOPLE'S VOICE

POOR UNDER THE
POOR UNDER THE
LIBERALISED ECONOMY
LIBERALISED ECONOMY

Preface

PEOPLE'S VOICE

Poor under the Liberalised Economy

In response to the findings on the issues of health care, we initiated a campaign to advocate an essential drug list policy in Gujarat to ensure that drugs are available at the primary health centres.

To evaluate the impact of liberalisation on an ongoing basis a state-wide forum was developed - Gujarat Alternative Development. This forum was initiated, comprised of NGO representatives and academics in which UNNATI is an active member.

Grass-roots level NGOs, with our support as well as independently, have conducted meetings and initiated action in their local areas to systematise the PDS and health care services which was adversely affected by liberalisation policies.

We hope that this report in its present form will be of use to formulate and lobby for pro-poor policies. We are happy to associate ourselves with such movements and initiatives that seek to bring about a more equitable liberalisation/globalisation process.

Binay Acharya
Director
UNNATI

June 2001

Edited by Alice Morris, Binay Acharya
Programme Director
UNNATI

Published by
UNNATI - Organisation for Development Education

G-1, 500 Azad Society, Ahmedabad-380 015, Gujarat

Tel: +91-079-6746145, 6733356; Fax: 6743722

Email: unnati@sat.versatel.net



UNNATI

Organisation for Development Education

UNNATI 2001

Feel free to use the information in this book for wider educational purpose.
Kindly acknowledgement the source and inform us about its use.

Edited by Alice Morris, Binoy Acharya

Published by

UNNATI - Organisation for Development Education

G-1, 200 Azad Society, Ahmedabad-380 015, Gujarat.

Tel: +91-079-6746145, 6733296, Fax: 6743752.

Email: unnati@ad1.vsnl.net.in

Cover page design by Tarun Deep Girdher

Printed at Colourman Offset, Celler, Aagaman Complex,
Nr. Mayur Colony, Mithakhali Six Road, Navrangpura, Ahmedabad-380 009.

Suggested Contribution Rs. 100.

This will enable us to produce similar development related educational material.

Preface

This book is a brief report of the findings of a participatory longitudinal research undertaken in collaboration with grassroots NGOs over a period of six years. The project was initiated out of deep-felt concern about the impact of SAP policies on the poor in Gujarat. It was planned that local organisations, through their participation in the monitoring study, would mobilise people to form forums to advocate for pro-poor policies.

We shared our study findings every six months at state level consultations, which helped us to identify issues and strengthen our effort. We strongly felt the need to identify trends to serve as evidence of the impacts, however we later introduced, case studies and qualitative studies conducted through participatory techniques (PRA). The new information that emerged greatly enriched the study and led us to take up issue-based advocacy.

In response to the findings on the issues of health care, we initiated a campaign to advocate for an essential drug policy in Gujarat to ensure that drugs are available at the primary health centres.

To examine the impact of liberalisation on an ongoing basis a statewide forum was developed. Gujarat Forum for Alternative Development was initiated, comprising of NGO representatives and academicians, in which UNNATI is an active member.

Grass-roots level NGOs, with our support as well as independently, have conducted meetings and initiated action in their local areas to systematise the PDS and health care services which was adversely affected by the liberalized policies.

We hope that this report in its present form will be of use to formulate and lobby for pro-poor policies. We will be happy to associate ourselves with such movements and initiatives that protect the interest of the poor in this liberalisation/globalisation process.

Binoy Acharya
Director
UNNATI

Alice Morris
Programme Coordinator
UNNATI

June 2001

Acknowledgments

We owe tremendous thanks to the collaborating grass-roots organisations, without whose absolute dedication and support throughout the research process, this project would not have been possible: Centre for Economic and Social Concern (CESC), Ahmedabad; Gram Vikas Sewa Trust (GVST), Sabarkantha; Gramya Kamdar Sewa Kendra (GKSK), Junagadh; Kamdar Swasthya Suraksha Mandal (KSSM), Ahmedabad; Shramik Sewa Sansthan (SSS), Ahmedabad; Navdeep Pragati Yuvak Mandal (NPYM), Sabarkantha; and Vivekananda Research and Training Institute (VRTI), Kutchchh.

We thank the community members who offered us genuine hospitality and patiently provided data on their living conditions.

We are grateful to ACTIONAID, India, Bangalore, for its support in the monitoring study during 1993-96 and Oxfam (India) Trust, Ahmedabad, during 1997-98 for sponsoring the cluster level study.

Trupti Jain of UNNATI for being instrumental in the monitoring study, consultations and draft reports, Upendranath of ACTIONAID for help during the PRA exercises, Prem Ranjan for his involvement in the cluster level studies, Murli Srinivas and Kanu Lakum for help in the case studies and Kalimuttu, Sarat Panda and Samir Rathod for their help in organising the data.

We acknowledge the contribution of several members of the grass-roots organisations, whose enthusiasm not only fueled their efforts in the household level study process, but also inspired them to take up many of the emerging issues for advocacy: H. P. Mishra, KSSM; Ratilal Parmar, SSS; A. M. Qureshi, NPYM; Manoj Rajan, GVST; Susheelaben Engineer, CESC; Mavjibhai, VRTI; and Madhubhai Vageda, GKSK.

Several individuals proved to be steadfast sources of encouragement and support for the project. These include colleagues of Society for Promotion of Area Resource Centre, Mumbai SPARC); Voluntary Action Network India, Delhi (VANI); Dr. Amitava Mukherjee, Mr. Binu Thomas, Prof. Sebastian Morris, Dr. Keshav Das, Dr. Dharshini Mahadevia, and Bhabani Das.

CONTENTS

Background

Chapter 1	: Structural Adjustment Programme in India	01
Chapter 2	: Methodology	08
Chapter 3	: Living Condition of the Poor	11
Chapter 4	: Impact on the Natural Resources of the Region	21
Chapter 5	: People's Voice	32
	(i) Protest Against Unregulated use of water bodies for Industrial purpose	
	(ii) Protest Against Industrial Pollution	
	(iii) Protest Against Denotification of Reserved Area	
	(iv) Movement Against Takeover of Common Property Resources	
	(v) Protest Against land degradation	
	(vi) Struggle Against displacement	
	(vii) Action against Privatisation of Social Services	
Chapter 6	: Protecting the Poor	44

Annexure		46
-----------------	--	----

References		55
-------------------	--	----

Acronyms

ABJSS	Amod Bhugarbh Jal Suraksha Samiti
AMC	Ahmedabad Municipal Corporation
ARTEP	Asian Employment Programme
ASAG	Ahmedabad Study Action Group
BC	Backward Class
BIFR	Board for Industrial and Financial Reconstruction
CERC	Consumer Education and Research Centre
CESC	Centre for Economic and Social Concern
DDO	District Development Officer
DPCO, 95	Drug Price Control Order, 1995
EIA	Environment Impact Assessment
ESIS	Employee Service Insurance Scheme
FAO	Food and Agriculture Organization
FDI	Foreign Direct Investment
GAC	Gujarat Ambuja Cement.
GACL	Gujarat Alkali and Chemicals Ltd.
GATT	General Agreement on Trade and Tariff
GEB	Gujarat Electricity Board
GHCL	Gujarat Heavy Chemicals Ltd.
GIDC	Gujarat Industrial Development Corporation
GIIC	Gujarat Industrial Investment Corporation
GKSK	Gramya Kamdar Sewa Kendra
GKSSAS	Ghamtvad Khedut Samaj Sangathan Ayojan Samiti
GLI	Gandhi Labour Institute
GMB	Gujarat Maritime Board
GMDC	Gujarat Mineral Development Corporation
GOI	Government of India
GPCB	Gujarat Pollution Control Board
GR	Government Resolution
GSFL	Gujarat State Fertiliser Ltd.
GSM	Gujarat Surksha Mandal
GSTC	Gujarat State Textile Corporation
GVST	Gram Vikas Seva Trust
GWSSB	Gujarat Water Supply and Sanitation Sewerage Board
IEM	Industrial Entrepreneurs Memorandum
ILO	International Labor Organization
IMF	International Monetary Fund
IOC	Indian Oil Corporation
IPCL	Indian Petrochemical Ltd.
JVEC	Jan Vikas Ecology Cell
KLTPS	Kutch Lignite Thermal Power Station

KSSM	Kamdar Swasthya Suraksha Mandal
LOCOST	Low Cost Standard Therapeutics
LPG	Liquid Petroleum Gas
MNC	Multi National Corporation
MOU	Memorandum of Understanding
M RTP	Monopolies and Restrictive Trade Practices
MTF	Manviya Technology Forum
NEERI	National Environment Engineering and Research Institute
NEP	New Economic Policy
NGO	Non Governmental Organisation
NIP	New Industrial Policy
NMP	New Mining Policy
NPNS	Narmada Pradushan Nirvan Samiti
NPYM	Navdeep Pragati Yuvak Mandal
NRI	Non Resident Indian
NTC	National Textile Corporation
NTPC	National Thermal Power Corporation
ONGC	Oil and Natural Gas Commission
PDS	Public Distribution System
PHC	Primary Health Centre
PJPST	Peye Jal Pagala Samiti, Tannchha
PRA	Participatory Rural Appraisal
PSS	Paryavaran Suraksha Samiti
RBI	Reserve Bank of India
R&D	Research and Development
SAP	Structural Adjustment Programme
SC/ST	Scheduled Caste/Scheduled Tribe
SEBI	Securities and Exchange Bureau
SEPZ	Surat Export Processing Zone
SLPEs	State Level Public Enterprises
SPSS	Saurashtra Paryavaran Suraksha Samiti
SSS	Shramik Seva Sansthan
STD	Subscribers Trunk Dialing
TB	Tuberculosis
UNICEF	United Nations Children's Fund
UNNATI	Organisation for Development Education
VANI	Voluntary Action Network in India
VRS	Voluntary Retirement Scheme
VRTI	Vivekananda Research and Training Institute
WHO	World Health organisation
WIFPR	Western India Forum for Panchayati Raj
WMRF	West Mangrove Reserve Forest

Glossary

andolan	movement
charans	traditional nomadic livestock keeping community
dharna	sit-in protest
gaucher	grazing land
juni sarat	old tenure
kharif	monsoon season
khedut	farmer
kutchra	non-durable
Madrasa	Muslim school
maldhari	traditional nomadic livestock keeping community
"Nagher"	green belt
navi sarat	new tenure
panchayat	local self-government
pucca	durable
rabi	winter season
rajko	cattle-feed
Sarpanch	village leader

Background

During the seventies and eighties, several African and Latin American countries solicited support from the World Bank and IMF to overcome a balance of payment crisis. The subsequent World Bank- and IMF-directed macroeconomic stabilisation policies, generally referred to as SAP, included both short and long-term policies to restructure various sectors of the economy. The experiences of these countries, which have been widely documented, demonstrate conclusively that such policies have resulted in a deterioration of living conditions among the poor.

International publications, such as UNCEF's 'Adjustment with a Human Face, and Structural Adjustment: By Whom, for Whom' by ILO and ARTEP, have been critical of SAP programmes of Sub Saharan Africa and Latin America. FAO has expressed that "it is not true to say that adjustment policies are no more skewed against the poor than any other set of policies" (Parathasarathy 1994). Even studies conducted within the Bretton Woods institutions (Kakwani et al. 1990; Heller et al. 1988) have shown SAP to have an adverse impact on the living standards of the poor in the adjusting countries.

As a response to a similar crisis in the economy, in 1991 India also adopted a macroeconomic adjustment process with support from World Bank and the IMF. Based on the experiences in Africa and Latin America, the different sections of civil society in India, including NGOs, political parties and the media, became involved in a serious debate on the economic policies of the government and their relevance to development.

Some sections have celebrated these initiatives with an anticipation that India would emerge as one of the fast growing Asian economies, as was the case in South Korea and Taiwan. They have recommended that reforms be swiftly executed in all sectors in order to attain a higher growth rate of the economy (Bhagawati and Srinivasan 1993).

Some have argued that, in the long run, due to corrections in the economies of the adjusting countries, eventually the poor will benefit from the trickle-down effects of growth. They thus emphasise the need for identifying vulnerable groups that will be adversely affected in the short-term and designing 'safety net' programmes to support them during the period of stabilisation and structural adjustment.

At the same time, some quarters have expressed concerns about the process of adjustment being adopted, especially in its relation to the living conditions of the poor. With the largest number of absolute poor in India, the issue of living conditions is a critical one.

Unfortunately, very little of what has been said so far on the impact of SAP on the poor in India has been based on primary empirical evidence. This is mainly due to lack of studies based on hard primary data. However, in the absence of micro-level evidence on a large scale on the living conditions of the poor, it has become difficult to arrive at conclusions and/or influence policies being pursued under SAP to safeguard the interests of the poor. How SAP is affecting the lives of the Indian poor is a burning question that demands an answer. The impact of SAP on the poor and marginal sections in rural and urban areas is of particular concern to NGOs of India that are working on poverty issues.

In response to a strong need to examine the impact of SAP and follow up NEP, specifically on the lives of the poor, UNNATI initiated a two-phase collaborative participatory study in late 1993 to monitor the impact of SAP on the poor in Gujarat. The first phase included a longitudinal study of selected poor households. This was taken up in collaboration with seven grass-roots organisations and concerned individuals working with tribal, agricultural labour and other occupational groups in the unorganised sector in urban and rural areas (GVST, Idar taluka, Sabarkantha, SSS, Ahmedabad, KSSM, Ahmedabad NPYM, Poshina, Sabarkantha VRTI, Mandvi taluka, Kutchch, CESC, Kanbha, Ahmedabad, GKSK, Mangrol, Junagadh) and with support from ACTIONAID, India. In the second phase, with support from Oxfam (India) Trust, Ahmedabad, visible adverse impacts of liberalisation on the environment and communities and people's resistance at the local level were documented. The study process was carried out during a period of six years (1993-99).

The study aimed not only to generate data for use in analysing and understanding the living conditions of the poor under the SAP policy regime, but to contextualise the impact of specific policies on the poor and to enable policy influencing at various levels. The study would also enable the participating organisations to build an information base about their target areas and target groups and identify issues, which warrant immediate attention from the programme point of view.

In order to familiarise the reader with SAP, Chapter I discuss the theoretical issues related to SAP. Chapter 2 elaborates the study methodology, Chapter 3, presents the main findings of the household level study, Chapter 4 captures the visible impacts at the meso-level, Chapter 5 documents the people's resistance initiated at the local level against the adverse impacts particularly on the environment and natural resources. Chapter 6 covers emerging trends based on the findings and tries to articulate some recommendations for policy changes.

STRUCTURAL ADJUSTMENT PROGRAMME IN INDIA

Since in 1947, India had followed a mixed and protective economy with limited dependence on foreign investment. Specific roles were assigned to both the public and private sectors, and the state played an active role in bringing about transformation in both agricultural and industrial sectors through successive Five-Year Plans.

However, in the eighties India initiated certain policies to open up the economy, such as devaluation and lowering trade barriers. The emphasis has been to produce consumer products by importing foreign technology and products. Soon it was discovered that the profit generated was not able to cover the import cost. This resulted in an adverse balance of payment, popularly known as BOP crisis.

In order to overcome this crisis, India sought support from the World Bank and IMF under the SAP loaning facility. It is known that this agreement was made giving thrust on liberalisation, privatisation and globalisation, essentially opening up the economy to foreign investment and global market forces.

In the process of implementing SAP, India administered a two-stage devaluation of its currency. It also took several steps to ensure quality control and to make Indian industry competitive in both the domestic and international markets, boost foreign exchange earnings through promotion of exports and reduce government deficit through cuts in subsidy, primarily in social sectors like health, education, child welfare, employment generation, food, housing and fertiliser. This reduction is visible in the 1991-92 budget.

Other highlights of SAP policies are removal of price controls on steel and fertiliser, trade and investment regulations, drug price control, reservation for the small-scale sector (paving the way for larger firms to set up operations), regulation of capital markets and the formation of SEBI.

A brief discussion on some sectoral reforms is necessary at this juncture as they have a direct bearing on the economy of Gujarat and will have an impact on the poor and marginal sections in the state.

KEY REFORMS UNDER SAP

Some of the major reforms have been introduced in industry, mining, banking, ports and infrastructure and import-export. The major emphasis in these reforms is to check losses incurred in the sick or non-viable public sector units. Some of the key reforms are as follows:

Disinvestments in the Public Sector and Closing Down of Sick Units

All manufacturing industries, like cement, iron and steel, pharmaceuticals, etc., and sectors such as telecommunications, airlines, ports and infrastructure, have been removed from the public sector reserved list, except those related to defence and allied sectors. It was decided to refer sick public enterprises to BIFR for the final decision on closure/revival. A social safety net called the National Renewal Fund was also constituted for the rehabilitation of workers affected by closure of public sector industrial units. The fund makes provisions for training and skill development, counselling, placement services and payment of compensation.

Delicensing

All industrial licensing has been abolished, irrespective of the level of investment, with the exception of certain types of industries, namely, those that have environmental implications and are thus required to apply for a license. Existing industries may expand without prior government clearance. The MRTP Act has also been amended.

Inviting Foreign Investment

Regulation of foreign investment and foreign technology policies were formulated to attract foreign investments. Foreign technology agreements are permitted for 35 priority industries, which account for about 50 per cent of the value added in the manufacturing sector. Within this category, in the case of foreign investment, automatic permission will be available for foreign equity participation up to a majority 51 per cent equity share. Entry of foreign institutional investors is also permitted.

These measures have resulted in a substantial structural reform of the National Industrial Policy, which the government expects will create a more structurally sound economy and provide more space for market forces to operate.

REFORMS IN GUJARAT

Given the central government industrial policy and to keep in line with the liberalisation being undertaken at the centre, Gujarat and many other state governments have also undertaken significant policy reforms to encourage industries.

Liberalisation of Industrial Policy

The Government of Gujarat announced a new industrial policy in December 1995 that has provided a thrust to reforms in the power, agriculture and social sectors during subsequent years. The state has initiated reforms such as promoting foreign investment, taking steps to simplify rules and procedures for clearance, strengthening administration, encouraging private participation in infrastructure and development and management of industrial estates, restructuring of District Industrial Centres and removing artificial barriers within

the state.

Incentives have been announced for setting up industrial estates in backward and neglected regions of the state with a thrust on employment intensive industries. The state pledged to provide incentives to invest in specific infrastructure development like roads, power and ports, and identified electronics, ancillary development, garments, gems, jewellery, food and agro-processing, handlooms and leather goods as thrust areas for development. The government has also announced schemes for industrial rehabilitation and revival of non-BIFR and small-scale sector units and complete modernisation of textile mills.

Agro-processing industries are being encouraged in rural areas and in peri-urban settlements, which will provide an impetus to industrialisation and urbanisation. It is also aimed to promote the creation of adequate employment opportunities for rural populations moving out of agriculture.

NRI investments are being promoted through the industrial extension bureau, special incentives, reservation on priority basis for plots and sheds in industrial townships or industrial estates and schemes for construction of luxurious houses. The government has proposed single window clearance to reduce time and paperwork involved in clearing industrial projects.

Liberalisation of Land Policy

As a part of the support to the industrialisation process, in 1994 the state government made amendments in land laws to make land easily available to industries. The three major changes are:

1. The government amended the act regulating the purchase of agricultural land by individuals. The regulation prohibiting the purchase of land beyond an 8-km radius of one's residence has now been removed. As a result, individuals are allowed to purchase agricultural land anywhere in the state for private use.
2. The government amended the Bombay Land Revenue Code and Bombay Tenancy and Agricultural Lands Act to simplify the regulations

and procedures involved in converting agricultural land for use in non-agricultural purposes. Any person purchasing land up to 10 ha for bona fide industrial use will not have to take a No Objection Certificate for land transfer, but will have to simply notify the district collector within 30 days of its use. For purchase of land above 10 ha, permission of the State Industries Commissioner is required, but not from the Revenue Department.

3. The state Revenue Department categorised land into two areas: (i) Old Tenure or 'Juni Sarat', which includes all traditional land holdings that have been held by agricultural families over generations, and (ii) New Tenure or 'Navi Sarat', which covers all land given by the state government to weaker sections, particularly to the SC/ST and those displaced by calamities and development projects. Earlier, sale of the second category of land was not allowed. The new amendment essentially converts Navi Sarat into Juni Sarat, thus allowing the owners to sell their land at will.

Through the resolution of 1994, the government has also facilitated the purchase of large tracts of land (minimum of 10 acres and maximum of 2,000 acres) for plantation of horticulture or other agricultural purposes by NRI owned companies, cooperatives and individuals. The government provides an assurance that land for units investing Rs.100 crores or more will be sanctioned within two months. It has also recently formed a committee under the chairmanship of the Chief Secretary of Gujarat to suggest ways and means of reducing delays in acquiring land for industries.

Liberalisation of Mining Operations

The new National Mineral Policy was announced in 1993, which made amendments to the Mines and Minerals Act (1957) for devolution of power to the state governments. The policy changes have deleted 15 minerals from the first schedule of the act, which indicates that the state government no longer requires prior central government approval to grant or renew any prospective license or mining lease. It also

removed an earlier restriction of equity holdings by foreign nationals/companies in mining companies.

Some of the provisions of the Mineral Concession Rules (1960) were also amended. These changes relate to: (i) the deemed renewal of mining leases till the renewal of the application is decided by the state government, and (ii) the deemed inclusion of newly discovered minerals in the prospecting license consequent to reporting their discovery to the state government. This will lead to increased quantity of minerals that can be extracted during the prospective operation for non-commercial purposes. The procedures for submission of mining plans have also been simplified.

Liberalisation of Financial Institutions

Restrictions on foreign investment in the banking sector have been partially removed. Foreign institutions have been allowed to invest not only in industries but also in the insurance sector, which is the reason that GOI devalued its currency on two occasions.

Port Policy

Gujarat has a 1,600-km coastline, which is the longest in India. The state government has expressed its belief that the process of globalisation and privatisation will take place primarily through ports in the private or joint public-private sectors. To this end, a port policy was enacted in 1995. The state has identified existing port sites like Dholera, Maroli, Vansi, Borsi, Hazira, Dahej, Mithivirdi, Sima, Poshitra, Rozi and Mundra for further development and up gradation.

Infrastructure Policy

The Government of Gujarat enacted a Road Policy in 1995. It is expected to provide expressways along the main high-density corridors in the state to ensure efficient and cost effective transportation for a competitive edge in trade and industry, through private or joint public-private initiatives.

The chart below provides a summary of reforms undertaken so far and their implications for the state and followup action taken by the state government.

CHART

Reforms in the Industrial Sector

India	Gujarat
<p>Abolition of industrial licensing. Licensing is restricted to certain products. Not necessary to take prior clearance for expansion, free to produce articles according to market demand.</p> <p>Removal of irritants like the phased manufacturing programme and the mandatory convertibility clause.</p> <p>Removal of investment controls on large business houses.</p> <p>Removal of price controls on steel and fertiliser.</p> <p>Efforts to minimise labour rights for closure, relocation and downsizing.</p> <p>Simplification of rules and procedures relating to industry and other sectors.</p> <p>Simplification of land acquisition for industry/agro-industry.</p>	<p>During 1994-95, 19 licenses with an anticipated investment of Rs.1,036 crores were issued for new industrial undertakings and for expansion of manufacturing in existing units in the state.</p> <p>IPCL has drawn up an expansion plan of Rs.1,875 crores. Torrent Gujarat Biotech and GIIC have commissioned the country's biggest automated penicillin project.</p> <p>Incentives have been announced for industrialisation of backward and neglected regions with priority on employment intensive industries.</p> <p>Projects related to infrastructure have been made eligible for incentives for the first time. Single window clearance for development and upgradation of infrastructure.</p> <p>Identified thrust areas for investment include electronics, ancillary development, garments and jewellery, food and agro-processing, handloom and handicrafts and leather goods.</p> <p>Agro-processing industries are being set up all over the state.</p>

A Special Small-scale Sector Policy

India	Gujarat
Adequate flow of credit on a normative basis and quality of delivery.	Entrepreneurship development, R&D and modernisation of existing units and simplification of rules and regulations, single window clearance, industrial rehabilitation schemes for revival of non-BIFR and small-scale sector units.
Access to capital markets for small-scale industries.	
Encouragement to set up industries in rural backward areas.	Setting up of industrial townships.
Marketing and export support. Modernisation, technological and quality upgradation of small-scale industries.	Development of ports and renovation of historical ports. The country's first private port, Gujarat Pipavav Port Ltd., is being developed to support cargo handling.
Promotion of entrepreneurship. Five per cent cash subsidy in capital investment in small-scale industries and additional subsidy for SC/ST entrepreneurs.	Easy purchase of land in rural areas near urban centres.

Reforms in the Mining Sector

India	Gujarat
Greater stability of tenure of prospecting licenses and mining leases.	Kutch and Saurashtra identified as areas with major sources of mineral deposits like bauxite, bentonite, marble, graphite and feldspar, which will be explored and exploited systematically.
Removal of restriction on equity holding by foreign nationals in mining companies.	
Deemed renewal of mining leases till the state governments make a decision on the renewal application.	Vast amounts of mineral wealth in Gujarat are found in the forest area, which comes under the Forest Protection Act and cannot be exploited. The state intends to make such land available to earn revenue for the state exchequer. Part of the Gir forest has already been leased out to cement units for mining.
Enhanced limit for quality of minerals that can be removed during prospecting operations for non-commercial purposes.	
Simplification of procedures relating to submission of mining plans.	Industries based on minerals are being encouraged. To secure value addition, lignite based power plants and cement plants will be set up in Kutch.
Long-term leases (more than 20 years) and streamlined procedures for lease renewal.	To earn foreign exchange, mineral estates will be set up near mining sites for processing. Infrastructure (water, power, transport and communication) will be provided.

Public Sector Reforms

Centre	Gujarat
Dereservation of industries for the public sector.	Increased private sector participation in communication, transport and power generation. A contract has been given to the private sector for the first expressway in the country between Ahmedabad and Vadodara costing Rs.225 crores.
Refer sick public sector units to BIFR and expedite closure of sick and loss making units.	Closure of textile mills. Nine NTC and 11 GSTC mills are in the process of being closed down. Sick units are being referred to BIFR, loss making units are being closed down and workers are being retrenched through VRS.
Establishment of the National Renewal Fund for rehabilitation of workers and introduction of VRS.	GLI identified as the training centre. Retrenched workers are given vocational training; however, little progress has been made to ensure workers' compensation.
Forty-nine per cent disinvestment, especially in areas where the private sector has developed sufficient expertise and resources.	A report has been submitted in April 1994 regarding privatisation of public sector units.
Removal of monopolies and price control to create a more professional and market oriented public sector.	Disinvestment in SLPES, which is to be reorganised and reoriented for meaningful contribution towards achieving balanced development.
Extension of the scope of the MoU to include all public sector units except those that are referred to BIFR.	Introducing the system of MoUs between the undertaking and state government. GIIC has signed MoUs for six projects relating to air, taxi, rail, transit system, development of ports and STD communication.
	All commercial activities of the state or Tourism Corporation of Gujarat Ltd. will be privatised.

Reforms in Agriculture

Centre	Gujarat
Removal of most products from the restricted list for exports.	Power subsidy to the agriculture and rural sector to be continued.
Increased credit available for commercial agriculture.	
Credit facility available to farmers for irrigation and farm/allied activities.	Free power supply to village water works from April 1995.
Removal of restrictions on inter-state movement of grains.	Fertiliser subsidy to small farmers to be continued.
Eventual access to Indian markets for overseas food suppliers under the GATT agreement. Strengthening of seed manufactures' rights over farmers' rights under the GATT agreement.	

Foreign Investment and Technology Reforms

Centre	Gujarat
Removal of all restrictions on foreign investment to increase the maximum foreign equity to 75 per cent.	Encouragement for foreign investment in high technology and high priority industries.
Permission for entry of foreign institutional investors.	Encouragement for FDI in infrastructure projects, especially power, ports, construction of roads and bridges as well as social infrastructure, such as health, education and tourism.
Automatic permission for foreign equity up to a majority 51 per cent equity for a list of high priority industries.	Inflow of foreign technology for technological upgradation and modernisation of different industrial sectors, including infrastructure projects in the state.
Permission for up to 51 per cent foreign equity holdings in the service industry.	Simplification of rules and procedures for investors.
Automatic approval for a specified list of high technology and high investment priority industries to make foreign technology agreements within certain guidelines.	Promotion of NRI investment through extension bureau and special incentives like reservation on priority basis for plots/sheds in industrial estates and industrial townships.
	Government of Gujarat, who ranks fifth in FDI, made approvals worth Rs.2,449 crores between August 1991 and October 1995.
	Ravethon Corporation and Reynold Inc. are joining hands with the state government to set up an aluminum project in Gujarat at a cost of Rs.1,400 crores.
	SEPZ has become the first of its kind in the private sector and has been functioning since December 1995. The Federation of Indian Export Organisations has identified Surat as a category 'B' export intensive area for diamond jewellery.

METHODOLOGY

As mentioned in the background, this study has been undertaken in two phases. It was initiated with an overall concern for the adverse impacts of liberalisation on the poor. With the announcement of SAP in 1992 the civil society institutions did not have a clear action agenda to address the potential adverse impact.

In this context, UNNATI organised a two-day consultation on 12–13 March 1992 in which 31 NGO leaders from Maharashtra, Rajasthan and Gujarat discussed the role of people's groups and NGOs in combating the adverse impact of liberalisation policies on the lives of the poor. The outcome was a clear and solid conviction that our efforts should educate people about the policies and their impact and empower them to take action to change those policies that are adversely affecting their lives. A similar sentiment was echoed in various other national level consultations, including a meeting organised by VANI in April 1992 in Thiruvananthapuram. This process created a countrywide mandate to initiate a popular educational process with the common people.

UNNATI activated a participatory research and popular education process, taking into account the importance of people's participation in gaining critical understanding of their situation and the need for advocacy, from the community level to the national level, to effect policy changes. In order to reach out to the community and to enable them to participate in advocacy in a meaningful way, active involvement of grass-roots level NGOs was sought. Since UNNATI works in collaboration with many grass-roots groups, finding partners for the study was not a difficult task.

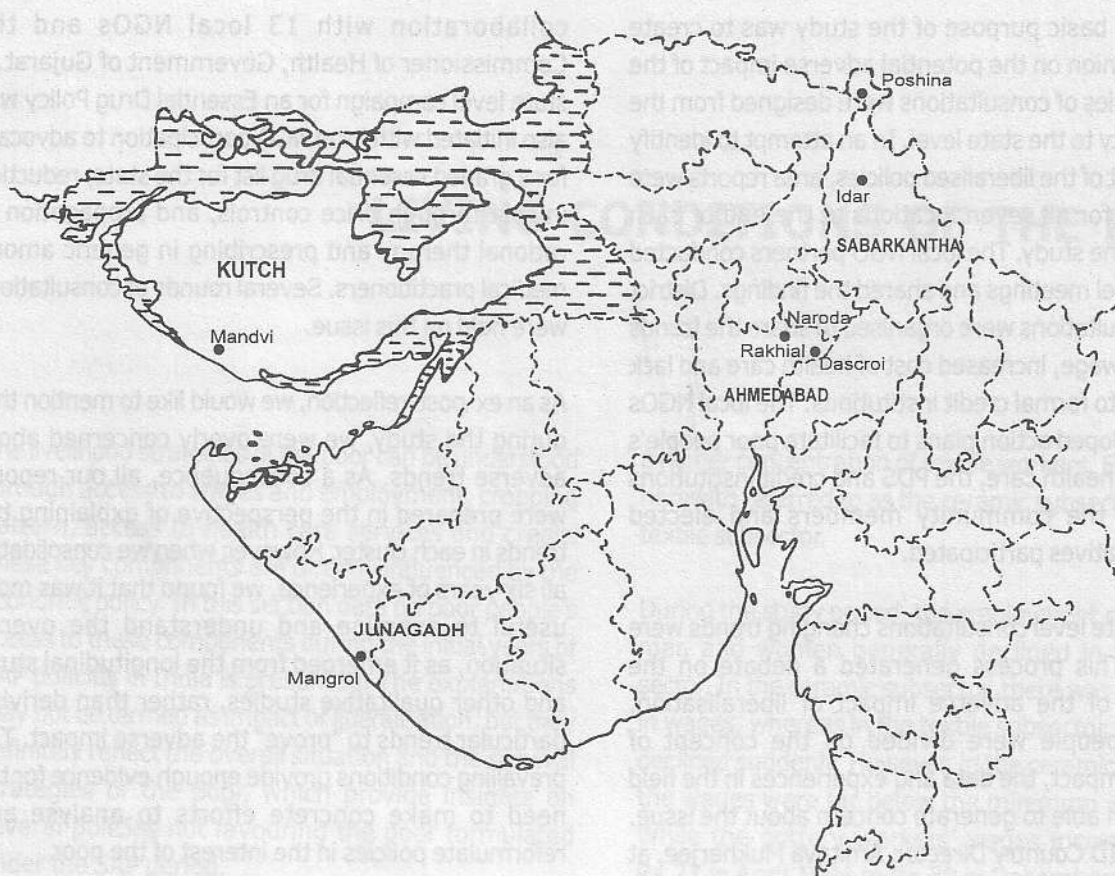
LONGITUDINAL STUDY PROCESS

A longitudinal study was conducted in seven locations in Gujarat—one tribal area (Khedbrahma taluka, Sabarkantha district); two in Ahmedabad city slum areas; and one each in five rural areas (Daskroi taluka, Ahmedabad; Mandvi taluka, Kutch; Mangrol taluka, Junagadh; and Idar taluka, Sabarkantha district).

This study was not intended to be statistically representative, neither in terms of sample size nor coverage of the state. It was designed to facilitate the maximum level of people's participation in the study. The criteria were based on the willingness of local NGOs to work towards enhancing people's awareness on the NEP. The opportunity was ideal as the seven NGOs involved in the study have a long-standing presence in the areas and an established relationship with the local poor communities. The participation of a larger section of the community was possible through conducting periodic regional and state level consultations.

The study design, developed in consultation with these NGOs, covered key aspects like wages and employment, changes in agriculture practices and food security and access to health services and credit. Overall, the study aimed to examine the people's living conditions and survival strategies.

To collect relevant data, a questionnaire was developed for household level survey. In each area, a cluster of villages/slums was selected, which were part of the project area of the local NGOs addressing poverty issues as there is prevalent material



MAP OF SEVEN LOCATIONS IDENTIFIED FOR THE STUDY

deprivation (defined as low household assets and low land holding size). Ten per cent of the households were then selected on a recurrent (every 10 households) sample basis.

Based on the lessons of one round of the study, conducted in September 1993 to test our methodology, the questionnaire was revised. Four additional rounds of data were then collected during April 1994, December 1994, April 1995 and December 1995. These six-month periods were selected to cover both the *kharif* and *rabi* agricultural seasons. A total of 1,368 households were surveyed from the seven locations: 247 from two urban slums, 918 from four rural areas and 203 from one tribal area.

Along with the survey, we also conducted PRA and case documentation. In order to actively involve people in the study process and to collate qualitative data in each location, PRA exercise was carried out

during July 1995 and May 1996. It primarily examined access to basic services, changes in wages, changes in cropping pattern and survival strategies looking at income sources, expenditure level, nature of cropping, credit, migration, etc., during the previous 12 months. During this process, we also documented individual family struggles to cope with the emerging situation.

DOCUMENTATION OF ADVERSE IMPACTS AT THE COMMUNITY AND ENVIRONMENTAL LEVEL AND PEOPLE'S PROTEST ACTION

By the end of 1997, many visible adverse impacts in different regions of Gujarat were witnessed. The local people's organisations had begun voicing their concerns and launching protest actions. A study team traveled to different parts of Gujarat to meet the members of these people's organisations and document both the impact and protest actions. The team interacted with about 30 organisations.

Since the basic purpose of the study was to create public opinion on the potential adverse impact of the NEP, a series of consultations were designed from the community to the state level. In an attempt to identify the impact of the liberalised policies, area reports were prepared for all seven locations at the end of each round of the study. The local NGO partners conducted village level meetings and shared the findings. District level consultations were organised to share the trends of loss of wage, increased cost of health care and lack of access to formal credit institutions. The local NGOs also developed action plans to facilitate poor people's access to health care, the PDS and credit institutions in which the community members and elected representatives participated.

In the State level consultations changing trends were shared. This process generated a debate on the question of the adverse impact of liberalisation. Though people were divided on the concept of adverse impact, the data and experiences in the field have been able to generate concern about the issue. ACTIONAID Country Director, Amitava Mukherjee, at the Social Summit held in 1997 in Copenhagen, Denmark, also shared some of these trends. It may be noted that the Social Summit in its official document recognised the potential adverse impact of the liberalisation process and the need to undertake corrective policy actions.

One of the findings indicated that poor people are burdened with increased health care costs, mainly due to lack of access to government PHCs as well as an increase in drug prices. This prompted a separate research study on the functioning of PHCs in

collaboration with 13 local NGOs and the Commissioner of Health, Government of Gujarat. A state level campaign for an Essential Drug Policy was also initiated with local NGO participation to advocate for a graded essential drug list for the state, reduction in cost through price controls, and propagation of rational therapy and prescribing in generic among medical practitioners. Several rounds of consultations were held on this issue.

As an ex-post-reflection, we would like to mention that during the study, we were overly concerned about adverse trends. As a consequence, all our reports were prepared in the perspective of explaining the trends in each cluster. However, when we consolidated all six years of experience, we found that it was more useful to examine and understand the overall situation, as it emerged from the longitudinal study and other qualitative studies, rather than deriving particular trends to "prove" the adverse impact. The prevailing conditions provide enough evidence for the need to make concrete efforts to analyse and reformulate policies in the interest of the poor.

In the entire process, participation of the community, NGOs and concerned individuals has made the study a truly participatory one. As a consequence, NGOs in the area have formed community level regional forums to carry out public education on the issue of pro-poor policies. While UNNATI facilitated the study process of six-years its ownership goes to the local NGOs and the community. Presently, NGOs in different parts of India are involved in monitoring the adverse impact of liberalization and we feel honoured to be part of the broader processes.

LIVING CONDITIONS OF THE POOR

The livelihood strategies of the poor can be understood through access to wages and employment, cropping pattern, access to health care services and credit. These key components are directly influenced by the economic policy. In this section data on poor people's access to these components during the initial years of SAP policies in India is presented. The explanations may not be termed as impact of liberalisation, but they definitely reflect the overall situation and the survival strategies of the poor, which provide insights on several policies not favouring the poor formulated under the SAP period.

WAGES AND EMPLOYMENT

Urban Areas

In order to understand the issues related to wage and employment of the urban workers the study primarily covered the manufacturing sector in two clusters (see Table 1 and 2 in Annexure). In one cluster in Ahmedabad, there was a higher concentration of ceramic workers, while in the other cluster there was

a higher concentration of textile workers. Each area is herewith referred to as the ceramic subsector and the textile subsector.

During the study period, the employment rate of both men and women generally declined in the urban sector. In the ceramic subsector, there was a slow rise in wages, whereas in the textile subsector, the wages declined suddenly. However, in the ceramic subsector the wages were far below the minimum wage rate. While the pottery workers' wages increased from Rs.21 in April 1994 to Rs.30 in December 1995, the textile workers' wages reduced from Rs.65 to Rs.50 during the same period (see Table 3 in Annexure).

Among the 77 households in the ceramic subsector, a total of 97 individuals lost their jobs (54 men and 43 women). In the textile subsector 115 jobs were lost (109 men and 6 women) from among 170 households. This high rate of job loss among textile workers was primarily due to closure of units subsequent to changes in textile policy.

Number of Jobs Lost in Urban Areas

Study period	Ahmedabad slum (pottery)			Ahmedabad slum (textile)		
	Male	Female	Total	Male	Female	Total
April 1994	20	19	39	35	—	35
December 1994	19	12	41	6	1	7
May 1994	8	4	12	36	2	38
December 1995	7	8	15	32	3	35
All rounds	54	43	97	109	6	115

Low technology and inability to compete with the melamine market have contributed to the steady decline of ceramic units. Most of the units were unable to upgrade technology due to lack of financial support; hence, they were forced to reduce their working capacity by 50 per cent. The 1994, RBI deregulation of interest rates under the new credit policy was also unable to attract the manufacturers to opt for upgrading the technology. Although this aspect needs to be further examined, it may be generalised that the value of selling the land on which the unit is located is more profitable than investing in the industry for modernisation.

Many kilns in the ceramic units were being fired once in a period of three months. The workers, who work on a piece-rate basis, were required only for a period of five days prior to the firing. Most of labourers have left the factory to seek casual labour in other sectors. They voluntarily moved out to other informal sector activities, mainly construction and self-employment like vending, repairing services, auto-rickshaw driving and domestic work. This is the only choice to improve the financial situation. During the study period, the construction sector wage rates fluctuated between Rs.34 and Rs.40. However, working conditions are highly hazardous and insecure. A large section of workers who lost their jobs have moved into other small-scale units, which have recently appeared on the scene and offer wages similar to that of the construction sector.

Among the textile labourers who lost their jobs, less than half have received compensation. Despite GOI having formed the National Renewal Fund in 1991 to rehabilitate retrenched workers from the public sector, not a single worker in our study area had received any support for counselling and skill upgradation. No assessment had been made of the fund to determine the extent to which it has been able to meet the objectives. For example Abilashbhai had been employed in Saraspur Textile Mill for 16 years when in 1994 he was asked to leave his job. He then started working as a floor tile polisher on a daily wage basis. He received Rs.50,000 as compensation for his dismissal; however, in the absence of any support to

invest this money for self-employment, the money was spent to finance household expenses, his sister's marriage, repayment of existing loans, etc. Today Abilashbhai does not have a secure job, he earns a meagre wage and has almost no social security.

The level of women's participation in the textile subsector was as low as 2 per cent in the beginning of 1994 (see Table 6 in Annexure). By the end of 1995, it had increased to as high as 13 per cent. As male family members increasingly lost their jobs, the women had no other option but to enter into the job market. The feminisation of labour, which is a positive attribute is in fact happening under distresses conditions.

In both the urban slum clusters there was an increase in child labour, particularly the female child. In the ceramic subsector, this varied between 3-5 per cent, and in the textile sub sector between 1-3 per cent (see Table 4 in Annexure). The children work in highly hazardous ceramic and metal processing units. With the increasing loss of jobs and stagnating wage rates, it is likely that the incidence of child labour will increase. Similarly, if the household economy continues to languish, the incidence of female child labour in particular may increase.

Rural and Tribal Areas

In the four rural and tribal clusters, the main occupation in most households was agriculture (see Table 5 in Annexure). The average land holding size varied between 2-2.5 acres. In Kuchchh, the average land holding size was 11 acres. Since this is an arid area, the population density is low and such land holding is considered to be small. Seventy per cent of the households had small land holdings and 30 per cent were landless. A total of 175 out of 227 households in Ahmedabad; 124 out of 238 households in Kuchchh; 232 out of 310 households in Sabarkantha rural; 53 out of 143 households in Junagadh; and all 203 households in tribal areas owned land.

During 1994-95, overall labour force participation increased during the *rabi* season, whereas during the *kharif* season it declined. Labour Force Participation

Landholding Pattern

Area	No. of cultivators				Average size of land (acres)			
	April 1994	Dec. 1994	May 1995	Dec. 1995	April 1994	Dec. 1994	May 1995	Dec. 1995
Ahmedabad rural	183	204	186	175	1.8	1.8	1.8	2.1
Kutch rural	160	144	148	124	12.3	12.5	11.0	10.8
Sabarkantha rural	188	224	220	232	2.5	2.5	2.4	2.0
Junagadh rural	42	55	68	53	3.5	2.3	2.3	2.7
Sabarkantha tribal	205	203	200	203	2.7	2.5	2.4	2.1

Note: Number of cultivators indicates the number of households that were cultivating on their own land as a percentage of the total number of households.

Rate is defined by the number of persons in the age group of 15–59 years working for more than 20 days in the month previous to the survey (see Table 6 in Annexure).

However, in Ahmedabad rural, during the *rabi* season the number of households involved in agriculture declined, while those involved in the construction sector increased from 2 per cent to 20 per cent. In the manufacturing sector a similar increase occurred (from 7 per cent to 10 per cent). During the *kharif* season, participation in farming increased and involvement in construction reduced. Hence, it is clear that small farmers do not find farming profitable and are moving into the wage market. This pattern was similar in all the other areas except Sabarkantha rural.

In all areas except Kuchchh, women were predominately involved in dairy and livestock maintenance. However, there was an increase of women entering construction, quarry and mining activities. In the Rabi season in Junagadh, rural women's involvement in construction increased to 16 per cent from a mere 1 per cent during the previous season.

In all areas the agricultural labour wage has remained stagnant (Ahmedabad Rs.15–18; Sabarkantha Rs.19–22; Junagadh Rs.24–30 and Kuchchh Rs.26–33). Hence, in real terms, the wage rate has not increased. However, construction and manufacturing were

providing a higher wage in all the survey areas.

In all the clusters, there was a decline in agricultural employment and an increase in construction and manufacturing activities. The rural and tribal labour forces are entering into the wage market, which is fluctuating and lacks a regulating mechanism to ensure better wages and working conditions, as the existing labour policy does not address issues of the unorganised sector. This movement has not been voluntary, but rather a result of push factors, namely low agricultural wage rates and limited employment opportunities, and has had a particularly adverse effect on women.

CROPPING PATTERN AND FOOD SECURITY

Manguben of Chandiel village near Ahmedabad was a small farmer who owned about 3 acres of land on which she used to cultivate a variety of crops like wheat, millet, rice and *rajko*. Suddenly, her husband, Ramsinghbhai, fell ill and they incurred a high expenditure on subsequent health care. In the same year, he lost his job at the textile mill. His health deteriorated and he died two months later. Manguben had to borrow Rs.15,000 from a big farmer to finance her fourth daughter's marriage. She did not earn enough money to repay this loan and ultimately mortgaged more than half of the land to a moneylender, who is now cultivating cash crops on this land using his own irrigation facility. She lost her position as a small farmer and had no choice but to

become a daily wage agricultural labourer.

As mentioned earlier, 70 per cent of the households in the study were involved in small or marginal farming. However, there was a decline in the number of cultivators in Ahmedabad rural and in Kuchchh as well as a uniform decline of land holding size in all areas. This is primarily due to lease and sale of land by the farmers for non-farm activity, like mining and construction of farmhouses among the urban elite. The lift on the state government ban on the purchase of land beyond the 8-km radius from one's place of residence has led to a common trend among the urban wealthy elite of acquiring land on which they build luxurious farmhouses. Captive plantation (agro-forestry) and construction of hotels and entertainment parks are other common uses for agricultural land.

In Kuchchh, particularly in Mandvi, mining companies are buying land from the small farmers to mine bentonite, which cosmetic companies use in moulding and production of face-packs. However, in other areas of the study this kind of trade was not identified.

In all areas, the *rabi* food crop declined from 1994 to 1995, whereas the *kharif* food crop showed a mixed trend (see Table 7 in Annexure). There was an increase in *rabi* non-food crops, particularly in Kuchchh and Sabarkantha rural and tribal. In Kuchchh in 1994 there was a major cotton crop failure and farmers immediately shifted to a mix of cotton and groundnut, which they felt was a more secure situation. Junagadh, which is particularly a groundnut area, continued to be high in this non-food crop during the *kharif* season.

Overall it seems that the emphasis on crops like rice, millet and juvar (type of corn), which are consumption food crops among the poor, is reducing and that there has been an increase in cash crops like cumin, castor, cotton and oilseed as well as in horticulture. At the same time, there has been a steep increase in input costs due to the rise in fertiliser and pesticide prices over the last three years coupled with a decrease in subsidies. This situation has left very little scope for profit (see Table 8 in Annexure).

Area under Cultivation (Acres)

Area	Food grains				Non-food grains			
	Rabi April 94	Kharif Dec. 94	Rabi May 95	Kharif Dec. 95	Rabi April 94	Kharif Dec. 94	Rabi May 95	Kharif Dec. 95
Ahmedabad rural	67.29 (93.26)	241.11 (90.18)	62.33 (93.49)	257.10 (89.34)	4.86 (6.74)	26.25 (9.82)	4.34 (6.51)	30.69 (10.06)
Kuchchh rural	62.50 (55.56)	970.57 (42.96)	47.00 (18.88)	97.00 (21.27)	50.00 (44.44)	1288.84 (57.04)	202.00 (81.12)	359.00 (78.73)
Sabarkantha rural	135.70 (47.85)	179.48 (36.13)	5.18 (17.85)	166.99 (35.99)	147.90 (52.15)	317.23 (63.87)	230.94 (82.15)	296.94 (64.00)
Junagadh rural	—	4.80 (3.95)	28.11 (96.10)	8.00 (6.72)	4.00 (100)	116.57 (96.06)	1.14 (3.90)	111.00 (93.28)
Sabarkantha tribal	268.75 (97.10)	215.03 (44.39)	152.50 (53.23)	164.25 (42.88)	8.00 (42.88)	269.39 (55.61)	134.00 (46.77)	218.81 (57.12)

Note: Figures in parentheses indicate percentages of the total cultivated area.

Lack of irrigation facilities often limits choices for farmers who may want to grow commercial crops instead of non-surplus crops. However, farm by-products alone, like fodder, potentially compensate the low level of production and returns.

The average food consumption has not considerably decreased. Poor people primarily consume millet, rice and wheat, in that order. In the tribal area the major consumption crop is maize. It has been discovered that in Sabarkantha, the small farmers treat maize as

per cent in Ahmedabad rural; 27 per cent in Sabarkantha rural; 26 in Junagadh rural; 7 per cent in Kuchchh; and 46 per cent in Sabarkantha tribal) used the PDS for overall purpose, particularly to buy kerosene and sugar.

It clearly seems that the small farmers are steadily entering into cultivation of cash crops where they sell what they produce and buy what they consume. This trend has a direct link with the farmers' food security. This option for cash crops may have dire implications

PDS Off-take among the Households per Month (December 1995) (kg.)

Area	Rice	Wheat	Buckwheat	Millet	Sugar	Kerosene
Ahmedabad rural	1.66	5.26	—	—	1.79	4.26
Kuchchh rural	3.47	3.53	—	—	2.42	5.51
Sabarkantha rural	3.02	11.25	—	—	2.47	8.55
Junagadh rural	1.16	4.19	—	—	2.17	5.72
Sabarkantha tribal	0.79	12.47	—	—	2.66	3.17

Average Purchase from the Local Shop (December 1996) (kg.)

Area	Rice	Wheat	Maize	Millet	Sugar	Kerosene
Ahmedabad rural	19.28	1.03	—	39.42	4.64	0.43
Kuchchh rural	0.38	6.01	—	3.41	1.71	0.91
Sabarkantha rural	1.87	15.25	4.75	21.10	2.52	0.61
Junagadh rural	9.72	34.29	—	27.13	4.17	0.02
Sabarkantha tribal	0.04	1.65	11.68	—	0.12	0.40

a commercial crop as well and sell it to the food processing units (maize is used in the preparation for starch, the base matter for other food processing).

Most people depend on the local, private shops to purchase basic food items. Wheat is the only major food item that the PDS provides. Though 85 per cent of the households hold ration cards, only 5 per cent use them for food purposes. A higher percentage (20

for the sustainability of the dairy and livestock activity as well, which is the secondary occupation in rural and tribal areas, as these cash crops usually do not provide adequate fuel and fodder. Without any protected market mechanisms, a crop failure or fluctuation in the market could destabilise the economic base of the family. Land alienation, already being witnessed in Ahmedabad and Kuchchh, is a clear indicator of this.

ACCESS TO HEALTH SERVICES

Financing health care cost is one of the critical areas in defining the survival strategy of the poor. It is access to government primary health care services is very limited, mainly due to large distances, poor infrastructure, non-availability of drugs and medical services and inconvenient timings health centre. These factors have also led to the alienation of the health care providers. Mistrust between the providers and the clients and lack of confidence in the system have resulted in a situation which is particularly tense

They took him to the primary health care centre, which was located in the village, but it was closed. The nearest other hospital, 7 kms away in Delwada, was also closed. The family then travelled 100 kms to Idar where the boy was admitted to a private hospital. They spent Rs.2,000 on various pathology tests and X'rays but the doctor was ultimately unable to diagnose the illness.

Although there was a mixed trend in terms of fluctuating expenditure in all areas during the study

Source of Medical Care

Area	Government				Private			
	April 94	Dec. 94	May 95	Dec. 95	April 94	Dec. 94	May 95	Dec. 95
Ahmedabad urban (ceramic)	33.9	26.1	56.5	53.8	66.1	73.9	43.4	46.2
Ahmedabad urban (textile)	33.8	20.5	22.5	18.9	66.0	79.5	77.5	81.0
Ahmedabad rural	21.7	21.1	26.5	13.6	78.3	78.8	73.5	86.3
Kuchchh rural	13.9	4.0	3.4	5.9	86.1	96.7	96.6	93.2
Sabarkantha rural	7.7	33.2	3.5	7.1	92.3	66.9	96.5	92.9
Junagadh rural	57.3	44.8	39.4	26.8	42.7	55.2	60.5	73.2
Sabarkantha tribal	7.0	2.8	3.9	0.4	93.0	97.1	96.7	99.5

Note: Numbers indicate percentages of individuals who sought medical care during the study period.

in remote rural areas where the doctor and the paramedical staff do not feel part of the community in which they work. A study of 44 PHCs in Gujarat reveal the high level of alienation of medical staff from the services. However the PHC coverage was better in Gujarat than many other states, where one PHC covered 19 villages, whereas the all-India average is 27 villages.

In both Ahmedabad urban and Junagadh rural, the access to government health services was higher, whereas in other rural and tribal areas it was very low. In Sabarkantha tribal during the last phase of the study, it was as low as 0.4 per cent. There was a high dependency on private services in all areas.

In Ganer village in the Poshina area of Khedbrahma, Anariben's son suddenly developed a serious illness.

period, the cost of treatment increased considerably for some diseases. In Ahmedabad urban, the cost of treatment for respiratory diseases increased from Rs.787 to Rs.1,527 from April 1994 to December 1995. The cost for treatment of gynaecological illnesses also increased in both the urban and rural areas.

Any single disease in both rural and urban areas, particularly in the case of major operations, accidents respiratory, heart kidney and gynaecological diseases, could lead to an expense of between Rs.800-10,000 (see Table 9 and 10 in Annexure). For poor households with no savings, cases of any such illness or emergency could lead to lifelong indebtedness. Fifteen to twenty per cent of the households spent between Rs.5,000 -10,000 for health care every six months.

Most of these households borrowed from informal and intra-family sources to cover the cost. With the loss of a job and stagnation of wage rates, the informal, intra-family source of credit for health care may be reduced, which is already evident in urban areas. In the ceramic subsector in Ahmedabad, the intra-family source decreased from 32 per cent in April 1994 to nil

of intra-family loan, but not as acute as the situation in urban areas.

There are cases in both rural and urban areas where, to cover the health care cost, families have pawned or sold their assets, including land and consumer durables. Ten percent of families in all seven areas

Average Expenditure per Episode (Rs.)

	April 1994	Dec. 1994	May 1995	Dec. 1995
Ahmedabad slum (ceramic)	1,160	327	468	514
Ahmedabad slum (textile)	1,505	1,344	703	789
Ahmedabad rural	592	573	952	678
Kuchchh rural	779	1,402	1,375	656
Sabarkantha rural	1,875	712	819	1,054
Junagadh rural	1,190	417	596	524
Sabarkantha tribal	444	283	234	171

towards the end of 1995. Similarly, in the textile subsector, the intra-family source reduced from 17 per cent to 8 per cent during the same period. In other rural and tribal areas, there was a diminishing source

were forced to take this option. The breakup is as follows: 439 people in April 1994; 203 in December 1994; 171 in May 1995 and 181 in December 1995. Nathabhai from Bidada village in Mandavi taluka of

Expenditure and Credit for Health

	April 1994		December 1994		May 1995		December 1995	
	Loan (Rs.)	Share of loan for health (%)	Loan (Rs.)	Share of loan for health (%)	Loan (Rs.)	Share of loan for health (%)	Loan (Rs.)	Share of loan for health (%)
Ahmedabad slum (ceramic)	3,94,600	13.56	3,90,900	10.85	2,31,700	4.01	2,04,500	8.80
Ahmedabad slum (textile)	7,56,550	16.87	5,36,640	18.32	7,20,000	10.68	5,91,200	4.40
Ahmedabad rural	4,03,550	7.28	2,08,150	11.17	3,77,000	17.11	2,99,150	17.55
Kuchchh rural	1,109,020	4.36	2,253,166	3.52	2,357,630	6.51	1,88,400	13.48
Sabarkantha rural	1,062,200	10.37	13,96,750	8.31	1,306,700	10.18	5,84,990	18.85
Junagadh rural	1,82,200	7.30	1,61,000	6.27	2,28,800	9.62	1,64,600	16.04
Sabarkantha tribal	1,08,879	11.39	1,11,442	14.06	1,29,530	11.52	71,173	8.01

Kuchchh incurred expenses totalling nearly Rs.15,000 for his daughter's TB treatment and surgery undergone by his wife. To cover the cost, he mortgaged all 3 acres of his land. Now, as he fears he will be unable to repay the loan, he is waiting for someone to buy it.

Badabhai, who lives in Chochar village in the Poshina area of Kedhbrahma, is suffering from TB. He sought treatment at a local trust hospital that charges Rs.100 per week for medication. He is entirely dependent on his son, who is a daily wage labourer, for the funds.

It may be noted that during the study period, the prices of both essential drugs as well as drugs used in national health programmes increased among various manufacturers. For example, the price of rifampicin (Wings), which is used in the treatment of TB, increased from Rs.240 to Rs.462 (150 mg); tetracycline (Sarabhai) increased from Rs.194 to Rs.214 (250 mg), whereas tetracycline (Paras) increased from Rs.550 to Rs.1,056 (250 mg); ampicillin (Unicare) increased from Rs.173 to Rs.262 (250 mg) and 10 tablets of paracetamol (Themis) increased from Rs.2.50 to Rs.5.50 (500 mg). Many essential drugs were removed from the DPCO in 1995.

The state health budget has been low, it increased from 2.2 per cent between 1992-95 to 2.7 per cent in 1996-97, and to 4.9 per cent in 1997-98. Hence, it is very clear that the health expenditure was low during the initial years of SAP. During 1994-95, the per capita health expenditure did not increase even one full per cent, and as such was not consistent with the increase in drug prices, which nearly doubled. While PHCs remain un accessible to the poor the increase in drug prices put heavy burden on the poor to meet the health care needs.

SURVIVAL STRATEGIES

Increasing loss of employment and stagnant wages in urban areas, escalating agriculture input cost in rural areas, and general expenditures, particularly in health care, are creating hardships among poor people in urban, rural and tribal areas. The options to cope with such situations are very limited.

As it has been mentioned in the earlier section, in urban areas people have entered into informal employment sectors including construction, and in rural areas people are migrating to distance locations to find work in the lean seasons (November-December and May-June). During the lean seasons, households

Details of Loans Availed

	Households taking credit (%)				No. of loans taken			
	April 94	Dec. 94	May 95	Dec. 95	April 94	Dec. 94	May 95	Dec. 95
Ahmedabad slum (ceramic)	84.1	89.5	61.7	58.4	90	117	52	46
Ahmedabad slum (textile)	46.4	36.6	57.8	48.8	87	64	106	83
Ahmedabad rural	56.2	44.1	48.3	41.4	144	109	116	99
Kuchchh rural	55.7	68.0	67.4	15.1	172	208	191	35
Sabarkantha rural	39.7	67.4	70.2	25.5	131	244	236	183
Junagadh rural	39.9	32.4	32.2	44.7	60	49	88	63
Sabarkantha tribal	44.4	79.2	69.0	60.1	102	219	172	131

Note: Number of households taking loans indicates the households that have at least one loan as a percentage of the total number of households surveyed. Number of loans taken also includes all multiple credit taken by the households.

do not have enough food stock for their own consumption and not enough savings to buy food in cash. As a consequence, credit is the only mechanism through which they balance their income and expenditure for survival.

It has been witnessed that during the year, in all areas nearly all the households were taking credit from different sources. However, the number of households seeking credit was high among the Ahmedabad slum

and only 10 per cent below Rs.5,000. This very clearly reveals the economic base of the poor households in different regions.

The major purposes of these loans were household expenditure and expenditure on marriage and death (see Table 11 in Annexure). Except the Ahmedabad ceramic subsector, in the remaining areas, one-fourth of the loans was used for income generating activities. About 10 per cent of the loans in all areas was used

Source of Credit

	April 1994			December 1994			May 1995			December 1995		
	1*	2	3	1	2	3	1	2	3	1	2	3
Ahmedabad slum (ceramic)	44.4	54.4	1.2	62.4	37.6	—	65.4	32.7	1.9	89.1	10.9	—
Ahmedabad slum (textile)	43.6	28.7	27.5	7.7	82.8	1.5	50.9	49.1	-	74.7	25.3	—
Ahmedabad rural	31.3	66.7	2.1	33.1	59.5	7.4	52.0	45.0	2.0	53.5	41.4	5.1
Kutch rural	43.6	33.7	5.7	36.5	43.8	19.7	30.6	62.1	7.3	22.8	65.7	11.5
Sabarkantha rural	79.9	10.7	9.1	39.3	34.4	26.3	38.1	50.4	11.5	55.8	35.0	9.2
Junagadh rural	46.6	46.7	6.7	36.7	44.9	18.4	52.2	43.3	4.5	71.4	28.6	—
Sabarkantha tribal	35.9	60.7	3.4	39.8	57.2	3.0	28.6	71.4	—	67.2	26.7	6.1

Note : Figures indicate the share of each source of credit in the total number of loans taken by each group of households.

* 1 = Informal, 2 = Intra-family and 3 = Formal.

pottery workers and in Kutch rural and Sabarkantha rural and tribal areas. The average loan amount was between Rs.3,000–8,000, except in Sabarkantha tribal area where it was below Rs.1,000.

In the Ahmedabad textile subsector and in Kutch rural, more than 50 per cent of the borrowers were taking loans above Rs.10,000. In the Ahmedabad ceramic subsector, Ahmedabad rural and Sabarkantha rural, this category was around 30 per cent. In Junagadh rural and Sabarkantha tribal, this category was small to non-existent. In Junagadh rural the bulk of the credit fell below Rs.5,000, whereas in other areas, 40 per cent fell between Rs.5,000–10,000

for health care purposes. However, this figure fluctuated and at times it increased to as high as 15–18 per cent.

In almost all areas the households accessed credit from informal and intra-family sources. In the Ahmedabad textile subsector and in Sabarkantha rural, there was better access to formal institution credit. In the Ahmedabad ceramic subsector, it was found that many former pottery workers were seeking credit from outside family sources to initiate self-employment activities. While access to and use of formal credit is important, it is necessary to examine the potential of indebtedness to the employer and

moneylenders in which pottery workers are often trapped. Access to formal credit from banking institutions is very negligible.

When pottery workers are first employed, the factory owners give them an initial loan, which they use for housing or to purchase food items. In the current situation of job loss and stagnant wages, it is very difficult to repay the money. When they are not earning an adequate wage and would prefer to seek alternative employment, they are forced to continue working for their present employer to pay off the loan. There is an ongoing debate among academicians on whether to define pottery workers as bonded labourers.

More and more people in rural areas have been trying to seek credit for income generation purposes, although there is no access to formal credit for small farmers. The size of such informal loans was small in Junagadh and Sabarkantha tribal, but high in other rural areas.

In Chandap village, located 20 km from the taluka headquarters in Idar taluka, Sabarkantha district, dalits and BC constitute 80 per cent of the population. About 30 families are traditional leather workers, most of which also own agricultural land. Dhanubhai, who comes from a dalit family, owns about 3 acres of land and also occasionally produces leather goods for local use. He has stopped doing his traditional scavenging work. After digging a well for irrigation, he sowed

castor on half of the land. He also took a loan of Rs.3,000 from family members to purchase a buffalo. This year the crop failed and he is uncertain about how to repay the loan. Danabhai feels his livelihood is supported by his own effort, his family, the community and by the grace of Mathaji (local goddess).

Without any formal institutional credit arrangement, in the event of any crop damage or unforeseen high expenditure on health care, people may be forced to distress sell or pawn assets. Many such cases have been reported in rural areas. The cycle of indebtedness creates a situation of bonded labour, in the practical if not technical sense.

Nearly one-fourth of the households mortgaged their assets in every six months. In all seven areas, out of the total (1,368), the following number out of households mortgaged assets: 352 in April 1994; 438 in December 1994; 401 in May 1995; and 289 in December 1994. The number of households that are mortgaging assets is decreasing in the urban areas and increasing in rural and tribal areas. In urban areas, people may already be impoverished due to loss of jobs, wage stagnation, etc., and no longer own any assets to sell. Hence, the survival strategy is more in danger for the urban poor. The PRA revealed that none of the poor households in both rural and urban areas did not desire to migrate in search of employment. However, the prevailing non-availability of work and credit at the local level forced poor families, including women to migrate.

IMPACT ON THE NATURAL RESOURCES OF THE REGION

Economically, Gujarat has been growing at a very rapid pace for decades. In the sixties, Gujarat grew at 3.3 per cent, as compared to 3.2 per cent for all-India. Similarly, in the seventies, the growth rate was 4.7 per cent and 3.7 per cent, respectively. In the eighties despite the textile crisis, industrial sickness, droughts, power and water shortages, it registered a growth rate of 4.2 percent, which was higher than that of the nation. At the same time, the manufacturing sector grew at an average of 6.0 per cent annually, which rose to 7.4 per cent during 1991-94.

The Government of Gujarat has always pursued market oriented industrial and agriculture policies. In the process, even in the era of licensing, Gujarat has

offered more fiscal incentives to industries and provided support for the growth of various types of industries, including the food processing industry. In the liberalisation period, the state has been making frequent policy declarations for the industrial sector at regular intervals: Industrial policy 1990-95, Industrial policy 1995-2000 and Industrial Policy 2000 and Beyond.

During the nineties, Gujarat has been able to attract a large volume of investments and collaborations with MNCs for major projects.

The table below brings out a comparative picture of investment in Gujarat compared to all-India.

Investment proposals filed through IEM in India and Gujarat (in crores)

Year	Gujarat		India		Share of Gujarat (%)	
Years	No of units	Investment	No of units	Investment	No of Units	Investment
1991	292	8227	3087	7610	9.46	10.78
1992	809	20545	4860	115872	16.64	17.73
1993	589	10627	4456	6976	13.32	16.61
1994	756	2011	4664	88771	1621	2289
1995	1113	33787	6502	125509	17.12	26.92
1996	694	16228	4825	73278	14.8	22.15
Upto Mar'97	116	1626	1016	10695	11.72	15.27
Aug'91 to Mar 97	4369	111396	29407	559361	14.86	20.09

Source : Large investments in Gujarat, MoI, Gandhinagar ,1997.

A state-wise comparison reveals that Gujarat tops the list of states, having received 4,369 acknowledgements with an investment of Rs. 1,11,396 crores. The state accounts for 14.9 per cent of nationwide investments. Based on the new industrial policy of the central government, the aggressive industrial policy at the state level has resulted in

Chemical industries need a special mention, as a large amount of oil and gas reserves and natural port facilities in Gujarat have encouraged their growth. About 43 per cent of the chemical units in India are located in Gujarat. They produce a variety of products, including pharmaceuticals, dyes, plastics, man-made fibres, pesticides, paints, pigments and auxiliary

Investment proposals filed through IEM in India and Gujarat (in crores)

Year	Gujarat		India		Share of Gujarat (%)	
Years	No of units	Investment	No of units	Investment	No of Units	Investment
1991	292	8227	3087	7610	9.46	10.78
1992	809	20545	4860	115872	16.64	17.73
1993	589	10627	4456	6976	13.32	16.61
1994	756	2011	4664	88771	16.21	22.89
1995	1113	33787	6502	125509	17.12	26.92
1996	694	16228	4825	73278	14.8	22.15
Upto Mar'97	116	1626	1016	10695	11.72	15.27
Aug'91 to Mar 97	4369	111396	29407	559361	14.86	20.09

Source : Large investments in Gujarat, MoI, Gandhinagar ,1997

quantum jumps in industrial investment in small-medium- and large-scale industries. During 1983-90 the annual investment flow to Gujarat was around Rs. 2,672 crores. In the post-liberalisation period (1991-96) it has increased to Rs. 31,926 crores.

Corporate giants like IPCL, IOC, GSFL, Gujarat Alkaline, Reliance Industries, Essar Gujarat Limited, Indian tobacco, Arvind Mills, Videocon Glass, Tata Chemicals, etc., have made major investments in the state. A close look at the types of industries approved and commissioned shows that the maximum numbers of units are in the chemical and petrochemical sectors, which account for 30.5 per cent of total projects and 47.5 per cent of total investments, amounting to Rs. 56,383 crores. This is followed by investment in engineering (Rs. 12,713 crores), glass and ceramics (Rs. 11,142 crores) and textiles units (Rs. 9,429).

chemicals and a wide range of organic and inorganic compounds. Even in the small-scale sector, the share of chemicals, dyes and pharmaceuticals is high. A large proportion of these investments has been in central and south Gujarat region (Surat, Vadodara, Bharuch and Ahmedabad) which is known as the Golden Corridor.

Although the south and central regions continue to receive investment, in the post-liberalisation period, there has been a shift in the location of the new industries to Saurashtra and Kuchchh. In the nineties this region has come to be known as the Silver Corridor. During 1983-90, Saurashtra received only 3 per cent of the sanctioned projects, but during 1991-96 its share increased to 21 per cent of new investments. Similarly, in Kuchchh it has increased from 0.5 per cent to 4 per cent.

There is no doubt that industrialisation has increased the volume of production and improved the quality of the product. While economists and policy makers consider the physical production of goods and commodities, as well as the technologies and a wide variety of employment opportunities, as a good contribution the associated negative externalities are at the least downplayed and more often overlooked. The question is, has there been any positive change in the quality of life of the poor people, mainly farmers and agricultural or industrial labourers, in terms of gainful employment, education and health?

One of the major concerns of industrialisation is land alienation as a result of acquisition of farmland for non-agricultural purposes, which has virtually marginalised the agricultural community. In a rural household, land is everything to a farmer. One acre of land can employ an entire household through farming, fishery and livestock keeping. Alienation from their land means depriving them of their only source of livelihood.

The various types of land acquisition can be broadly categorised as follows: (a) for private industrial estates by private parties, (b) of grazing land (gauchar) and Common Property Resources by both the government and the private sector, (c) for farm houses by private individuals, (d) for mining and stone cutting, and (e) for development projects by the government.

Under the new dispensation, many small farmers who were earning their livelihood from agriculture have sold their land with the hope of reaping quick benefits in a new era of economic growth and prosperity. They have been influenced by the vision projected by development economists and planners who uphold that fast industrialisation are the only way to tackle problems like poverty, unemployment and social security. However, these farmers are often blinded by the idea of being given a large amount of money for the sale of land, not realising that it is only a temporary solution.

Large units are able to pay higher prices and thus put

immense pressure on landowners to sell. Often there is little resistance from local people, who are extremely poor and quickly opt for the large sum of money. When one owner agrees to sell, others in the area are forced to follow. In many places the industrial pollution has affected the soil fertility and the farmers were forced to sell the land to the industrialists. Typically, the price paid in the second round of land deals is substantially lower. The rates are not standard, but rather depend on the bargaining power of the seller. In the few cases when landowners have received fair compensation, they probably had knowledge of current prices, a good rapport with government representatives and a conscious awareness of their rights.

The people have also been erroneously led to believe that the industries taking their land would provide them and family members with jobs, education and other civic amenities that have alluded them for so long. Many times the companies do not follow through on promises to provide employment to local people. Instead, they bring contract labour from states like Rajasthan, Orissa, Uttar Pradesh and Bihar. The opportunities for local people in terms of skilled and semi-skilled employment is reduced. The outside contract labourers are paid much lower wages, which pushes the overall wage rate down and reduces the bargaining power of the local workers.

Many farmers who sold their land at a competitive price have not been able to use the money to re-establish their occupational standing, through self-employment or otherwise. They have never possessed such large amounts of money and are not equipped to manage it. They either spent it to construct or upgrade an existing house, pay off old debts or for marriages and other ceremonies.

This has ultimately turned them into landless labourers and industrial workers. Here, the actual landowner becomes an agricultural labourer, while the agricultural labourer loses his/her livelihood completely with the loss of the land. Even those who have managed to find employment as unskilled labourers are working on a daily wage basis.

The sale price is determined without taking into consideration the loss of livelihood of those who are directly dependent on agriculture. Associated with every 6 acres are 10–12 landless labourers. There are also artisans in a village like carpenters, shoemakers, blacksmiths and livestock owners who are not paid any compensation whose economy is affected by the conversion of land from agriculture to industrial purpose.

Besides farmland, Common Property Resources, like rivers, ravines, canals, sea front, ponds, wells, uncultivable land, gauchar land, forests, etc., have also been acquired. Common land is generally government owned and considered to be non-productive wasteland. However, local communities depend on this land to varying degrees for their livelihood and they do not receive just compensation when industries set up facilities in such areas.

Another example is livestock, which graze on classified gauchar land and the pastures adjoining any village. The panchayats have administrative powers over this land. Outside forces put pressure on the members to sell or lease these lands for industry and mining. Transfer of such land for industry deprives the livestock from easily available fodder. It becomes necessary to travel long distances for grazing. Women are the most severely affected as they have to walk miles to collect fodder and firewood.

The majority of industries requires large amounts of water for production processes and thus makes aggressive moves to ensure adequate water supply, usually to the detriment of farmers and communities. In most cases industries pump groundwater without adequately recharging it. This has resulted in the depletion of the water table and an acute shortage of drinking water for villagers, particularly in north Gujarat, Saurashtra and Kutch.

The water situation for both agricultural and household use is already grim in the entire state. Despite typically low levels of rainfall, most areas depend on rainwater to meet their needs. Although the average rainfall per year is 600 mm, 60 per cent of the talukas receive

less than average rainfall and 20 per cent receive between 600–800 mm. In 1997 Jamnagar was the only district that received above 800 mm. The region slopes towards the sea, where 75–80 per cent of the rainwater naturally drains.

The government has categorised geographical areas according to the water table level. Dark zones indicate that more than 50 per cent of the ground water has been exploited, while white zones indicate less than 50 per cent. Many areas in Saurashtra are in the dark zone and yet the government has recently undertaken several steps to ensure adequate water supply to industries in the state. For example, the government has recently lifted the ban on sinking new, and engrossing existing, tube wells in dark zones. This may prove dangerous to the already overexploited areas.

With the given situation of depleting water, increasing salinity levels and environmental degradation, industries use whatever means necessary to gain access to water.

Although GWSSB is responsible for several water supply schemes that are meant to provide water supply for domestic use, faced with industry pressure, it has been gradually and deliberately diverting this water for industrial use. In other cases, companies misrepresent the data on the water situation in an area, thereby obtaining permission to dig private bore wells on an illegal basis.

The unbridled growth is taking place without a plan for water supply, treatment and discharge of effluents or solid waste disposal systems. Since most of the land acquired by industries has been either agricultural land or land in close proximity to farms, the industrial activity is jeopardizing the quality of the land. Leakage from pipelines passing through agricultural fields has polluted the soil and affected the productivity of the land. Most units release effluent water into nearby fields, agricultural land and canals. When polluted water enters the canals, the irrigation water becomes toxic thus affecting the land and crops. Many units dump solid waste on the side of the highway.

Another contributing factor is the marked increase in mining activities. The rapid depletion of the mangroves and forest cover in the state has had a massive impact on the retention of groundwater. According to a report by the Gujarat Tree Growers' Cooperative Society, there is a marked depletion in the water table and the salinity is increasing at an alarming rate. As a result, there is less potable water available and expensive equipment is essential for filtering.

The government has no control or monitoring framework for these industries. Although the industrial pollution creates tremendous environmental hazards, they are not being regulated. On the contrary, small-scale mineral based industries and mines, predominantly cement, soda ash and lignite based thermal power plants are being aggressively promoted in the Saurashtra and Kutch regions.

The villages surrounding the mining sites have been reduced to pits and mounds of earth because the owners/lease holders do not treat the land after the mining operations are complete. The cumulative impact of careless mining has led to decrease in the amount of agricultural land, decrease in the water table level and water logging in the pits.

Mining requires vast tracts of land. Given the low productivity of land in Saurashtra and Kutch, mineral and mining based industries are being set up on common land as well as farmland. In a move to give away wasteland, the state government announced that 278,000 ha are available for industrial investment. The majority of minerals are located within forests and other notified areas. The industries put enormous pressure on the Forest Department for use of forestland. Supported by the new industrial policy, the department takes the necessary steps to make the land available through denotification. Acquisition of forestland for mining raises concerns regarding the future of the forest and the people dependent on this land for their livelihood.

Similarly, waterfront areas are the only livelihood option for local fisher folk who live along the

Saurashtra and Kutch coastline, mainly communities such as dalits, Koli, Muslim and Kharwa. In the process of industrialisation, they have been denied access to waterfronts. Also, the size of the fish catch has been steadily decreasing as a result of discharge of effluents into the sea, which has affected the marine life. Because of unavailability of fish in this area, fisher folk are forced to travel as far as the Pakistani coastline and are often arrested for inadvertently crossing Pakistan's maritime boundary.

While industrialisation brings economic growth and material development, it also disturbs the social equilibrium. The process of land acquisition, particularly the payment of compensation, has created social friction in society and bred disparities between the incumbent society and the local rural society, and even within rural society itself. The sudden rise in accruals, even though it is temporary, in many cases creates further disputes within the families themselves.

There is a growing concern about the inequity that has been created from the large amounts of compensation received by larger landholders. The dominant and powerful individuals in village communities have been able to build up and strengthen their position, whereas the small and marginal farmers have gradually lost, both in terms of compensation and means of livelihood. Hence, the rich and powerful favour the entry of industry since they are able to make large gains. The wide income gap between the rich and the poor brings about social disparity and jeopardizes the entire social fabric.

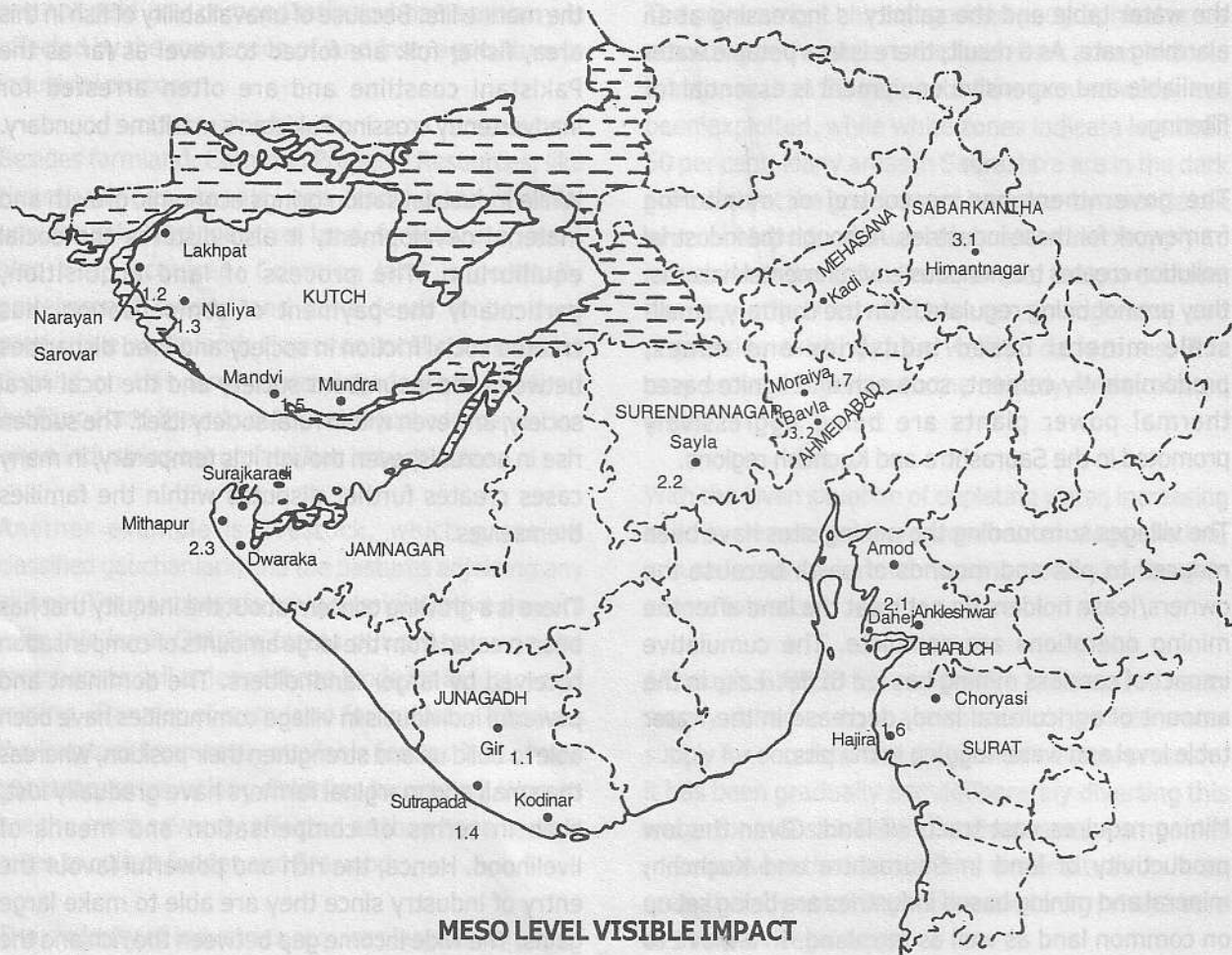
The government is giving preferential treatment to some big industrial houses, which are obtaining land through government acquisition on the grounds of "public purpose". In reality, most are not concerned with public purpose and they seldom employ local people in the units. They also do not initiate or participate in any welfare or development activities in surrounding areas. The new industrial township has all modern amenities and basic services for its own employees whereas the surrounding rural societies are not provided any facility. They are not allowed to

avail of the services even in times of distress. Two extreme polarised societies are formed in the same location.

Some of the region specific cases are as follows:

1.7 Nirma, Zenith, GIDC coax the farmers to sell agricultural land rendering them landless.

1.1 The Gir Forest and Sanctuary in Saurashtra, a notified sanctuary for the endangered Asiatic



1. Takeover of Common Property Resources

- 1.1 Part of the Gir notified forest leased for mining of limestone (Ambuja Cement)
- 1.2 Part of the Narayan Sarovar has been denotified to set up cement plant (Sanghi Cement)
- 1.3 Rich Mangrove Coastline has been destroyed to construct a jetty (Sanghi)
- 1.4 Chemical plants in the coast endanger the life of 45,000 fisher folk.
- 1.5 Construction of jetty by Adani come in the way of fisher folk's access to the sea
- 1.6 Essar Steel Plant in Hazira displaces fisher folk and farmers

lion, is enduring a major threat to its ecosystem. Sadly, the conservation purpose is being sidelined in favour of excavating the area's rich mineral reserves, mainly limestone, black stone and granite. Extensive mining activities are being carried out in a 25-km radius buffer zone between the Gir forest and the township that surrounds the forest. Two hundred truckloads of stone, which is used as raw material in the many cement units located in Saurashtra, pass through the area every day.

Village leaders were not informed about the

negotiation process that took place between Ambuja Cement and the Forest Department in the formers bid for 231.5 ha of Ghantvad village land, located adjacent to the Gir forest, for mining purposes. The village encompasses 648 ha of forestland that is rich in limestone. The Forest Department agreed on the condition that the company would obtain and hand over an equivalent area of non-forest land or double forestland (degraded) to the department. The company further assured the Forest Department that it would initiate afforestation activities on 150 ha of land. Without any prior intimation or warning to the farmers, Ambuja Cements had 45 acres of land in Vadnagar village cleared with a bulldozer. The company had leased this land from the Panchayat for mining limestone. Although the land was officially classified as gaucher, about 20 years ago landless agricultural labourers had initiated efforts to convert this land into agricultural land, and millet and groundnut crops were one week from harvest. They had no means of recovering their devastating loss. As a part of the agreement, the company was supposed to return the land to the Panchayat when mining operations were complete. The company has mined the land but has not covered the pits. About 2,500 cattle were dependent on this land for fodder. The farmers have started selling their cattle because they have no way to feed the animals. The Forest Department also lost 2 ha of its plantation in the process.

1.2 In Lakhpat and Abdasa talukas in Kutchch, 300 sq km of Narayan Sarovar Sanctuary has already been dereserved for Sanghi Cement industry. Despite violation of the law the company was able to get permission from the Ministry of Environment and Forest to carry out its plans. This sanctuary houses endangered species like the Chinkara and Houbara Bustard.

1.3 In the coastal area of Lakhpat and Abdasa talukas in Kutchchh 50 sq km of continuous, rich mangroves supporting a diverse marine ecosystem have been dereserved for industrial

purpose. Sanghi Cement constructed a road and jetty, which has destroyed the mangroves, shrub forest upto the Kharo creek. It is believed that Dugongs frequents this area. This has set precedence and has given wrong signals to industrialists. Following this 25 other companies that have already applied for a similar lease.

1.4 GHCL in Sutrapada in Junagadh district of Saurashtra has destroyed the "Nagher" (greenbelt) along the coast. Although it is not an officially reserved area, it is a unique ecosystem that needs to be protected. This is the case of an industry unnecessarily occupying an environmentally fragile area when nearby land is readily available and would have been sufficient for the purpose. The ever-expanding salt works has resulted in heavy salinity ingress, which has affected the agriculture. The westerly wind carries coal dust and soda ash from the plant as far as 40 km away. The sodium gas emitted from the soda ash plant is causing numerous respiratory diseases. The pipelines of the unit discharge effluents into the sea, which has affected the marine life and the livelihood of those who are dependent on fishing. There are about 45,000 fisherfolk in Kodinar, Sutrapada, Mangrol, Porbandar and Okha. About 50 per cent are Muslim migrants from Sindh. Because of nonavailability of fish in this area, they are forced to travel as far as the Pakistani coastline and are often arrested for inadvertently crossing the country's maritime border.

1.5 The takeover of large tracts of land in Navinal and Jharbra villages in Mundra taluka in Kutchchh has reduced the fisherfolk's access to the sea front. The construction of a jetty across Navinal creek by Adani Chemicals has completely blocked their access to an area that used to be a shelter for the fish and thus a huge fishing source for numerous villages.

1.6 Seventy-five households in Hazira and 50 households in Mora village have lost their livelihood because of loss of access to sea front.

The Essar unit in Hazira village in Surat has taken over the sea front and banned the fisherfolk's access to what was previously their territory. The net catch, which used to be sent to Surat from Hazira, has drastically decreased. The fish processing units located in this region have also been affected resulting in high job loss among the local people.

Babuwalla Chhaggaanwalla was once a successful small farmer owning 2 acres of land in Hazira village, but now he works as a daily wage agricultural labourer for Rs.50. With the consent of the panchayats in Hazira village in Surat and Chavaj village in Baruj, Essar and Videocon purchased large tracts of land to establish units. Babuwalla sold his land holding to Essar, for which he was paid Rs.6,00,000. He planned to use the money to build a sustainable livelihood, and so he put Rs.3,00,000 in a fixed deposit in a bank. He used the remaining money to repay earlier debts, renovate his house and buy a motorcycle and other household consumer items. The following year, he withdrew the remaining money from the bank and spent it on household expenditures and ceremonies like marriage. At the end of two years he had spent all the money. He said that it is painful to have regressed to this state of suffering, even more pronounced than his economic position as a small farmer was.

- 1.7 Narsinghbhai Vankar and his family made a deal with Nirma to sell 3 acres of their land in Moraiya village near Ahmedabad for Rs.25,40,000. So far he has only received Rs.8,00,000. Nirma successfully coaxed him and other farmers to sell their land by highlighting the usefulness of the large sum of money for these purposes as well as in repaying debts. The company also agreed to provide employment to people in the village. However, they have only given 10–15 per cent of the work to members of the local community; the majority was given to workers from neighbouring Rajasthan state. The family's financial standing has not improved as they have spent a large portion of this on the marriages of his daughter

and son and in building a pucca house. This sudden receipt of one-third of the amount that is due has still created serious tension, misunderstanding and disputes among Narsinghbhai and his family members, who are sharing the money. The relationship between the brothers, the father and sons and daughters has become strained. They have become estranged and the family has broken apart.

Sadulbhai, Sendhabhai, Dudabhai, Manjibhai, Menaben and Sankarbhai have been working as daily wage agricultural labourers or leasing land for farming since 1974, when they along with 34 other farmers in Kerala village in Bavla taluka lost all their prime agricultural land (229 acres) to GIDC, who subsequently did not make full payment for the purchase. Twenty-six years ago the price per acre was fixed at Rs.31,500; the current price is Rs.1,75,000. So far, GIDC has only paid half of the original amount due these farmers. The sarpanch has sent a protest notice to the District Collector of Dholka requesting GIDC to pay the remaining amount. However, given the current price of land, even if they are eventually paid the 1974 rate, they would have already sustained heavy losses.

The sarpanch in Sarandi village in Dholka taluka was openly threatened when he opposed the encroachment activities of Zenith Industries on 1.7 acres of panchayat gaucher land and 6 acres of kuthcha road that is part of the Sarandi-Valsar Road. Zenith Industries has already officially acquired 57 acres of land in this area.

2. Unregulated Extraction of Groundwater

- 2.1 Extraction of ground water from a dark zone for industrial use (IPCL, GACL)
- 2.2 Chemical Plant (Mardia) extracting ground water from water scarce areas as well as dumping effluents.
- 2.3 Chemical plant (Tata Chemicals) extracting water from nearby villages for industrialisation.
- 2.1 IPCL had obtained permission from the District

Collector of Bharuch to sink tube wells in Malkanpura, Danda and Ghamnad villages in Amod taluka near Dahej in Bharuch. They had almost completed the project to draw groundwater when a Vadodara based organisation released the findings of a study it had conducted on the project. They found that the consultant to IPCL, who had prepared the EIS report (baseline), used data from 1983 to prepare the report in 1992, although data for 1991 was available. The 1983 report showed that only 30 per cent of the groundwater in these villages had been exploited, i.e., they were still in the white zone, when in fact they were well into the dark zone. Data from 1991 showed exploitation of water in Amod taluka to be 98.4 per cent. Legally, permission cannot be granted to draw water for industrial purposes in dark zone areas. GEB had granted the electricity connection for this purpose on the basis of the false report.

GACL, located adjacent to IPCL, also needed water for its unit. Both companies collaborated to negotiate a lucrative deal with private bore well owners (big farmers) in nearby Anor village. They agreed to draw groundwater and release it to the IPCL pipeline in an effort to make quick money. The companies formulated a strategy to directly draw water from the sump and the pumping station at Palej village. Because they knew that they were not entitled to use this pump or GWSSB water, GACL laid an 18 km.-long pipeline from Ghamnad to Palej. GWSSB then agreed to the request to provide water to this pipeline via Palej.

- 2.2 Mardia Chemicals, located in Surendranagar district in Saurashtra, pumps out 17,00,000 litres of groundwater on a daily basis using bore wells. This has resulted in a drastic depletion of the groundwater levels in this area. Water used to be available at 75–80 ft. and now it has receded to 220–230 ft. One of the conditions for setting up this unit in the area was that they would make proper arrangements for disposal of effluent water. However, till date Mardia Chemicals has been dumping all the effluents into a nearby pond

and when it overflows, typically during the monsoon season, the entire area is stained red.

- 2.3 Large-scale drawing of water around Mithapur village in Dwarka in Jamnagar by Tata Chemicals is a cause of concern for the villagers. In view of the inevitable depletion of ground water Tata Chemicals leased two ponds, (Bhimgaja and Mithi Khari) which were constructed during the time of the Gaekwads at a meagre sum of Rs.20,000 per year for the use of its township. In normal seasons, the company uses water from Bhimgaja and Mithikhari tanks and wells. During summer, when these tanks dry up, the bore wells are used 24 hours per day, which dries up all the other wells nearby. In case the monsoon rain is not sufficient, the unit has constructed a number of wells and tube wells from which it draws the required amount of water. The farmers in the nearby villages are not allowed to use any of these water sources for irrigation. To fetch water for the household, women have to travel long distances. Earlier, water from the private and community well was sufficient for both household and irrigation use. In fact, the ground water level was so high that he was able to sell water on an hourly basis to the other farmers.

3. Chemical Contamination of Land and Water

- 3.1 GIDC based chemical plant (Swastik Organics) contaminates land and water near Himmatnagar
- 3.2 Kerala Industrial estate (near Dholka) contaminates the land and water. Crop yields have gone down by half.
- 3.3 GIDCs near Kalol contaminate land reducing the agricultural yield.
- 3.4 Toxic gases from Tata Chemicals at Mithapur causing health hazards among the villagers.
- 3.5 Ashapura brine pipeline of Tata Chemicals to the salt factory contaminates the land as the pipeline often cracks.
- 3.6 Essar Steel Plant contaminates the seawater near Hazira killing the fish.
- 3.7 Mardia Chemicals contaminates agricultural fields leading to farmers losing their livelihood.
- 3.8 And many more cases.

3.1 Red coloured toxic drinking water amid barren land is evidence of large-scale pollution taking place near the GIDC estate in Piplodi village near Himmatnagar. The village lost 16 ha of land to GIDC for the establishment of Swastik Organics Ltd., which does not properly dispose of its effluent water. It seeps into the borewells, on which the village depends for its household water use. At 4 a.m., emerging into the still dark night sky, gasses billow out of the unit. The intensity is so high that the visibility becomes very poor, which has resulted in serious road accidents in the area. Most of the farmers who lost their agricultural land were not provided employment in the factories and are currently working as daily wage agricultural labourers. The few who were hired to work in the unit are paid Rs.30 per 12-hour day.

3.2 Nausea has become a common feeling for the women, men and children living in Bhayala, Chiyada, Kochariya, Ranippura and Amipura villages, among others, surrounding Unimark Remedies, one of the units in the Kerala industrial estate near Ahmedabad. People become physically ill from the effects of poisonous gas, which the unit regularly releases into the air. (Two workers were even killed while opening the valve of the gas chamber to release the gas.) As a result, the crop yield has decreased by 50 per cent in this area and a written request has been sent to the company to close the unit. The District Collector organised a meeting for the village sarpanchs and company officials but no company representatives participated.

According to farmers living near the Nirma plant in Moraiya village near Ahmedabad, the rice yield, which was 2,000 kg per acre before Nirma set up its unit, has fallen to around 1,400 kg. The unit is pumping effluents into the ground, which has polluted the groundwater to such a degree that it is suitable neither for drinking nor irrigation purposes. Poisonous gases being emitted into the air has also decreased the productivity of the surrounding agricultural lands. The farmers who

own the land surrounding the unit want to sell it, but they are unable to find buyers for unproductive land.

3.3 GIDC has established an industrial estate in Sahij village near Kalol. About 1,100 households have lost their land to these units, of which 80 per cent were small farmers and 20 per cent were medium to large farmers. GIDC acquired 121 acres of agricultural land, 300 bighas were bought by ONGC, 100 bighas by Shayaji Vijay Mills and small private industrial units bought 50 acres. GIDC paid 4,500 per acre. All the formalities to set up the GIDC estate were completed in 1964 on paper, but the work did not begin until 1973. In 1997 the government declared the whole area as notified. This meant that the 250 industrial units in the estate do not have to pay octroi. With this declaration, many units did not even pay outstanding octroi. Despite this savings, none of the units have invested in pollution control. About 200 bighas of land have been degraded. The highly polluted water has entered the village water sources, which are being used for drinking water and other household purposes. Ingesting this water reportedly caused three deaths. The factories in the GIDC also release gas on both the western and eastern sides, destroying crops as well as trees and other vegetation. The farmers are incurring loss as the yield has reduced due to pollution.

Gasses and effluent water being released from Ravi estate in the Kalol/Kadi area of Mehsana, which has mainly chemical, dye, pharmaceuticals and metal processing units, such as Unity Organics, Gokul Paints, Shyam Organics, Atul Chemicals and Kirti Bearings, has not made any arrangements for treatment and release of effluents. Instead, the toxic water is released into the adjoining agricultural fields and all of the land has become infertile. Rambhai sold 8 bighas of his land for Rs.40, 000 per bigha. He kept 14 acres of land to cultivate crops for livelihood. However, gases released from the estate and effluent water pollution has rendered the land

PEOPLE'S VOICE

There is a general political consensus to adopt liberalisation policies in the state, however very little concern has been shown towards the adverse impacts on the poor and the environment. This has generated a great deal of discontent and frustration among people. A number of people's organisations have taken the lead in providing a platform to the affected people to voice their grievances. Some of the local movements are documented here.

PROTESTS AGAINST UNREGULATED USE OF WATER BODIES FOR INDUSTRIAL PURPOSES

IPCL obtained permission from the collector of Bharuch to sink tube wells in Malkanpura, Danda and Ghamnad villages in Dahej, and completed the project without the knowledge of the local people. Manaviya Technology Forum, a local voluntary agency raised the issue of the process by which IPCL had acquired the permission despite the state regulation that prohibits use of groundwater for industrial purposes in dark zones. The local people are also aware of the rapid depletion of ground water in this area.

In the environmental status report (baseline) IPCL used data from 1983 and claimed that only 30 per cent of the groundwater in these villages had been exploited. The report indicated that the area is in the white zone; whereas 1991 data has officially classified it as a dark zone where more than 65 per cent of the groundwater has been exploited.

MTF organised the local people to protest against the project, clearly explaining that if the unit was allowed to draw water from this area, the villages would

experience immediate shortage of drinking water. Although IPCL was able to sink tube wells in Danda and Ghamnad, the youth of Malkanpura held a series of protests and prevented IPCL from sinking the tube well. As the protest gained momentum, with support from MTF, the people formed their own organisation, ABJSS. Fifteen other nearby villages also joined the protest action and eventually prevented IPCL from connecting the tube well to the main supply line.

IPCL authorities had several meetings with ABJSS but the people refused to grant them permission to draw water. They also threatened to disconnect the electric supply. The District Collector, who had held a meeting with MTF and ABJSS, supported their argument against the use of local drinking water for industrial purposes. As IPCL could not provide substantial counter-arguments, it was forced to abandon the project. Attempts to promote the project in other villages also failed, as the awareness campaign that had been built up was strong and effective in the area.

GACL is located in the same vicinity and was also in dire need of water. The two companies collaborated to negotiate with private bore well owners (big farmers) in Anor a nearby village. In an effort to make quick money, the farmers agreed to draw groundwater and release it to the IPCL pipeline. ABJSS tried to convince these farmers to refuse to sell water. But faced with the opportunity for such high financial gain, they were not able to see the larger picture.

ABJSS also tried unsuccessfully to hold a dialogue to convince GACL to change its position. MTF took a closer look at the prevailing situation and found that

the farmers were using GEB-subsidised electricity to pump water. MTF and ABJSS approached the GEB officials, requesting them to cut the power supply. The local officials could not intervene, but the organisations persisted in the endeavour, sending a delegation to the chief engineer of GEB in Vadodara. He probed the issue and once he was convinced of the facts, he did cut the electricity.

IPCL and GACL devised another strategy to gain access to the water. They began to draw water directly from the sump and the pumping station at Palej village. Because they knew that they were not entitled to use either the water or GWSSB pipelines, GACL laid an 18-km long pipeline from Ghamnad to Palej. GWSSB agreed to the request to provide water from Palej to this pipeline.

The local communities were not aware of this situation. They did not have an adequate water supply, but had been misinformed. A local organisation, PJPST, with support from MTF, organised the local people to protest against GWSSB's action. When GWSSB maintained that it was providing only excess water to the pipeline, MTF disclosed the fact that GWSSB was barely able to supply even the minimum requirement of 40 litres per capita per day to the 200 villages under the government drinking water schemes.

Women from about 25 villages, who would be particularly affected by this situation as providing drinking water is their prime household responsibility, protested by holding dharnas (sit-in protests) for as long as 63 days at a stretch. Villagers protested by removing the air valves of the pipeline carrying water from Palej pump to IPCL and GACL units.

Several rounds of talks were held between GWSSB, IPCL, GACL and PJPST. They finally agreed on a consensus. In lieu of the present situation, GWSSB offered the two companies a one-year supply of water from the date of decision. At the end of this period, they would begin to draw water directly from the Narmada River through a separate 100-mld pipeline. IPCL and GACL were also required to relinquish their private pipelines to GWSSB. They were also ordered

to pay a sum of Rs.30 lacs towards the construction of an overhead tank in Kerwada.

In another instance Tata Chemicals located in Mithapur (Dwaraka) has leased two ponds from the panchayat for Rs.20,000 per year. The farmers in the nearby villages were not allowed to use the water for irrigation. The company also dug a number of wells and tube wells in the nearby villages from where it draws excessive amounts of water during scare rainfall, causing further depletion of ground water and increasing the levels of salinity. The farmers submitted a written complaint to GVT the local voluntary agency, who then filed a case against Tata Chemicals in civil court. The case is still pending; however, it has been agreed that the farmers can use the pond water for irrigation purposes.

PROTESTS AGAINST INDUSTRIAL POLLUTION

The groundwater and surface water in Bharuch is polluted due to discharge of effluents from the nearby industrial units. The industrial estates in Ankaleswar and Panoli are dumping their effluents into Amlakhadi River, which runs into the Narmada River.

The Jhagadia and Vagra industrial estate planned to lay down the effluent discharge pipelines through the agricultural fields. The farmers were justifiably worried about the consequences of spillage and leakage. To confront GIDC, a local committee, NPNS, was formed with the support of MTF. Together, they devised a two-pronged action plan: one, against degradation of agricultural land, and two, against pollution of the Narmada River. Villagers took up active resistance against the construction of the pipeline and succeeded in stopping the work.

At the instance of MTF a meeting was held in the presence of the District Collector in which GIDC was asked to furnish an EIA report, which had not been submitted yet. GIDC used an engineering feasibility report to begin the work. The NEERI subsequently prepared an EIA report on request, which suggested stopping release of effluents into the Narmada and instead drawing the effluent discharge for release in

the deep sea. This corroborated the stand taken by MTF and NPNS and work on the pipeline was finally discontinued.

Simultaneously, officials planned to lay a pipeline from Jhagadia estate to Narmada. This pipeline would first reach Piraman, run parallel to Amalkhadi to Haripura, and finally end at the Narmada River. MTF and NPNS framed a case against polluting the river and organised the local villagers to protest the laying of the effluent discharge pipelines. They warned GIDC that they would disrupt the work if it refused to plan for proper effluent disposal. Since there was already a precedent of Vagra estate, the authorities were aware of the possible consequences. Work on the pipelines was immediately stopped.

All the nearby industries in the industrial estate took notice of the situation. NEERI recommended a plan to construct a common pipeline from Ankaleswar, Panoli and Jhagadia at a staggering estimated cost of Rs.360 crores. GIDC, who was unable to invest such a large sum, requested the government to fund it. The pipeline was laid from Jhagadia to Piraman village where it joined Amalkhadi, on the condition that no new industries would be established until the work on the pipeline to the deep sea was complete.

MTF and NPNS were concerned about another action. Rajashree Polyfills, which produces polyester chips and yarns, was set up along the Narmada River. The unit obtained permission from GPCB to lay a pipeline to discharge the effluents into the Narmada River at Navara village.

MTF and NPNS were aware that the effluents released by this unit would be highly toxic and would create problems for villages downstream, for which the Narmada is the main drinking water source. They created awareness among the villagers and launched a protest action against laying the pipelines. The community involvement in the agitation also gained momentum.

Representatives of Rajshree Polyfills tried to negotiate with MTF, who insisted on being furnished a copy of

the EIA report. The company did supply the report, but it did not mention the use of downstream water for drinking or industrial purposes. After meetings with MTF and NPNS, GPCB was convinced of the mistake and sent a message to Rajashree Polyfills asking them to discontinue work on the pipeline. The unit had to set up a tertiary effluent treatment plant.

In 1998, Birla group started production in its primary copper smelter in Dahej with a capacity of one lac tonnes per year. MTF, concerned about the company's solid waste disposal system, began to gather relevant technical information. It was discovered that the proportion of solid waste generated to the amount of copper produced is 7:1. In other words, one lac tonnes of copper smelter would produce seven lac tonnes of solid waste. This huge amount of waste, if not properly managed, would cause large-scale degradation of nearby land.

MTF mobilised the local people, who clearly stated that the company should not dispose any solid waste in the field that adjoins the unit. The community held a meeting with GPCB, Birla copper and MTF to discuss the situation. It was made clear that proper arrangements for management of solid waste were imperative. The company has agreed to abide by the resolution and has stopped disposing the waste into the nearby agricultural fields.

Methodist Industries Ltd., which is part of Methodist Group Ltd., UK, planned to set up a 1.5 lac tonnes per annum copper smelter refinery complex near Rampura and Lunsapur villages in Amreli. This plant would also produce 4.5 lac TPA of sulphuric acid as a by-product. The project was based on import of copper concentrate and export of the final product through its own captive port facilities at Pipavav, where all the raw materials would be handled.

MTF, along with PSS, GSM and local support, spearheaded the agitation against the establishment of this unit. They discovered that besides consuming prime resource—2,000 acres of agricultural land and 8,000 cubic metres of water per day—the copper smelter would result in environmental degradation in

the form of gases (mainly sulphur dioxide), solid waste (mainly slag and gypsum) and liquid effluents.

The prime concerns highlighted in their campaign were:

1. Acquisition of agricultural land in Rampura.
2. Acquisition of gauchar land and a village pond in Rampura.
3. Threat to the livelihood of fisherfolk in Rampura and Lunsapur villages.
4. Threat to the marine ecosystem.
5. Degradation of air, water and soil.
6. Health related problems due to environmental degradation.

Rajniibhai, of MTF equipped with adequate rationale and arguments for opposing the arrival of the copper smelter and jetty, started mobilising the local people and other organisations against the project. Vadodara based organisations like Copper Pratikar Samiti, Pradushan Nivaran Samiti, Lok Sevak Mandal, Vishthapit Sankalan Samiti and Jal Raksha Abhiyan, jointly held a rally on 10 March 1997 to present a memorandum to the Deputy District Collector of Rajula against the establishment of the unit. This agitation was corroborated by the simultaneous closure of the Sterlite copper smelter in Tuticorin, Tamil Nadu, in response to a gas leakage and explosion. As a result, Sterlite was also not permitted to set up its copper smelter in Maharashtra and Karnataka.

Having realised that they would eventually have to withdraw the permission, GMB used these developments as a basis to revoke the license for the jetty at Pipavav. This brought the project to a complete halt. In a related development, the Ministry of Industry also issued an order to Methodist requesting them to reconsider their ambitious plans to set up a copper smelter plant in Rajula, Gujarat.

Maradia Chemicals near Surendarnagar has been in operation since 1991 and has still not made any arrangements for proper discharge of effluents. The unit dumps the effluents into the ponds constructed on its premises. During the rains, the ponds overflow

and the water is released into the nearby stream, which supplies water to the settlements nearby. This practice has been a controversial issue. On several occasions the villagers voiced their protest, but it went unheard for years.

In 1995, in response to the people's repeated agitation, GPCB formed an independent committee of experts under the chairmanship of Mr. R. C. Trivedi and Mr. P. R. Gharekhan to look into the facts of this issue.

In June 1996, when a spate of rain filled all the ponds to capacity, the unit broke the banks allowing the water flow freely. The highly polluted water filled the Sorimbhada pond and spread over the surrounding areas, contaminating streams, dams, ponds and agricultural fields as far as the Saburi Dam. The red colour of the water sent a warning signal to the authorities, as the overflow from the Saburi Dam would flow into the Dholi Dhaja Dam, which is the lifeline of Surendranagar district.

Mardia Chemicals was completely exposed by this incident. The community leaders brought the case to the notice of the District Collector who passed an order to disconnect the water supply and electricity to the unit. Local leaders, namely, Bhupat Bhai Ugreja, Koli Khedut Mazdoor Sangathan, Namdevbhai Makwana, Nileshbhai Seth and Naveenbhai Jovanputra, also raised strong voices against the unit.

A festival and fair at the Dariyalal Temple is celebrated around July every year. In 1996 the District Collector issued a notice cancelling the festival since all the drinking water sources were highly polluted. This enraged the people, the traders' association, elected leaders and NGOs, who strongly demanded the closure of the unit.

The company had filed a case in the Sub Divisional Magistrate Court in Limidi to requisition the resumption of water supply and electricity. After comprehensively examining the case, on 8 July 1996, the Sub Divisional Magistrate passed an order for closure of the unit. However, later the company was allowed to operate

without making arrangement for the disposal of effluents.

PROTESTS AGAINST DENOTIFICATION OF RESERVED AREAS

Saurashtra and Kutch have been declared as regions with abundant supplies of minerals. The Gir forest area, located in Saurashtra region, includes Gir Sanctuary and reserve area, is rich in limestone. Industries have been putting pressure on the government to dereserve this area for mining.

For mining purposes, GACL applied to lease 905 ha of land in Ghantvad, a remote village in the Gir forest region of Amerli. The government granted the lease on the grounds that this land was unproductive. However, part of the land (164 ha) has been categorised as grassland, which by law cannot be acquired for industrial purposes. The local people claim that their land is fertile and they have been cultivating sugarcane on it for years.

SETU and a local organisation, SPSS, protested against the dereservation of the sanctuary for mining. They organised the local people, called meetings and met revenue officials at the taluka and district level. They also studied the procedure involved in leasing the land. They were able to prove that the land was productive by collecting details of agriculture productivity from the 250 landowners that had been cultivating sugarcane.

The villagers launched a massive protest movement against the acquisition of land. The local khedut organisation, GKSSAS, filed a Public Interest Litigation in the Gujarat High Court challenging the government's decision to grant a lease for mining to GACL. The case is still pending.

In another case 52951.73 ha of luxuriant and rich mangroves supporting a diverse marine ecosystem in Lakhpat and Abdasa talukas in Kutch district is under threat of destruction as the Ministry of Environment and Forest dereserves the area for industrial purposes. A large part of Narayan Sarovar Sanctuary, which is adjacent to this area (WMRF), has

already been reserved for the cement industry. A total of 25 large companies have applied for land to mine limestone. Six have been allotted land and Sanghi Cement has almost completed construction of its main plant.

Sanghi Cement plans to do heavy dredging, install a private jetty, a power plant, a desalination plant and a clinker grinding plant in this area. The private jetty was to be located 14 km away from the main plant in Khauthar belt in Akri village. The company started construction activity in 1995, but this project soon faced major controversy.

A local people's organisation, JVEC, submitted a claim that the site on which the jetty is being built falls within the WMRF. The Gujarat High Court technically supported this claim on the grounds that the jetty was being constructed in the Khauthar belt, which is a reserved forest where non-forest activity is not permitted as per the Indian Forest Act (1927). The High Court issued a stay order banning any type of construction at the controversial jetty site.

JVEC provided evidence confirming that the jetty site fell under regulation of the Coastal Regulation Zone notification of 1991 and would require the Central Government's environmental clearance, which the company had not obtained. Until the area was officially dereserved, the company could not start their construction and hence the entire project was stalled. The company immediately applied for the dereservation of the WMRF.

Forum for Planned Industrialisation, a forum initiated by NGOs, local people and concerned citizens, highlighted the economic and ecological significance of WMRF and pleading for the need to preserve this area. They also expressed concern that the industrial activities would destroy at least 50 sq km of WMRF, which may set up a precedence of dereservation that would be followed by other companies.

The forum concentrated all its efforts in saving the WMRF from the potential threat. The Ministry of Environment and Forest instituted Y. V. Chandrachud

Committee, to re-examine the entire project in the wake of the pressing ecological and economic issues. They were to study the possible impacts of the proposed dereservation of WMRF.

The forum presented its case, illustrating the significance of WMRF as an ecosystem and its importance to the local economy. However, studying the various aspects, the committee finally decided to de-reserve 90 ha of reserved forest for Sanghi Cement. They also issued the company a warning to preserve the ecosystem.

MOVEMENTS AGAINST TAKEOVER OF COMMON PROPERTY RESOURCES

Action against Takeover of Gauchar Land

The Kadadara Gram Panchayat without the knowledge of the villagers had sold 40 hectares of grazing land to an industrial house. Kadadara village is located in Dehgam taluka about 25 km from Ahmedabad. The village has a large livestock population (4,100 animals) and is dependent on the 47 ha of grazing land available in the form of graveyards, three ponds and village gauchar land.

The Forest Department had used part of this land to grow about 50,000 trees under the social forestry programme. Villagers had submitted applications to the District Collector to use part of this land for Indira Awas Yojana, which was rejected. The Sarpanch was forced to sell 40 ha of this gauchar land to an MNC, Messers Camiron. All transactions and procedures related to the land sale were completed within a period of three months. The villagers learned about the sale much later when a fence was constructed around the land.

The villagers came together and pressurised the panchayat to withdraw the resolution to sell the land. They decided to place the matter before the District Collector. Govind Singh Bihola a former sarpanch of this village headed the andolan. He informed various NGOs, social activists and concerned persons about this issue.

On 25 November 1996, a nine-member committee,

including farmers, Gandhian- Sarvodaya leaders like Ambubhai Shah, Rikhavdas Shah, Arvind Desai, Ishwarbhai Patel, Surabhai Bhavrad, Vinubhai Amin, Amrutbhai Trivedi, Dajibhai Dabhi and Rajeshbhai Shah, visited the village and organised a meeting with the villagers. Vimalaben Tai, a social reformer also supported the movement.

In January 1997, around 3,000 villagers, including women of Kadadara, organised a rally in Ahmedabad city. The media covered the issue widely in both the news and features sections. Finally, the government was forced to withdraw the sanction extended to the company.

Action against Government Resolution to sell Gauchar land to Industry

On January 27 1999 the Revenue Department of the GOG passed a resolution allowing the sale of Village Gauchar land for industrial purpose. The argument for the decision was that the land will be sold at the market price and the industries will purchase it paying 30 percent more and the additional amount will be used by taluka Panchayat to develop other grazing lands.

Following the resolution several NGOs, intellectuals and concerned persons held meetings all over Gujarat. Farmer groups also raised their voice against the resolution. They also wrote letters to the Chief minister. They raised the following concerns and requested the government to rethink about the resolution since it is going to have an adverse impact on the livelihood of the poor and the Gujarat economy.

1. Around 63 percent of the population in Gujarat are dependent on agriculture and livestock for their livelihood. Therefore this resolution was anti poor, adversely affecting the livelihood of the Maldharis (pastoralists), tribals, small farmers and women.
2. This resolution also takes the power from the Panchayat Raj Institutions and Tribal Self Rule, which provide power to the people (Gram Sabha) to decide on the common land of the village.
3. Data shows that grazing land in Gujarat is limited

and therefore there is a need to develop wasteland into grazing land since large proportion of the population is dependent on livestock and related activities.

Following this a meeting was held at Ahmedabad on February 20, 1999. ASAG, UNNATI, WIFPR, Gujarat Biradari, Panchayati Raj Vikas Sansthan, CESC, Bal Nalkantha Prayogi Sangh, Samaj Trust, Charka, Vikas Adhayan Kendra were some of the organisations present in this meeting. After the meeting these organisations made a representative to the Chief Minister. These efforts led to withdrawal of the resolution.

Action against Mining on Common Land

GACL, which has set up its project in Kodinar taluka for its projects, acquired a piece of common land in Rampura village for mining purposes. This affected the livelihood of the local community who relied on the land for grazing.

SPSS and other local activists launched a protest against the mining activities. The situation became tense; the company appointed a security person and later sought help from the police. In August 1997, activists organised a protest rally that escalated into violence. The police opened fire, killing two persons and injuring several others. More than 1,00,000 people gathered at the funeral procession. The issue was discussed in the State Assembly amid heated arguments. Ultimately, the government asked GACL to stop mining in those areas and the common land was returned to the village.

Tata Chemicals Ltd. in Mithapur leased 20 acres of common wasteland in Bardia village on lease from the panchayat for eight years. Although the company was not using the land, it posted a sentry to protect the area and keep the villagers from entering the property. The villagers approached Prof. Ker of GVT for support who met the authorities in the company and requested them to return the land to the villagers. The Mining and Quarrying Lease Act states that if the leased land is not used within a period of three years, then the lease is no longer valid. The company could

not provide a counter-argument and promised to reconsider the matter. Ultimately, the company did allow the villagers access to the land.

Protests against Destruction of Sea Fronts

GHCL is located in Sutrapada village in Amreli. The unit discharges the effluents from soda ash production, which consist of highly acidic water, directly into the sea. Many varieties of fish and marine life in the region have been killed. Once a fisherfolk's paradise, the area has degenerated into a barren sea. The drastic reduction in fish catch has created hardship in the local fishing community. People have to travel long distances to find prime fishing areas. They are often arrested after inadvertently entering Pakistan's maritime boundary.

The affected villages organised themselves under the village sarpanch and also sought the support of SPSS. Subsequently, protest movements were launched against the destruction of the sea front. In 1995, the Sutrapada Movement was organised in which 3,000 fisherfolk and other local concerned persons participated. Led by Chandrasingh Mahida and Balubahai Socha, the people met the Deputy District Collector and submitted a memorandum.

The Deputy District Collector ordered GPCB to conduct an enquiry, but a close nexus between the GPCB and GHCL has prevented the discovery of any conclusive evidence of pollution. Prior to inspection visits, the GPCB official always pre-warned GHCL, who then refrained from releasing the effluents and thereby managed to obtain clearance. SPSS and SETU are planning to take this issue to the state Environment Minister in Gandhinagar.

Adani Chemicals has applied for 16,000 ha of land in Mundra taluka to set up a chemical unit and an LPG bottling unit and to build port facilities. This land is part of the sea front and "Nagher", which is well known for its date palms. The Adanis plan to construct three jetties: one chemical jetty, one LPG jetty and a general cargo jetty. These jetties are being built along the Navinal and Bocha creeks. This is the largest shelter area for fish, and has been providing the maximum

fish catch for the local fishing community. In the construction process, the coastal villages have completely lost access to the sea front. Large numbers of families dependent on fishing have lost their livelihood in the following villages: Jarpara (100), Bhadresar (50), Shekhadiya (50), Navinal (20), Dhrab (10), Mundra (7). These families have come together under the umbrella of Janpara Matsya Udyog Mandali and Mundra Matsya Udyog Seva Sahkari Mandali to protest against the restriction of access to the sea front. Local organisations like JVEC and Kutchch Mahila Vikas Sangathan are also supporting this protest action.

The DDO has issued a notification asking the company not to interfere with the villagers who depend on access to the sea front for their traditional livelihood. Despite this notice, Adani Chemicals continues to hinder their fishing operations. The people's organisations have already held two rounds of talks with the DDO who has assured them access to the sea. If this promise is not kept, the local community plans to intensify their ongoing protest actions against the company.

PROTEST AGAINST LAND DEGRADATION

Degradation of Land due to Mining

The mining companies are required to restore the land by filling in the pits that are created during the mining process. However, in Gujarat in all cases when the companies have moved to new mining areas, they simply abandoned the land. Due to overburden on the land and the accumulation of pits, the land has become useless for agriculture or any other activity. In Rajpardi taluka in Bharuch, GMDC has been extensively mining in Maljipura, Bhuri, Bhimpor, Amod and Gundecha villages. As a result, these villages are facing severe environmental problems.

- The groundwater in these villages has depleted.
- The water that is discharged from the mines is acidic and degrades the quality of land.
- The overburden of mining leads to changes in the course of rivulets, which submerges fertile land and renders it unfit for cultivation.

To counter these impacts, PSS has mobilised the local community. As a result of its consistent efforts, it has

been able to bring both the local people and the corporation to a common platform for dialogue, which has convinced GMDC to consider the plan for restoration of mined land and to conduct mining activities in a more ecologically friendly way. The corporation has also agreed to consider providing a drinking water facility to these villages. The community and PSS feel that they have begun a process that could set a trend for eco-restoration and mining with minimum disturbance to the ecology.

Bentonite mining is prevalent in the Vandh area in Mandavi taluka. The sarpanch Karsan Bhagat placed the various problems faced by the people before JVEC, which then presented the case in the Forum for Planned Industrialisation of Kutchch. It was decided to take up five studies to assess the impact of mining, based on which a concrete action plan would be developed. These studies would examine and analyse the water resources in the area, the land use pattern, development aspects, the socio-economic situation and legal issues related to mining.

The primary study was able to identify the following key issues:

1. Mining activity does not benefit the local people. Compared to the land that has been lost to mining, the employment opportunities are limited.
2. Revenue land is being destroyed because of spillage of water that collects in the mining pits and creates waterlogging in the adjoining agricultural fields. The water contains high levels of bentonite and siltation of agricultural land is taking place at a rapid pace.
3. The dam constructed on the Rurmavati River does not receive sufficient water because topographical changes caused by mining have changed the course of the stream that feeds it.

While the reports are being finalised, pressure groups are being created to conduct a campaign against mining activity.

Action against the Setting up of a Chemical Industrial Zone

GIDC proposed to set up a chemical industrial zone covering 2,500 ha of land in eight villages in the Bhal

area in Dholka taluka. About 30,000 people live in these villages, and it is one of the leading wheat producing regions in Gujarat.

Although the company has promised to create an ideal industrial estate suited for local development and with the least environmental degradation, the people and the organisations in the area believe they are being presented with false promises and that their expectations will not be realised. There is ample past evidence to support their position that a large, exclusive chemical industrial estate would certainly pollute the land and possibly render the entire area unfit for human habitation.

ASAG and CERC, with support from local people, formed a people's organisation called Bhal Vistar Vikas Ladat Samiti, which has been consistently following the issue and protesting against any move to bring in such an estate. They also made a representation during the public hearing organised by GPCB on 8 February 1997, as well as to the Central Legislative Committee, New Delhi.

Their main concerns and worries about this project are:

1. GPCB is playing a promotional role rather than a monitoring role in setting up this chemical industrial zone.
2. GPCB is providing factually incorrect reports to the press, particularly on the availability of water from Kaneval pond in Kheda and through Narmada Nigam.
3. Since the day of the public hearing, the Bhal Samiti has been demanding an EIA Report from GPCB, which has not yet been furnished.

The demands of the samiti are:

- (1) GPCB should immediately update the minutes of the public hearing, recording the opposition expressed by all individuals, institutions and panchayats.
- (2) GPCB should produce the unabridged EIA reports for examination by CERC and ASAG.
- (3) A summary of the EIA report should be published in Gujarati for the local people.

- (4) If the Government of Gujarat is so concerned about development of the region, it should promote dry land agriculture as an agro-industry rather than a chemical industrial estate.

The protest has caught the attention of the decision making authority. The people have also become firmer in their stand against the installation of the chemical estate. While the campaign continues, there has been no visible change in the plan.

Chharodi village has a population of 2,500 which is predominantly Muslim. Many public as well as private industries have been set up in this region, including Gujarat Telephone and Cables Ltd, Jay Energy Ltd, Alpha Rolling Mills, Kengold Mills, Mansingh Chemicals and Meghmani Organics Ltd. Of the total 800 ha of agricultural land, 300 ha have been acquired for industrial use. These units have started releasing toxic effluents, which have severely affected land and the environment. The villagers strongly resent these units, particularly Meghmani Chemicals, which has polluted the adjoining land that was earmarked for a residential madrasa for the local Muslim students. The villagers formed a local committee and submitted their grievances to the District Administration as well as to the District Commissionerate. No action has yet been taken to control the polluting units; however, the local people have not given up and they are committed to fight till their voices are heard and justice is done.

ACTION AGAINST PRIVATISATION OF SOCIAL SERVICES

Campaign to Introduce Essential Drug Policy

Several organisations and individuals working at the grass-roots level initiated a campaign to advocate the adoption of an Essential Drug Policy at the state level. The core members of the campaign were UNNATI, Lok Swasthya Mandli and LOCOST. They were guided by the belief that an Essential Drug Policy could work effectively to counteract the drastically rising health care costs in Gujarat in the wake of new economic policies and liberalisation in India.

The longitudinal Study conducted by UNNATI revealed

that expenditure on health has increased considerably. A large proportion of the income of the poor in urban, rural and tribal areas in Gujarat is being spent on health. A major reason for the increase in health expenditure is the increased price of drugs and non-availability of essential drugs in the public health care system making them depend on the market. Studies done by other organisations (Lok Swasthya Mandli and Disha) also revealed similar trends.

To begin with a two day workshop was held during April 25-26, 1997. This workshop provided an opportunity to have a free dialogue with various government officials, doctors, representatives from medical colleges, NGOs and concerned persons for formulating a Health Policy and Essential Drug List for Gujarat.

Some of the key recommendations made during this workshop were:

- (1) There is need to develop an essential and restricted drug list for the state. This list needs to be revised from time to time to weed out irrational drug and include new essential drugs.
- (2) The process of procurement of drugs needs to be made open and more competitive. This can be reviewed by the CMSO.
- (3) All drugs needs to be available in their generic name and prescription needs to be made in generic names.
- (4) Along with the essential drug and prescription in generic names there is a need to maintain strict control over available drugs. Notification on sub standard drugs needs to given on a regular bases.
- (5) To strengthen the process of implementing an essential drug list, rational therapy and prescribing in generic, specific interventions needs to be made by way of training, workshop, seminars and preparation of education material by medical colleges in collaboration with NGOs.
- (6) Two committees one to look at the technical aspects of essential drug list and the other to look at other aspects of drug policy were formed.

After studying the list of essential drugs prepared by

The World Health Organisation (WHO) and the Government of India, the technical committee prepared an Essential Drug List for Gujarat. The second committee held several meetings with the Minister for Health and Family Welfare, Government of Gujarat, to discuss the possibility of formulating an Essential Drug Policy for the state. Campaign members also held a meeting with the Health Commissioner, Government Of Gujarat, on 6 September 1997 at Ahmedabad and organised a media advocacy workshop on 17 October 1997 to brief the media about the campaign. Although the response was positive from the government, no concrete action has been taken.

Booklets on the need for essential drug policy and essential drug prices were prepared and circulated to create a public opinion in favour of an essential drug policy and to facilitate a process providing drugs at affordable prices which will reduce the healthcare cost for the poor.

The study on the functioning of primary health care centers revealed that poor people access to PHCs is limited because of non-availability of drugs and doctors. The report was used for public advocacy to improve the facilities at the PHC. The GOG although not happy with the report in the beginning did take some of the findings and made efforts to improve the facilities available at the PHCs. The local NGO involved in the study shared the findings with the community and also took up the issue at the district level by holding meetings with the authorities.

Action Against Takeover of School by Foreign Institutions

Municipal School No. 20 at Mithakali village had 335 students in classes 1-7. These Children came from the nearby slums. The Ahmedabad Municipal Corporation without any prior information leased the school to International Research Foundation, Mahatma Gandhi International University, France for an annual payment of Rs. 101. The plan was to use this school to provide education to 20 percent of the children selected from 570 school being run by the AMC to bring them to international standards. This would

mean that only 2-3 children from each school would be selected including School No 20. What would happen to the rest of the children of School No 20? The plan was to shift the children from this school to the nearby School No 4. However School No 4 was a primary school and already had 206 children in classes 1-4. This school had only 6 classrooms and did not have any toilet facility.

On October 2, 1997 the community including women and children, Sarvodhya Leaders, educationalists, voluntary organisations and other concerned sections of civil society got together to protest against this undemocratic act. The main of contention was that in a situation where during the last 20 years population increased three fold there has been no addition to number school. This has lead to a situation where poor children have to seek admission in private schools paying high price or stay uneducated. By giving municipal school to private parties AMC is denying the only opportunity available to the poor. The group held several meetings and Sammelans near the school to highlight the issues. On one such occasion 250 policemen attacked the group leading to atrocities against them.

Some of the organisation and individuals involved in the struggle where CACL, Charka, Janpath, Lok Samiti, Lok Adhikar Samiti., Naya Marg Trust, Shaishav, Unnati, Chunibhai Vaidhya, Girish Patel, Hasmukh Baradi, Indubhai Jani, Devrath Phatak, Yashuwant Mehta, Yashuwant Shuka.

A case was filed in the high court at Ahmedabad against this act of AMC, which lead to the closure of the school. However the social activist got together and resumed the school on the footpath. Classes were held on regular bases keeping the school schedule. Unnati was part of the group that held the classes. Charka also provided media support covering the issue in all leading Gujarati and English dailies. Articles on this case was prepared and widely circulated through Unnati's newsletter Vichar.

The case was fought in the court and was won by AMC. The school was resumed with selected children

charging an annual fee of Rs. 11,000. The rest of the children were shifted to School No 4 and in the process many of them have dropped out of school.

STRUGGLE AGAINST DISPLACEMENT

Action against Displacement of Maldharis

Maldharis are the traditional inhabitants of Gir forest. Their entire economic, social and cultural life is inextricably tied with the Gir forest area. They are especially dependent on the forest area for grazing their cattle. In 1996 the Forest department issued an eviction notice to the maldharis living inside the Gir Sanctuary and National Park to vacate the hamlets where the World Bank supported Global Environment Facility Eco Development Project was being implemented. The Conservator of Forest claims that the notice was sent only to those who were staying illegally and indulging in criminal activities.

However, the maldharis have a different story to tell. Ranma Laxman Rabari says that the eviction notice he received asked him to leave his hamlets within one month, and to take his cattle and belongings with him. If he failed to do so, the Forest Department would oust him and any damage to his belongings or loss of cattle would be his sole responsibility. Similar notices were sent to other maldhari families.

Cases of atrocities against the maldharis have also been reported. In Chapasur, the maldhari and charan place of worship was demolished on the grounds that it interferes with the Tulsishyam Temple, which is a thriving tourist centre.

The Maldharis launched a rally outside the office of the District Collector. They submitted a memorandum to the Chief Minister stressing that the objective of the eco-development project is to protect and develop the Gir Sanctuary, National Park and peripheral areas to preserve the Asiatic lion through conducting research studies and awareness creation as well as creating development opportunities for the local inhabitants. This objective clearly does not substantiate forceful eviction of maldharis.

The maldharis also held a meet where they stated

that there is no reason to regard them as enemies of the Asiatic lion. Lions are part of their history and culture, which considers them as gods and essential to existence.

Action against Displacement due to Dams

Chavada Dam in Mangrol taluka, Mohamkam Dam in New Umarpad taluka and Loharvad Dam in Mandavi taluka are going to submerge 52, 12 and 10 villages, respectively. Of the Project Affected Persons of Chavada Dam, 20 villages are resettlement villages of Ukai Dam. Before the people were able to reconcile the initial eviction, the notification for the second eviction has been served. Work on the dam has been initiated, creating turmoil and uncertainty in their lives, as they are in constant fear of being forcefully evicted. The Legal Aid and Human Rights Centre under Nav Sarjan Trust, Surat, has been actively involved in

mobilising tribal communities.

Action Against local Atrocities

Legal Aid and Human Rights Centre has been addressing from a legal standpoint the violation of human rights in 150 cases. Landlords and employers exploit labour in the tribal belt in many ways. They do not pay minimum wages, subject the labourers to poor working conditions and force them to work for more than their stipulated working hours. There are also incidents of implicit bonded labour. In the sugar cooperative in Bardoli, Vyara and Valod talukas in Surat, the factory owners loan advance money to the labourers in times of crises, and force them to work in their fields until they repay the principal and the interest, which they are not able to do. There are isolated efforts to release the labourers from the debt crises.

6

PROTECTING THE POOR

Based on the study and the subsequent deliberations with people at the grass-roots level, NGOs and academicians, a series of recommendations emerged to address and protect the interest of the poor in the liberalised economy. The study clearly showed shrinking formal employment and an increase of expenditure in the social sector, like education and health care. The empirical data indicates clear evidence of pressure on poor people in managing their day-to-day livelihood. Many of the proponents of liberalisation may argue that these effects are of temporary nature and in the long run the poor will benefit. If the goal of liberalization is to benefit the poor in the long run, some of the key recommendations emerging from the grass roots cannot be neglected.

One of the effects of liberalisation is a shrinking formal sector and a growing informal sector, where wages and other working conditions are unregulated and unprotected. This is particularly evident among the workers engaged in construction, ceramics and small and medium factories. There is a need to widen the implementation of existing labour laws to cover the informal sector. Women workers, being particularly vulnerable to exploitation, need special protection. There is large-scale fear that the present labour laws will be further reviewed favouring the employer so that it can attract foreign investment. The study recommends that the government should implement the labour laws in all sectors of work. Investment in skill development and upgradation should be a component of employment regulations in both the formal and informal sectors. In all the new industries the emphasis on creation of local job opportunity has

been proved to be a myth. Most of the newly set up industries are technology intensive and provide jobs for technically educated people leaving very little room to employ local people. Rather it has created a destruction of natural resources and displaced local people. The aim must be for labour intensive industry growth, which would create jobs and increase the productivity and income of the poor.

Under normal circumstances, the poor are not able to access various services in the social sector, including health, education, sanitation, old age pension, childcare and other social securities, because of ineffective functioning of the service institutions. This does not mean that the service sector should be privatised. The poor people recommend that the service sector be made more accountable. The poor do not have the financial capability to pay market rates for the social services. The study clearly showed that poor people are forced to opt for privatised health care as the state provided health services are not able to address their needs. It has been also noticed that in availing private health care services, almost all families have entered into a debt crisis. Accessibility, affordability and quality of public health services need to be improved, which includes bridging the gap between service providers and the community. Initiating a participatory planning process is one way to bring about such changes. The state should also ensure that there is no cut in subsidies in the social sector. The access of the poor to social services should be taken into consideration when designing safety net programmes.

Access to essential food commodities is as important

as access to social sector services. The study clearly showed restricted access of the poor to the state owned PDS. In the last six years the government has reformulated the PDS twice. However, in both the revisions it has not been able to target the vulnerable groups, particularly the system for delivery of essential commodities in certain backward areas of the country. The GOI introduced a new scheme termed "revamped PDS". The main intention behind this restructuring was to give preference to the population living in drought prone areas, tribal areas, desert areas, hilly areas, urban slums and other difficult areas of the country. Our study area falls under priority areas for revamped PDS, but there was no improvement in people's access to the PDS. Often, vested interests benefit from subsidies given through the PDS. The present announcement of the government to give complete authority to the Panchayat to execute the PDS is a welcome step. The people have been recommending that the PDS needs to be decentralised at all levels, including acquisition, storage and distribution. Many such initiatives are being practiced. There is a need to replicate such initiative through Panchayati Raj institutions.

In recent years, despite the announcement of poor people access to soft micro credit, the study revealed that the poor have very little access to formal credit. While the total quantum of credit available has increased, the real number of poor people accessing credit has decreased. Presently, poor households only have access to exploitative credit systems, which inevitably leads to mortgaging land and selling other assets for loan repayment. It is revealing to know that about 25 per cent of the credit is for health purpose, which leads to further loss of assets. This is a very serious trend leading to further marginalisation of the

poor. Mechanisms need to be developed to provide less bureaucratised, easy access to credit for health and social expenses. Another challenge is to create links between available credit and opportunities to initiate micro-credit enterprises.

A major concern about liberalisation is the emphasis on promotion of industry and trade. This process has led to creation of new industries, mines, infrastructure, etc., which has displaced farmers and local people. In many places, such development activities have polluted and/or destroyed the grazing and farmland and water sources. As many cases in this book reveal, it is not only common people's land that is being used, but protected lands and forests are also being denotified in support of fast industrialisation.

People must be empowered to organise themselves for collective action and to demand a say with regard to local development, including setting up of industries. While in recent years there has been an emphasis on creation of multi-stakeholder forums to influence the development process, in reality the poor people's forums have been marginalised. There is a need to support institutions that have been promoting poor people's forums to claim their interest and rights in the development process. Unfortunately, such processes have been labeled as anti-development and anti-national. There should be a policy of right to information and right to organise people to raise their voice to monitor the adverse impact of development at all levels. Such forums should be given the status of Lok Adalat. Their judgments should be final when making any decision.

These are some of the recommendations from the grass roots to safeguard the interest of the poor.

ANNEXURE

Table 1: Pattern of Employment among Ahmedabad Slum (Pottery) Households

Sectors	Male				Female				Total			
	April 94	Dec 94	May 95	Dec 95	April 94	Dec 94	May 95	Dec 95	April 94	Dec 94	May 95	Dec 95
Manufacturing	45.77	48.36	47.00	44.95	40.26	42.21	37.79	39.89	86.03	90.57	84.79	84.84
Construction	0.54	4.10	6.45	5.55	2.54	2.87	4.15	6.06	3.08	6.97	10.06	11.61
Trade	0.43	-	-	0.51	-	-	-	-	0.43	-	-	0.51
Services	3.39	1.64	2.65	2.02	0.43	0.41	-	0.51	3.82	2.05	2.65	2.53
Others	0.86	0.41	2.30	0.51	-	-	0.46	-	0.68	0.41	2.76	0.51
Total	134	133	125	106	102	111	92	92	236	244	217	198
	56.78	54.51	57.60	53.54	43.22	45.49	42.40	46.46	100	100	100	100

Table 2: Pattern of Employment among Ahmedabad Slum Dwellers

Sectors	Male				Female				Total			
	April 94	Dec 94	May 95	Dec 95	April 94	Dec 94	May 95	Dec 95	April 94	Dec 94	May 95	Dec 95
Manufacturing	21.50	46.60	45.30	46.40	0.40	5.00	5.30	4.70	21.90	51.60	50.70	51.20
(a) Textile	16.20	22.90	18.30	22.40	0.40	0.70	1.70	1.40	16.60	23.60	20.00	23.70
(b) Others	5.30	23.60	27.00	24.40	0.00	4.30	3.60	3.40	5.30	27.90	30.70	27.80
Construction	6.00	10.00	9.00	12.90	-	3.60	3.33	2.40	6.00	13.60	12.30	15.20
Trade	10.60	13.60	14.00	13.20	0.40	2.20	3.00	0.70	11.00	15.80	17.00	13.90
Services	47.50	3.20	5.30	8.10	1.10	1.10	1.00	0.30	48.70	4.10	6.30	8.50
Others	10.90	13.30	12.70	9.10	1.10	1.40	1.00	2.00	12.20	14.70	13.70	11.20
Total	257	242	259	265	8	37	41	30	265	279	300	295
	97.00	86.70	86.30	89.80	3.00	13.30	13.70	10.20	100	100	100	100

Notes :

1. Others in this group include those engaged in transportation and repair services.
2. Services include services and personal services included in 90, 91, 92, 93, 94 and 96 groups in National Industrial Classification 1970.
3. Figures are percentages to total, Total = 100.
4. Figures include all employed in a specific activity for more than 20 days in a month.
5. There was no one engaged in trade during Dec 94 and May 95.
6. In April 94 others include those employed in transportation, banking and legal services, hotel and restaurants, repair services and those who could not specify their activity.
7. In April 1994 a large section reported services while they are working in manufacturing (It is an problem of understanding of concept service). This issue was classified in the subsequent rounds.

Table 3: Average Wage Rates in Urban-Rural Areas for Males (in Rs.)

		Pottery	Textile	Others	Constn	Services	Agri. Lab	NHH. Man	Min & quar
Ahmedabad Slum (Pottery)	Apr 94	21 (20)	-	-	-	-	-	-	-
	Dec 94	25 (22.5)	-	-	-	-	-	-	-
	May 95	29 (24.5)	-	40 (34)	34 (29)	38 (32)	-	-	-
	Dec 95	30 (25)	-	33 (33)	40 (33)	26 (22)	-	-	-
Ahmedabad Slum	Apr 94	-	65 (62)	-	43 (41)	-	-	-	-
	Dec 94	-	43 (36)	-	35 (31.2)	-	-	-	-
	May 95	-	45 (38)	34 (29)	33 (28)	43 (36)	-	-	-
	Dec 95	-	50 (41)	42 (34)	38 (31)	44 (37)	-	-	-
Ahmedabad Rural	Apr 94	-	-	-	-	-	15 (14)	23 (22)	-
	Dec 94	-	-	-	22 (20)	-	15 (13)	27 (24)	-
	May 95	-	-	-	17 (14)	38 (32)	18 (15)	33 (28)	-
	Dec 95	-	-	-	25 (20)	38 (32)	18 (14)	29 (24)	-
Sabarkantha Rural	Apr 94	-	-	-	37 (36)	-	19 (18)	-	-
	Dec 94	-	-	-	23 (20)	-	20 (17)	-	-
	May 95	-	-	-	26 (22)	35 (30)	20 (17)	39 (33)	-
	Dec 95	-	-	-	26 (20)	27 (23)	22 (17)	38 (31)	-
Sabarkantha Tribal	Apr 94	-	-	-	25 (24)	-	25 (24)	-	25 (24)
	Dec 94	-	-	-	28 (24)	-	24 (21)	-	28 (24)
	May 95	-	-	-	24 (20)	31 (26)	23 (19)	-	25 (21)
	Dec 95	-	-	-	25 (20)	31 (24)	25 (20)	-	25 (20)
Junagadh Rural	Apr 94	-	-	-	32 (27)	-	24 (23)	-	-
	Dec 94	-	-	-	30 (26)	-	26 (22)	-	-
	May 95	-	-	-	35 (29)	49 (42)	30 (25)	40 (34)	-
	Dec 95	-	-	-	37 (29)	56 (47)	30 (26)	36 (30)	-
Kutch Rural	Apr 94	-	-	-	34 (32)	-	26 (25)	34 (33)	-
	Dec 94	-	-	-	30 (26)	-	25 (21)	50 (45)	-
	May 95	-	-	-	33 (28)	54 (54)	32 (27)	70 (59)	-
	Dec 95	-	-	-	26 (21)	44 (37)	33 (26)	66 (54)	-

Notes:

1. To arrive at real wage rates for April 94 we have used September 93 as the base. We had done a study in September 93 in which the wage rates in various activities were collected. So we decided to use this point as the base.
2. To arrive at the real wage in April 94, we have divided the wage rate in April 94 by the ratio of cost of living index for September 93 and April 94. Similarly exercise was done for arriving at the real wage rate for December 94, May 95 and December 95.
3. We have used the cost of living index for urban industrial workers for urban workers.
4. Figures in bracket give the real wage rates.

Table 4: Extent of Child Labour (%)

Groups	April 94			December 94			May 95			December 95		
	M	F	T	M	F	T	M	F	T	M	F	T
Ahmedabad Slum (Pottery)	0.00	5.55	2.50	3.00	16.00	9.00	4.35	6.52	5.22	4.92	14.00	9.01
Ahmedabad Slum	1.14	0.00	0.57	2.00	0.00	1.00	1.92	1.80	1.86	1.92	3.51	2.75
Ahmedabad Rural	8.72	4.90	7.28	12.50	15.00	13.50	14.48	8.94	11.94	11.66	3.67	9.16
Kutch Rural	9.50	9.40	9.30	2.00	5.10	3.80	4.40	4.90	4.60	1.84	0.64	1.25
Sabarkantha Rural	3.30	6.90	3.53	7.00	16.00	11.00	10.29	12.88	11.54	12.85	10.39	11.71
Junagadh Rural	2.41	14.80	3.25	5.00	5.00	5.00	4.35	11.27	7.36	5.62	13.43	8.97
Sabarkantha Tribal	3.53	6.21	4.76	42.00	57.00	54.00	28.57	48.70	37.61	39.44	53.04	45.56

Notes :

1. Child labour gives the no. of children in the age group 6-14 years who are working as a proportion of total number of children in this age group. These figures are percentage.
2. Extent child labour among male and female children has been calculated separately.

Table 6: Labour Force Participation Rates

Groups	April 94			December 94			May 95			December 95		
	M	F	T	M	F	T	M	F	T	M	F	T
Ahmedabad Slum (Pottery)	87.2	73.7	80.6	90.9	79.8	86.0	87.1	68.5	78.1	81.1	68.5	74.9
Ahmedabad Slum	68.0	02.2	41.2	66.8	13.5	43.4	67.6	13.0	43.6	71.9	08.8	44.2
Ahmedabad Rural	83.9	52.5	68.8	82.5	50.7	67.2	79.4	65.0	72.3	81.6	09.2	46.0
Kutch Rural	87.7	44.6	67.0	83.6	30.1	57.7	84.4	23.2	57.8	64.1	05.5	35.6
Sabarkantha Rural	81.1	40.2	61.3	82.0	54.8	68.8	83.9	46.5	65.8	94.7	46.8	71.3
Junagadh Rural	80.2	55.1	68.5	83.8	62.1	73.3	78.2	63.7	71.2	85.4	51.4	68.5
Sabarkantha Tribal	84.8	40.9	63.5	87.3	47.6	67.6	86.4	44.9	66.2	94.0	35.0	65.5

Notes:

1. Labour force participation gives the number of persons in the age 15-59 years who are employed.
2. Participation for males and females has been calculated separately.

Table 5: Pattern of employment in Rural and Tribal Areas (%)

		Farmers	Agricultural Labour	Livestock	Non Household Manufacturing	Construction	Services	Others	Trade	Transport	Mining & Quarrying	Fisheries
Ahmedabad Rural	Apr 94	28.54	22.95	29.13	6.71	2.24	3.55	2.80	-	-	-	-
	Dec 94	20.52	19.77	36.75	9.33	6.15	3.55	3.43	-	-	-	-
	May 95	22.63	1.79	42.67	6.19	20.52	2.60	3.58	-	-	-	-
	Dec 95	37.88	29.57	3.76	12.64	5.10	3.23	7.80	-	-	-	-
Kutch Rural	Apr 94	20.80	27.80	6.70	3.20	15.30	10.20	9.00	4.50	2.00	-	-
	Dec 94	18.70	33.00	6.70	3.30	12.50	11.10	7.80	4.70	1.90	-	-
	May 95	19.70	31.00	1.50	4.30	10.20	9.60	17.70	3.80	2.10	-	-
	Dec 95	16.10	66.68	0.62	1.84	1.24	8.36	-	4.33	0.62	-	-
Sabarkantha Rural	Apr 94	28.10	59.10	1.00	-	0.90	5.40	4.00	-	-	0.90	-
	Dec 94	42.40	35.10	2.80	-	7.20	3.00	8.50	-	-	0.80	-
	May 95	35.30	31.60	3.20	4.40	12.00	4.20	13.40	-	-	0.80	-
	Dec 95	33.40	34.40	7.00	3.40	13.10	4.30	4.40	-	-	-	-
Junagadh Rural	Apr 94	6.50	71.32	0.72	-	9.64	4.58	6.97	-	-	-	0.24
	Dec 94	3.85	50.90	0.45	-	28.51	3.38	12.00	-	-	-	0.90
	May 95	6.79	38.91	0.23	-	40.50	2.94	10.63	-	-	-	-
	Dec 95	5.40	59.46	-	-	20.39	3.20	9.83	-	-	-	1.72
Sabarkantha Tribal	Apr 94	61.27	26.58	3.75	-	0.87	2.60	2.60	-	-	2.31	-
	Dec 94	59.20	3.36	22.86	-	8.57	1.68	1.85	-	-	2.52	-
	May 95	34.20	29.46	23.08	-	5.89	0.81	1.32	-	-	5.24	-
	Dec 95	40.16	10.42	32.11	-	11.26	2.01	0.34	-	-	3.70	-

Notes:

1. Others include those engaged in forestry, plantation, trade and repair services.
2. Services include all activities included under code 90-96 of National Industrial Classification 1970.
3. Male + Female = Total and Total = 100. Figures are percentages to total.

Table 7: Area under Cultivation (Crop Wise) in Acres

Crops	Ahmedabad Rural				Kutch Rural				Sabarkantha Rural				Junagadh Rural				Sabarkantha Tribal			
	April 94	Dec 94	May 95	Dec 95	April 94	Dec 94	May 95	Dec 95	April 94	Dec 94	May 95	Dec 95	April 94	Dec 94	May 95	Dec 95	April 94	Dec 94	May 95	Dec 95
Bajari	0.28	137.32	-	133.42	-	205.06	5.00	12.00	1.00	6.00	6.61	5.39	-	0.80	1.71	2.00	-	1.00	-	-
Wheat	67.01	-	62.33	-	59.00	8.00	42.00	-	133.70	-	16.58	-	-	-	24.40	3.00	268.25	-	152.50	2.25
Castor	1.23	15.09	0.57	13.78	-	80.00	4.50	10.00	75.70	81.59	86.27	59.76	-	-	-	-	-	-	0.50	1.00
Jawar	-	4.27	-	8.71	3.50	757.51	-	85.00	1.00	5.25	2.60	7.13	-	4.40	-	3.00	0.50	-	-	-
Paddy	-	99.52	-	114.69	-	-	-	-	-	0.75	-	307	-	-	-	-	-	-	-	-
Variyali	0.57	-	0.92	1.15	-	-	-	-	25.75	66.32	35.75	36.06	-	-	-	-	-	-	-	-
Groundnut	-	-	-	1.71	-	480.49	16.00	176.00	-	0.25	6.25	-	-	108.00	0.57	106.00	-	-	-	-
Pulses	-	7.46	-	3.95	4.00	160.62	11.00	11.00	3.00	120.68	4.17	109.33	-	-	-	-	1.50	265.89	118.33	217.81
Vegetables	0.57	1.71	0.28	7.14	2.00	-	4.00	1.00	0.75	-	3.12	1.00	-	2.40	0.57	-	-	-	0.50	-
H. culture	-	-	-	-	-	10.50	28.00	-	-	15.00	-	-	4.00	-	-	-	-	-	-	-
Fodder	1.35	-	2.57	3.40	6.00	12.00	2.50	2.00	10.75	15.08	10.17	2.57	-	-	-	-	-	-	-	-
Jeeru	0.57	-	-	-	10.00	-	-	-	0.75	-	-	0.50	-	-	-	-	-	-	-	-
Maize	-	-	-	0.28	-	-	-	-	-	167.48	24.39	151.34	-	-	2.00	-	-	214.03	-	162.00
Cotton	0.57	-	-	-	3.00	404.61	104.00	116.00	9.95	12.81	17.71	86.78	-	-	-	-	-	3.00	-	-
Tal	-	-	-	-	-	5.00	-	-	1.75	0.50	-	-	-	-	-	5.00	-	-	-	-
Isafgul	-	-	-	-	-	-	26.00	-	-	-	-	-	-	0.57	-	-	-	-	-	-
Raido	-	1.99	-	-	25.00	130.62	5.00	15.00	10.00	4.00	4.50	-	-	-	-	-	4.50	-	14.45	-
Others	-	-	-	-	-	5.00	1.00	4.00	9.50	1.00	-	1.00	-	-	-	-	2.00	0.50	-	-
Total	72.15	267.36	66.67	287.79	112.50	2259.41	249.00	456.00	283.60	496.71	218.12	463.93	4.00	121.37	29.25	119.00	276.75	284.42	286.28	383.06

Notes : April 94 (Rabi), Dec 94 (Kharif), May 95 (Rabi) and Dec 95 (Kharif). Kharif season is from mid June to mid October, Rabi from mid October to mid February.

Table 8: Cost Production for major Crop (in Rs. Per acre)

Crops	Fertiliser and pesticides	Labour	Seeds and Other inputs	Output per acre in kg.	Total Cost	Total Receipts	Value of Residue	Gain/Loss
Bajari	646	371	149	360	1132	1080	200	-148
Paddy	834	343	1286	450	2463	1800	200	-663
Wheat	670	1150	2520	1200	4340	4320	300	280
Groundnut	140	724	639	140	1505	5760	-	4225
Variyali	1020	2210	2620	400	5850	6000	-	150
Castor	1150	1075	810	500	3035	4250	-	1115
Cotton	1036	1765	1220	600	4021	15000	300 (fodder)	10979
Maize	690	915	720	1000	2325	4500	250	2178

Notes:

1. Costs have been calculated using data collected during the village studies conducted during July-August 1995.
2. In the case of labour we have imputed value for family labour. We have imputed value except for paddy sowing and transplanting. Mostly female members do this work and they did not tell us the wage rates for the activity and how long it took them to complete it.
3. Other cost includes cost of renting tractors and bullock for plugging diesel for irrigation and other machinery used.
4. Total receipts have been calculated using market price of the output.

Table 9: Illness wise average expenditure in Urban Area (in Rs.)

Illness	Ahmedabad Slum (Pottery)				Ahmedabad Slum			
	April 94	Dec 94	May 95	Dec 95	April 94	Dec 94	May 95	Dec 95
Cold, Cough, Fever, Malaria	840.74 (58)	196.27 (107)	-	315.00 (15)	600.00 (89)	777.23 (51)	247.43 (78)	451.36 (56)
Respiratory Problems	1762.50 (8)	457.74 (29)	383.33 (13)	1300.00 (13)	787.57 (13)	200.00 (1)	1878.57 (15)	1527.08 (11)
Heart Related	633.33 (3)	-	25.00 (1)	500.00 (1)	-	4120.00 (5)	466.67 (3)	4050.00 (4)
Stomach Related	1500.00 (3)	1800.00 (3)	1325.00 (2)	3000.00 (2)	80.00 (1)	1808.33 (13)	1076.00 (26)	834.48 (28)
Eye, Nose, Ear	-	2650.00 (2)	-	5000.00 (1)	-	2030.00 (6)	283.33 (3)	540.00 (6)
Gynecological	1427.50 (20)	-	-	1125.00 (4)	2537.12 (17)	-	958.33 (12)	2750.00 (4)
Lever, Kidney, Diabetes	1650.00 (2)	-	-	-	5100.00 (2)	1500.00 (1)	-	-
Skin	1000.00 (6)	233.33 (6)	-	-	15000.00 (2)	1982.00 (15)	159.50 (20)	150.00 (1)
Joint ache + Pain	800.00 (3)	700.00 (1)	-	-	176.00 (3)	1350.00 (4)	381.82 (11)	633.33 (12)
Disability	5000.00 (1)	666.67 (5)	1360.00 (5)	-	40000.00 (1)	1683.33 (13)	2108.33 (6)	200.00 (2)
Cancer	3766.67 (6)	-	-	-	528.57 (7)	-	5000.00 (1)	200.00 (1)
Tatnus	-	-	-	-	-	-	-	-
Accident + Surgery	-	785.71 (8)	-	-	2516.67 (6)	1260.00 (5)	1875.00 (10)	1216.67 (6)
Others	-	-	-	-	-	950.00 (3)	1313.33 (6)	-

Note : Figure in bracket gives number of cases.

Table 10: Average Expenditure in Rural Areas (in Rs.)

Illness	Ahmedabad Rural				Kutch Rural				Sabarkantha Rural				Junagadh Rural				Sabarkantha Tribal			
	April 94	Dec 94	May 95	Dec 95	April 94	Dec 94	May 95	Dec 95	April 94	Dec 94	May 95	Dec 95	April 94	Dec 94	May 95	Dec 95	April 94	Dec 94	May 95	Dec 95
Cold, Cough, Fever, Malaria	654.1 (78)	683.6 (45)	352.0 (20)	312.5 (20)	431.6 (160)	331.3 (129)	556.4 (1260)	144.7 (37)	1058.9 (105)	358.9 (179)	440.5 (134)	634.2 (89)	795.0 (52)	280.7 (91)	134.6 (55)	6286.1 (72)	349.0 (175)	122.7 (169)	112.2 (175)	86.20 (184)
Respiratory Problems	602.4 (9)	565.8 (19)	603.3 (31)	307.7 (26)	1496.9 (28)	4695.4 (14)	797.3 (15)	1467.9 (29)	2395.2 (21)	2065.3 (42)	4580.0 (41)	1545.0 (20)	1093.7 (8)	1817.5 (6)	1262.5 (9)	1466.7 (6)	975.0 (4)	1500.0 (1)	780.0 (14)	1025.0 (5)
Heart Related	5100.0 (4)	-	500.0 (1)	500.0 (1)	2081.3 (9)	1566.7 (3)	1270.8 (12)	566.7 (6)	3320.0 (5)	1490.0 (10)	1460.0 (10)	1750.0 (2)	3666.7 (3)	100.0 (1)	-	2000.0 (1)	1200.0 (3)	-	100.0 (1)	-
Stomach Related	634.6 (13)	572.6 (26)	871.6 (16)	333.3 (12)	2064.4 (9)	1070.4 (39)	767.2 (30)	1133.3 (4)	3076.0 (23)	758.7 (46)	564.7 (19)	1933.3 (6)	1510.1 (5)	671.9 (16)	856.4 (25)	444.7 (20)	920.0 (9)	393.6 (39)	222.8 (35)	423.3 (21)
Eye, Nose, Ear	-	218.4 (17)	2500.0 (2)	883.3 (6)	-	1606.7 (3)	810.8 (12)	743.7 (8)	-	778.7 (17)	300.0 (2)	-	-	-	336.7 (3)	500.0 (1)	-	420.0 (5)	100.0 (1)	100.0 (6)
Gynecological	647.3 (50)	-	500.0 (1)	600.0 (4)	756.4 (34)	1350.0 (1)	-	200.0 (1)	2392.0 (30)	-	1125.0 (4)	1950.0 (6)	1244.1 (29)	1000.0 (1)	-	-	566.0 (28)	-	-	155.0 (2)
Liver, Kidney, Diabetes	-	325.0 (4)	246.7 (3)	150.0 (1)	8900.0 (2)	1027.3 (10)	3730.0 (10)	200.0 (1)	1150.0 (4)	200.0 (2)	683.3 (6)	-	-	600.0 (2)	833.3 (3)	-	-	25.0 (3)	-	-
Skin	2608.3 (4)	642.9 (14)	200.0 (3)	408.3 (6)	879.8 (6)	2691.2 (13)	2768.2 (6)	100.0 (1)	2717.5 (12)	503.8 (26)	640.0 (5)	-	2000.0 (1)	79.4 (9)	260.0 (2)	-	3000.0 (1)	3570.0 (25)	165.0 (12)	166.6 (3)
Joint ache + Pain	329.7 (26)	-	2410.0 (5)	450.0 (6)	173.8 (5)	716.7 (3)	843.7 (16)	605.0 (10)	1000.0 (3)	440.0 (5)	630.3 (38)	1242.9 (7)	10.0 (1)	850.0 (2)	1530.0 (5)	5350.0 (2)	326.4 (14)	-	165.0 (4)	-
Disability	2600.0 (2)	545.7 (13)	133.3 (3)	2025.0 (3)	900.0 (2)	2468.7 (17)	1564.5 (11)	287.5 (4)	1500.0 (1)	1340.0 (15)	1727.7 (22)	1925.0 (4)	10000.0 (1)	183.3 (3)	1000.0 (2)	1043.7 (4)	-	627.0 (10)	1685.7 (7)	1456.0 (5)
Cancer	401.6 (13)	200.0 (1)	-	6100.0 (2)	515.8 (26)	4290.0 (3)	6500.0 (3)	-	800.0 (5)	-	-	-	1011.1 (1)	1020.0 (3)	5000.0 (1)	-	334.0 (6)	-	-	-
Accident + Surgery	400.0 (1)	766.0 (10)	2460.0 (10)	6500.0 (2)	1124.2 (6)	1265.7 (7)	5600.0 (21)	-	2500.0 (4)	1043.3 (15)	1895.4 (22)	3500.0 (5)	-	1500.0 (15)	2020.0 (5)	625.0 (6)	2333.3 (3)	1150.0 (4)	733.3 (3)	666.6 (3)
Others	-	-	280.5 (18)	-	-	556.4 (9)	3058.3 (6)	150.0 (1)	5600.0 (4)	216.0 (21)	1709.1 (11)	400.0 (4)	5000.0 (1)	76.2 (8)	2000.0 (1)	-	140.0 (1)	175.5 (28)	493.75 (8)	-

Note : Figure in bracket give number of cases.

Table 11: Reasons for taking Loan

	April 94					December 94					May 95					December 95				
	1	2	3	4	5	1	2	3	4	5	1	2	3	4	5	1	2	3	4	5
Ahmedabad	47.5	34.9	2.3	13.6	1.8	36.0	35.1	0.7	10.8	17.7	31.2	22.9	-	4.0	41.9	54.5	11.7	-	8.8	25.0
Slum (Pottery)																				
Ahmedabad	18.7	25.8	38.6	16.9	-	5.7	23.9	27.7	18.4	25.3	12.6	15.0	7.2	10.7	19.5	10.5	35.1	14.2	4.4	35.8
Slum																				
Ahmedabad	33.3	24.8	33.2	7.2	1.5	42.1	14.2	14.2	11.2	18.3	12.1	31.8	15.7	17.1	23.3	15.1	20.0	12.6	17.6	34.7
Rural																				
Kutch	50.7	13.9	28.8	4.4	2.2	11.1	6.6	56.3	3.5	22.5	9.2	17.3	29.2	6.5	37.8	26.7	19.3	39.4	13.5	1.1
Rural																				
Sabarkantha	23.0	39.9	20.0	10.4	7.1	6.5	23.6	40.2	8.8	20.9	6.7	28.0	22.3	10.2	32.8	15.5	14.4	34.4	18.8	16.9
Rural																				
Junagadh	38.6	37.9	12.3	7.3	3.8	9.9	11.4	5.0	6.3	67.4	17.4	30.6	21.8	9.6	20.6	57.3	10.9	11.5	16.0	4.3
Rural																				
Sabarkantha	42.2	16.3	28.2	11.4	1.9	16.2	3.8	52.1	14.1	13.8	7.9	50.9	20.2	11.5	9.5	19.5	20.1	46.8	8.0	5.6
Tribal																				

Notes:

- 1 = household expenditure, 2 = Expenditure on special occasions, 3 = Income Generation, 4 = Health and 5 = Others (other include repayment of debt and house purchase).
- Figure give loans taken for each purpose as a proportion of total number of loans taken. The figures are percentage.
- Reference period for the first round is one year and six months for the other rounds.

REFERENCES

- Bakker, Isabella (ed.). 1994. *The Strategic Silence: Gender and Economic Policy*. Zed Book.
- Bhagawati, J., and T. N. Srinivasan. 1993. *India's Economic Reforms*. A report prepared at the invitation of the Finance Minister, Government of India. June.
- Bhargava, Pradeep (ed.). 1994. *New Economic Policy and the Vulnerable Sections*. Jaipur: Classic Publishing House.
- Bureaucracy in Developing Societies* New Delhi: Ashok Gosain for Har-Anand Publications under the auspices of International Political Science Association's Research Committee on Public Bureaucracies in Developing Societies and Freidrich Ebert Stiftung.
- Burgess, Robin, Jean Dreze, Francisco Ferrera, Athar Hussain, and Jim Thomas. *Social Protection and Structural Adjustment*.
- Centre for Development Research. 1995. *Structural Adjustment in Africa: A Survey of the Experience*. Copenhagen: Centre for Development Research.
- Clark, John, and Caroline Allison. 1989. *Zambia, Debt and Poverty*. Oxford: OXFAM.
- Clark, John, and C. Davis. 1991. *A Simple Guide to Structural Adjustment*. Oxford: OXFAM.
- Diop, Francois, Kenneth Hill, and Ismail Sirageldin. 1991. *Economic Crisis, Structural Adjustment, and Health in Africa*. Working Paper 766, The World Bank, Washington, DC, September.
- George, Susan (1988) *A Fate Worse than Debt: A radical new analysis of the third world debt crisis*.
- Giovanni, Andrea Cornia, Richard Jolly, and Frances Stuart (eds.). 1987. *UNICEF: Adjustment with a Human Face. Volume I. Protecting the Vulnerable and Promoting Growth. A Study*. Oxford: Clarendon Press.
- International Labour Organisation (ILO), and Asian Employment Programme (ARTEP) *Structural Adjustment: By Whom For Whom?* New Delhi.
- International Monetary Fund (1988): *The implication of fund-supported Adjustment Programmes for Poverty: Experiences of selected countries*. Washington, DC, May.
- Kalwani, Nanak, Elene Makonnen, and Jacques van der Gaag. 1990. *Structural Adjustment and Living Conditions in Developing Countries*, Working Paper 467, Population and Human Resources Department, The World Bank, August.

Parthasarathy, G. (1994): Safety Nets for Vulnerable Sections, in Pradeep Bhargava (ed.), *New Economic Policy and the Vulnerable Sections*, Classic Publishing House, Jaipur.

R. B. Jani, and Bongartz, Heinz (eds.). 1994. *Structural Adjustment Public Policy*, Freidrich Ebert Stifting, New Delhi

Rao, Purnima, and S. T. Sawant (eds.). 1993. *New Economic Policy—Problems and Alternatives*, Freidrich Ebert Stifting, New Delhi.

United Nations Population Fund (UNFPA), and Centre on Integrated Rural Development for Asia and the Pacific (CIRDAP). *Structural Adjustment and Health Care Services: Glimpses from Two Villages in Bangladesh*. CIRDAP Study Series 173, May 1996.

Van Dijk, M. P. 1996. Structural adjustment policies and their effects at the city level: the case of India 1996-2. Institute for Comparative Urban Research, November.

Vickers, Jeanne. 1991. *Women and World Economic Crisis*. London: Zed Books, Ltd.

Woodward, David. 1992. Debt, Adjustment and Poverty in Developing Countries, Volume II. The Impact of Debt and Adjustment at the Household Level in Developing Countries. Save the Children, London.

World Bank. 1990, *Making Adjustment Work for the Poor: A Framework for Policy Reform in Africa*, A Study.

About Us

UNNATI Organisation for Development Education is a registered (1990) voluntary organisation. The main aim is to promote participatory principles, social and gender justice in the process of development. The above aim is fulfilled by conducting promotional activities like educational events, research, documentation and by being directly involved with community based organisations, local NGOs, local bodies, government institutions on a partnership basis/framework.

UNNATI has been actively providing support to various institutions for the past ten years in the western region Gujarat and Rajasthan. A programme evaluation was conducted during the tenth year. Deriving insight from the recommendations of the evaluation report a future plan of action has been formulated. In order to address state specific issues, state level programmes are being carried out through independent offices in Gujarat and Rajasthan. The regional educational events are carried through the regional office located in Ahmedabad.

STATE LEVEL DIVISIONS

Support to Local Initiatives (SLI)

SLI primarily focuses on strengthening institutions of civil society working on basic rights and livelihood issues for promoting people's participation and for the empowerment of the community by building the capacity of local institutions, provide support for field level activities, and create a platform for local leader to share experiences to derive insight

Promotion of Local Self-Governance (PLSG)

PLSG aims to build an enabling environment for the promotion of self-governance at the grassroots through strengthening Panchayati Raj Institutions (PRIs) by developing appropriate capacity building input, undertaking educational events and disseminating information to various stakeholders.

We are presently involved in the reconstruction process of areas affected by the earthquake in Gujarat.

REGIONAL EDUCATIONAL DIVISIONS

Documentation and Development Education (DDE)

DDE is engaged in publishing a quarterly news bulletin VICHAR in Hindi and Gujarati, conducting generic training programmes on perspective development, participatory training, planning, monitoring and evaluation and documentation for institutional development and publication of educational material

Research Advocacy and Allied Activities (RAA)

RAA carries out research on macro issues in collaboration with grassroot organisations. It aims to develop a micro level database, involve local groups to collaborate on research activities at the local and state level. The ongoing activities are in the areas of essential drug policy, effective functioning of primary health centres, food security, impact of liberalisation and enhancing citizen's participation in urban governance.



उन्नति

UNNATI

Organisation for Development Education

G-1, 200 Azad Society, Ahmedabad 380 015. Gujarat

Tel: 079-6746145, 6733296, Fax: 079-6743752,

email: unnati@ad1.vsnl.net.in

Rajasthan Programme Office

21-A, 9th Paul Road, Bachraji Ka Baug,
Jodhpur 342 003. Rajasthan

Tel: 0291-642185, Tel/Fax: 0291-643248,

email: unnati@datainfosys.net