

MINING AND ITS IMPACT ON LIVELIHOODS OF PEOPLE
EMERGING TRENDS AND OXFAM RESPONSES

OXFAM INDIAN PROGRAMME PRIORITY ISSUE REVIEW PAPER NO. 2

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With a

Mining issue related review paper by Amit Ahuja

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PREFACE

The links between mining activities, displacement, unchecked population growth and marginalisation of tribal people and other vulnerable groups are becoming clearer. Mining directly contributes to displacement of people and environmental degradation in a variety of ways: depletion of forested areas due to mining and acquisition of agricultural lands from people for mining; pollution of air, soil and water. Creation and expansion of roads and railways facilitated initiation and expansion of private mines, all of which are contributing to depletion of forest wealth and environmental degradation. The indirect effects of mining on tribal people and environment may be very serious, if it attracts people poor in resources and skills. In conditions of acute rural poverty, any hope of employment attracts a greater number of people that the area can provide for and this creates a serious environmental crisis and affects livelihoods of the local people. Unfavourable market integration of the tribal area, very high levels of exploitation of forests and conditions that enhance indebtedness, have consequences on the tribal and other vulnerable sections of the population. These conditions perpetuate poverty and underdevelopment and the strategies that the displaced and migrant poor adopt to ensure their survival under such circumstances are often incompatible with sustained, environmentally appropriate land use and further lead to deterioration of soils and other natural resources. The working and living condition obtainable to men, women and children engaged in this sector is highly deplorable. The situation is serious for people working in private mines in mining areas of Orissa, Rajasthan, Gujarat, Bihar, West Bengal and other States.

For Oxfam this is a critical problem related to the sustainable livelihood and basic rights of poor people. In states like Orissa and Bihar, large-scale mining for minerals such as bauxite, iron and coal has led to the displacement of thousands of persons from their land with little or no real compensation. Opencast mining extremely damaging to the soil has been carried on unfettered with NGOs unable to get mining companies to restore the land to its original quality. In Gujarat and Rajasthan, the mining of minor minerals and stone quarrying activities have led to increasing respiratory disorders for workers, yet the activities continue unabated. With little evidence that the benefits of these mining activities will ever reach those affected by it, the “acceptable cost” is simply not acceptable any longer. Communities across the country are under pressure from the state and private sector, losing access to their assets as well as common resources. If these communities are not able to retake control over their environment and resources, the future for them will be extremely bleak.

With the advent of economic liberalisation and deregulation in 1991, the sector has been exposed to new levels of investment, both from foreign investors and the Indian private sector. The informal small-scale mining sector has also grown rapidly with the government increasingly turning a blind eye to illegal mining.

The objectives of this paper are to:

- analyze emerging trends in nature and extent of mining and its impact on the livelihoods of people displaced and those employed.
- assess the intervention approaches of Oxfam partners in safeguarding livelihoods and rights of people threatened or affected by mining activities.
- facilitate dialogue among Oxfam partners, staff and CBOs to develop appropriate intervention strategies aimed at safeguarding livelihoods and rights of people threatened or affected by mining activities;

Oxfam grateful acknowledges the contribution of Ms. Sohini Sengupta in writing this report. Mr. Amit Ahuja wrote a review paper on mining and other related legislation in the country. We acknowledge his contribution.

Oxfam staff and partners met on 18th and 19th December 1996 and discussed the report prepared by Ms. Sengupta. This dialogue will be continued to bring greater clarity to Oxfam's work.

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March 10, 1997

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