



**Final Report to the Department for International Development on
ESCOR-funded Project No R7644**

**Addressing Impoverishment and Resistance
and Improving Outcomes in
Development-Induced Displacement and Resettlement
(DIDR) Projects**

by

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Background

Infrastructure development projects displace over ten million people worldwide each year, usually with permanently disastrous socio-economic consequences for many of them. International funders, such as The World Bank, have drawn up guidelines to try to ensure that sound standards are followed in projects which they fund. While such guidelines have certainly made a difference in some cases, and while cumulative expertise is making for a refinement in approaches to some aspects of resettlement, we still have a long way to go. Effective policy requires sound knowledge, and we need to sharpen our understanding of why our guidelines-based approach is having only limited success. Inadequately informed, conceptualised, negotiated and implemented resettlement projects continue to result in impoverishment of the affected people, and to evoke resistance from them.

There are some significant gaps in our knowledge and understanding of resettlement.

- 1.) Firstly, most of our knowledge is derived from resettlement relating to the construction of dams, and is rurally focussed. Our knowledge is deficient in a number of other cases, such as resettlement arising out of urban renewal, housing and transportation, water and sewage reticulation schemes, and mining. Urban based activities, which would seem to call for a distinctive approach to managing resettlement, now account for more displacement than dams.
- 2.) Secondly, and in large measure because of the above-mentioned focus on dams, research and literature have tended to concentrate on public-sector projects, to the neglect of the increasingly important role played by private-sector funding of resettlement, with the distinctive issues that in turn raises.
- 3.) Thirdly, existing theory, and particularly policy, has focussed on the economic aspects of resettlement, while neglecting its political aspects. But resettled people are usually marginalised in terms of access to power as well as to resources. Indeed, their forced resettlement assumes that very lack of power as its precondition.

While dependent upon existing sources, the two desk studies in this project have sought to address these gaps wherever possible, contributing towards fuller and sounder academic analysis and policy recommendations, with regard to the objectives formulated below.

Objectives

The purpose of these two desk studies was to refine our understanding of the factors constraining the achievement of positive socio-economic outcomes in resettlement projects, as well as of the fair and effective participation of affected people in all phases of the resettlement process. It is hoped that highlighting and analysing the factors behind these constraints, and communicating our findings to relevant parties, will feed into the process of policy formation, as well as increase affected people's understanding of, and therefore degree of control over, their involvement in the resettlement process. This should lead to an improvement in participation and in socio-economic outcomes in resettlement projects

Methods

Systematic literature surveys were undertaken of published and unpublished sources, covering academic research, international funders, government sources, NGOs and social movements. Representatives of activist groups and social movements were interviewed in Brazil and USA, to understand their approach to issues involving resistance to resettlement

Findings

Desk Study One

Toward Local Level Development and Mitigating Impoverishment in Development-Induced Displacement and Resettlement

(Author: Dr Dolores Koenig, Department of Anthropology, American University, Washington DC, USA)

Cernea argues that involuntary resettlement impoverishes those people it affects because it exposes them to a range of interrelated impoverishment risks, which hit them all at once, and which simultaneously deprive them of economic, cultural and social resources, in a manner which makes recovery very difficult to achieve unless these risks are deliberately anticipated and counteracted, even before resettlement takes place. This desk study argues that another important way in which resettlement impoverishes people is that it takes away their political power, notably about deciding where and how to live. It disrupts the control a local social group has over its own social institutions, and renders even less powerful the already politically marginalised. They lose resources (i.e. become impoverished) because they lack the cultural, economic, political and social capital in the first place to make their claims and rights heard effectively.

This study argues that recent attempts to understand why resettlement outcomes have not shown the anticipated improvement fall short in that they have focussed on the economic aspect, and neglected the political. They have concentrated on the resettled communities themselves, rather than on their relationship to their wider national and regional systems. This economic focus is also evident in guidelines of international funding agencies, such as The World Bank. Cernea's risks and reconstruction model has been extremely useful in identifying the risks inherent in resettlement, and in suggesting ways to deal with these risks so as to reconstitute economic livelihoods and socio-cultural systems. It has been especially effective in pointing out ways to increase the availability and utility of economic resources, and has also implicitly addressed the issue of equity. It has, however, been less effective at addressing the more political aspects of DIDR, such as understanding differences in power among people in affected communities, and issues involved in increasing the human rights of the displaced, their local autonomy and control, and their ability to affect their interactions with national institutions - all of which are integral to real and lasting development.

Development for displaced people needs to include increasing local autonomy and control, and improving their ability to interact with, and impact upon, their own national institutions. Since the state often serves as both implementor and referee in resettlement situations, it is in a very powerful, but often compromised, position. However, states respond to pressures, and if people are to increase their local autonomy, it is necessary to increase their capacity to pressure, and

affect, their government - in the short, as well as longer term. The question becomes one of how to integrate people into their political and economic system so that they can participate on their own terms. Resettlement programs need to take care to integrate resettlement activities with ongoing policies and strategies for development, initiated independently of the resettlement undertaking concerned.

Some key reasons why resettlement projects fail to achieve their own stated goals are :

- 1.) Weak implementing institutions. These lack a clear policy mandate, organisational capacity, and professional social engineering skills . This relates to a lack of commitment to the resettlement aspect of the broader development project, and is correspondingly often coupled with an authoritarian approach towards the management of resettlement
- 2.) The complexities inherent in the resettlement process. Weak implementing institutions are even less able to deal with this complexity, and again respond in a simplistic, authoritarian manner.
- 3.) Resistance. Weak institutions and the complexities of the resettlement process tend to give rise to resistance, which, depending on its trajectory, can result in project capacity becoming even more compromised, and failure even more likely.

This project argues that the best way to address such constraints is via a more democratic, participatory approach to project planning and implementation. There is a need for locals to be able to keep pressure on officials in all phases of a project, and participation needs to involve the ability to influence decisions - and not simply to be involved, in a post-hoc manner, in implementation, once things have already been decided. Effective participation requires transparency, which in turn requires a free flow of information at all stages of proceedings. There needs to be a clear set of operating rules that are accessible to, and adhered to, by all. People need to have the skills to participate on equal terms in a process of negotiation, which if genuine, results in a project trajectory in which outcomes are not necessarily known beforehand. Dealing with this kind of open-endedness requires skilling of all parties concerned, to enable a more flexible, learning-oriented approach. Experience suggests that the risks reap returns: genuine participation helps secure consensus, and reduces conflicts, negative impacts and delays - as well as making for more realistic planning and goals. Democratisation has higher initial costs, but lower overall costs, as people take ownership.

Intrinsic to the idea of development is the increasing of people's options, and there needs to be a wide range of resettlement and compensation options, designed to take account of the diversity of constituencies within a single resettlement "community". Projects also need to consider how to facilitate options that will not increase differentiation between rich and poor relocatees, while still encouraging the richer to stay and invest in the post-resettlement situation. Options could include ideas and practices from other countries and should be designed to open out choice, allowing people to mix and match options to suit their needs.

For a resettlement project to be a development undertaking, it must be able to adapt as open-ended participatory projects take on a trajectory of their own. Implementation teams need to represent training and experience in a wide range of development issues, and not simply be "resettlement experts". Project flexibility also requires more generous funding. The 1994 World Bank review of resettlement projects it funded found that projects with high financial allocations were essentially free of major difficulties, while virtually all projects with low allocations had serious implementation problems. It is far better, more realistic, and more economic in the long

run, to recognise the unpredictable aspects of engineered social change, and to provide the resources and skills necessary to envision the resettlement plan, not as a blueprint, but rather as a learning-oriented framework for action, able to adapt to developments. Without such an approach, “successful” resettlement does not appear likely.

Desk Study Two

Displacement, Resistance and the Critique of Development: From the Grassroots to the Global
(Author: Prof Anthony Oliver-Smith, Department of Anthropology, University of Florida, Gainesville, USA)

DIDR projects worldwide have recently experienced an upturn in resistance of various kinds. This report addresses the cultural politics of resettlement policy and practice as constructed by its various participants. It asserts the fundamentally political (rather than allegedly purely developmental) nature of decisions to undertake projects which result in displacement and resettlement, and explores the ways in which alternative visions of what constitutes development are expressed in resistance to DIDR.

At a commonsense level, resistance may be seen as a response to the often appallingly bad baseline research, planning and implementation of resettlement projects. Resistance highlights serious shortcomings in policy frameworks, legal options, assessment methodologies and expertise in implementation.

At a deeper level, resistance signifies that discussions about development are no longer top-down monologues, but rather arguments, involving many voices and perspectives - notably those of people displaced by development projects, and their allies. Such projects have become the sites in which various interests, and models of development and of the environment, are being asserted and contested. How is development to be conceptualised: in terms of economic growth, or of the expansion of social, political and economic rights of the majority? What is the relation between democracy, and a form of development where infrastructural projects make huge demands on national resources, and where DIDR is often undertaken despite the opposition of the affected people, and without consideration of their views of the environment? Whose vision of the environment is to be honoured, and on what basis? Resistance posits alternative positions in relation to such issues.

Resistance may be seen as a discourse about rights: those of state and capital to develop vs those of peoples targeted to be moved. Underlying resistance is the perception that the most vulnerable are forced to bear an unfair share of the costs of development; which is seen as a violation of basic human rights. Dwivedi develops Cernea’s model of impoverishment risks to embrace the social and political construction of risk, establishing links between rights and risks. When people assess risk to be more than is culturally acceptable, or when they redefine such acceptability, resistance is likely to result. A rights and risk approach (advocated by the World Commission on Dams) allows for inclusion of not just material concerns, but also of symbolic and affective issues. The same project may affect different constituencies, by gender, age, wealth, etc in different ways, eliciting varied responses, with those who resist coming from sections of the population which perceive they are at greatest risk. Risks are socially and politically constructed, and are perceived differently across constituencies.

DIDR gives rise to a complex tapestry of cultural and human rights, and project-initiated risks.

Planners tend to come in with monistic, economically focussed value orientations, which cannot address that complexity. As Cernea observes: the disaster of resettlement is deeply embedded in the rationale and method by which the project is conceptualised and designed - making resistance almost inevitable. Cost-benefit analysis assumes a commensurability between different kinds of goods, a calculus for computing costs and benefits. But cultural resources are not amenable to such an equation, which is resisted by the people at risk of such loss. We have an unresolvable plurality of cultural values. The insistence on commensurability is an assertion of political power - and not an economic achievement. Assertion evokes counter-assertion, i.e resistance.

Resistance acts as an initiator of social change. Crises, such as those set off by challenge and resistance, are times of fluidity when new sets of associations, alliances and values may be created, redefining a variety of internal and external relationships. Women, the most notable example being Medha Patkar of the Save the Narmada Movement in India, have taken an active role in resistance to DIDR, with the fluidity of crisis and resistance reinforcing other factors worldwide making for a change in women's status.

Resistance to DIDR has been occurring in an era involving an extraordinary growth of organised social action and movements, at sub-national, national and transnational levels, which have taken up the cause of displaced peoples across the world. This incorporation of local-level displacements into wider fora has been facilitated by greater access to transport and communications technology, notably the internet, with web sites becoming a key feature of DIDR resistance. A recent example has been the campaign to respond to and influence the World Bank's proposed changes to its resettlement guidelines. Such transnational groupings often seek to impact upon development policy and practice in general, and their support for local resistance to resettlement is often a first stage as part of a wider set of strategies, using issues of human rights violations to attack western development ideology.

At base, resistance involves a power struggle, with the cards seemingly stacked in favour of the state and the corporations, and with resistance movements often not familiar with the ins and outs or cultural cues of negotiation. So, a political climate which allows for organised social mobilisation is crucial to the formation and success of national and transnational resistance movements. Democracies permit of the expansion of such organisations, as well as of the free flow of information essential to organisation. They also provide the possibility of movements seeking support from political parties, as well of legally protected fair negotiation procedures.

Resistance may carry heavy costs; these include: serious personal risks; economic costs (resistance is time-consuming, with opportunity costs); exclusion from benefits received by people who accept resettlement; and troubled relations with local politicians who had perhaps stood to benefit by resettlement going ahead. Even if it fails to stop resettlement, resistance may still succeed in improving the terms of resettlement if it can threaten to increase the overall costs of the project by delaying it. Resistance gives valuable experience in dealing with outside agencies - an essential component of any successful sustainable local development.

At a wider level, resistance movements have influenced global dialogues on development, as well as changes of policy or practice in specific institutions or countries. Resistance pressure was one of the key factors leading to the establishment of the World Commission on Dams.

Policy-Relevant Lessons Emerging from the Project

To ensure genuine participation and improve project outcomes, policy reform requires:

- 1.) A democratic participatory approach to project planning and implementation, involving:
 - authentic participation which involves the ability to influence decisions
 - decision-making criteria which move away from the purely economic to more dialogic, consensual considerations
 - recognition of resistance as a legitimate form of expression in the dialogue about development options
 - re-examination of the criteria allowing the state to relocate people and appropriate property
 - development of skills necessary for all parties to engage in open-ended negotiation as equal parties
 - free flow of information at all stages of a development project which may cause resettlement

- 2.) A wide range of resettlement and compensation options, involving:
 - approaches designed to open out choices, allowing people to mix and match options to their needs
 - appropriate and just forms and levels of compensation determined in genuine consultation with affected people
 - options that will not increase economic differentiation, while encouraging the rich to invest in the resettlement area

- 3.) A flexible, learning- oriented approach to resettlement projects, involving:
 - projects designed so as to be able to adapt as unexpected developments occur, and in response to ongoing input by affected parties
 - the necessary range of skills in the implementation team, as well as sufficient funding, to allow for flexibility

- 4.) Integration of resettlement projects into ongoing regional development initiatives for optimum efficiency and synergy

- 5.) That the above considerations be informed by the World Commission on Dams' suggestion that "an approach based on 'recognition of rights' and 'assessment of risks' (particularly rights at risk) be developed as a tool for future planning and decision making".

Dissemination

The two Desk Studies will be published on the Refugee Studies Centre's website. Together with two other desk studies done as part of this overall DIDR programme at the RSC, shortened versions will be published as chapters in a book, pulling together the findings of the programme as a whole.

This Final Report will be translated into French, Spanish and Portuguese. Together with the accompany Highlights Summary, it will be widely disseminated to

- officials at the African Development Bank, Asian Development Bank, DFID, EU, OECD, USAID and the World Bank.
- relevant national and other government departments in a range of African, Asian and Latin American countries which practice DIDR.
- NGOs and other groups working in countries which practice DIDR.