

# The “Privatisation “of Governance” Natural Resources, Peoples Rights and Tourism in India EQUATIONS, November 2008

---

## Private Profit Over Public Purpose

In the first week of November 2008 the Highest Court of the state of Karnataka<sup>1</sup> (herein after referred as HC) took the State government to task, observing that the government was trying to commercialise lakes by handing them over to the private parties. The HC directed the government constituted Lake Development Authority (LDA) to stop converting these public common spaces to private properties. The HC delivered the verdict after hearing a Public Interest Litigation (hereinafter referred as PIL) filed by a few environmentalists in Bangalore that questioned the LDA policy of handing over lakes for commercial development to private parties. At least four large lakes in Bangalore<sup>2</sup> (appropriately described as tanks, these water bodies were all built centuries ago to harvest rain and surface runoff) were handed over: Hebbal Lake to East India Hotel (Oberoi group of hotels), Nagawara lake to Lumbini (a Real estate Developer), Agara Lake to Biota (a little known company) and Vengaiiah Kere<sup>3</sup> to Par C (a local builder). In addition, LDA farmed out over 20 lakes on a short term "Adopt a Lake" scheme<sup>4</sup>. The LDA launched a scheme in 2004 where private parties could bid for water bodies to "develop and maintain" them on a 15-year lease. Under the Expression of Interest scheme, parties could develop a range of facilities that included floating restaurants, water scooters, entertainment parks, party kiosks, food courts etc. The petitioners had argued that such a policy fences off public, social and ecological spaces from the common people, and is an approach where the State is abandoning its duty to protect and maintain nature and public commons. The petitioners argued that the approach also had a severe and debilitating impact on the rights of local fishing communities and cattle rearers<sup>5</sup>, who still depends on the lakes for livelihoods. Another impact highlighted was that private parties fenced off these lakes and charged unaffordable user fees to access them (obviously with profit motives) - making it impossible for local communities to use these public spaces as a matter of right.

In Kevadia, Gujarat<sup>6</sup> the land acquired under “Public Purpose”<sup>7</sup> for the construction of the Sardar Sarovar Dam<sup>8</sup> has turned out to be in excess. Of the 1,777 acres of land acquired for the project colony and related works, 1400 acres remained unused. Sources have reported that according to government policy, *adivasi*<sup>9</sup> land not utilised for public purpose, for which it has been acquired, needs to be given back to the *adivasi*. Ironically, today the Sardar Sarovar Narmada Nigam Limited (SSNNL), is the proud owner of 1400 acres of *adivasi* land<sup>10</sup>. Amidst wide spread protest

---

<sup>1</sup> **Karnataka** is a state of India in the southern part of the country. It is the eighth largest Indian state by area, the ninth largest by population and comprises 29 districts. Since last decade it has come in the Global map its software and biotechnology industries.

<sup>2</sup> Capital of State of Karnataka, India. Has risen to fame as the Silicon Valley of East.

<sup>3</sup> The local language for a Tank.

<sup>4</sup> Refer to

[http://indiatoday.digitaltoday.in/index.php?issueid=11169&id=19470&option=com\\_content&task=view&sectionid=22](http://indiatoday.digitaltoday.in/index.php?issueid=11169&id=19470&option=com_content&task=view&sectionid=22)

<sup>6</sup> Gujarat is the westernmost State in India. The state government presently follows a strong Neo-liberal economic policy.

<sup>7</sup> Under the Land Acquisition Act, 1894

<sup>8</sup> Generally referred as Narmada Dam

<sup>9</sup> The indigenous people

<sup>10</sup> In fact, it is reported that plans for tourism development were initiated as early as in mid-90's on the basis of a commissioned consultancy project. At that point the plans were to develop tourism not only at the Kevadia

from the local communities and peoples movements like Narmada Bachao Andolan, SSNNL is going ahead with a tourism (or eco-tourism as their website calls it!) project in an attempt to 'present the dam site in its pristine and natural glory, with nature parks, planned gardens, woodlands, nature trails, an eco-museum and a panoramic view of the hills which will captivate the tourist and hold them in awe of the benefits provided by the project'.

In Himachal Pradesh<sup>11</sup> (hereinafter referred as HP), the state government led by the Planning Commission of India<sup>12</sup> changed its land policy to attract private investments in tourism sector, particularly Section 118 of the HP Land Reforms Act which had restricted buying and selling of property by non-Himachalis (non residents of the state). The stage has been set for massive private and foreign investment in the tourism sector. Steamrolling local resistance, land is being acquired either by the government for the private investors or through rampant *benami* transactions (not in any specific name, false transactions) for the construction of different tourism projects ranging from Ski resorts to entertainment zones. The assault on natural resources that local communities depend on for livelihood and sustenance and the impacts of tourism on environment and socio-cultural ethos of local communities have increase manifold.

In Maharashtra<sup>13</sup>, the India's first private hill station is being flaunted in lavish advertisements. Spread over 5,058 hectares, the hill station Lavasa is coming up on the backwaters of government-owned Warasgaon dam in the Western Ghats. The land of *adivasis* here is ceiling land. According to the law of the land, such ceiling land can neither be transferred nor sold. But the Maharashtra government has issued special resolutions to ensure that the ceiling land can be acquired for developing Lavasa. The corporation has already constructed one private dam and there is no water available downstream of this dam. Farmers have neither drinking water nor water for irrigation. According to local sources, the forceful acquisition of land by the private developer has resulted in protest from the local communities. The government of India has been forced to appoint a Committee to investigate the land deals in Lavasa<sup>14</sup>.

---

Colony but also at 4 other points along the canal. This was supposedly in an effort to raise finances for the project. The Narmada Bacho Andolan had submitted the relevant documents to the Supreme Court and the Government of Gujarat had denied this in court. Refer "**Public Purpose? How the Tourist Destination of Tomorrow continues to dispossess the Adivasis of Narmada today.**" An investigative report on the tourism project in Kevadia, Narmada District, Gujarat, EQUATIONS, February 2008

<sup>11</sup> It is one of the northern states of India, nestled in the Himalayan ranges.

<sup>12</sup> The Planning Commission of India in 2005 brought out the Himachal Pradesh Development Report, which carried a critical analysis of the tourism sector in the state. The report states that the Himachal Tourism Department is pursuing a tourism policy sans action and overselling the already saturated Shimla-Kullu-Manali circuit. However, the concern for the pressures on infrastructure was not so much about the stress on local resources but came more out of the fact that the state was not tapping into other potential tourism spots to increase the sector's contribution to the economy of the state. In order to serve this objective the Report laid out a set of recommendations to reform the tourism sector. The foremost amongst this was a change in its Land Policy to attract private investments in tourism sector, particularly section 118 of the HP Land Reforms Act which restricts buying and selling of property by non-Himachalis. Refer "**Impacts of the proposed Himalayan Ski-Village Project in Kullu, Himachal Pradesh- A preliminary fact finding report**", Researched, compiled and written by Manshi Asher, an independent researcher, for Him Niti Campaign, Himachal Pradesh Jan Jagran Evam Vikas Samiti (JJVS), Kullu District, HP and EQUATIONS, Bangalore

<sup>13</sup> **Maharashtra** is a state located on the western coast of India. It is India's third largest state by area and second largest by population. Maharashtra is *India's* leading industrial state contributing 15% of the country's industrial output and 13.2% of its *GDP* as per the economic statistics of the year 2005-06. Refer "[Maharashtra](#)", [Government of India, Ministry of Home Affairs, National Informatics Centre. \(NIC\)](#)" (PDF).

<sup>5</sup> "**Lavasa The Lake City Near Completion**" January 13<sup>th</sup>

2007 <http://www.rediff.com/money/2007/jan/13spec.htm> & "**Howl Of The Hills**" Nidhi Jamwal <[http://www.downtoearth.org.in/full6.asp?foldername=20080915&filename=news&id=2&page=1&sec\\_id=4](http://www.downtoearth.org.in/full6.asp?foldername=20080915&filename=news&id=2&page=1&sec_id=4)>

These protests by communities in Bangalore, Lavasa or HP or Kevadia are not isolated cases. The struggles all over the country have brought to the forefront the issue of state governments auctioning and leasing out land that communities depend on for livelihood and sustenance for commercial activities like tourism.

### The True Face of Tourism:

The United Nations World Tourism Organisation (UNWTO) claims that tourism is one of the best industries for developing nations to turn to because 'Tourism has become one of the world's most important sources of employment. It stimulates enormous investment in infrastructure, most of which also helps to improve the living conditions of local people. It provides governments with substantial tax revenues. Most new tourism jobs and business are created in developing countries, helping to equalize economic opportunities and keep rural residents from moving to crowded cities'.<sup>15</sup> Tourism with its many dimensions and points of entry is often portrayed as one of the catalysts of development. However, sadly the reality is that tourism footprints has itself become a factor towards impoverishments of the communities. Experiences on the ground point to the fact that tourism is highly resource centric and resource heavy. It consumes/depends on variety of economic, social, physical resources, often in competition with local community needs. It results in diversion of peoples' essential needs like agricultural land and access to natural and common property resources like forest, grazing pastures, beaches, oceans and lakes. It also leads to diversion of water and electricity supply to tourist enterprises like hotels, resorts, amusement parks, golf courses etc. Local communities loose the power of local ownership, regulation and control over natural resources.

The nature of tourism has inherently been exploitative. The land of the local people have been appropriated for big hotel projects thus leading to displacement, the "fencing out" of locals have resulted in local communities loosing access to natural resources which for many meant loss of access to their means of livelihood- a phenomenon as detrimental as actual physical displacement itself. In most tourism places, in areas that have experienced growth of unregulated tourism, one of the impacts of tourism on the local community is the "creeping expropriation" felt by the locals. This feeling of being pushed out arises from the fact that starred hotels/ resorts/ entertainment parks and entertainment enclaves have effectively gained control over local natural resources, which locals have used for generations. The tourism industry privatises these resources and then sells access to them to the locals at a price. The natural resources, like beaches in coastal areas, natural streams and water bodies, *bugiyals* (grazing land that are common property resource of the surrounding villages) in the mountain valleys, which was once available to the local communities as commons is increasingly getting converted into private spaces. The demand for water by hotels, golf courses, resorts, tourist enclaves and entertainment parks in most instances has meant less water for nearby farmers, villages and households. This inversely has affected food production and has increased the workload of women, children and old in the community, who in most cases are entrusted with the duty of collecting water and fodder required by the family. In tourism places communities have reported taking out their time and energy from other chores for collecting water and fodder from other sources that have not been privatised.

It is very important to mention that there is a direct correlation between the depletion of natural resources and increased burden on women in daily work in many regions of the world. When tourism restricts community access to or contributes to the depletion of natural resources, it is women not only as homemakers, but also as community members, who suffer the most. Women's access to and control over forest produce and water comes into sharp conflict when tourism usurps these very resources needed to fulfil their life and livelihood needs. The daily burden on women of finding water for the household, firewood for cooking or fodder for the livestock is doubled or

---

<sup>15</sup> *"The Final Call- In Search of the True Cost of our holidays"* Leo Hickman, Transworld Publishers, 2007, Introduction

tripled<sup>16</sup>. The direct links between tourism and climate change reaffirms the burden that women have to bear because of tourism expansion. When tourism displaces people from traditional livelihoods or worse still physically displaces them, the worst affected are women and children who are engaged in supplementing the family income through various kinds of secondary occupations. Transition from certain activities to others, for example away from agriculture, could have implications for food security. A study in Kumarakom in Kerala<sup>17</sup> showed that women moved out of agriculture to tourism linked construction work as it paid them better daily wages. But having neglected the fields, they ended up losing on both counts as the construction work was only short-term and the agricultural fields overgrown with weeds were uncultivable.<sup>18</sup>

Tourism is one of the most unregulated sectors. It creates displacement of people, loss of access to natural resources and impacts traditional livelihood patterns of people. Tourism in most countries, specially in the developing and developed nations, have had multiplier effect in building enclaves of pleasure and entertainment where the world's rich want to holiday but have failed in elevating the economic condition of the local communities. Rather it has resulted in increasing the gap between the haves and the have-nots in the social system.<sup>19</sup>

### From Planning For People to Planning for Profit - The Subversion of Decentralisation in Tourism Planning

In India the map of planned development for every five year is undertaken by the Planning Commission of India. The model was adopted by Pandit Jawaharlal Nehru in 1950, the first Prime Minister of India, from the erstwhile Soviet Union<sup>20</sup> for economic development. The Planning Commission is independent of any cabinet and is answerable only to the Prime Minister of India, who is also Chairperson of the Commission.<sup>21</sup> Though the benefits of five year planning have been questioned by many, five year plans are still a good yardstick to determine the intentions of the government and policy priorities.

The Constitution of India mandates the government both at central and state level to decentralise several administrative functions to the village level to the local self governing institutions (LSGIs)<sup>22</sup>.

<sup>16</sup> Refer "*Women In Tourism: Realities, Dilemmas and Opportunities*", EQUATIONS Research Paper , September 2007

<sup>17</sup> **Kerala** is a state located in the south-western part of India. Kerala, referred as 'God's own country' by the Kerala Department of Tourism is one of the prime tourist attractions of India.

<sup>18</sup> *Id*

<sup>19</sup> A World Bank paper shows the regional imbalances in Goa, the shifts in traditional activities, seasonality of income, impact on community and other negative developments because of tourism. Reference has been given by Sawkar, et al, 'Tourism and the Environment: Case study on Goa, India and the Maldives', World Bank, 1998, Report no 19681, [http://www-wds.worldbank.org/external/default/WDSContentServer/WDSP/IB/1999/10/19/000094946\\_99100712293543/Rendered/INDEX/multi\\_page.txt](http://www-wds.worldbank.org/external/default/WDSContentServer/WDSP/IB/1999/10/19/000094946_99100712293543/Rendered/INDEX/multi_page.txt)

<sup>20</sup> It was first introduced in Soviet Union in 1928 for controlled and rapid economic development. Much of the Soviet industrial successes in that era was said to be a result of the implementation of its five year plans.

<sup>21</sup> Draft plans needs to be approved by the National Development Council, comprising the Planning Commission and the Chief Ministers of all states in India (India has a Federal structure). An approved plan is then passed by the cabinet and then in Parliament. The main objectives of these plans are suppose to map out the planning of 5 years in way that improves the standard of living of the people belonging to the country, improve the quality of life of the people and the resources of the country are utilized efficiently for the development of the people from all strata of the community.

<sup>22</sup> The district is the principal subdivision within the state (union territories are not subdivided). During the colonial period, the collector was responsible for collecting revenue and maintaining law and order. Since 1992s, the collector's role in most states is confined to heading the district revenue department and coordinating

Initially it was not constitutionally mandated, but for long the need was felt by those working in the grassroots and in planning to provide some uniformity and teeth to the powers and mandates of LSGIs. And so demands arose from the grass roots to create legally enforceable rights and obligations for governance at the grassroots. The Constitution (73<sup>rd</sup>) Amendment Act passed in 1992, endowed constitutional status to the LSGIs. It was a significant landmark in the evolution of grassroots democratic institutions in India. The objective was to take democracy to the grassroots where people are empowered to plan according to the local need and resources. It thus ensures people's participation in the process of economic development and thereby further social justice.

Article 244 of the Constitution of India through its Vth Schedule provides protection to the *adivasi* people living in the Scheduled Areas and gives them the right to self rule. Constitution of India through the Vth Schedule along with the Panchayat (Extension to Scheduled Areas) Act, 1996 (PESA) re-enforces the rights of the *adivasis* to territorial integrity and to decide on their own path of development. It disallows the transfer of *adivasi* lands to others and corporates.

Pandit Jawaharlal Nehru, the architect of India's Five Year Planning, had said that "Time has come when the responsibility for planning should be entrusted to the people. I am fully confident that in every part of India where responsibility is entrusted to the people of India it will yield happy results."<sup>23</sup> The irony in today's planning process is the growing trend of centralisation in decision making. With respect to tourism, a growing trend is to place the governance of areas that the government thinks would be profitable if developed and expanded for tourism, under the control of Developmental Authorities/ Committees. The Tourism Conservation and Preservation Committee constituted through implementation of the Kerala Tourism (Conservation and Preservation of Areas) Act, 2005, Development Authority constituted in Andhra Pradesh<sup>24</sup> (Kolleru Lake), Orissa<sup>25</sup> (Chilka Lake), Rajasthan<sup>26</sup> (Jaipur and Amber Fort) and also Kevadia Colony (Gujarat) are examples of this growing trend. The pattern has remained the same. This has led to the transfer of power from the local self governing institutions (LSGIs) to these Authorities/ Committees that have little or no representation from the communities. The trend of reversing the constitutionally mandated decentralisation process continues irrespective of whether the area under consideration is a Scheduled Area (*adivasi* land) or not. It has derailed the system of decentralisation of governance that gives people at the grassroots the right to participate in the planning and decision making process related to local developmental issues. Interestingly, International Financial Institutions (hereinafter referred as IFIs) like Asian Development Bank (ADB) have supported this transfer of power to Developmental Authorities/ Committees. According to them the institutions of local self governance only add to the multi-layered, complex administrative setup in the country. It delays permissions, thereby increasing the overall cost of the projects. In the North Eastern states, ADB is giving 5% loans for Law and Public Administration: Law reforms are being proposed by World Bank (WB)/ ADB. Administrative reform is also being pushed. This includes training of Indian Administrative Service Officers (IAS)<sup>27</sup>. The IFIs are insisting on having regulatory authorities that would be reposed with all administrative powers in specific regions. These Regulatory Authorities are similar in lines to Development Authorities/ Committees in Tourism areas, and involves transfer of decision making powers from LSGIs to these administrative bodies.

At present the country is being driven by an economy that gives primacy to investment, where central and state governments are chasing economic growth through incentivising industry and

---

the efforts of the other departments, such as agriculture, irrigation, public works, forestry, and public health, that are responsible for promoting economic development and social welfare.

<sup>23</sup> Refer to *Times of India*, Bangalore Edition, *the Ministry of Panchayati Raj Pays tribute to Bharat Ratna Shri Nehru on his 119<sup>th</sup> Birth Anniversary*.

<sup>24</sup> A south eastern coastal State of India where the state government has been following the policy of industrialisation fervently.

<sup>25</sup> It is an eastern coastal state of India famous for the Olive Riddle nestling sites. Presently in the course of expanding mine based heavy industries in forested areas.

<sup>26</sup> It is a western desert state of India famous for its architectural splendors and tourism expansion.

<sup>27</sup> The Indian Administrative Service (IAS) is the administrative civil service of the Indian government. The IAS plays a major role in managing the bureaucracy of both the Union Government (Central Government) and the state governments, with its officers holding strategic posts across the country.

deploying domestic and foreign private capital on a massive scale in new infrastructure and industrial developments. There is relentless drive for acquisition of land to facilitate the interest of the investors. In the process, all kinds of land; from agricultural land to forest, revenue land and common property resources are being targeted. Tourism has been one of those sectors government pursues its policies for investment in complete disregard of democratic principles and people rights.

### Planning in Tourism:

EQUATIONS' research over the years on tourism planning by the central government, its agencies and the various states governments in the country reveals that the tourism development discussions among policy-makers focuses only on factors that are economic in nature. Such as the revenues from tourism, the foreign exchange earnings, the employment created, the income generated and so on. The idea of community participation has in most cases been paid lip-service. As highlighted in EQUATIONS' earlier research papers;<sup>28</sup> community participation in tourism planning is most often a public relations exercise to minimise adverse community reactions rather than genuine community involvement in determining the role of tourism development in their communities. Most often, the micro-level impact of tourism on the destination areas and areas around it are not taken into consideration. The policy makers have time and again refused to acknowledge that tourism is a topic that interlinks diverse issues related to development, the use of land and natural resources, environment, climate change and violation of people's right to life and livelihood. The policy makers and the Ministry of Tourism (MoT) seem to be completely unconcerned that tourism planning should take into account the interlinkages. Prioritising investment over people's rights and aspirations seems to be a common trend in both central and state planning processes.

Emerging markets, developing economic pockets in urban centres in the country, tourism promotion by state governments, increased investment in infrastructure, marketing and advertising, development of domestic markets, liberalisation of air transport, growing intraregional cooperation and a growing number of public-private partnerships are key factors in the expansion in the tourism in the country. But, awarding the status of "industry" towards ambitious growth plan, increasing budgetary support and subsidies to the Tourism Sector has not helped in establishing the link between growth of tourism and socio-economic empowerment of the local communities.

- **Planning of "Tourism Development" in the recent Eleventh Five Year Plan of the Country:** The Planning Commission of India came out with the Eleventh Five Year Plan (2007-12) around August this year documented in three volumes (herein after referred as Eleventh Plan Doc). The focus of the Eleventh Plan Doc continues to be on marketing, promotion, investment, and infrastructure support required for the expansion and promotion of the tourism sector. The most glaring feature of the Eleventh Planning Doc's is its complete disregard of the many recorded negative impacts of tourism development in India over the last few decades. That tourism can also lead to exploitation of children and women; environmental degradation as a result of unplanned and unregulated development; limiting right of access of local communities to available natural resources affecting their livelihood options; substituting decentralised planning processes with tourism development plans; enclavisation etc have not been acknowledged or even mentioned.

According to the Eleventh Plan Doc "state governments would be encouraged to set up land banks and streamline procedures and practices to facilitate investment in tourism sector." On the question of land banks - the country is already witnessing huge opposition from people at the

<sup>28</sup> Refer "*Not in my backyard! How Governments and Industry have washed their hands" Off Responsibility in tourism: exploring Indian Realities*, EQUATIONS March 2008 & *Comments on the Planning Commission Constituted Working Group Report on Tourism for the Eleventh Five Year Plan*, EQUATIONS, July 2007

grassroots against government's policies like construction of Special Economic Zone (SEZ), Information Technology Parks (IT parks), entertainment zones and infrastructure like roads, airports and ports. These struggles all over the country have brought to the forefront the issue of state governments auctioning and leasing out land that communities depend on for livelihood and sustenance for commercial activities like tourism. In a country where the government is struggling to rehabilitate displaced people and where hundreds of thousands have undergone inappropriate rehabilitation<sup>29</sup>, any move towards creating land banks for any industry is highly objectionable. While the government does have a facilitative role in increasing investment into tourism, it should not take on the role of being a land broker/banker to further the commercial interests of the tourism industry at the cost of people, environment, culture and most importantly the livelihood rights of people enshrined as 'Right to Life' under the Constitution of India .

It is not clear what the Planning Commission meant by "streamlining procedures and practices to facilitate investment in tourism sector". There lies every possibility that Ministry of Tourism (MoT) shall tout the idea of "Single Window" clearance which is being contested by the communities. The principle of permission of LSGIs and the informed consent of local communities has been violated almost as a rule under the mechanism of "Single Window" clearance. EQUATIONS research in high profile cases such as the Kevadia<sup>30</sup>, the proposed Ski Village in Himachal Pradesh<sup>31</sup> and information from other areas like Andhra Pradesh (AP) coastal belt and Kerala are all indicative of complete disregard of local community consents.

To add to the expanding policy shifts toward investment oriented planning, tourism projects no longer needs to conduct the Environmental Impact Assessment (EIA) as per the EIA Notification, 2006. With this the long standing demand of the tourism industry has been met. The result has been "tourism projects" that are massive both in relation to land spread and investment are being floated rampantly throughout the country. For example, the Himalayan Ski Village (HSV) in HP built with an investment of 300 million dollars shall have, as per the original Memorandum of Understanding (MoU), a built up area of 133 acres<sup>32</sup> but would require access to 6000 acres of mountain ranges for skiing activities. Lavasa tourism project in Maharashtra is spread over 5,058 hectares<sup>33</sup> of forest land which according to news clippings in looking towards an investment of 8 billion dollars<sup>34</sup>. Anything and everything is getting pushed under the carpet of tourism. The

<sup>29</sup> In 1994, the government of India admitted that 10 million people displaced by dams, mines, deforestation and other development projects were still "awaiting rehabilitation", a figure regarded as very conservative by most independent researchers. According to the estimates of the Indian Social Institute, the 21.3 million development-induced displaced persons in India include those displaced by dams (16.4 million), mines (2.55 million), industrial development (1.25 million) and wild life sanctuaries and national parks (0.6 million). The study of the World Commission on Dams on India says, "56 million persons, of whom 62 per cent are SC and ST, have been involuntarily displaced due to large dams, and over five million hectares of forests have been submerged. Refer *"Damned Dispossessed Displaced"* Sunil Kuksal, Combat Law, Vol 5 Issue 1, February - March 2006, [http://www.combatlaw.org/information.php?issue\\_id=27&article\\_id=692](http://www.combatlaw.org/information.php?issue_id=27&article_id=692)

<sup>30</sup> Refer *"Public Purpose? How the Tourist Destination of Tomorrow continues to dispossess the Adivasis of Narmada today"*. A Investigative report on the tourism project in Kevadia, Narmada District, Gujarat, EQUATIONS, March 2008

<sup>31</sup> Refer *"Dream Destination for World Class Tourists....Nightmare for the Himalayas"* Impact of the proposed Himalayan Ski Village Project in Kullu, Himachal Pradesh. A preliminary Fact Finding Report researched, compiled and written by Manshi Asher for Him Niti Campaign, Himachal Pradesh; Jan Jagaran Evam Vikas Samity (JJVS), Kullu District, Himachal Pradesh & EQUATIONS, Bangalore, Karnataka, March 2008

<sup>32</sup> 1 Acre = 43,560 square feet

<sup>33</sup> One hectare is about 2.5 acres.

<sup>34</sup> The spokesperson of the project defends saying theirs is a tourism project hence they don't need an EIA. Besides, Lavasa has obtained environment clearances from the Maharashtra environment department in accordance with the requirement of Hill Station Regulation, 1996, of the Maharashtra Government. Rubbishing the claim, activists question how can such a huge project be exempted because it is tourism project? It will

International Financial Institutions have also started taking full advantage of it. The recent trend has been to grant direct tourism loans<sup>35</sup>, a trend that was not visible in the last decade. According to most critiques, the very act of omission of tourism projects from EIA scanner has prompted IFIs to push in tourism loans.

- **Proposal of Ministry of Tourism:** In November 2006, while the country was already witnessing vibrant and widespread protests against the Special Economic Zones (SEZ) Act 2005, the National Tourism Advisory Council (NTAC), a think tank under the Ministry of Tourism (MoT) meant to advise it on policy issues, floated the proposal of establishing Special Tourism Zones (STZs) on the lines of SEZs to boost tourism and increase investment, employment and infrastructure in the country<sup>36</sup>.

NTAC's proposal to MoT suggested that:

- STZs are to be located in tourist destinations, cities, along the coastline
- Government should provide single window clearance for setting up of these zones
- 100% tax exemption for a period of 10 years
- Each STZ should be able to provide 2,000 to 3,000 hotel rooms.
- Facilities for shopping, entertainment
- Exemption from import duty on capital goods
- Withdrawal of luxury tax, lower Value Addition Tax (VAT) etc.
- Exclusive Non -resident Indian (NRI) tourism zones or elite world tourist zones for high-end global tourists

The suggestions aimed at increasing private investment to STZs resulting in improved infrastructure (i.e. improved even beyond infrastructure in existing SEZs), increased economic activities (i.e. providing an enabling environment like hotels, amusement parks, entertainment facilities, shopping malls) and creation of jobs for the "dependent communities" of these areas.

In June 2007, the Confederation of Indian Industry (CII) submitted a report to the Prime Minister of India, namely *Bharat Nirman Plus: Unlocking Rural India's Growth Potential*, a report prepared by McKinsey & Company for CII. The report talks about a series of actions and steps to unlock the potential of rural India. In particular, it proposes that the central government should establish a National Special Tourism Zones Authority that identifies areas as Special Tourism Zones (STZs) and enacts a policy to facilitate their establishment and reform. Further, it suggests a series of policy reforms in five key areas namely power, water, agriculture, wastelands, and tourism at the central and state level and it urges Panchayats and local community organisations to capture opportunities created by the central and state.<sup>37</sup> Cashing in on this policy initiative and the blitzkrieg approval that the Commerce Ministry has been giving to SEZs, the last couple of years have seen many state governments initiating plans to either set up specific STZs or develop tourism within SEZs.

---

surely have huge environmental implications on the local eco-system and related implications on the lives and livelihoods of local communities.

<sup>35</sup> The partnership between the Asian Development Bank (ADB) and the Indian Government in the tourism sector has been so far limited to the South Asian Sub-Regional Economic Cooperation (SASEC) programme where India is one of the focus countries apart from Bhutan, Nepal and Bangladesh. For the first time the ADB is considering a separate loan for tourism development in India through the proposed Inclusive Tourism Infrastructure Development Project (ITIDP). This is being processed at the request of the Indian Government and currently the Technical Assistance (TA) report is under preparation.

<sup>36</sup> Refer "***Borrowing SEZ idea, Centre starts working on Special Tourism Zones***", 7<sup>th</sup> November 2006, **Indian Express**, New Delhi.

<sup>37</sup> Refer "*CII Report Presented To The Prime Minister : "India Needs Bharat Nirman Plus for Inclusive Growth"*" 01 June, 2007 [http://cii.in/full\\_story.php?menu\\_id=78&news\\_id=74](http://cii.in/full_story.php?menu_id=78&news_id=74)



The concept of identifying specific exclusive areas/zones for intensive tourism development is not new in India. It was first introduced in the National Tourism Policy of 1992 through Special Tourism Areas (STAs). When the STA policy was proposed in 1992, some of the identified locations were Bekal (Kerala), Sindhudurg (Maharashtra), Diu, Kancheeppuram and Mahabalipuram (both Tamil Nadu). The proposal never took off, probably due to a lack of the necessary economic impetus from the central and state governments. But in some identified areas like Bekal and Sindhudurg, where the government went all out to implement the policy, communities resisted vociferously.

- ***Glimpses of Tourism Planning in various States:***

In Andhra Pradesh (AP) the State Government has come out with the Government Order (GO) 34, aimed at developing 972 kilometres of the coast of AP, right from Srikakulam to Nellore districts, into a Coastal Industrial Corridor. The AP State Government promoted it as a prestigious project that would accelerate industrial growth in the state through the construction of industrial parks, theme parks, mega chemical complexes, amusement parks, pharma parks, tourism projects etc<sup>38</sup>. Huge tracks of land were acquired and government entered into various agreements with industries, including tourism industry, on investment in the area. Local communities opposed and led to huge agitation against the GO. The main concern raised by the communities was that such developments would affect their access to natural resources in the region which would impact their food security<sup>39</sup>. On 8<sup>th</sup> of November, 2008 under severe public pressure the Government of AP announced that they will cancel the GO. But questions remain on the status of the agreements that the government had entered into with the various industries.

The Maharashtra government passed Special Regulation for Development of Tourist Resorts/Holiday Homes/Townships in Hill Station Type Areas allowing for development of tourism sites. The Urban Development Department is empowered to declare any area at appropriate height, having suitable topographical features, for the purposes of development of Hill Station<sup>40</sup>. This Notification gave way to the controversial Lavasa Project and also a project like Ambey Valley<sup>41</sup> which has been developed in complete disregard to the environmental legislations of the country.

The Gujarat Tourism Policy 2003-2010, "proposes to create what is called Vishwa Gram (Global Village) by erecting structures and models of different countries on the banks of rivers and along the long network of Narmada Canal at various places". It says "NRIs and other visitors coming from various countries can stay at these places and feel at home. It is ironic that "feel at home" tourism comfort and pleasure is being proposed to be provided to wealthy and elite tourists at the cost of people's homeland which has been their abode for generations.

Jharkhand was formed on the basis of the struggle of *adivasis* for their own state to ensure that people have control over natural resources like water, forest and land. Last year the state has proudly announced a new product- "mining tourism", claiming it the first to be floated in India<sup>42</sup>. This is ironical as the main agenda of the long standing struggle for autonomy/ statehood by the *adivasis* in Jharkhand was to bring an end to the dispossessions and the related social and

<sup>38</sup> Government Order No 34 of AP Government, 11<sup>th</sup> February 2008

<sup>39</sup> According to Campaign Call sent by National Alliance of People's Movement in August 2008 against the proposed project one of important points raised was that- "Nearly 2.5 crore people comprising fisher folk, small and marginal farmers, dalits farm labourers and adivasis will be displaced and their lives and livelihoods will be destroyed in the process. This has already happened in some parts like Tada, Krishnapatnam, and Paravada etc".

<sup>40</sup> Refer to '***A plan made to order*** \* \***NOVEMBER 1997**.\* Regional plan for Pune district suitably modified through Urban Development Department.

<sup>41</sup> Another huge boutique, lifestyle private real estate development near a famous hill station on the Western Ghat, Maharashtra. It has remained to be a controversial project which had to wade through legal challenges by the environmentalists.

<sup>42</sup> IANS, 12<sup>th</sup> March 2007

environmental impact that they faced as result of mindless natural resource extraction through mining.

In Kerala, *Kerala Tourism (Conservation and Preservation of Areas) Act, 2005* (herein after referred as the *Act*) was passed by the State Government in February 2005. The name of the *Act* as well as its preamble clearly lay down that the *Act* is framed "...to make provisions for the conservation and preservation of tourist areas in the State and for matters connected therewith or incidental thereto". The *Act* declares certain Areas of the state as Special Tourism Zones where the mandate of Local Self Governing Institutions that have been bestowed on them by the 73<sup>rd</sup> and 74<sup>th</sup> Constitutional Amendments of the Constitution of India are usurped. The *Act* clearly bypasses the Constitutional mandate and provisions of *Kerala Panchayat Raj Act of 1994* and makes them redundant in declared special tourism areas (same as zones but are referred in the legislation as areas). The *Act* talks about substituting the general Planning Process (the General Master Plan of any area formulated under the local Town and Country Planning Act) to favour tourism related development process that prioritizes and privileges tourism centric developments through Special Tourism Master Plans. It propagates the model of exclusive "tourism enclaves"- the process of converting tourist locations into exclusive 'islands' where tourism can flourish - thereby isolating tourists from the realities of the local environment, culture and economy - a model that is far from sustainable or beneficial to local communities.

In states like Madya Pradesh, Jharkhand and Chhattisgarh while more and more Protected Areas are being opened up for various tourism activities like wildlife tourism, eco-tourism, adventure tourism etc, the governments are showing very little or no political will towards implementing the *Scheduled Tribes and Other Traditional Forest Dwellers (Recognition of Forest Rights) Act, 2006* (Herein after referred as Forest Rights Act). The Forest Rights Act confers rights to forest dwelling communities, primarily the *adivasi* communities, over forest land and other natural resources. These rights have been denied to them over decades as a result of the continuance of colonial forest laws in India. As stated by Pradip Prabhu, one of the champions in the struggle for the Forest Rights Act, it is believed that this piece of legislation "will integrate conservation with sustainable livelihoods, restore dignity into the lives of millions of *adivasis* and other forest dwellers and put in place a new governance system in the forest, where the 'legitimate citizens' of the forest will themselves take on the duty to protect the forest wealth of the nation." <sup>43</sup>

### Incredulous India!

The kind of tourism development that the government is promoting today is deceptive in nature. The promotional slogans and developmental promises churned out by this process facilitates assault not only on our natural resources and cultural heritage but also destroys the ethos of equity, sovereignty and democratic principles enshrined in the Constitution of India. India can no longer claim to be a welfare state.

Women, farmers and workers are engaged in major struggles all over the country, to protect their lands, livelihoods, water resources and traditional lifestyles based on local cultural ethos. The struggles sprung up all over the country to fight for sustainable development, for employment-generating village-industries, self-reliant agriculture and decentralised democratic development-planning alternatives. The government should not forget that democratic socialism, sustainable development with people's participation in decision making is the fundamental commitments of our Constitution. People are organising themselves and trying to seek solutions, as they very well know that they can survive only when they are able to save human relationships, sustainable environment and democracy. The present mainstream political parties are not ready to admit the above, since majority of their leadership have compromised with imperialism, neoliberalism and consumerist ideology.

<sup>43</sup> Refer, "[The Right to Live With Dignity](#)", Prabhu, Pradip, *Seminar* (552), August 2005. The author was a member of the group involved with the drafting of the Scheduled Tribes (Recognition of Forest Rights) Bill 2005.

The bottom-line is that the government (both at Centre and State) should stop the assault on natural resources on the pretext of development. These developmental models exclude people's right to natural resources. More involvement and participation of the local communities from all stratus and the protection of their fundamental rights should be ensured in the decision-making process.

**EQUATIONS**  
November 2008

\*\*\*\*\*

**Contact us**  
EQUATIONS  
# 415 2 C Cross, 4th Main Road  
OMBR Layout Banaswadi  
Bangalore 560043 India  
phone: +91 80 25457607/25457659  
Fax : +91 80 25457665  
Email: [info@equitabletourism.org](mailto:info@equitabletourism.org)  
url : [www.equitabletourism.org](http://www.equitabletourism.org)