Abstract

This article is based on the field work and analysis of the policy documents related to the industrial development process in coastal Karnataka. The coastal districts of Dakshina Kannada (DK), Udupi and Uttara Kannada in Karnataka are being projected as three jewels of the state and major investment destinations of not only the state but of the country. As part of this projection, at the invitation of the Canara Chamber of Commerce and Industry a Special Economic Zone (SEZ) has already been set up. Registered as the Mangalore Special Economic Zone Ltd, the SEZ is promoted by ONGC/MRPL, KIADB, IL&FS and KCCI. It is a petroleum-specific SEZ. A significant part of the land identified for acquisition is held by socially marginalized groups like Scheduled Castes (SCs) and Scheduled Tribes (STs). According to official documents the average size of land holdings in DK has come down from 1.59 hectares in 1970–71 to 0.90 hectare in 2005–06. Through a progressive land reform law, a redistribution of land had taken place in favour of the tillers and the landless. In the current development paradigm, prime agricultural land is allowed to be acquired by the companies although as per the Land Reforms Act individuals above a certain annual income limit are not eligible to acquire such land. According to the existing laws of land acquisition, once the area is notified it is not de-notified even though the industry proposed did not materialize. Since there is no validity to the notification under section 3(1) & (2), the notice remains valid indefinitely, which increases the insecurity, as the landowners have no motivation to carry out developments on the lands. Notification in the disguise of industrial development takes away the lands mostly from farmers who are soft targets. The article suggests many policy-level changes in land acquisition laws to prevent marginalization of the rural poor.