



Land Policy for SEZ

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ABSTRACT

Land is finite while its needs are infinite. We have to ration land. Land budgeting is a tool to aid in land rationing. It has been attempted in this principle. Two sacrosanct land pools have been proposed which should not be touched for industrial, housing or any other non-agricultural use. The first is the National Food Security Land, NFSL, of 193.26 mha which takes care of food, and fodder for the people and their animals. The second is the National Eco-security Land, NESL, of 69.67 mha of the forestland. The third pool for Housing, Industry and Infrastructure Land which comprises 42.30 mha is the only one which should normally be available for the industry and other non-agricultural uses. But this contains barren and inaccessible lands. If both food and environmental security are our vital needs, we have got to pay a price for the reclamation of other difficult lands and make them available for housing and industry etc. More than a dozen other land policy principles for SEZ have also been stated and their rationale explained. Industry is necessary for modern living. Food and air are essential for living itself.

Land is finite while its needs are infinite. Following China's example of industrial clusters, strategically placed along the coastal regions, state governments in India have planned to set up a large number of Special Economic Zones popularly referred to as SEZ. A special legislation, *Special Economic Zones Act*, was passed. Under this Act, 439 formal approvals have been granted and many more are in the pipeline.

An area of 60, 168 hectares in 22 States has been acquired under the Land Acquisition Act, and handed over or is being handed over to the industrial houses. According to the Government, it has all worked out well. It is providing growth in employment, and it is one of the important engines of the economy. Industries have mostly grown at centers of population. Such nearness provides, not only a pool of labour, but also a market for the goods produced. No industry, therefore, wants to go too far away from the centers of population. But land around the cities is usually fertile. That is where the trouble arises. Industrial growth tends to lessen the area under cultivation, thus threatening the national food security. Another problem is that of proper compensation and livelihoods. Farmers know little else besides tilling the land. Once the land is gone, they lose their livelihood. They do not know how to handle cash. They do not know how to open a shop or a small industry. Besides giving money for purchase of their land, something else

perhaps needs to be done for the farmers. What needs to be done? Such issues form the subject of this paper.

Agriculture flourished where soil was fertile. Habitations also came up there, which became the present urban areas in due course of time. Industry is essentially concerned with production of usable goods for the people, and also by them. So, industry also developed around the same urban areas, creating bigger cities and making today's mega cities. Farmers owning and cultivating the fertile and productive land near the cities are getting "cashed out" into the wilderness.

By the very nature of uprooting of settled population, discontentment arises, however satisfactory the rehabilitation plan may appear to be. Mere cash compensation results in squandering away of the money in the hands of those not accustomed to handling cash. The net result is that vast sections of settled population become dislocated, and jobless. The present system of land acquisition amounts to sowing the seeds of social unrest.

The Chinese Government ousted the peasants and took them to the interior western region. No murmur was heard. We cannot do the same. We have no western remote region ; our system of government is different. Any notion of forcing the issue would create trouble, as it has already

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done. Nandigram in West Bengal, with its violent agitation and clashes, has become a symbol or symptom of the malady. The potential for trouble is much bigger.

Cinema houses and amusement parks have come up in the name of industry in some SEZ areas. SEZ Act is being misused in some places and land is being grabbed from the cultivators. Benefits of land price appreciation will not occur to the original farm owners, but to the new industrial owners. We have seen in the past how some industries are closed down on one excuse or the other, so that the land, which has become very expensive over time, may be sold and resold. Some SEZs therefore may just be a cover for lucrative land deals.

Even without SEZ, agrarian unrest, attributed to land, is affecting more than 170 districts. Cultivators need land. The country needs land for food production. The country needs land for industry. Conflicting demands require a sound policy structure.

SOME RURAL REALITIES

Land value not limited to economics

Owning land is an intensely felt sentiment going beyond the limits of the economic sphere. Land is the mother. Selling land is unthinkable in many communities. Love for land was recently evidenced by the highly popular policy of distributing a fraction of a hectare of wasteland to the landless of Tamil Nadu. Land represents lifetime food security.

Standing near the freshly reclaimed and bench terraced land in Jharkhand (then Bihar) in the early 1950s, the villagers gathered around were asked this question : "How much would you sell such land for ?" "Where is the land to sell?" came the reply from the illiterate villagers. The question was repeated in another way, "How much would you pay for such reclaimed land ?" "Where is the money to buy?", was their answer. When K. S. V. Raman, Director of Soil Conservation and Rehabilitation of the DVC heard these questions, and answers, he said : *These two replies of the villagers sum up the whole economics of rural India* : There is neither land to sell, nor money to buy. Land is the livelihood— the very life-blood of the rural

people.

Farmers at receiving end of troubles

Farmers, by and large, have still no organized voice. They have always suffered, whether by natural or man-made disasters. For a highway, land is bought or acquired. For a village road, land is demanded free from the farmers. In the cities, the PWD comes and does its job. For the same job in the villages, villagers are asked to work for free, in the name of the slogan of *people's participation*. Four Indians being among the top dozen rich men of the world, becomes a news item on the front pages of the national newspapers. The poverty and plight of the rural people seldom receives the national attention. Even the elected representatives forget to project the poverty of their electorate, except near the next election time.

Farming is a high risk, low or nil profit venture

Cost of cultivation of staple grains is higher than the price given. 260 million people are officially recognized as *below poverty line*. Just one serious illness in the family plunges 500 millions more into acute poverty and debt. Farming is beset with high risks, high cost of inputs and low returns.

The poor in India subsidise the rich !

The price offered for wheat for example is between Rs. 8 and 9 while international prices are 50 per cent to 100 per cent more. In order to provide cheap food, the pricing system makes our farmers subsidize the better-to-do.

Do you add these costs to the Cost of Cultivation?

Living away from a road, school, hospital, safe water supply, and safety itself. While a city boy gets educated while living at his parents' house, the rural child has to go to the hostel. How many villagers can afford that?

It is not farmers' responsibility to make industry competitive

Mining companies do not rehabilitate land completely because it would make their export incompetent; land must be acquired cheap as it would encourage competitive industry; land

contiguous to cities must be acquired to facilitate marketing by the industry. Farmers always suffer. It is a case of remaining "poor by policy".

Exodus, debts, suicides— The result of above realities is visible

Youth do not want to stay in farming; farmers are under debts; they are committing suicides! In a recent drive from Amritsar to Pathankot, this writer did not see a single farmer ploughing his land. It was all done by labourers "imported" from other States. Such conditions are bound to tell upon the agriculture of the State of Punjab — which alongwith Haryana contributes 60 per cent of the foodgrains in our stocks. No wonder such stocks have already vanished. This year we are importing 2 million tonnes of foodgrains.

LAND RECORDS AND LAND REFORMS

Land to the tiller, though provided in law, does not occur always in practice, as land records would not show the reality. For example three continuous *girdawaries* — six-monthly land record exercise done in some States — will make a tenant permanent and hereditary. But it would not be allowed to happen so in records. In UP and Bihar, in some districts, complicated systems have been evolved to defy land reforms. Land is alienated by the landlord; it is the cultivator who loses his livelihood. The poorer the tiller, more the inequities. Tribals suffer the most. Hence the tribal States of Chhattisgarh and Jharkhand have the maximum agrarian unrest in the name of Naxalism and Maoism.

SOURCES OF LAND FOR THE INDUSTRY

We have uncultivated and uncultivable barren land which can be used for industry. But such lands constitute river beds, mountains, and other barren areas without any infrastructure. No industry wants such lands. Then there are culturable waste lands, mostly encroached upon. We have ravine lands and other degraded lands under saline and alkaline conditions. Then there is the 68 (or now 77) million ha of forestland which is protected against acquisition with a number of legislative measures. We have the village Common Property Resources, on which the poorest of the poor subsist with their animals. Many Panchayats

easily alienate such lands with a simple resolution sometimes. Finally, we have about 180 million hectares of cultivable land pool comprising net area sown of 141 million ha and another 40 plus million hectares of current and old fallows and culturable waste lands. Some categories in this list overlap. With all this pool of land available, why should cultivated fertile lands be allowed to be alienated for industry? This is the question. We would need 400 million tonnes of food. We cannot afford to let fertile land go to non-farming use. It is time we ponder and produce a land budget.

LAND BUDGETING

Land Budgeting is a complex exercise not yet undertaken in India. Land must be used according to its capability and treated according to its needs. This is the fundamental principle of soil conservation — which is the foundation of all sustainable production from the land. Let us have a look at the available land resources.

Net area sown has increased over the 1950-51 figure at the expense of culturable waste land and the old fallows. There is increase in cropping intensity, but not much, only 24 per cent. It is here that water and inputs and other investments play a crucial role. Intensive cultivation will have to be adopted in order to produce 400 millions of food grains needed by our growing population by the middle of the century.

The present low crop yields compared to China, Australia and some other countries, is a blessing in disguise. It means we have un-achieved potential, which others do not have. Ways and means have to be found out to make technology and investment available to agriculture in a large measure to lift up the rural India.

How much Land Does Agriculture Need?

At present, 141 ha of sown area produces about 200 m tonnes of foodgrains, which means only 1.4 tonnes per ha. Since our yields would rise, say to 2.5 tonnes per ha on the average, we need 160 m ha of agricultural land to produce 400 m tonnes of food which would be needed. Massive investment and high technology would be needed for agriculture in order to bring 160 m ha under net area sown, eliminating fallows and replacing

Table 1 : Distribution of Agricultural Land by Use in India for the year 2004-05

	Area in millions hectare		%Increase/ decrease over 1950-51 figure
I. Geographical Area	328.73		0
II. Reporting Area for Land Utilisation Statistics	305.23		+7.3
1. Forests	69.67	(22.8)	+72.11
2. Not available for cultivation	42.30	(13.9)	
(A) Area under non-agricultural uses	24.72	(8.1)	+196.15
(B) Barren and unculturable land	17.58	(5.8)	- 53.93
3. Other uncultivated land excluding fallow land	27.00	(8.8)	
(A) Permanent pastures and other grazing land	10.43	(3.4)	+56.13
(B) Land under miscellaneous tree crops and groves not included in the Net Area Sown	3.38	(1.1)	- 82.95
(C) Culturable waste land	13.19	(4.3)	- 42.50
4. Fallow lands (A+B)	24.94	(8.2)	
A. Fallow land other than current fallows	10.72	(3.5)	- 38.56
B. Current fallows	14.22	(4.7)	+33.14
5. Net area sown	141.32	(49.59)	+19.00
6. Total cropped area (Gross Cropped Area)	190.91		
7. Area sown more than once	49.59	(35.09)	+277.11
8. Cropping intensity		(135.1)	+24.0
III. Net irrigated area	58.54	(41.42) *	+180.76
IV. Gross irrigated area	79.51	(41.64) ^	+252.43

Source: Agri. Statistics at a Glance, 2007, Min. of Agri. (figures within brackets indicate % of reporting area); * % of Net Area Sown ; ^ % of Gross Cropped Area

them with legume crops. If we assume a yield of 2 tonnes only per ha on the average, 200 m ha would be required for agriculture against the present 179 m ha (which includes 141 ha of net areas sown and the rest 38 m ha comprises fallow lands and the culturable wasteland. It should be remembered that 500 m animals in India would also need land beyond the present 10 mha. In the absence of sufficient land for grazing, animals would the same agricultural and forest areas more and more.

An area of 179 m ha or 58.6 per cent of the Reporting Area is to be definitely reserved for agriculture. It is already agricultural land. It comprises 141.32 m ha of net area sown, 24.94 m ha of current and old fallow lands, and 13.19 m ha of culturable waste lands (which is encroached upon more or less).

Part of it comprises highly degraded land whether due to gullies and ravines, salinity or alkalinity, waterlogging or other ills of the land.

About 10 m ha of this land will need reclamation. This area should be sacrosanct and should not be alienated for non-agricultural use. But will it be possible to protect it?

Then we have 13.81 or say 14 mha of pasture land and land under miscellaneous tree crops. The landless rural people and also to some extent small and marginal farmers depend for their livelihood upon their animals which in turn depend upon such land.

Village tanks are also situated on such lands. These are now called Common Property Resources in some UN papers.

We thus have 193 m ha of the above land categories which cannot be alienated for industry. Add to this the already legally protected 69.67 or say 70 mha of forests (or forestland since all forestland does not have a good forest cover). Forests provide water and organic matter for

agriculture. Forest policy of India already requires 33 per cent of the geographical area under forests against the present figure of 22.8 per cent. That takes us to a total of 263 mha of the rural livelihood lands which should not normally be acquired.

Land for Industry and Other Non-agricultural Uses

The above analysis leaves us only 42 mha which can be used for non-agricultural purposes (which would include housing, industry, infrastructure and a host of other requirements). 25 mha out this 42 mha is already under non-agricultural uses, leaving a scope of only 17 mha only for non-agricultural uses of the future which would include industry. As already stated SEZ has so far been allotted only 61000 ha. Even if we take 10 times this figure as their needs in the foreseeable future, the land requirement for SEZ would be less than a million ha (0.6 m ha to be precise). That means in the national perspective, there is no dearth of land for the industry. The problems would, however, come for the specific locations when the industry wants to expand contiguously, displacing the cultivated land and the cultivators. The problem is not of land, but of livelihoods. How will the vast number of small or marginal farmers or the landless find their living when their land has been taken away for SEZ or any other industrial scheme?

Barren and unculturable land of 17 m ha may not always be suitable for the industry or housing or other infrastructural needs. Industry needs land near the habitations so that labour supply is available nearby and also a market for industrial goods (though even far away markets are explored

by the industry including foreign countries. SEZ will specially cater to export). People also need industrial employment nearby and not in the barren faraway mountains or other such lands. Practically speaking, therefore, land budgeting of the type concluded above will have terrific difficulties in actual implementation.

Considering all these factors, we can say that though in theory fertile land should not be given or acquired for industry or other infrastructure, it may not always be possible to push industry into the far away barren areas.

China has less agricultural land but produces more foodgrains than India. Rice yield in China is 6308 kg/ha compared to India's 3040 kg. The future of food security in India lies in vertical increases in productivity by investment in water and making arrangements to make knowledge and inputs of quality available in the rural areas. Agricultural Extension Services – which of late have become weak or even non-existent in some places, need to be strengthened. A new vigour is needed in the country's agriculture. (Table 2)

Also, dependence upon traditional foodgrains will have to be reduced and more and more of tuber crops – which can provide 30 tonnes of food per ha instead of only 3 tonnes of foodgrains – will have to be grown. Water will become the limiting factor in agricultural production, long before land does. Investment in water remained standstill in the last decade. No wonder then that while population increased by 1.9 per cent, foodgrains increased only by 1.2 per cent, thus causing further mal-nutrition and disappearance of stocks.

Table 2: Yield kg/ha of major crops in a few selected countries during 2004

Country/crop	Paddy	Wheat	Maize	Pulses	Soybean
India	3040	2707	1880	681	1087
China	6308	4252	5122	1683	1814
Egypt	9838	6557	7909	3066	3027
USA	7781	2903	10065	1863	2840
Korea Republic	6937	3329	4260	1189	1625
Australia	8379	1642	5643	1032	2242
France	5710	7580	8987	4543	2508
World	3973	2914	4920	864	2264

Livelihood, Not Land, is the Issue

The conclusion is this : the issue of SEZ is not land; it is livelihood. We are a continent size country. We have land for all our needs. Since land provides livelihood for 106 million farming families, land in India means livelihood for millions. People will fight for their livelihoods. Till education, that is relevant education, reaches every one in the rural areas, and avenues of alternate off-farm employment open up through say Bioindustrial Watersheds or other strategies, land would fill the gap and any attempt to alienate the people from their land would be resisted.

The Proposed Land Budget

Summing up the above discussion on land budgeting, the following broad picture emerges for our country:

The above land budget means we shall have to aim at vertical increases in productivity and not horizontal increases in area. The 263 mha already

under the food security and eco-security zones will have to be vigorously defended against the pressure of urbanization, industry and infrastructure. Till we bring down our population, which will not happen in the next 50 years, we should be ready for the squeeze of men and animals competing for the same land. We shall have to build on river beds and wilderness of mountains. That would require unaffordable infrastructure for transport and safety against calamities.

A NATIONAL POLICY FOR LAND FOR INDUSTRY

Principle A: NFSL : National Food Security

Land is sacrosanct: 193 mha

Principle B: NESL : National Eco-security

Land is sacrosanct: 70 mha

The basic tenet of the land policy for industry and other non-agricultural uses should be to consider the above National Food Security Land (193.26 mha) and the National Eco-security Land (69.67 mha) as sacrosanct. Thus the land pool of

Table 3. Land Budget for India (Figures for 2004-05)

Category of land	Area in m ha
Reserve Farm Land	
Net area sown:	141.32
Current fallow:	14.22
Old fallow :	10.72
Total	166. 26
Protected Farm Land	
[Same as Culturable waste land]	
Total	13. 19
Common Farm Land	
Grazing land :	10.43
Groves & Tree crops:	3.38
Total	13. 81
NATIONAL FOOD SECURITY LAND (NFSL) :	193.26
NATIONAL ECO-SECURITY LAND (NESL) :	69.67
[Forests : 69.67]	
Total	262.93 or 263
HOUSING, INDUSTRY & INFRASTRUCTURE LAND (HIIL):	
[Area under non-agricultural uses :	24.72
Barren and unculturable land :	17.58
Total	42.30
Reporting area for land utilization statistics :	305.23

Source : Agri Statistics at a Glance, 2007, Ministry of Agriculture

food and environmental security lands of 193.26 + 69.67 = 262.93 mha, or 263 mha should not be diverted to industrial or any other use. (Table 3)

Principle C : Only HILL: Housing, industry and infrastructure land (42.30 mha) is to be rationed between various non-agricultural uses.

Thus only the 42.30 mha of land would be available for industry, housing, infrastructure or for any other non-agricultural use. Half of this land is barren wilderness of mountains or river beds etc. But this is the reality. To repeat, land is finite. More the population increases, more and more into the barren areas we shall have to go. It would cost more and more to make those lands fit for use. But some one, some day, has got to pay the price of over-crowding and over-population.

As industry develops in India, labour force of agriculture – which is surplus at present – would gradually shift to non-agricultural professions. Farm land would aggregate into bigger and bigger farms, as happened elsewhere in the world. In USA today hardly 1 per cent of the population is engaged in agriculture. Still they produce food which is surplus to their needs.

D. Whenever a deviation from the above three principles becomes absolutely essential, the sacrosanct pool of 262.93 million ha of food and eco-security lands will be “encroached” by industry, housing etc ; but compensatory land development must be done. Also, about 45 m ha of land within the food and eco-security zone are degraded, which will have to be reclaimed and developed with the help of the industry.

E. Industry and Agriculture in India will have to be integrated.

Some policy principles arising from the above framework of A,B,C,D, E, are presented below:

1. Shift Attention from Land to Livelihoods

If livelihood of 700 rural millions is the issue, and not land, then our whole attention should be shifted from counting land hectares to assured and sustained enhancement of employment, income and livelihood of the rural people whose land is needed for industry, whether for under SEZ or

any other industrialization programme.

2. Do Not Acquire Land: Lease it

Why acquire land of the farmers or cultivators? Why not take it on long term lease for which the owners must get sizeable, and increasing rent? Today's land price will become 100 times more after some years of running of industry on it. Why should the farmer be deprived, as he is presently, of such appreciation of price? There is a school of thought which expresses grave apprehensions about the drive to hand over land to the industries indiscriminately. Land mafia may be the only gainers in some cases.

Some years back we witnessed in the heart of Delhi how an old industrial house closed down its plant and started selling the land away or otherwise using it for creating urban properties. All the multi-crore benefit of land appreciation occurred to the industrialist, and not to the farmers whose land was taken away cheaply. We see the same phenomenon in the Delhi Development Authority taking farmers' land cheaply and then becoming the new landlord to auction it at exorbitant prices. Such anti-farmer policies must be replaced by farmer-friendly policies.

3. Make the Farmer, a Partner in the Industry

The farmers whose land is acquired or taken on lease for SEZ, should be made partners in the industry. They should be allotted shares in the industry and the price of shares could be adjusted against the dividends. A year back a letter was written, by this author to the PM and also to the press on this subject urging leasing of land instead of outright purchase. Let us hope policies will change. Farmers should also sit on the Boards of the industrial houses so that only healthy and pro-farmer policies are pursued.

4. Industry to take responsibility of setting up Bioindustrial Watershed Management Projects

Farmers whose land is taken on lease for the SEZ, should be organized into Groups and bio-processing industries set up in the “upstream” areas within the structure of Bio-industrial Watershed Management (BIWM). The BIWM would have for each watershed or a cluster of

watersheds the following components : *Soil & Water Conservation, afforestation, biodiversity conservation and all other Ecological practices ; Sustainable Production Systems of Agriculture, horticulture, animal husbandry etc; Processing of the bio-produce of the watershed like grains, crops, fruits, vegetables for value addition, higher type of employment and income enhancement of the rural people; Storage and Marketing ; and Infrastructure provision like water, power, roads, communications, transport etc.; and an Enabling Policy Umbrella aimed at providing all the urban facilities of health, education etc. to the rural areas.* (Refer to Bali, J.S., Bioindustrial Watershed Management, book, 2005).

5. Compensatory Land Development

Like compensatory afforestation, compensatory land development could be prescribed for any agricultural land which has to be taken for industry or national infrastructure. We have 4 million hectares of ravinous land which needs to be developed; we have nearly 20 million hectares of saline and alkali land and lands affected by waterlogging. Such lands can be reclaimed by SEZ as a compensation for any agricultural land which is leased for industry.

6. Agriculture Conservation Act

In parallel to the Forest Conservation Act, an Agriculture Conservation Act is required which will require Central Government's approval for even one acre of land which is to be permanently alienated away from agriculture in any State. Of course, agriculture should be broadly defined for the purpose and must include agrostology, and tree farming which may be more profitable under certain circumstances than annual crops.

7. Kisaan Cafeterias

The SEZ should set up Kisaan Cafeterias in the adjoining villages. The Cafeterias would provide all the agricultural inputs like quality seeds, bio-fertilizers and bio-pesticides and would also function as the Extension agent to take agricultural knowledge from the labs to the land. They could also stock other household goods. They should also set up facilities for repair of agricultural machinery and implements. They could also become the marketing outlets for the farm produce. Organic farming certification could

also be linked with such Kisaan Cafeterias.

8. Village Computer Centres

The Kisaan Cafeteria could also set up or promote a village computer center. Such a center could keep in touch with meteorology department as well as with nearby Agricultural Universities and the Markets. The idea is that the SEZ industries take up the responsibility of developing the villages whose land they took on lease. Business corporations of their own accord are now accepting more and more of social responsibilities. This is a healthy trend. The Corporations themselves would gain from such a policy. As the book by economist Prahlad, *Profits at the Bottom of the Pyramid* says, prosperous villagers are a huge market and have a tremendous influence upon the success of the corporations engaged in manufacturing.

9. Environmental Protection and Carbon Sequestration

The terms global warming and global cooling are specific examples of the broader term, *climate change*. Al Gore, former Vice President of USA and R. K. Pachauri, Chairman of the UN's Intergovernmental Panel on Climate Change (IPCC, created in 1977), recently shared the Nobel Prize for spreading awareness of global warming. The IPCC says that global average air temperature near the earth's surface rose 0.74 (plus or minus 0.18) degrees Celsius during the last 100 years. It further states that most of this increase occurred due to the observed increase in anthropogenic green house gases concentration, via the greenhouse effect.

The IPCC further predicts that average global surface temperature will likely rise a further 1.1 to 6.4 degrees Celsius during the 21st century. Another alarming fact is that even if greenhouse gases (water vapour, carbon dioxide, methane and ozone mostly), are stabilized at 2000 levels, a further warming of 0.5 degrees would still occur. Since 1979, land temperature has increased by 0.25 degree Celsius per decade. The greenhouse effect is the process by which absorption and emission of infrared radiation by atmospheric gases warms a planets's atmosphere and surface.

FAO Director General, Jacques Diouf warns that climate change will lead to adverse and

immediate impact on world food security. He says, "unless we act immediately, climate change will increase hunger and malnutrition". Vulnerable agricultural systems, like India's, would be particularly affected. Mountain and dryland agriculturists are at the greatest risk. Floods and droughts will increase. Coastal lands will be inundated.

Agricultural land needs to be leveled, and water provided. Increased investments are needed in rural areas. We expect the SEZ to provide such rural investment specially for the watersheds and villages whose land it take on lease or purchase. Such corporate social responsibility must spread as the new *mantra* of industrialization.

10. Use Labour Intensive Technologies

Of late, industry is aping the West and applying capital-intensive technologies, rather than labour-intensive technologies which Indian villages need. The SEZ must create an Indian version of industrialization which promotes rural employment.

11. Watershed Approach for SEZ

The whole watershed or water management area unit should become the Corporate social responsibility of the SEZ whose land falls in the particular watershed or the cluster of watersheds. Targets of sustainable food production should be fixed for each watershed in the cluster, depending upon the land capability. SEZ should ensure fulfillment of such food production targets. Tuber crops should be encouraged, as already stated, as they can provide 10 times the potential of the foodgrains for providing the necessary calories to the mal-nourished rural population.

12. Water is the Crucial Input both for Agriculture and the Industry

While the industry develops water for its needs, let it also undertake water development for their watershed or cluster of watersheds. It will be in the industry's own interest if the people around become prosperous and provide a source of marketing of the manufactured goods. If consumption falls, industry slows down. We have

the hidden potential of the rural population in boosting consumption. Let it be a win-win situation both for the industry and the agriculturists around.

13. Develop Backward and Forward Linkages between SEZ and Agriculture

The backward linkage of SEZ industries will ensure agricultural inputs of technology, water, seeds, bio-fertilizers and bio-pesticides reaching the people and their lands on time. The forward linkages will connect the farmers with the most remunerative markets. Such symbiosis between the industry and agriculture must become the new pattern of Indian industrialization.

14. Seed Industry and Plant Material Nurseries

The SEZ should set up modern seed industry as a compulsory item in the industrial complex so that latest seed varieties get introduced in the area immediately. Also, a plant material nursery should be created for each watershed where the SEZ land exists so that horticulture and tree farming can be encouraged on degradation-prone land.

15. Rural Infrastructure

Hitherto government has been responsible for providing infrastructure. This responsibility should now be shared by the SEZ also. Otherwise we shall be witnessing a modern industry run by outsiders in a backward region where people remain high and dry. If infrastructure is provided and a liberal loaning policy by the Banks is adopted, people themselves would develop their region and themselves.

16. Women Development Programme

When land is taken away (by SEZ), it is the women who suffer the most. Agriculture provides the "hidden" employment for women who toil whole day in tending land, water, plants and animals which together sustain the huge private enterprise of Indian agriculture, which has managed to feed India so far. Special programmes of adult education, healthcare, child nourishment, and technical training for women need to be taken up voluntarily by the SEZ, as a part of the new policy regime.

CONCLUSION

In India three traditional sources of conflict have always been recognized as *Zamin, Zar and Zan* (land, wealth and woman). We are here examining only the first one – land. Land is a basic source of conflict. In the villages, they say, you can keep wealth with somebody, and he would return it. But if you let someone occupy your land, he will never return it. Non-implementation of land reforms has been a root cause of conflict in the countryside. By no means fertile land should be allowed to go away from agriculture. Even if the farmer agrees for outright sale, it should not be allowed. Only lease of land should be encouraged for the SEZ. Interests of the farmers who feed the nation, must be our highest priority.

The rapid progress of industry and commerce after the liberalized economic regime of the past decade has proved the basic acumen of Indians

for the private enterprise. Indeed, India has been successful in feeding a large population because agriculture is a private venture. Let us make it a modern bio-industrial venture now.

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