

# CITATION

## Occasional Papers of the Subaltern-Popular Workshop

---

### A Tryst with Capital

*Swati Chattopadhyay*  
*University of California, Santa Barbara*

**I. Fourteen villagers** died of gunshot wounds on Wednesday March 14, 2007, in Nandigram, a small village in Midnapur district in West Bengal, India. They were casualties in a battle with the police and cadres of the ruling CPI(M) (Communist Party of India, Marxist) over land acquisition. More than seventy-five were hospitalized with injuries.

The massacre culminated a series of confrontations in the villages of Nandigram, Sonachura, and Khejuri where farmers had been resisting government efforts to acquire land for a SEZ (Special Economic Zone) project. The Haldia Development Authority had issued a preliminary notice to the village *panchayats* on December 28, 2006, indicating a plan to acquire 14,500 acres of land to establish a mega chemical hub for the Salim-Ciputra Group of Indonesia.<sup>1</sup> This led villagers, both Hindus and Muslims, in this Muslim-majority farming community to organize in order to resist land acquisition. On January 2, mistaking the arrival of a group of officials from the sanitation department in Nandigram as the beginning of evictions, the villagers clashed violently with the police.<sup>2</sup> Several people, including policemen were injured. Two days later CPI(M) cadres retaliated by attacking villagers, killing at least 6. There were wide spread allegations that the CPI(M) MP from Haldia, Lakshman

Seth, who is also the Chairman of the Haldia Development Authority, had engineered party terrorism in Nandigram.<sup>3</sup> Following these conflicts in January, villagers had created a no-entry zone for administrators and the police by building barricades and digging up roads. In their bid to “re-capture” the villages, the administration amassed a police force on March 14. The “battle” was reported in dramatic terms on the day following the massacre:

Over 1,000 policemen, split into two groups, raced towards Sonachura — the theatre of the main battle, around 170 km from Calcutta — from two flanks. A 2,000-strong reserve force stood by, waiting to move in once the advance party smashed its way through the hurdles.

However, one of the thrust arms came face to face with a wall of 400-500 women, behind whom stood around 2,000 villagers armed with spears, rods, lathis and scythes. Pipe guns, muskets and country-made pistols were also in the arsenal.

A convoy of officials and labourers with excavators, road-rollers and sandbags trailed the police. One of the objectives of the raid was to repair roads dug up by villagers, the ditch becoming a symbol

of protest against land acquisition. A bomb squad and ambulances made up the rest of the caravan.

With the force advancing, a chant rose from the villagers, asking the police to "go back".

The police, led by deputy inspector-general (Midnapore range) N. Ramesh Babu, told the villagers over the public address system to move back but were greeted by crude bombs and brickbats. Sound of shots was also heard.

Teargas shells were burst and rubber bullets fired but the villagers regrouped and surged back, this time without the chain of women shielding them.

The police then opened fire, using live ammunition.<sup>4</sup>

Preliminary investigations by the state police revealed that 400 to 500 rounds of ammunition were fired to disperse a crowd of 2000 at Bhangabera bridge on the morning of March 14, and that all the deaths were from bullets in the stomach or chest.<sup>5</sup> Senior police officers in Kolkata told reporters that the shooting appeared a strangely exaggerated reaction, and that police rules forbid aiming above the leg when using live ammunition. This was, then, no mere effort to disperse a crowd. On March 15, the Association for Protection of Democratic Rights along with the Pashim Banga Khet Majoor Samity, National Alliance of People's Movement and others petitioned the Kolkata High Court to intervene. The High Court reprimanded the state government for its "unconstitutional" action and ordered a CBI (Central Bureau of Investigation) inquiry into the killings. On March 20, the newspapers reported that the CBI had arrested several CPI(M) cadres with a huge cache of weapons and armaments, and found evidence that not all the spent bullets from the site were those assigned for use by the state police in Nandigram. There was substantial evidence from

independent reporters that the police and the ruling party (described as "outside assailants") had colluded in their attack on villagers.<sup>6</sup>

On March 20, I had telephone conversations with friends and family members in India, who told me that the massacre was much worse than the official reports conceded. Among the large number of bodies that have been dumped into the Haldi river were those of children. What the newspaper and television reporters had failed to convey, because of censorship-threat, was the post-battle "clean-up" operation undertaken by the CPM(M) in the area by raping and killing villagers and ransacking their houses during a 12-hr *bandh* called by the party on the evening of March 14. By March 22, the reports of rape and post-operation killings using bayonets were reported in the leading dailies.<sup>7</sup>

**II. With some** notable exceptions, the intellectual community in Calcutta and the rest of India, while condemning the violence, offered facile excuses for countenancing the policies of West Bengal's Left Front Government. Post-March 12, newspaper editorials and op-eds focused primarily on the violence perpetrated by the CPI(M) cadres, often making spurious suggestions that they have been provoked by Maoists and Islamic extremists. The most conscientious ones took the Chief Minister of West Bengal, Buddhadeb Bhattacharya, to task for letting things get out of control. Ravindra Kumar, managing editor of the English-language daily *The Statesman*, noted that an arrogant, unapologetic CM is under the impression that "an emphatic electoral endorsement is a five-year license to do what he wishes," and is being led on by sycophants, self-serving bureaucrats, and "a couple of media owners masquerading as journalists," all utterly accustomed to condone state terror.<sup>8</sup> And yet he appended: "There can be little argument with the fact that Mr. Bhattacharjee is well intentioned; that he would like to see the

state in a better place. There can similarly be no argument with the fact that a major contribution to such betterment can come from investment in industry, creation of jobs, and thus of wealth."<sup>9</sup>

A large section of the media elite viewed the violence as necessary state policies gone astray. Most seemed supportive of SEZs, and in general have showered blessings on the state government's industrialization plans, noting that it is the only way of making India "catch-up" with globalization. SEZ supporters indeed insist that this form of industrialization will benefit the population displaced through land acquisition, although very few have cited the specifics of such benefit. Rather, their argument is folded into a larger statement about the history of industrialized societies.

An exception to such opinion, historian Sumit Sarkar called the SEZ policy the "biggest land-grab movement in the history of modern India," particularly shocking because a leftist government would embark upon such policy.<sup>10</sup> Sarkar's further comment comparing Nandigram's events with that of the massacre at Jallianwalla Bagh, invoked ire among politicians. In 1919, the Lieutenant-Governor of Punjab Michael O'Dyer, had ordered the shooting of a peaceful gathering of villagers in an enclosed space, Jallianwallah Bagh in Amritsar, killing 379, according to official estimates. O'Dyer later told the Hunter Commission that his only regret was that the narrow streets of Amritsar had prevented him from bringing in an armored vehicle: "for it was no longer a question of merely dispersing a crowd, but one of 'producing a moral effect'."<sup>11</sup>

There are several interlinked issues here: the definition of SEZs and the provisions made under the Indian SEZ Act; the assumed benefits from the SEZs for the Indian economy and for the farmers; the assumptions that undergird such arguments about economic benefits; the utilization of the right of eminent domain to acquire land for private

corporations; and the use of violence both by the state and the ruling parties (acting in collaboration with the state police or independently) that has attended land acquisition. What concerns me here, in particular, is the rationale served up in direct or indirect support of state terror in pursuance of a certain kind of industrial future, all in the name of *historical necessity*.

**III. SEZs were** proposed by the Central Ministry of Commerce in India in 2000 to create "internationally competitive", "hassle free", and duty-free environments for export-oriented production.<sup>12</sup> The Commerce Ministry, which oversees the SEZs, claimed that the goal is also to facilitate foreign direct investment (FDI), although this priority has not been clearly established. The information provided in the "SEZ India" website under the auspices of the Ministry of Commerce (which duly notifies that the information provided on the website has "no legal bearings"), however, demonstrates an overwhelming effort to appeal to foreign investors. The very descriptive language of the SEZs – "hassle-free" – in its odd (and certainly unconventional) use of an American slang, plays on a popular perception of India as a problematic territory, hamstrung with trade barriers, bureaucratic interference, and legal obstacles, that must be bypassed or overcome to rope it more fully into the global circulation of capital. It is significant that the most hyped factor has been "a tax-free" environment. The inconvenient India, the website implies, would be kept at bay by creating enclaves that work as "foreign territory" for the purposes of trade operations, duties and tariffs. Such an appellation, apart from suggesting the suspension of territorial sovereignty, also promotes an unalloyed popular assumption of "foreign" is better. India's claim to global citizenship by claiming to be "phoren" (as it is usually pronounced in the vernacular) is, however, more than an amusing semiotic play. The linguistic choice is symptomatic

of the grounds on which such identity shift is being announced.

The 2005 SEZ India Act, revised in 2006, that lays down the clauses to be followed in a SEZ, indicates that as a foreign territory a SEZ would have superior infrastructure, unlimited duty-free imports, huge tax breaks (100% tax holiday for the first 5 years, a 50% tax reduction for the next 5 years, and a further 5-year tax break on production based on re-invested profits), relaxation of labor laws (through a single-window clearance by delegating appropriate powers to Development Commissioners of SEZs), and minimum bureaucratic intervention. Foreign investors can repatriate their profits after 3 years. Sublime statistics are launched to rationalize these plans.<sup>13</sup> Policy makers cite statistics offered by multi-national corporations who have a vested interest in promoting a certain model of financial and land reform, in terms of the growth India must undergo in the next several years.<sup>14</sup> At its basic, by creating enclaves of economic privilege, the SEZ Act suggests that the existing "(ab)normal" India is an untenable and undesirable fact. Importantly, SEZs were initially exempt from public hearing under the Environmental Impact Assessment Notification.

The Indian Government announced 237 SEZs by the end of 2006 and has been forced to freeze all but 63. The proposed SEZs would occupy an estimated 34,509 hectares, and are expected to attract \$13.5 billion in investments by 2009. State governments have rushed in to provide private corporations with tax subsidies and unfettered land holdings under the SEZ proposition. It is important to note that three-fourths of SEZ land can be used for "non-core activities" including residential and commercial properties, shopping malls and hospitals, and opens up what has been called a "humongous property racket" favoring big builders.<sup>15</sup> At present FDI is only allowed in real estate developments above 100 hectares. Given such limitations, several

international real-estate companies will find the SEZ opening extremely advantageous.<sup>16</sup> This is occurring in an economic climate where real-estate prices have doubled in the last two years, against all predictions of the Central Planning Commission, and the Reserve Bank of India has been forced to raise interest rates twice in this period to cool real-estate speculation.

The Indian SEZ scheme has been modeled after China's "enormously successful" SEZ plan to attract foreign investment. The much-touted Shenzhen SEZ in China, with an area of 326 sq. km. had reportedly grown from a small fishing village to a city of 10 million in 20 years. It has become popular business lore (I have heard the same story from different people and attributed to different CEOs and industrialists) of how convenient it is to set up shop in China: After a red-carpet welcome at the airport, the Chinese official takes the industrialist to the plant site but instead of an empty stretch of land ready for development, he sees a populated village. "Where is the land?" the industrialist asks. The Chinese official confidently says, "You'll have the land. The villagers will be gone in three weeks."<sup>17</sup>

One of the biggest threats to China's economic stability comes from the massive numbers of dispossessed farmers.<sup>18</sup> One would expect that in democratic India such massive expropriation of rural land would be difficult. Politicians, from the prime minister down to the lower rungs of the political ladder, have sung paeans to "fair and equitable acquisition" and claimed that "no farmland shall be taken for SEZs". In terms of formulating steps to prevent such appropriation, however, little has been done. The SEZ Acts of 2005 and 2006 paid scant attention to such issues, and included no reasonable clause that would ensure rehabilitation of the displaced.

Indeed, claims such as "no farmlands for SEZs" and "fair acquisition", go against the basic rationale of a SEZ.

Ila Patnaik, an economic analyst and a vocal advocate of economic liberalization, had, in fact, provided a guarded critique of the SEZ model. She noted starkly: "For India to become a developed country, area under agriculture has to shrink; urban and industrial land development has to take place; and about a 100 million workers have to move out from agriculture into industry and services." She also pointed out the blatant fact that "what is true about SEZs is that the land where urban development makes sense tends to be located near ports, rivers or lakes, and has a pre-existing dense population."<sup>19</sup> In other words, rather than remote "wastelands" (with all the implications that the term encapsulates when used by liberal economists), SEZs are really advantageous when located near already-existing infrastructural facilities. That is why state authorities have turned to building infrastructural access to these zones at breakneck speed. As a prelude to occupying densely-populated farmland, the political game has become one of claiming that the land to be appropriated is "fallow" or mono-crop with low yields. In most cases these claims go against all visible and recorded measures of production.<sup>20</sup> It must be noted that there is nothing particularly new in this claim itself, tied as it is to modern planning prerogatives and the frame of the Indian Land Acquisition Act. Planning authorities, after all, have made such claims for a while now. But the speed and the scale of the expropriations, as well as the current policy goals will produce far more distorted consequences than has occurred in the past 100 years.<sup>21</sup>

SEZs in India have been hastily formulated without adequate consideration of their long-range implications or clear assessment of their short- and long-term benefits. A sign that all is not well is that the IMF has urged caution, warning the Indian Government that the tax breaks offered in SEZs might divert industrial activity from the rest of the country leading to inequitable regional development.<sup>22</sup> Raghuram Rajan, the ex-

Chief Economist of the IMF, as well as Finance Minister, P. Chidambaram, have suggested that the Indian Government cannot afford such huge tax sops. India stands to lose Rs. 1 trillion in taxes over the next 4 years, Chidambaram noted. The amount in lost taxes, 20 billion US dollars for just 150 SEZs, is conspicuously disproportionate to the total investment amount.<sup>23</sup> Kamal Nath, Minister of Commerce and Industry, conceded that the SEZs would also adversely affect India's booming retail sector: "I believe there is going to be dislocation. To me it appears that the entry of these big (SEZ) players is going to close down (retailers) because their ability to take a loss, their ability to stand, to stock is much more than a small retailer."<sup>24</sup>

In the wake of the Nandigram massacre, the Central Ministry moved fast to specify clauses covering some aspects of the original Act: now the developer must rehabilitate the sharecroppers and tillers of the land, and not just the proprietors; the validity of the "in-principle" license has been reduced to 1 year instead of 3 to curb real-estate speculation; the developer must show irrevocable rights to the land, before the SEZ can be approved when earlier the State could put forward an application without acquiring the land; the developer must reveal net worth and source of cash, including foreign funds; and lastly, environmental requirements have to be met. These changes have been described as plugging in "loop-holes" in the SEZ Act.<sup>25</sup> But none of these clauses would ensure the prevention of future misuse of agricultural land and abuse of state power, or remedy the condition of the dispossessed farmers. The problem is deeper and inherent in the ideas that support the notion of SEZs in the first place.

While calling the Nandigram killings "unfortunate" Kamal Nath announced that the SEZs would go ahead as planned. He cautioned that investors might prefer Thailand, Philippines, and Indonesia: "India has to be made attractive for



investments".<sup>26</sup> According to this logic the deaths in Nandigram are merely collateral damage on India's road to prosperity. In an identical move, the Chief Minister of West Bengal, Buddhadeb Bhattacharya, called the Nandigram raid a "mistake" but refused to condemn the police or his party. While addressing a rally of CPI(M)'s peasant wing in Kolkata on March 12, the CM had flaunted the political might of his party, and threatened to take the project somewhere else if Nandigram's locals did not want industrialization.<sup>27</sup> In a similar vein, in the months leading to the March 14 killings, CPI(M) state secretariat members had openly threatened to escalate violence if the farmers and opposition parties did not tow the line.<sup>28</sup> While announcing that the plans of a SEZ in Nandigram and the adjoining villages have been scratched, the CM suggested that "development" would leave Nandigram behind.<sup>29</sup>

**IV. The CM** was voicing the opinion of many when he noted that farmers need "development" and have much to benefit from SEZs. The notion of development can be and needs to be criticized per se. By this time we have a healthy body of scholarship that critiques the developmentalism of the post WWII era. For the moment, however, let us use the term in the way it is typically used by economists and policy makers – to mean economic and social betterment. I do this, not because I am in agreement with the latter approach, but in recognition of the fact that the critique of developmentalism has made no significant breaches in the media discourse I am about to cite in this paper. While planning authorities in India, such as the Indian Planning Commission that crafts the 5-year Plans, has attempted to embrace a broad notion of development to include social and cultural betterment, the basic assumption remains that economic advancement, measured by consumption capacity, leads to social and cultural improvement.

Allowing for the above definition, let us try to fathom the internal logic that governs the CM's statement. The invocation of development in the CM's speech may be seen as carrying two meanings. First, the SEZs will bring industries and therefore more jobs and revenue that will have a larger positive repercussion on the state's economy. This in turn will ultimately and potentially benefit "all", including apparently those who need it the most, the poor peasantry, who have been deprived of their land in the first place. Second, it may mean that the dispossessed farmers have immediate and direct benefits from the establishment of SEZs. What exactly are these benefits, then? Are they better off giving up the land in exchange for cash settlement offered by the state? This may be the case if the land does not offer good profit or subsistence. Are they financially better off being industrial workers in these SEZs than being farmers in the weak agriculture and aquaculture sectors?

First, there is no provision under the SEZ Act that would ensure that the displaced farmers are employed in the SEZ. The skills of the farmers would not be in demand in the industries that would comprise these SEZs; they could only find employment in low paid menial jobs in the service sector. Irrespective of skills, the SEZs are estimated to generate only one job in the place of four livelihoods they displace.<sup>30</sup> Second, given that the main instrument used by the state to acquire land has been the Land Acquisition Act of 1894, there is little opportunity of farmers getting even a market value for their lands. The question of market value and benefits of private property are directly related to the state's right to expropriate land under the provision of eminent domain provided by the Act. Historically, the existing rehabilitation practices have rarely worked to the advantage of displaced farmers. Among the 38 million people displaced in India since independence, only half have been resettled or rehabilitated.

**VI. Economists and** policy makers think this is exactly what is necessary for India to "catch up" in the global economy.<sup>31</sup> Their arguments are based on some key assumptions: (a) India must be industrialized according to prevailing global terms; (b) industrial development must be pushed through with a firm hand either by the state or the private sector and preferably the two together in a joint initiative; (c) the conflict between the state and the peasants is not new and it is a necessity of history that peasants lose the conflict; (d) the farmers refuse to sell their land because they do not comprehend this logic of history; their's (and those who support them) is a nostalgia for rural society. The terms "rural" and "urban" are already rigged in this discourse, the former standing as a deterrent to the country's economic prosperity. A survey of articles and op-eds published in *The Telegraph* after the violent clashes in Nandigram in early January 2007, are symptomatic.

Columnist Sunanda K. Datta Ray reminded readers: "agricultural eggs must break for the omelet of industrialization". He only wished that rather than allowing the economic and political brokers to make hay out of land acquisition, the Chief Minister would have the boldness to take on the struggle with honesty and a firm hand:

The promised "dialogue at grassroots level" will yield result only when Marxist cadre, the police, opposition demagogues and those troublesome women of the Narmada Bachao Andolan realize that a government that will not be intimidated has convinced villagers they have everything to gain from the change in land-use.

In case the reader is not swayed by the condescension towards Medha Patkar and her comrades, or asks what exactly (in quantity and quality) has the villagers to gain, he offered historical lessons:

West Bengal's dilemma is neither new nor unique. It left nine dead at

Kalinganagar in Orissa last year and may be repeated elsewhere in India as more SEZs take off. Peasants defended their fields with pitchfork and shovel in England's 16th-century agrarian revolts. Anticipating East Midnapore, they filled in ditches and tore down hedges with which the new owners demarcated their privatized common land. About 50 protesters were hanged, drawn and quartered in the 1607 Midland Revolt . . . Last year saw 87,000 such clashes in China. . . . It's an inexorable worldwide process. Warren Hastings hunted tiger on elephant-back on the Maidan. A tiger once took refuge under the billiard table at Singapore's Raffles Hotel. Native American lore has it that they will be restored to sovereignty when the wild buffalo roams the land again. But North America's 60 million wild buffaloes have dwindled to 350,000 lurking in the Yellowstone and other national parks.<sup>32</sup>

Datta Ray's reckless citation of historical events sweeps away context, temporal differences, and particularity of land tenure systems, while on the stage of History wilderness yields to civilization. He ignores the socio-economic specificities that attend primitive accumulation, to produce a wishful topography that attempts the magic trick of promoting the telos of progress while rehabilitating the past in the present. It is a studied anachronism that might have evoked the approval of James Mill, that great British imperial ideologue. The moral recalcitrance of the colonized that O'Dyer sought to rectify appears here in the garb of the stubborn idiocy of the farmer who does not heed the call of History.

Datta Ray called for a "realistic rehabilitation strategy that would stop people for pining for the lost wild buffaloes, and others from exploiting their nostalgia".

Datta Ray, is of course not alone here in reciting the "inexorable" logic of history. Refusal to sell land has largely been represented in the media as merely rural nostalgia and what has come to be called

a "knowledge gap" that prevents rural inhabitants from recognizing the gains to be had by supporting SEZs and similar schemes of industrialization. Of course this argument could be turned around. One could argue that Datta Ray's is a nostalgia about the West and "development", and that it exposes a knowledge gap (despite having a plethora of information) that prevents him from seeing a future for India that is not merely Europe's sordid past.

Given the ability of international finance to ignore the sovereignty of nation-states, scholars, activists, and policy makers from a wide spectrum of political opinion have made their case for a strong state. Critiquing the generic enthusiasm for global networks and international civil society, Gayatri Spivak has warned that "the claim to internationality endorses the weakening of the state and therefore of constitutional redress on the part of resistant groups when the transnational agencies discriminate among nation-states in terms of their shifting location on the grid of geopolitics and the financialization of the globe."<sup>33</sup> On a related note, Amitabh Kundu, a member of the Central Planning Commission, has cautioned against the optimism generated by the recent moves for liberalisation, decentralisation and invigoration of the capital market: "These developments would, while liberating the local agencies from the control of central and state governments, place the former under some trustees or commercial banks, controlled by pure market logic,"<sup>34</sup> which will only serve to multiply social and spatial inequities.

A quite different claim looms on the other side of the intellectual spectrum that endorses the state's role as the facilitator of international capital. Far from usurping the state's two important functions, as a regulator of land use, and as a police force, the state's traditional role in these spheres is expected to be strengthened (by purging party politics from it) in order to produce a "conducive" environment for international investment.

This latter approach is evident in historian Rudrangshu Mukherjee's article in *The Telegraph*. While a protest against the violence-prone CPI(M) regime that has demonstrated repeatedly that it will stop at virtually nothing to further its political goals, Mukherjee's primary concern was that West Bengal would be doomed if it cannot take advantage of the opportunities of this wave of industrialization. For him, the conflicts in East Midnapur in December and January were simply a question of law and order. He elaborated on this point:

A group of people, frightened that they would lose their land, as well as some Maoists, went on the rampage. It was clearly a law and order problem and the state administration should have been allowed to quell the violence. This is what the administration is there for. But the CPI(M) chose to act to show its power and to establish control. It thus chose its own terror rather than that of the state . . . .

This attitude is tantamount to the kiss of death for West Bengal. With violence looming, which industrialist will think of West Bengal as an investment-friendly destination?<sup>35</sup>

Mukherjee harbors the notion that it is merely the faulty "Leninist DNA" of the CPI(M) that is at the root of the problem;<sup>36</sup> capital accumulation can be a harmless, orderly process shaped by the strong arm of the state. The biggest concern is that investors may shy away in the face of resistant peasants and ineffectiveness of the state to bring the peasants to subjection. No similar concern is voiced about loss of human lives or democratic principles of governance. And he did not feel it necessary to address whether the farmers' "fears" were unfounded.

A member of the RSP, a partner in West Bengal's Left Front, told reporters, "intelligence reports had given him a wrong impression about the (possible scale of) local resistance. He thought the



villagers would give in when they saw such a large number of policemen."<sup>37</sup> Only in a political culture where state terror has been so normalized that it fails to evoke much concern, can a politician seek to absolve himself or his party from blame by suggesting that frightening villagers into submission is an ordinary function of the police.

The normalization of violence as the mode of the state enabled K. P. Nayar, *Telegraph's* diplomatic editor and correspondent for the Americas, to affirm that the Nandigram incident should not scare away U.S. investment.<sup>38</sup> Playing on the American fear of terrorism, he suggested that foreign investment would keep West Bengal from falling prey to cross-border Islamic extremism. Many commentators shared Nayar's assumptions, but expressed them less crudely.

Columnist Swapan Dasgupta, who has in the past worried that Indian historians do not write feel-good populist history, offered a historical lesson that began on a personal note about repairing broken watches.<sup>39</sup> He recalled having to go halfway across London to have an old watch repaired for £60. A friend pointed out that the repair would have cost much less in Calcutta. But he contemplated the difference:

The London shop specialized in restoration and the Bowbazar man excelled in repair. The Londoner was an appendage of the antiques trade while the Calcutta man was a creation of the shortage economy. The dealer who lovingly restores old Studebaker cars of the Fifties in Los Angeles is different from the clever mechanic who ensures that the old jalopies continue their profitable run as taxis in socialist Havana. It is not that one can't make the transition to the other. It is just that the economic imperatives are different.

As India reaches out to the global economy, things are fast changing. Regulars at New Delhi's Khan Market, the local market for the discerning and

genteel, have been complaining about the disappearance of a small shop that excelled in repairing anything electrical. The shop closed and has been replaced by the showroom of a well-known Indian brand.<sup>40</sup>

When extrapolated and cited in the literature this process is called the benefits of "economies of scale" which must replace small (and therefore assumed to be fragmented) enterprises. And that is exactly what Dasgupta thought ought to happen, because it has always happened so, and with that he lunged into more historical lessons. As someone enamored by "western" ways of doing things, it is a pity that Dasgupta has apparently missed the slogan taught to small school children in the west: "reduce, reuse, recycle", a painful but necessary realization after decades of reckless consumption. In a world faced with a grave environmental crisis, the ethic of necessity that has prompted the recycling of the "old jalopies" is one of the most important lessons India has to offer the "west".<sup>41</sup> This lesson is lost on the likes of Dasgupta, because the ethic and profession of *kabadiwallahs* is anachronistic and inassimilable within their model of economic progress. On the historical question Dasgupta rued that "history, tragically, is never on the side of those who resist its cruel logic," and pointed out:

The fact that resistance to appropriation is becoming more pronounced as Indian agriculture confronts a serious crisis of viability is significant. It points to economic logic being subsumed by what the finance minister called the spiritual bond between the tiller and his land. Is this purely a function of political manipulation, as the Communist Party of India (Marxist) in West Bengal insists? Or does it arise because the benefits of a modern, globalized economy are not yet evident to the farmer? . . .

People take their time to accept the inevitable; they can never be forced the logic of history.<sup>42</sup>

Dasgupta worried that the knowledge gap of farmers prevented them from heeding the logic of history, thereby slowing down the pace of progress. To be fair to Dasgupta, his opinion was widely resonated in both the national and international media, with headlines that screamed "Farmers put India's growth in doubt" or "Indian peasants halt progress".

That Dasgupta's knowledge of European history is tragically inadequate is a small matter compared to what his tale suggests – a fatalism that has surrendered all of India's future to a sordid past of Europe. History is being served as an alibi by a new generation of "mimic-men" who declare with unalloyed enthusiasm and sage understanding: Europe's past is our future.

Sunil Gangopadhyay, a writer and poet, and a friend of the CM, had this to say:

I am a 100 percent supporter of Buddhadeb Bhattacharya's industrial policies. Agriculture has to be modernized and the picture of a thin bare-torsoed conventional farmer with a plough seen since the days of the Mughal period has to change. Even a farmer in Vietnam wears a shirt and a gumboot.<sup>43</sup>

Indeed no one can accuse Gangopadhyay for being a historian, but his comparison between the "bare-torsoed" Bengali peasant and the modernized (on-the-way to being modernized?) Vietnamese peasant is telling. For the British colonizers, clothing stood as an index of progress. It was this mark of Indian backwardness that the scantily-clad Mohandas Gandhi astutely mobilized to make a claim for India's masses. In Gangopadhyay's logic, the external marks of modernization are assumed to be universal and obvious, and deserve emulation, because they invariably signal improved material conditions. What

Gangopadhyay had probably forgotten in his eagerness to be with the forces of modernization is that SEZs are not about modernizing agriculture. The ludicrousness of this comment does not deserve further elaboration.

History has become a fetish for projecting desires fashioned over debunked notions of modernization and for supporting state terror by a cultural and political elite who are secure in the realization that the adverse fallouts of current economic policies would always affect someone else. Clearly those who support SEZs and the current vision of industrialization in India believe that they themselves will not be among the "drowned";<sup>44</sup> they are not part of the fodder in the dream of 9-11% growth of India's GDP in the next 5 years. What they fail to recognize is that these policies instigate devastating social, ecological and environmental degradation from which even supporters will not be spared.

In the short term, few are willing to see that the SEZ policies and state actions are crafted from the same fabric. One cannot condemn the police action in Nandigram and support the basic rationale on which the SEZs are based, namely unfettered access to vast amounts of unpeopled land, the very definition of modern imperialism. This disconnect is evident even in Ravindra Kumar's article in *The Statesman*, one of the few genuinely conscientious objections to the business-as-usual attitude of the Left Front Government.

**VII. In the** current frenzy of globalization, few dare oppose the new "industrialization" or "infrastructure development", the catch-all phrases that allow the state to give any kind of subsidy and entitlement to large corporations, and facilitates politicians making a healthy sum, all in the name of public good. Opposition to such policies are rendered "anti-modernist", simply naive, if not reactionary.<sup>45</sup>

The Nandigram massacre once more brought to the surface the profound

collusion of interests between the different arms of the government that are supposed to remain independent of each other, and between the state, the media, and capital. What is more, perhaps, is that it signaled to those who frequently confront critics of liberalization -- "the farmers want it, who are you to say they shall not"? -- with a warning: the farmers object to these take-over policies.

Any hope of a reassertion of democratic principles would require a profound rethinking of what exactly industrialization in India must look like. What we are witnessing is a bankruptcy of innovative thought, a paucity of ethics and an inhumane lack of decency. At work is

a new "dependency" syndrome that is far worse than anything that had happened in the first 50 years after political independence from British rule. Slaves to received notions of economic and material progress, the intellectual community and policy makers need the courage to think afresh. Even if one is not a Gandhian, it is useful to recall Mohandas Gandhi's response to a plea about historical inevitability: "To believe what has not occurred in history will not occur at all is to argue disbelief in the dignity of man."

© Swati Chattopadhyay

<sup>1</sup> "Haldia erupts over land acquisition," *The Statesman*, Calcutta, January 4, 2007.

<sup>2</sup> Ibid.

<sup>3</sup> Letter to the Chairman National Human Rights Commission, New Delhi, from Sukla Sen, EKTA (Committee for Communal Amity).

<sup>4</sup> *The Telegraph*, Calcutta, Thursday March 15, 2007.

<sup>5</sup> *The Telegraph*, Calcutta, Thursday March 17, 2007.

<sup>6</sup> *The Telegraph*, Calcutta, Thursday March 21, 2007. *The Times of India* of March 20 reported that preliminary information sent by the CBI to New Delhi suggest that "outsiders" as well as the police were involved in the firing of March 14, in effect corroborating independent allegations. As of May 21, the CBI report has not been made public.

<sup>7</sup> *The Statesman*, Calcutta, March 22, 2007.

<sup>8</sup> Ravindra Kumar, "A government gone wrong under a poor administrator and a worse politician", *The Statesman*, Calcutta, Friday March 16, 2007.

<sup>9</sup> Ibid.

<sup>10</sup> "Nandigram was more shocking than Jallianwallah Bagh" *The Times of India Online*, Kolkata, 17 March, 2007.

<sup>11</sup> Sumit Sarkar, *Modern India, 1885-1947* (Madras: Macmillan, 1983), 191.

<sup>12</sup> Details are cited in the website of SEZ India.

<sup>13</sup> See Siddharth Srivastava, "India's economic zones not yet special enough", *Asia Times Online*, July 20, 2006.

<sup>14</sup> For example, the real estate multi-national corporation CB Richard Ellis whose real estate capacity indicators are adopted by the Central Planning Commission.

<sup>15</sup> "Praful Bidwai, "Special Economic Zones, Path to Massive Land Grab," Inter Press Service News Agency, New Delhi, September 15, 2006.

<sup>16</sup> The Tenth Five Year Plan advocated the lifting of such barriers to invite FDI.

<sup>17</sup> The story is also attributed to Aditya Mittal.

<sup>18</sup> Jehangir S. Pocha and Asish Chakrabarti, "Fields of Conflict," *The Telegraph*, Calcutta, Sunday, March 18, 2007

<sup>19</sup> Ila Patnaik, "Special Zone called India", *Indian Express*, January 20, 2007

<sup>20</sup> Letter to the Chairman National Human Rights Commission, New Delhi, from Sukla Sen. Also, see NAPM Report: To Nandigram via Singur", February 27, 2007. Although not a SEZ plan, the exact argument was made during land expropriation for Rajarhat New Town on the outskirts of Kolkata.

<sup>21</sup> For an estimation of the effect of land acquisition from SEZs and other similar industrial schemes see, *Analytic Monthly Review*, September 2006.

- <sup>22</sup> "Tax sops and give-aways can divert industrial activity. Go slow on your SEZ plans, IMF tells India", *Deccan Herald*, Friday September 15, 2006.
- <sup>23</sup> Praful Bidwai, "Special Economic Zones".
- <sup>24</sup> "SEZ policy on, but farmland takeover to be fair: Kamal Nath", *The Times of India Online*, 17 March 2007.
- <sup>25</sup> "Scramble to plug SEZ loopholes," *The Telegraph*, Calcutta, Thursday, March 22, 2007; "SEZ it right", *The Statesman*, Calcutta, Monday, March 26, 2007.
- <sup>26</sup> *Times of India Online*, March 17, 2007.
- <sup>27</sup> *The Economic Times Online*, Monday March 12, 2007.
- <sup>28</sup> *The Statesman*, Calcutta, Wednesday, March 28, 2007.
- <sup>29</sup> *The Telegraph*, Calcutta, March 29, 2007.
- <sup>30</sup> Amit Bhaduri cited in Praful Bidwai, "India: Special Economic Zones on the Backburner", Inter Press Service News Agency, New Delhi, February 12, 2007.
- <sup>31</sup> Ila Patnaik noted: "This is the only way forward for bringing prosperity to the rural population. Every country in the world has gone through this process, and a clear-headed appreciation of India's path in the next 10 years is required." "Special Zone called India".
- <sup>32</sup> Sunanda K. Datta Ray, "Pitchfork and Shovel – Bengal's dilemma is neither new nor unique", *The Telegraph*, Calcutta, Saturday January 13, 2007.
- <sup>33</sup> Gayatri Chakravorty Spivak, "Megacity", *Grey Room*, No. 1 (Autumn 2000), 17.
- <sup>34</sup> Amitabh Kundu, "Infrastructure Financing and Emerging Pattern of Urbanisation: A Perspective," 13.
- <sup>35</sup> Rudrangshu Mukherjee, "Kiss of Death - The CPI(M)'s use of violence in Nandigram isn't surprising", *The Telegraph*, Calcutta, Wednesday January 10, 2007.
- <sup>36</sup> *Ibid.*
- <sup>37</sup> *The Telegraph*, Calcutta, Sunday March 18, 2007.
- <sup>38</sup> Referring to the denial of U.S. visa to Narendra Modi, the chief minister of Gujarat under whose regime Muslims were slaughtered in his state in 2002, Nayar noted that the U.S. "made a mistake": "In Washington, there is a belated realization that the biggest mistake the Americans made since the upturn in Indo-US relations was to deny the chief minister, Narendra Modi, a visa without realizing its implications for the US at a time when Gujarat is racing ahead in development and Modi is consolidating his place in the state as its leader without any challenge. What was done in Gujarat in terms of long-term damage for American interests cannot be easily undone. Neither the government in the US nor its business leaders want to repeat that mistake and give up on West Bengal." K.P. Nayar, "A Babe in the Woods – Communist Leaders at the various crossroads of history", *The Telegraph*, Calcutta, Sunday March 21, 2007.
- <sup>39</sup> Swapan Dasgupta, "The logic of history – Indian agriculture is confronting a serious crisis in viability", *The Telegraph*, Calcutta, Friday, January 12, 2007.
- <sup>40</sup> *Ibid.*
- <sup>41</sup> It is worth mentioning that *India Today*, India's leading English language news magazine, has pointed out the practice of recycling followed by *kabadiwallahs* as one of India's important achievements. *India Today*, "Things that make India proud", August 19, 2002, 72.
- <sup>42</sup> Swapan Dasgupta, "The logic of history".
- <sup>43</sup> IANS, Friday March 16, 2007.
- <sup>44</sup> In his article "The logic of history", Swapan Dasgupta made a comparison of Nandigram farmers with that of the Pujadists: "Some historians have described Pujadism as the 'first anti-globalization movement' – a description that fits a movement led by chauvinists and cranks. Others have compared Pujadism to the 'wild gestures of drowning men' – a characterization which, while somewhat condescending, puts the movement on a par with the Luddites and other opponents of the Industrial Revolution."
- <sup>45</sup> One here recalls Marshall Berman citing the dilemma of Jewish radicals in mid-century U.S. when Robert Moses took the "meat-axe" to their neighborhood – the Bronx. They dared not oppose Moses in the fear of being called anti-modernists. Marshall Berman, "In the forest of symbols," *All That is Solid Melts into Air* (New York: Simon and Schuster, 1982).