Regimes of Dispossession: From Steel Towns to Special Economic Zones

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ABSTRACT

This article compares land dispossession for industrial development under state-developmentalism and neoliberalism in India. Drawing on interviews, ethnography and archives of industrial development agencies, it compares earlier steel towns and state-run industrial estates with today’s Special Economic Zones (SEZs) and argues that they embody different regimes of dispossession. While steel towns and industrial estates reflected a regime of land for production with pretensions of inclusive social transformation, SEZs represent a neoliberal regime of land for the market in which ‘land broker states’ have emerged to indiscriminately transfer land from peasants to capitalist firms for real estate. The present regime has been unable to achieve the ideological legitimacy of its predecessor, leading to more widespread and successful ‘land wars’. The article argues more broadly that variations in dispossession across space and time can be understood as specific constellations of state roles, economic logics tied to class interests and ideological articulations of the ‘public good’.

INTRODUCTION

While ‘land grabs’ have only recently achieved significant academic attention, they have a long history on the Indian subcontinent. Current controversies over land dispossession for Special Economic Zones (SEZs) and privatized infrastructure should be seen within a longer genealogy of dispossession that includes the railways and forest enclosures of the British Raj, and the state-sponsored industrial and infrastructure projects of the Nehruvian developmental state. Though often neglected in sociologies of development that focus on the abstract relations between classes and the state, dispossession has been a constitutive feature of the socio-spatial transformations engendered by colonial, post-colonial and neoliberal political economies. The purpose of this article is to compare the role of state-mediated
dispossession in producing space for capital under the developmentalist and neoliberal periods in India and to advance a more general theoretical framework for explaining and periodizing differences in the nature and outcome of dispossession over space and time.

I take as my starting point the concept of ‘accumulation by dispossession’ (ABD), David Harvey’s (2003) theoretical reworking of Marx’s ‘primitive accumulation’. Historically, primitive accumulation has been understood as a process of coercive expropriation creating the pre-conditions for capitalist accumulation: a stock of capital on one side and a class of propertyless labourers on the other (Marx, 1976: 875). Accumulation by dispossession, however, provides a more useful analytic lens for expropriations that emanate from advanced capitalism. ABD unmoors the notion of ‘primitive accumulation’ from the interstices of ‘modes of production’ — i.e. transitions to capitalism — making it a more versatile concept capable of explaining very diverse, contemporary forms of expropriation that have little do with agriculture and that do not necessarily inaugurate capitalist social relations.

However, while Harvey frees primitive accumulation from its function in generating capitalist social relations, he redefines it through another, more contemporary function: absorbing over-accumulated capital in the global economy. Harvey states, ‘What accumulation by dispossession does is release a set of assets (including labour power) at very low (and in some instances zero) cost. Over-accumulated capital can seize hold of such assets and immediately turn them to profitable use’ (Harvey, 2003: 149). No longer processes that create the pre-conditions of capitalism, accumulation by dispossession is now a set of processes that allows global capital to find new outlets. While we might expect Harvey to further specify ABD as those processes that provide outlets for capital through extra-economic means — as in Marx’s (1976: 874) characterization of primitive accumulation as involving ‘conquest, enslavement, robbery, murder, in short, force’ — Harvey explicitly rejects this, claiming that it is ‘primarily economic rather than extra-economic’ (Harvey, 2006: 159). However, without this means-specific distinction, it is no longer clear what separates ABD from other spatial fixes and the ‘normal’ expanded reproduction of capital (see Brenner, 2006; Levien, 2011a, 2012). The concept’s boundary becomes vitiated, undermining its analytical utility.

Moreover, in leaving us, probably despite his intentions, with a narrowly economic definition of ABD, Harvey’s framework under-theorizes the deeply political role of states in orchestrating dispossession and the implications that follow from this. As an extra-economic process involving the transfer of resources, often through state force (it could also be other coercion-wielding entities), dispossession is a contingent political phenomenon whose outcome is determined by class struggle and not the circuits of capital (Brenner, 1976; De Angelis, 2007). Further, because dispossession entails the transparent intervention of (typically) state force into the accumulation process, its operations are not mystified by the apparent
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separation of the economic and political that is often seen as distinguishing capitalism from pre-capitalist modes of production (Anderson, 1974; Marx, 1976; Wood, 1981). Without the advantage of obfuscation, accumulation by dispossession entails an extra burden of ideological legitimation as the state must explicitly justify to the dispossessed and to the public at large why expropriating property from one group for the benefit of another serves a ‘public purpose’. Because the character and outcome of dispossession depends on these socially and historically specific political and ideological factors, it displays significant variation over space and time that cannot be explained simply by economic factors, such as cycles of over-accumulation in the global economy.

For these reasons, I believe it makes more sense to think in terms of ‘regimes of dispossession’, by which I mean socially and historically specific constellations of state structures, economic logics tied to particular class interests, and ideological justifications that generate a consistent pattern of dispossession. ‘Pattern of dispossession’ refers to what is being expropriated, from and for whom, to what end, and with what level of success. In brief, in different political economic periods in different places, resources will be expropriated for and from different classes for different purposes that will have uneven ideological acceptance, and which may therefore generate conditions more or less conducive to resistance. By thus periodizing dispossession, light can be shed on what is specific — and perhaps tenuous — about current regimes of dispossession.

A full research programme into regimes of dispossession within a country such as India would begin historically with the colonial period and extend spatially across all the major forms of dispossession, including railways, dams, mining, slum demolitions, industrial projects and various other forms of infrastructure. This falls beyond the scope of this paper. What I propose to do instead is analyse one sector of dispossession — the expropriation of land for industrial development — across two periods: post-independence state-developmentalism and neoliberalism. In particular, I trace the evolution in the way the Indian state has expropriated agricultural land for industrial development in the two periods as seen in the transition from state-run steel towns and industrial estates to SEZs.

While privately developed SEZs are currently at the centre of India’s ‘land wars’, expropriating land for the creation of industrial space has been occurring on a large scale since the 1950s. The post-independence project of heavy industrialization under Nehru involved significant acquisition of rural land for factories and accompanying ‘industrial townships’ — most prominently for India’s public-sector steel plants. Beginning in the First Five-Year Plan, the Indian government also began acquiring land for the creation of ‘industrial estates’, initially with the purpose of catalysing small-scale industrial development. By the early 1970s, industrial areas had lost their association with the small-scale industries programme and had become the main means of promoting medium- and large-scale industry at the state level;
acquiring land for them was the main activity of state industrial development corporations across the country. The SEZs introduced after 2000 represent a radically privatized mutation of this old spatial form.

In brief, the argument of this article is that industrial estates, areas and townships reflected a regime of dispossession in which land was acquired for predominantly state-led projects of productive industrial and infrastructural development that had significant legitimacy among a broad Indian public (if never among those expropriated for them). SEZs, in turn, represent the shift to a regime of dispossession in which the state has become a mere land broker for capital, expropriating land for any private use generating more profit than agriculture, no matter how immaterial, speculative, or consumptive. As a shorthand, we might call this a shift from a regime of ‘land for production’ to one of ‘land for the market’. While land was previously expropriated to produce goods for the market, it is now increasingly being expropriated for its own market value. This new regime of dispossession, with its more expansive criteria of what justifies the use of eminent domain, or compulsory purchase, has significantly less public legitimacy and has proven to be more vulnerable to challenge than its predecessor.

A few caveats must be made. First, it is not that this new regime of dispossession emerged de novo with the creation of SEZs. Rather, as India’s economy liberalized in the 1990s, many of the features that would eventually be incorporated into SEZs were experimented with in industrial areas as parastatal industrial development corporations began to refashion their activities along neoliberal lines. These transformations in the way the state produced space for capital, however, reached maturity in the early 2000s with privately developed SEZs. Second, a new regime of dispossession does not neatly supplant the previous one, but rather incorporates and extends it in qualitatively new directions. The fact that Indian states are increasingly acquiring land for privately developed real estate projects does not mean that they have stopped acquiring land for public-sector industry or large dams (though both sectors are increasingly privatized). This spatial ‘synchronicity of the non-synchronous’ (Ahuja, 2009: 38) is reflected in contemporary politics as the movements still resisting Nehruvian-era dams are now joined by those resisting SEZs and real estate projects. However, I will argue that the transition to a new regime of dispossession, albeit one that has not fully shed the legacy of its predecessor, has significant political implications.

To support these arguments, I draw on fieldwork conducted over nineteen months. My analysis of industrial areas and their transformation over the decades rests on forty years of newsletters and annual reports of the Rajasthan State Industrial Development Corporation (RIICO), complemented by interviews with government officials at RIICO and at industrial development corporations in six other Indian states. For the early industrial estates and industrial townships, I rely on government reports and secondary scholarship. My analysis of SEZs, though informed by my ethnography of an SEZ in

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Rajasthan, draws largely on interviews with private SEZ developers, business consultants, representatives of industry associations, government officials at the state and central levels, and on ethnographic visits to anti-SEZ struggles across India.

STEEL TOWNS

Perhaps nothing so clearly represented the Nehruvian development project as India’s public-sector steel towns. India’s Second Five-Year Plan (1956–1961) called for rapid industrialization with an emphasis on heavy industries in the public sector. Steel, as the basic building block of industrial society, had a special place in this vision of post-colonial national development (Roy, 2007: 138). As Parry and Struempell observe, Nehru saw steel mills as ‘temples to India’s industrial modernity that would abolish centuries of economic stagnation’ and ‘allow the new nation to “catch up” with the developed world’ (2008: 47). The large public-sector steel plants of Bhilai, Rourkela, Durgapur and Bokaro, and the ‘industrial townships’ built to house their employees, were, along with river valley projects, the paradigmatic spatial form of Nehruvian developmentalism.

They were also a tremendous source of dispossession. Steel plants were located in remote rural areas, both to be near sources of iron-ore and other raw materials, and also to bring employment to so-called ‘backward areas’ (Parry, 1999). Establishing steel plants entailed acquiring very large chunks of rural land, in many cases from *adivasi* (indigenous) populations who often had unrecognized, customary claims to their forests and fields (Roy, 2007: 140). The Bhilai Steel plant in Madhya Pradesh (now Chhattisgarh), with its captive mines and residential township, occupied 17 km² for which ninety-six villages had their lands acquired. A similarly vast number of villages were displaced for the Rourkela Steel Plant in Orissa (Parry, 1999: 132; Parry and Struempell, 2008: 55) while thirty-seven villages were displaced for the Durgapur Steel Plant in West Bengal (Parasuraman, 1999). While they maintain that the record of compensation was ambiguous, Parry and Struempell (2008) observe that many complained of paltry compensation, unrecognized land claims, and, in some cases, broken or delayed promises of employment. In Bokaro, as late as 2007, there were still more than 10,000 pending disputes over compensation for the 34,000 acres of land that were acquired for the steel plant more than forty years earlier (*Business Standard*, 2007).

While large-scale dispossession with poor compensation endures, there are several important features of India’s steel towns that distinguish them from today’s SEZs, and that clearly place them within a distinct regime of dispossession. The first contrast is that steel towns were archetypical state spaces. Land was acquired for public-sector firms and state-owned and managed townships. Hindustan Steel was the owner, employer, landlord,
town planner and local political authority (Roy, 2007: 138). Steel towns were thus paradigmatic expressions of a ‘higher-modernist’ state (Scott, 1998) pushing through an ambitious project of industrial transformation with a good dose of social engineering.

The second distinguishing feature is that steel towns were fundamentally productive spaces. Steel towns were built for industrial manufacturing and the employment this generated. The residential townships were merely instrumental to the production inside the factories, and were designed to maximize the motivation and efficiency of workers (Tamboli, 1992: 182). Housing was not a for-profit enterprise, but rather a subsidized perk for regular employees — the concern of planners was to minimize its drain on revenue, not to maximize profit (Government of India, 1963: v). Although in some cases planners acquired more land than was needed (Government of India, 1963: v; Parry and Struempell, 2008: 55), as Roy observes, ‘Urban planning decisions about how much land to acquire and how many houses to build were shaped by a single calculation: how many workers does it take to produce one million tons of steel ingots’ (2007: 140).

The third feature is that the public sector steel plants generated significant employment. As Parry notes, planning priorities of the time emphasized employment rather than profit in the public sector. The Bhilai Steel Plant retained higher staffing levels than European steel mills of comparable size, employing 65,000 regular employees at its peak in the 1980s, not including contract workers and employees of ancillary industries (Parry, 2003: 222). Parasuraman found that 58 per cent of those displaced for the Durgapur Steel Plant subsequently received a permanent job in the steel industry (1999: 109). For at least some of the dispossessed, then, land loss was partially redeemed by incorporation into India’s public sector ‘labour aristocracy’ (Parry, 2003).

Fourthly, the steel town represented a domestically-oriented, nationally autonomous growth model. While all the steel plants were built with foreign technical and financial support (from the Soviet Union, Germany and Britain), this was considered necessary to acquire the capabilities for self-directed, import-substituting industrialization and the realization of a national economic space (Goswami, 2004). As Roy states, ‘post-colonial steel towns were sites in which the transition from the dependent colonial economy to the sovereign and planned national economy . . . could be enacted’ (2007: 138).

Finally, these features were all captured by a Nehruvian ideology of state-led national development that enjoyed wide public legitimacy. It has often been repeated that in the decades after independence, there was an ‘overwhelming consensus in favour of a heavy industry-oriented, state-supported model of development’ (Guha, 2008) and that this lent widespread public legitimacy to projects like large dams (Guha, 2008: 224–25; Khagram, 2004: 35) and steel towns (Roy, 2007: 140) that required massive involuntary acquisition of land. It should be questioned whether this ‘consensus’ ever extended to those who experienced this national development project
as dispossession and destitution (Roy, 2007: 140). Indeed, land acquisition for Nehru’s steel towns was (unsuccessfully) resisted in some cases, most notably in Rourkela (Parry and Struempell, 2008: 50–54), as it also was for a few early dams (Guha, 2008: 224). However, the point is that the Nehruvian vision of development that these projects represented was a compelling one for many sections of the Indian public in the post-independence decades, making it unlikely that opposition would find broader support and gain significant traction.

In the case of India’s steel towns, dispossession thus served a state-driven, productive, employment-generating form of national development that enjoyed significant ideological legitimacy. It is not that this was a golden age of benevolent dispossession — tens of millions of people were forcibly displaced by development projects in the Nehruvian era, only a minority were ‘rehabilitated’, and overall, few benefited from the industrialization that their pauperization subsidized (Cernea, 2000; Fernandes, 2004, 2008; Mahapatra, 1999). The point, however, is that compared to today’s SEZs, steel towns represented a regime with a more limited definition of what justified dispossession; and that this definition corresponded to a hegemonic vision of development. Before developing the implications of this contrast, we first turn to a lesser-known antecedent of the SEZ.

INDUSTRIAL ESTATES

The idea of assembling, developing, and subdividing tracts of land to be sold or leased to multiple industrial occupants dates to the late nineteenth century. In contrast to stand-alone factories, company towns, or industrial districts, industrial estates were comprehensively planned areas developed by a single organization for multiple industrial users who would benefit from shared infrastructure and often ready-made factory ‘sheds’. The first industrial estate was created in 1896 at Trafford Park, Manchester (UK) and the second shortly thereafter at the Clearing Industrial District near Chicago (USA). While these were private ventures, in the first half of the twentieth century European governments built industrial estates to spur industrial development, create employment in depressed regions, and to decongest cities. In the 1950s, the industrial estate gained new impetus as a tool to industrialize developing countries, and was widely promoted by the UN and the United States International Cooperation Administration (Bredo, 1960; UN, 1961: 1).

In India, the Nehruvian state embarked on the most ambitious programme of industrial estate construction in the developing world. Its goal was to promote small-scale industries. While India’s post-independence development model is often seen as exclusively focused on large-scale heavy industrialization, as Immerwahr (2011) compellingly shows, this period was also characterized by very large material and ideological investments in
decentralized schemes of small-scale rural development. While India’s industrial policy resolutions of 1948 and 1956 and its Second Five-Year Plan (1956–1961) emphasized heavy industry and large dams, they also called for the promotion of small-scale industries to generate employment and ensure ‘balanced regional development’. India’s small-scale industries programme, whose outlay was increased eleven-fold in the Second Plan, was a compromise between Nehruvian industrialization and Gandhian village development: it supported small-scale enterprises in small towns and rural areas, but was resolutely industrial in focus, promoting modern technology rather than village crafts (Holstrom, 1984). Industrial estates became its privileged spatial form, with first the central government and then states providing small entrepreneurs with subsidized factory sheds on industrial plots with shared infrastructure and technical support. The first ten industrial estates were established towards the end of the First Plan period (1951–1956) and the Second Plan (1956–1961) called for a tremendous expansion (Alexander, 1963: 18–20).

Compared to other development projects, industrial estates were not a tremendous source of dispossession. While they were typically established through forcible land acquisition, only 35 per cent of the 520 estates completed by 1974 were larger than 30 acres (Sanghvi, 1979). Nonetheless, industrial estates concern us because they are the precursor to ‘industrial areas’ and SEZ, and because they further demonstrate many of the features of the pre-liberalization regime of dispossession. First, the industrial estate — like the industrial township — was first and foremost a state space. The government (first central and later state) was the acquirer, developer and landlord, maintaining ultimate ownership of the land which it leased to entrepreneurs subject to land use restrictions. Second, industrial estates were also productive spaces built for the sole purpose of supporting small-scale and rural industrialization that would ‘provide immediate large-scale employment’ (Government of India, 1956). And third, industrial estates were invested with the idealism of post-independence nation-building. The literature of the time is peppered with high-minded intentions like ‘ensuring a more equitable distribution of the national income’ (Government of India, 1956) and ‘fostering a spirit of cooperation and joint enterprise’ among entrepreneurs (Alexander, 1963: 49).

If the ambitions were grand, the results were more humble. Administrators themselves admitted that a ‘spirit of cooperation’ rarely emerged (Alexander, 1963: 63). Many industrial estates failed to attract sufficient entrepreneurs or lowered their admissions standards to get them, and some became non-functional and decrepit. Moreover, speculators sometimes managed to evade land-use restrictions to buy plots solely for their appreciation (Sanghvi, 1979). Nevertheless, industrial estates represented an idealistic vision of national development in which a paternalistic state would assist small private entrepreneurs in creating employment-generating rural industrialization that would help to avoid the geographic unevenness of unfettered
capitalist development. Besides the unlucky few who lost their land, few people at the time would have doubted the state’s prerogative in acquiring land for such a purpose. While more ‘low-modernist’ (Gilbert, 2003) than India’s steel towns, the industrial estates belonged to the same regime of dispossession — as did, at least initially, their larger and more land-consuming successor.

**INDUSTRIAL AREAS**

India’s Third Five-Year Plan (1961–1966) allocated funds for state governments to establish ‘industrial development area schemes’, explaining that ‘the idea is to acquire in industrially backward regions suitable tracts of land at focal points where good communications exist or can easily be developed, to develop factory sites thereon, provide the basic facilities like power, water, sewerage, etc. and then offer them for sale or on long lease to prospective entrepreneurs’ (Government of India, 1961: 463). Unlike the industrial estates, industrial areas were ‘drawn up primarily to promote medium-sized industries’ (ibid.: 149). The Fourth Plan (1969–1974), expressing great concern about the ‘overwhelming’ concentration of investment in already developed areas, provided a much larger allocation for industrial areas to state governments (Government of India, 1969: 310–11). By the early 1970s, most states had formed parastatal industrial development corporations (IDCs) whose main functions were to acquire land, develop industrial areas and attract entrepreneurs.

Industrial areas were, and continue to be, significant sources of dispossession. Since their inception, most of the land acquired and allotted to medium- and large-scale industries that do not require stand-alone locations near natural resource deposits (like steel mills or cement factories), has been within industrial areas.¹ The Rajasthan Industrial and Infrastructural Development Corporation (RIICO), for example, had by 2010 acquired over 60,000 acres of land for 322 industrial areas across the state (RIICO, 2010: 5). By 2002, the Maharashtra Industrial Development Corporation had acquired 130,000 acres of land for 225 industrial areas (MIDC, n.d.). The Andhra Pradesh Industrial Infrastructure Corporation had acquired 130,000 acres for industrial areas by 2010.² By 2011, the Gujarat Industrial Development Corporation had acquired over 79,000 acres for 184 industrial areas.³ Large industrial areas can be as big as 1,500–2,000 acres but many measure in the hundreds of acres — bigger than the earlier industrial estates, but smaller than the steel towns and today’s multi-purpose SEZs. Because of their sheer number,

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1. A RIICO official told me that at most 2 per cent of the land they have acquired has been outside of their industrial areas (interview 24 December 2010).
3. See GIDC website: www.gidc.gov.in/internal.html
however, they cumulatively became the largest source of forcible land acquisition for non-extractive industries. IDCs became the main instruments for acquiring private agricultural land and public grazing land for industrial purposes, developing by the 1990s highly rationalized land banks with yearly acquisition targets.

Industrial areas initially shared the features I have attributed to steel towns and industrial estates. They were state spaces acquired, developed and operated by government agencies that, as landlords, collected the ground rent from industrial tenants. Many of the tenants were private sector corporations, though others were in the public, joint or assisted sectors. IDCs themselves held equity in many companies in their industrial areas and otherwise provided cheap credit, technical assistance and help in securing industrial licences. Industrial areas were the product of an interventionist state that combined the roles of industrial ‘midwife’ and ‘demiurge’ (Evans, 1995).

Industrial areas were also, and to a large extent remain, spaces of production. Most are characterized by an instrumental aesthetic, with just the necessary infrastructure to support industrial manufacturing. Land use regulations built into leases stipulate time periods within which plot purchasers have to begin construction and production in an effort — not always successful — to prevent speculation. To minimize public cost, enough land is acquired for industrial plots and supporting infrastructure, and little else. Some IDCs have built ‘integrated industrial townships’ to provide housing and social amenities for employees in industrial areas far from existing cities. However, this housing was (at least until liberalization) built by the public sector with a certain percentage reserved for ‘economically weaker sections’ 4 and was subordinate and instrumental to industrial production.

Like industrial estates and steel townships, industrial areas also reflected the moderate commitments to ‘balanced regional development’ and social welfare of the post-independence Nehruvian state. One official at RIICO contrasted their industrial areas with private SEZs: ‘Business will only acquire land in fast-moving regions. But being a government agency, we also have to look at slow-moving regions’. 5 RIICO had to build industrial areas not just around Jaipur or the fast-growing periphery of Delhi, but also in the remote desert of Jaisalmer. Trying to bring investment to ‘backward areas’ often involved providing liberal equity, cheap credit and land rebates on investments in ‘tribal areas’ and ‘no industry districts’. 6 RIICO’s newsletters up until the early 1990s also routinely advertised rebates of up to 50 per cent on industrial land for Scheduled Castes and Tribes, the handicapped, ex-servicemen, war

widows, women and small industries. Labour-intensive industries were given priority in land allotment up until the early 1990s.7 These social commitments, no matter how successful in practice, combined with the state-driven and productivist character of industrial areas, place them squarely within a developmentalist regime of dispossession that enjoyed significant public legitimacy. Private profit emerged only in the industrial production that the land supported, while the ground rent from the dispossessed land accrued to the state. This made it easier to argue that industrial areas served a public purpose, even if land was being dispossessed from farmers for the use of private companies. While I have found few historical traces of pre-liberalization resistance to industrial areas,8 it would be safe to assume that it did occasionally emerge — and that it did not get too far. In my interviews with IDC officials in seven states, all of them claimed that land acquisition did not pose a significant difficulty for them until liberalization, and particularly the last five to eight years.

INDUSTRIAL AREAS IN TRANSITION

With liberalization, however, industrial areas began to change in ways that anticipated but did not fully realize the regime of dispossession embodied by SEZs. To illustrate these changes, I draw extensively on forty years of newsletters and annual reports of RIICO, which register the agency’s shifting mandate as the central and state government adopted neoliberal industrial policies beginning in the late 1980s, and particularly after 1991. These policies included abolishing the licensing system, reducing the role of government agencies in production and trade, soliciting Foreign Direct Investment, and deregulating the domestic market, all of which unleashed a process of fierce inter-state competition for investment (Chandrasekhar and Ghosh, 2002; Rudolph and Rudolph, 2001).

In the decade following the reforms, RIICO’s land acquisition doubled from 10,056 acres in the 1980s to 22,931 acres in the 1990s.9 Struggling to keep up with ‘skyrocketing’ demand, ambitious yearly land acquisition targets were set and a land banking system was instituted to plan for future requirements.10 However, the emerging neoliberal regime of dispossession entailed not only a quantitative expansion, but a qualitative shift in the types of economic activities for which the state would acquire land.

8. The mention of new compensation policies for land losers in a 1996 newsletter of RIICO is the only indicator I was able to find.
9. From RIICO newsletters and annual reports, I have reconstructed yearly land acquisition totals from 1974 to 2010.
10. RIICO Newsletter, June 1990.
First of all, in the late 1980s there began a series of moves to privatize aspects of RIICO’s operations. The state government adopted a policy in 1988 to favour complete dilution of its equity in the industrial undertakings it supported. More dramatic changes came after the Rajasthan Government adopted a liberalized industrial policy in 1994, which offered various concessions and subsidies to attract footloose capital (Government of Rajasthan, 1994). Among these inducements was the decision ‘to allow [the] private sector to establish and maintain industrial areas’. This policy, which would have entailed the state acquiring land for private builders to re-sell to other companies, was never effectively carried out, and RIICO continued to be the sole developer and landlord of industrial areas. However, declaring that ‘the thrust is now on privatization in Rajasthan’, RIICO began to bring in private builders to construct housing and other facilities in and around their industrial areas.

Industrial areas also stopped being exclusively industrial. In 1994, RIICO approved a five-star luxury hotel in its Jaisalmer industrial area and began to place more emphasis on tourism and real estate-related industries. In 1995, it advertised that it was looking for investors in ‘hotels, motels, golf courses, gyms, sports complexes, health centres, zoos/botanical gardens, skating rinks, educational institutions . . . housing colonies, New Townships’. In the same year it acquired land for two amusement parks for ‘water related games, artificial sea waves, fast food, conference hall, golf course and resort’. It announced that ‘apart from industrial infrastructure, a new drive has been launched to develop social infrastructure’ like housing townships around industrial areas with the help of private sector builders. The line between industrial production and real estate was becoming blurred under the euphemism of ‘social infrastructure’, and the state was increasingly acquiring land for any private purpose that represented ‘growth’.

Industrial areas also became more outward-looking as the emphasis on attracting outside and foreign investment and promoting exports became more pronounced. In 1987, the state government founded a Bureau of Industrial Promotion (BIP) to help attract outside investors, and particularly non-resident Indians (NRIs).

12. See also RIICO Newsletter July 1994.
15. RIICO Newsletter October 1995.
18. RIICO Newsletter December 1995.
taking trips abroad to attract NRI and foreign investment.\textsuperscript{21} Beginning in the late 1980s and increasingly in the early 1990s, RIICO started signing Memoranda of Understanding (MoUs) with foreign companies. After the new investment policy of 1994, RIICO announced eight proposed ‘export promotion industrial parks’ (EPIPs), a central government scheme in which export-oriented companies would receive special concessions like liberalized enforcement of labour laws,\textsuperscript{22} anticipating features of SEZs.\textsuperscript{23} In 1998, RIICO also started to provide land and buildings for export-oriented software technology parks.\textsuperscript{24} The industrial space produced through land dispossession was thus becoming increasingly oriented towards external investments and markets.

Along with this, the Nehruvian social commitments embedded in the way RIICO produced industrial space attenuated. Beginning in the 1990s, subsidized land prices for small entrepreneurs gave way to subsidies for favoured industries (information technology and biotechnology) and a graded system of land rebates that provided the cheapest land to the biggest investors — for example, offering land rebates of 60 per cent to ‘very prestigious investments’ of over Rs. 100 million or to any Fortune 500 company (RIICO, 2006, 2009).\textsuperscript{25} Land was now being dispossessed and given to capital without the veneer of Nehruvian social justice.

As liberalization progressed, an old spatial form thus began to mutate in ways that shed its association with the developmentalist regime of dispossession and pre-figured the SEZ. Aspects of industrial area development were privatized as state governments became facilitators rather than direct undertakers of investment. The strong emphasis on productive, labour-intensive manufacturing became diluted, and land was increasingly expropriated for real estate and tourism. Industrial areas began to focus less on promoting home-grown entrepreneurship, and more on attracting external investment and promoting exports. Finally, the social commitments that had previously guided the development and allocation of industrial land started to wane, and were replaced by the overriding purpose of attracting large corporate investments.

Nevertheless, industrial areas never fully realized the radical privatization that characterizes SEZs. Industrial areas are still built and owned by government agencies. With liberalization, the ground rent generated from industrial areas even became a significant source of government revenue.\textsuperscript{26}

\textsuperscript{21} RIICO Newsletter July 1994.
\textsuperscript{22} Like the later SEZs, they were given status as ‘public utilities’, which limits strike activity and empowers a government administrator to arbitrate labour disputes.
\textsuperscript{23} RIICO Newsletter, July 1994.
\textsuperscript{24} RIICO Newsletter, March 1998.
\textsuperscript{25} See also RIICO Newsletter, December 1994.
\textsuperscript{26} A year after liberalization in 1992, RIICO announced its ‘highest ever profit’ (RIICO Newsletter, August 1992) and announced new record profits almost every year until the late 1990s. Its net before-tax profit in 2009–2010 was over US$ 36 million (RIICO, 2010).
Notably, housing projects remain subservient to manufacturing. It was only the introduction of privately developed SEZs that fully realized the changes that began within industrial areas, and completed the transition to a new regime of dispossession.

**SPECIAL ECONOMIC ZONES**

SEZs are, on one level, industrial areas governed by more liberal economic policies than those that apply to the rest of a country. In this respect, India’s SEZs have an antecedent in Export Processing Zones (EPZs), which were born out of US Cold War policy towards Latin America in the 1950s and subsequently spread throughout Asia (Kranakis, 2008; Moore and Schrank, 2004). EPZs evolved as a way to enable foreign companies to exploit cheap domestic labour in ‘third world’ countries by creating islands of political stability, good infrastructure and ‘favourable’ economic policies where these otherwise did not exist. According to the ILO, by 2006 there were 3,500 EPZs (or derivatives thereof) in 130 countries (ILO, 2007). India developed its first EPZ in Kandla, Gujarat in 1967, followed by six more over the subsequent decades. But EPZs represented a marginal experiment at promoting exports and garnering foreign exchange at a time when India’s trade policy was overwhelmingly oriented toward import-substituting industrialization (ISI) (Chibber, 2003). India’s EPZs were government-developed,27 remained small in size (93–700 acres), attracted more domestic than foreign investment, and contributed only marginally to India’s exports, employment, and foreign exchange (Banumathi, 2010; Kundra, 2000). When the Indian government passed an SEZ Policy (2000) and SEZ Act (2005), it sought to correct for these ‘deficiencies’ with a more liberal set of financial incentives — income tax holidays, tariff waivers and duty-free imports — and a streamlined regulatory environment.

However, the real novelty of the SEZ Act (2005) was that it encouraged private companies to develop, maintain and effectively govern economic zones on a for-profit basis. In contrast to the Chinese model of government-built SEZs, India’s SEZs represented a radically privatized way of building industrial infrastructure in which corporate developers would replace government agencies. The state’s role would be limited to forcibly acquiring the land while private companies would capture the rent from developing and reselling it. This policy was justified by the argument that the Indian government — unlike its Chinese counterpart — could not itself build the infrastructure on the scale envisioned, and reflected the overall push towards developing infrastructure on a public–private partnership (PPP) basis (IDFC, 27. The only one that was privatized (in Surat, Gujarat) was built in 1994 and thus reflects the transition I have documented for industrial areas.
India’s SEZ model ‘is not strictly PPP because the government is not putting a single penny in. It’s purely privatized’. 29

Privatizing SEZ development was pushed forward by private real estate companies which saw in SEZs an opportunity for windfall returns at a particular moment in India’s neoliberal growth trajectory. While the manufacturing sector lobbied for the liberal concessions that were made available to exporting companies within SEZs, real estate companies and large corporate houses actively lobbied for the opportunity to privately develop them. An official overseeing the SEZ unit of a major Indian industry association explained to me that real estate developers lobbied for SEZs because they would be ‘very low cost’ as the government would ‘provide some benefits like basic infrastructure facilities . . . as well as [the] cheapest land’. 30 Crucially, the SEZ Act required that only 35 per cent (later raised to 50 per cent) of the land acquired for SEZs be used for ‘processing’, giving the developers freedom with the rest. Since the highest value land use is housing, most developers saw SEZs as an opportunity to build satellite cities on cheap government-acquired land at the urban periphery in the midst of an unprecedented real estate boom (Searle, 2010). Some profit could be made by reselling agricultural land as ‘developed land parcels’ — in the words of one SEZ executive — to industry; more profit would be made by developing housing and other urban amenities. Consequently, SEZs became an outlet for speculative real estate capital, which explains the scale and speed with which they spread across the country — 464 were approved in the first sixteen months.

In contrast to the developmentalist regime of dispossession for steel towns, industrial estates, industrial areas and EPZs, SEZs represented a definitive transition into a regime of dispossession in which the state was willing to forcibly redistribute very large chunks of land from farmers to private companies for real estate activities. Earlier, land was acquired for private companies to produce upon — as their ‘spatial basis of operations’ (Marx, 1981: 916) — while the state collected the ground rent. With SEZs, the state is reduced to a mere land broker for private capitalists who themselves capture the ground rent from industrial producers and from ancillary real estate activities. One upshot of this privatization is that whereas in industrial areas state agencies had an incentive to acquire the minimum amount of land required for industrial production (to minimize their sunk capital), private SEZ developers have the incentive to make their zones as large as possible to maximize their profit from cheap land acquired by the state. The result is a proliferation of mega-projects like the 12,000 acre Sri City in Andhra

29. Although some private SEZ developers do enter into PPPs with state governments (to help secure land and regulatory approvals), the SEZ Act does not require it.
30. Interview, 19 January 2011.
Pradesh or Reliance’s proposed SEZs outside of Gurgaon and Mumbai, both of which were originally planned to cover 25,000 acres.\textsuperscript{31}

SEZs also definitively break from the productivism that defined state-developmentalism and that implicitly or explicitly justified forcible land dispossession through eminent domain. While the SEZ rules require that half the land be used for some form of ‘processing’ that generates positive net foreign exchange, the other half can be used for any purpose whatsoever. While a few private SEZs are simply captive shells for a single industrial manufacturer to take advantage of the tax breaks, most are developed as sector-specific or multi-purpose zones by real estate companies or real estate subsidiaries of large Indian corporations whose incentive is to turn farmland into real estate. As the Vice Chairman of Mahindra Lifespaces — developer of SEZs outside of Chennai and Jaipur — put it, ‘You make money on the housing and not on the infrastructure’ (quoted in Business Standard, 2008).

Housing is not secondary and instrumental to production, as it was in the townships attached to public sector steel mills and industrial areas, but of primary interest and intended for open sale — not employee housing. Most of the SEZs are being located on the rural periphery of growing metropolitan areas with booming real estate markets. Two-thirds of India’s SEZs are in the IT sector (Government of India, n.d.), which means that developers can simply build office buildings (already a real estate activity) adjoined by luxury housing. In this new regime, dispossession is delinked from capitalist production and used to produce capitalist space of any kind (Lefebvre, 1991). Any economic activity that can generate a higher-value land use than agriculture — no matter how unproductive or speculative — now constitutes a ‘public purpose’ that warrants the forcible expropriation of land from farmers. We can characterize this as a shift from a regime that dispossesses ‘land for production’ to one that dispossesses ‘land for the market’.

Whether SEZs represent an ‘exception’ (Ong, 2006) to the national economic space (Goswami, 2004) is less clear (see also Cross, 2010). While India’s SEZs allow 100 per cent FDI in both their development and productive units, it would not be accurate to say that they represent ‘the foreignisation of space’ (Zoomers, 2010) or are a ‘strategy of global capital’ (Banerjee-Guha, 2008: 51). Nor are they a product of US foreign policy, as in parts of Latin America (Moore and Schrank, 2004). Unlike many economic policies in India, the role of the World Bank is notable by its absence. Rather, SEZs are largely the product of a mature Indian capitalist class — and especially its real estate and IT/service fractions. With very few exceptions, almost all of the private SEZs have been developed by Indian companies, most relying on internal accruals and domestic bank loans for financing. FDI in their productive units has also been significantly lower than domestic investment

\textsuperscript{31} However, Reliance’s Maha Mumbai SEZ is now scrapped and its Haryana SEZ has been greatly reduced in size and is facing an uncertain feature; see below.
and disappointing to Indian planners. So while SEZs are more externally-oriented than industrial areas and the role of some foreign companies has attracted great political attention, SEZs are much more notable for their privatization rather than foreignization of space.

SEZs do, however, represent the total abandonment of the social commitments embedded in how the Nehruvian state produced industrial space. Gone are the commitments to rural industrialization and ‘balanced regional development’ — what Neil Brenner (2004) calls ‘spatial Keynesianism’ or what we might call spatial Nehruvianism. With privatization, the location of SEZs is left to private capitalists whose sole criterion is to maximize the post-acquisition appreciation of land. They are designed — with large plot sizes — for the large corporation, not the small entrepreneur. They also give no spur to labour-intensive industrialization — two-thirds are being built for the IT/BPO (business process outsourcing) sectors, which largely employ middle-class, educated urban youth (Radhakrishnan, 2011; Upadhya, 2007) and hold little promise of absorbing the labour of dispossessed farmers (Levien, 2011a, 2012).

Nothing about SEZs, consequently, fits the Nehruvian ideology of state-driven social transformation that enjoyed such widespread acceptance in the post-independence years and that legitimated (if not justifiably) large-scale dispossession. What, then, ideologically justifies dispossession in the neoliberal era and does it enjoy a similar level of ‘consensus’? It appears that the ideological support for the neoliberal regime of dispossession embodied by SEZs rests on a slippage in which: 1) ‘development’ has lost its Nehruvian connotations and become reduced to economic growth; and 2) economic growth has become a ‘public purpose’, justifying the use of eminent domain. Consequently, any private land use — whether it is a luxury housing colony, golf course, or amusement park — that generates profits higher than agriculture and thus contributes more to GDP, now warrants the forcible expropriation of land from peasants. At times it appears that more than an explicit rationalization, the ‘world class’ aesthetic itself — the shiny surfaces of shopping malls, IT parks, and American-style housing — has become its own self-evident justification (Ghertner, 2010). Compared to small farms and earthen houses, anything that looks modern is ‘development’.

Yet, this ideological foundation of the neoliberal regime of dispossession has proven tenuous. While it took decades for strong organized opposition to emerge against forced displacement by projects of the Nehruvian state — most famously against large dams beginning in the 1980s (Baviskar, 1998; Khagram, 2004) — SEZs have generated immediate and widespread ‘land wars’ across the subcontinent. Of course, these new agrarian uprisings are

able to build upon the earlier struggles and the critique of forced displacement they brought to public attention. However, it is hard to escape the conclusion that the new agrarian uprisings against SEZs are achieving concrete results much more quickly than the old ones ever did.

While the anti-dam movements were, despite tremendous efforts, rarely successful in stopping projects, the new anti-SEZ struggles have already succeeded in scrapping or terminally stalling many of the largest SEZs in India. The Nandigram resistance, after the massacre of fourteen people, put an end to the proposed SEZ there and, by most accounts, contributed significantly to the subsequent downfall of the communist Left Front Government after thirty-four years in power (see Bag, 2011; Vinaik, 2011). In Maharashtra, Reliance’s proposed Maha Mumbai SEZ in Raigad, supposed to be the largest in the country, has been killed off after strong farmer opposition forced the state government to accede to a popular referendum on the project — which it lost (Business Standard, 2010; Srivastava, 2009). The Maharashtra government has also been forced to cancel three more SEZs due to farmer opposition. In Haryana, Reliance’s other mega-SEZ outside of Gurgaon has been drastically reduced in size and faces an uncertain future due to the difficulty of acquiring land. Because of intense farmer opposition and successful alliances with urban supporters, all of the SEZs in the state of Goa have been scrapped. Large SEZs in coastal Karnataka and Andhra Pradesh are facing fierce resistance. Even in Gujarat, often heralded as the most successful state in facilitating land acquisition for industry, work has been slow on at least fifteen SEZs given in-principle approval due to land acquisition problems (DNA, 2010). Besides being challenged by organized social movements, land acquisition faces endemic opposition in the courts, which creates chronic delays. This state of affairs prompted the Indian Chamber of Commerce to issue a press release bemoaning state governments’ poor track records in acquiring land for SEZs, especially in the North (ASSOCHAM, 2009). Overall, the SEZ debacle has generated great concern within the state and capitalist class that farmers will be the biggest obstacle to India’s emergence as a world-class economic power, and has pushed land acquisition into the centre of Indian politics (see also Jenkins, 2011).

Of course, whether all this can be taken as evidence that the new regime of dispossession enjoys less ideological legitimacy than the previous one is a complicated question. First of all, it is an open question (with unfortunately inadequate evidence to resolve it) whether the old regime of dispossession ever enjoyed much legitimacy among the disposessed. Moreover, there are material factors intrinsic to the new regime of dispossession underlying the new land wars. First, as land is increasingly being expropriated for SEZs and other projects with strong real estate components, farmers are seeing increasingly large gaps between the land prices paid to them and the land’s ultimate appreciation as urban real estate, increasing what I call the ‘rate of accumulation by dispossession’ (see Levien, 2011a). Some farmers are
not directly opposing this forced commodification of their land, but are demanding a greater stake in it. They resent being ripped off by *paisewalas* (rich people) with the state’s help and think they should be able to get the land’s full market value. Further, farmers who are opposing these projects *tout court* do not necessarily do so on explicit ideological grounds (Nielson, 2009), but because materially they see that the ‘new economy’ of India’s neoliberal era offers few employment opportunities for people with their skills and education (Levien, 2012). Once movements do emerge, there are of course other factors that could partially explain their success: the decline of Congress hegemony and the proliferation of opposition parties, and the greater penetration of media and NGOs into rural areas. Yet, I would argue that a key factor explaining the unprecedented and rapid success of anti-SEZ movements is the very dubious ideological proposition that expropriating land from farmers for private real estate activity constitutes a ‘public purpose’.

Anti-SEZ movements and their supporters have successfully framed SEZs as ‘real estate scams’ rather than legitimate industrialization. To take just one example, one of the leaders of the farmer agitation against Reliance’s Maha Mumbai SEZ states, ‘We are not opposed to setting up industries. But it (MSEZ) is a real estate scam in the name of industrialization . . . . The land acquired for industrialisation has to be used for setting up industries only’ (*Business Today*, 2011). While this distinction might be used instrumentally by activists, its very use reflects a recognition of its political saliency. In the wake of Nandigram and proliferating ‘land wars’ across the country, opposition politicians also took up the distinction. Sharad Yadav, president of the Janata Dal (United) argued: ‘SEZ is purely a real estate scam and nothing to do with export promotion and foreign capital inflow’ (*Financial Express*, 2006). The Bharatiya Janata Party (BJP), which was responsible for the original SEZ policy in 2000, deposed before a parliamentary committee that SEZs amounted to ‘real estate exploitation’ (Parliament of India, 2007: Annexure III) and claimed in its 2009 economic resolution that, ‘The UPA [United Progressive Alliance] converted the SEZ policy into a naked land grab for real estate firms and corrupt politicians’ (BJP, 2009). The General Secretary of the CPI(M) — the party responsible for the carnage in Nandigram — argued that, ‘The current market-led model of SEZs . . . has become an instrument of reckless real estate development and land speculation’ (Parliament of India, 2007: Annexure II). To be sure, none of these parties dissented to the original passage of the SEZ Act, most have pushed for developing

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33. While Khagram (2004) argues that the ‘success’ of anti-dam movements is attributable to transnational networks, these are largely absent from these new land wars. While it is questionable how central transnational networks were to previous struggles (and how successful they were in India), the absence of familiar targets like the World Bank in the political economy of SEZs makes them even less relevant today.
SEZs while in power, and these criticisms can be dismissed as electoral opportunism. The crucial point, however, is that there is an opportunity to exploit: in the wake of the widespread land wars against SEZs, all parties recognize the political danger of forcibly redistributing land from farmers to private companies, especially for non-industrial purposes.

The distinction that industrialization and not real estate constitutes a legitimate ‘public purpose’ justifying eminent domain is also making limited headway in the judiciary. In a case where farmers challenged the acquisition of their land by the Greater Noida Development Authority (outside of Delhi), a Supreme Court judge dismissed the developer’s arguments that the project would serve the poor:

Do you think judges live in a fool’s paradise? Look at your own brochure. It is saying about swimming pool, spa, tennis court, badminton court, beauty parlour, Ayurvedic massage, etc. All these are for poor people? Land is given for development which must be inclusive. The State is taking advantage of the law against the poor… [The] Land Acquisition Act has become an engine of oppression for the common man. You [State] have virtually demolished every area for the benefit of a particular society for which you work. (The Hindu, 2011)

Coming from India’s highest court, this is a strong indictment of the state’s role as land broker for private capital. The court overturned the land acquisition, underscoring the ideological if not judicial tenuousness of the neoliberal regime of dispossession.

What Ray and Katzenstein (2005) call the ‘master-frame’ of Nehruvian developmentalism — with its twin emphases on state-led industrial production and poverty alleviation — clearly still has some purchase in public and official discourse, and is proving to be a resource for anti-SEZ movements. The political firestorm generated by land acquisition for SEZs forced the central government to limit their maximum size (to 5,000 ha), increase the required processing area (from 35 to 50 per cent), and finally announce in 2007 that it would not grant approval to any SEZ for which agricultural land had been forcibly acquired (though this prohibition can be subverted by acquiring land for government ‘land banks’ and then transferring this ‘state land’ to SEZs). It also proposed amendments to India’s Land Acquisition Act (1894) that, while trying to sanctify a broad definition of ‘public purpose’ and thereby rationalize (legally and ideologically) the new regime of dispossession, aim to buy peace by offering farmers higher compensation and better rehabilitation (Levien, 2011b). At the time of writing, political parties are competing to present land acquisition bills with the most generous compensation rates to farmers. In whatever final form it takes, this new legal framework will aim, by giving farmers a larger stake in the ultimate land appreciation, to create a material basis for consent to a regime of dispossession that lacks ideological legitimacy.
CONCLUSION

Every society — and hence every mode of production with its subvariants . . . produces a space, its own space. (Henri Lefebvre, 1991: 31)

While every political-economic formation produces its own space, we may add that this production typically involves some measure of dispossession. There is a growing recognition that the way societies expropriate labour is not the only relevant fact for understanding their political-economic structures and demarcating their axes of class conflict. The ways societies expropriate land and natural resources and produce space for any given political-economic configuration are no less central, and indeed are of increasing importance in many parts of the global South today. Spurred by a proliferation of movements and insurgencies against various forms of dispossession and enclosure, scholars have had occasion to consider whether the ‘primitive accumulation’ that Marx identified with the dawn of the capitalist era may not in fact be one of its ongoing and constitutive features (De Angelis, 2001, 2007; Hart, 2002; Harvey, 2003; Perelman, 2000; RETORT, 2005; Sanyal, 2007; Sassen, 2010). Harvey’s formulation of ‘accumulation by dispossession’ puts the concept on a new — and less anachronistic — footing, making it a useful lens for understanding contemporary ‘land grabs’ and all manner of dispospossessions that emanate from, rather than generate a transition towards, mature capitalisms.

This article has sought to contribute needed empirical and theoretical specification to the concept. I have argued that because Harvey refuses to define ABD through the use of extra-economic coercion in the process of accumulation (see also Glassman, 2006), he defines it in a functionalist and narrowly economic fashion. Although he recognizes that state force is often central to dispossession (Harvey, 2003: 154), his desire to extend the concept to many diverse phenomena — like the predations of finance capital — prevents him from explicitly incorporating the state into his theory. The more coherent way to define ABD is by the means specific to it — the use of extra-economic coercion to expropriate means of production, subsistence, or common social wealth for capital accumulation. It is this feature that gives the concept analytic leverage.

The insight that extra-economic appropriation — typically considered the defining feature of pre-capitalist societies — plays an ongoing and important role in advanced capitalism forces us to reconsider the characterization of capitalism as a mode of production in which the political and economic are even apparently separated (Anderson, 1974; Marx, 1981: 926–27; Wood, 1981). While it is commonly held that state coercion secures the external conditions for accumulation under capitalism (Wood, 1981), accumulation by dispossession implies that state force is internally implicated in the extraction of value from one class by another. Because of this direct state intervention into the process of accumulation, this extraction is not
mystified by the apparent separation between political force (in the modern state) and economic power (in the capitalist). Any farmer can see quite clearly what is happening, as dispossession is universally and immediately transparent (De Angelis, 2007: 139). The state, so as not to appear as a blunt instrument of the capitalist class, must therefore explicitly justify such blatantly visible expropriations with an ideological (and legal) claim to be serving the ‘common good’ or a ‘public purpose’ — typically cloaked in the language of ‘development’. Depending on the persuasiveness of the claim, which rests to a large extent on the purpose for which the land is being expropriated, dispossession will be contested more or less frequently and with more or less success. Where resistance does emerge, the ability of the state to dispossess will be decided by the balance of political forces. With accumulation by dispossession, then, the state, politics and ideology are — as Anderson argues for pre-capitalist social formations (1974: 403–4) — internal and constitutive features of accumulation itself. Consequently, variations in the character and outcome of dispossession in different times and places will be shaped to a large extent by these political-ideological factors, and cannot be read off of global circuits of capital. Their configuration in any given place and time can be understood as a regime of dispossession.

A regime of dispossession is thus a socially and historically specific constellation of political, economic and ideological forces that underpin a relatively consistent pattern of dispossession. It involves (typically) a state that is willing to coercively expropriate resources from one class for another for a set of purposes that it seeks to legitimize through claims to the public good. The nature of the state, its relationship to particular classes (and their relative strength vis-à-vis one another), the range of purposes for which it will expropriate resources for capital, the persuasiveness of the claim that this serves a public purpose, and the outcomes of the resulting political struggles will all display significant variation across space and time. This variation calls for comparative and historical research that can illuminate synchronically what is both specific and general to the political economies of dispossession in different regions; and, diachronically, what is historically specific to the current regime of dispossession in any given context. Some regimes of dispossession may be more stable and durable; others tenuous and short-lived. Treating dispossession not as a structural requirement of capitalism but as a panoply of socio-political struggles occurring under different conditions (regimes) highlights the fact that the outcomes of these struggles, while socially constrained, remain indeterminate.

I have tried to put flesh on this conceptualization of dispossession by comparing the way in which the Indian state expropriated agrarian land to produce industrial space under state-led developmentalism and neoliberalism. Drawing on the examples of steel towns, industrial estates and industrial areas, I argued that in the developmentalist period (roughly 1947–1991), the Indian state largely expropriated land for productive industrial
transformation. Land was transferred from farmers to capitalist firms in both the public and private sector, but overwhelmingly for productive purposes, understood narrowly as industrial manufacturing and its supporting infrastructure. The state played a central role as developer, landlord and manager of the resulting industrial space. This allowed it to embed certain social commitments of the Nehruvian state into where it located industrial production, to whom it allocated land (at what price), and what kinds of industries (labour-intensive, small- or large-scale) it would prioritize. In both its heavy-industrialization (steel towns) and more low-modernist poverty-alleviation avatars (industrial estates), this vision of post-colonial, state-led national development had significant public legitimacy, making resistance by those it dispossessed quite difficult.

This is not to say that this was an age of relatively benign dispossession, or that the state’s claim to be serving the ‘public good’ was ‘true’. Claims to represent the ‘public’ are always attempts to project the interests of a particular section of that public as universal (Gramsci, 1971). As Chatterjee (1986) argues, the Nehruvian state’s ideology of national development cemented the ‘passive revolution’ of a national bourgeoisie. By claiming to be the rational instrument of national progress, this state could moreover exercise its coercive force with ‘surgical dispassion’ (ibid.: 161). According to the best estimates, nearly 60 million people were displaced by various kinds of development projects in India between 1947 and 2004, and they were disproportionately adivasis and scheduled castes (Fernandes, 2008). The land prices offered to them were low, and resettlement and rehabilitation measures absent or inadequate (Cernea, 2000; Fernandes, 2008; Mahapatra, 1999). The dispossession of some of the poorest people in India subsidized a developmental model in which other classes reaped most of the rewards. Many of these projects, moreover, were failures on their own terms. Nevertheless, it remains true that the kinds of activities for which the Nehruvian state expropriated land were more limited than today; that these activities and the leading role of the state in promoting them fit with a vision of ‘development’ that enjoyed widespread public legitimacy in the post-independence years; and that this made them hard to fight.

With the onset of India’s neoliberal reforms, a new regime of dispossession emerged in which land was increasingly expropriated for any private purpose that represented a higher-value land use than agriculture — no matter how immaterial, consumptive or speculative. This was first reflected in industrial areas, which became less narrowly industrial, and culminated with SEZs. SEZs marked a watershed because they showed that the state was willing to broker vast tracts of agricultural land for real estate capital. The state was no longer expropriating land for industrial use while retaining the ground rent as government revenue, but forcibly dispossessing land from one class so that another class could profit from its appreciation. Building ‘world class’ residential complexes for the Indian elite became a justification for dispossessioning farmers.
This transition from a regime of ‘land for production’ to one of ‘land for the market’ is under widespread assault. Farmers across India have been refusing to give land for SEZs and other private projects. They have used the ideology of the Nehruvian regime of dispossession against its neoliberal successor, with considerable success. They have made land acquisition an electorally salient issue for the first time in India’s history, and forced a series of project cancellations, policy retreats and efforts at class compromise. While not giving up on the new regime of dispossession — which would require giving up on the neoliberal growth model itself — India’s central and state governments are trying to compensate for low ideological support by offering farmers a greater stake in the accumulation generated by dispossession. Whether material consent to dispossession can be built while retaining its profitability for capital remains to be seen. However, with many farmers across the country refusing to give their land at any price, India’s neoliberal regime of dispossession is likely to remain tenuous for the foreseeable future.

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