

M. A. Sociology Syllabus related Lecture Note
On
Michael M. Cernea's Population Displacement and Resettlement:
Impoverishment Risks' Reconstruction
(Basic Processes of Livelihood Reconstruction against Impoverishment Risks)
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(<https://www.researchgate.net/publication/262688048>)

Basic Processes of Livelihood Reconstruction against Impoverishment Risks

- Michael M. Cernea (Sociologist as well as Anthropologist) has developed impoverishment risks and reconstruction model (IRR) based on studies of development projects funded by World Bank and related studies done by social scientists. It remains a significant contribution.
 - The model critically analyses impoverishment risks as well as their preventions in details.
 - The risks may be prevented from becoming reality or minimised by another risks reversal processes.
- According to Robert K. Merton (1979) “the prediction of an undesirable outcome may act as a “self-destroying prophecy” (Cernea, 2002:30).
 - This is how Cernea’s IRR model “contributes” towards destroying its own prophecy. It gives alternative processes of livelihood reconstruction.

Now this lecture note deals with Cernea’s risk reversal model in the following manners.

• *Impoverishment Risk Avoidance: What are the Risk Reversals?*

• *Functions of the Model: What and Why?*

• *Improvements in Current Resettlement Practices: What Improvements*

1. **Impoverishment Risk Avoidance: What are the Risk Reversals?**

- From landlessness to land-based reestablishment
- From joblessness to reemployment
- From homelessness to house reconstruction
- From disarticulation to community reconstruction
- From marginalization to social inclusion
- From expropriation to restoration of community assets/services
- From food insecurity to adequate nutrition
- From increased morbidity to better health care

Impoverishment Risk Avoidance

- **However, Cernea has put together the overlapping risks reversals in the following manner.**
 - 1. From Landlessness to Land-Based Reestablishment; and from Joblessness to Reemployment**
 - 2. From Homelessness to House Reconstruction**
 - 3. From social disarticulation to community reconstruction; from marginalization to social inclusion; and from expropriation to restoration of community assets/services**
 - 4. From food insecurity to adequate nutrition; and from increased morbidity to better health care**

1.From Landlessness to Land-Based Reestablishment; and from Joblessness to Reemployment

- “Settling displacees back with cultivatable lands and income based employments is the crucial factor for reconstructing livelihood (Cernea, 2002).

From Landlessness to Land-Based Reestablishment

- “Land-based resettlement” ensures that land with alternative lands options is more successful strategy than compensation in cash.
- However, for this the technical assistance with social policy is required.
- For instance, the schemes related to agricultural land-settlement in Africa were fruitful for resettlers and refugees (Cernea, 2002).
- The prospect of cultivatable land or income-generating employments may be ensured.
- Identifying equivalent lands such as the aquaculture in new reservoirs provides better income sources.

- The fishing in reservoir area generates good incomes.
 - For instance, in Mexico’s Aquamilpa reservoir area, fishing was estimated about 4.1 per cent of productive activities among those were to be affected in 1989.
 - In 1995, a large number of them got engaged (60.8%) in fishing activities (Cernea, 2002).
- While eviction from traditional lands became disastrous to affected people (West and Brenchin 1991), the allocation of good alternative lands to the residents in a culturally sensitive manner in case of Mololtoja National Park, Swaziland (Ntshalintshali and McGurk, 1991) was successful instance (Cernea, 2002).

1.From Landlessness to Land-Based Reestablishment; and from Joblessness to Reemployment

- **Case studies:**
- **Land developments can overcome land scarcity issues in relocation sites.**
 - **The unproductive hillsides and steep uplands around the reservoir Shuikou Dam (China) were developed into flat terraces for horticulture/forested areas. The use of project paid mechanical equipment was also crucial for land recovery (Cernea, 2002).**
- **The land recovery schemes can develop new lands into production**
 - **For this crop intensification/diversification strategies play crucial role.**
 - **Shifting to more valuable crops are recommended for land-based reestablishment.**
 - **Land development in both downstream and upstream area is equally important (Cernea, 2002)**
- **Income-generating employment by diversification of on-farm/off-farm activities may be initiated.**
 - **Animal husbandry including reservoir fishing may be made. For instance, Shuikou's resettlers were benefitted because of animal husbandry, duck raising, reservoir fishing, jobs in the service sector and transportation, jobs in new enterprises (World Bank/OED 1998).**
 - **The labor resources available with resettled families may be effectively used for reconstruction.**
 - **In fact providing land and employment opportunities give full use of the labor resources of resettled families (Cernea, 2002).**

2.From Homelessness to House Reconstruction

- “Better shelter conditions are one of the relatively easy-to-achieve improvements in resettlers’ livelihoods”(Cernea, 2002:35). However, this is very difficult in case of refugees.
- The house reconstruction is possible but for this adequate investment is highly required because of the following facts.
 - The resettlers may not afford to spend maximum of compensation they received for house reconstruction.
 - The displaced people require more investment for house reconstruction, because it is perceived that they reconstruct better houses as compared to previous houses (Cernea, 2002).
- The strategies used by resettlers for house reconstruction to be taken into consideration
 - Mobilizing family labours
 - Organizing mutual helps
 - Taking out loans
 - Utilising part of compensation
 - A proper utilisation of family labour, resources and times is recommended (Cernea, 2002).
- The experiences of resettlers’ investment behaviour reveal that many resellers use a part of compensation for productive asset like house building. Resettler’s investment behaviour indicates that many use a part of the cash compensation received for their productive assets towards housing (Cernea, 2002).

2.From Homelessness to House Reconstruction

- The improvements in family housing take place in the different forms:
 - More square footage per capita
 - Better quality housing materials, particularly for roofing
 - Connection to services (electricity, water)
 - Safer sanitation facilities
 - Space for house gardens (Cernea, 2002).
- But the following constraints are to be taken care of
 - House reestablishment processes take more time
 - Affordability issues and long-term loan (mortgage) burdens are there.

Available improved housing conditions can lead to house reestablishment.

Such instances were found for initial cohorts of resettlers from Yacyretá Dam in Argentina, displaced people by the Kali Gandaki Dam and its access road in Nepal (Khodka 1999, Sapkota 1999), displaced people by the Shuikou Dam in China (World Bank/OED 1998) and resettlers from the Export Development project in Kenya (World Bank 1995).
- Some unique cases for successful house reconstruction were:
 - The families displaced by Sewerage project in Shanghai were provided options to choose between state apartments for rent and private apartments available at only one-third of the construction cost (Cernea, 2002).
 - The experiences of reconstruction of urban dwellings in India (Reddy 2000) and innovative approaches such as vouchers in the Republic of Korea, resettlers' daily transportation by project vehicles to new sites in Togo's Nangbeto can be analysed as cases for successful house reconstruction (Cernea, 2002).

3.From disarticulation to community reconstruction; from marginalization to social inclusion; and from expropriation to restoration of community assets/services (Cernea, 2002).

- “The reconstruction of communities, networks, and social cohesion is essential” (Cernea, 2002:37).
- What sociologist defines community that is disrupted by displacement
 - Community defined as collectivity the members of which share a common territorial area of operation for daily activities(Talcott Parsons),
 - Community as organic natural kind of social group whose members are bound together by the sense of belonging (Tonnie),
 - Community as the smallest territorial group that can embrace all aspects of social life (Kingsley Davis)
 - Community as any circle of people who live together and belong together in such a way that they share a whole set of interests (Karl Mannheim) (<https://www.sociologyguide.com/basic-concepts/Community.php>).
- Thus, community reconstruction may be related to the questions of how displaced community settlement possible with more space, with unique geographical ties (ecological community) and with lasting belongingness, identity and contacts (organic community).
- The reconstruction of communities, networks and social cohesion are rarely pursued in government approaches.
 - Planners overlook displacees’ socio-cultural and psychological dimensions
 - They are rarely concerned with facilitating reintegration within host populations or compensating community-owned assets (Cernea, 2002).
- However, the displaced people’s access to community-owned resources is crucial , as for instance, research on the Mahaweli resettlement program in Sri Lanka (Rodrigo 1991) explains the facts(Cernea, 2002).

3.From disarticulation to community reconstruction; from marginalization to social inclusion; and from expropriation to restoration of community assets/services (Cernea, 2002).

- The research also reveals that if access to resources is below a critical limit (on a per-family or per-capita basis) as well as not viable basis, the post-resettlement development would be difficult.
- Similarly the deliberate preservation of community structures/assistance for new community networks lead to successful community reconstruction (Cernea, 2002).
- Case studies:
- There are reported cases from Ethiopia, China, Mexico and Greece.
 - In China it has been legally allowed, the project authorities must negotiate with displaces both as individuals and community groups for their reconstruction.
 - In China the community-owned assets lost in displacement are also compensated. The comparable community assets which contribute to the livelihood reconstruction are also taken care of (Shi and Hu, 1994)
- The displaced communities if feel empowered while in resettlement their reconstruction will be better.
 - The Chinese approach also fosters community solidarity in sharing some of the losses and redistribution of non-affected village lands (Cernea, 2002).
- The organized collective help can work better for re-inclusion of the community members who are most vulnerable and marginalized (Cernea, 2002).
 - “The experience of Greek resettlers as analyzed by Hirschon (2000) shows that in re-articulation and reintegration processes, common cultural values can overcome material deprivations, economic disadvantage, and inadequate physical provisions” (Cernea, 2002:38).

4. From food insecurity to adequate nutrition; and from increased morbidity to better health care

- It is very difficult to resolving displaced people's problems from food insecurity to adequate nutrition and from increased morbidity to better health care.
 - However, it may be possible if immediate counteraction is taken.
 - The "sudden disruptions in food supply and risks to health and life are arrested through immediate counteraction" (Cernea, 2002:39).
- The emergency relief may offset immediate nutritional and health risks.
 - The emergency relief may greatly help pregnant women, children and elderly-most vulnerable groups (Cernea, 2002).
- Unlike emergency relief however, sustainable reconstruction is required with
 - Long-term planning
 - Adequate information and education,
 - Needed changes in resettlers' behaviour
 - Their coping ability in the new habitat (Cernea, 2002).
- Case studies:
 - A World Health Organization (WHO) study of Vietnam, Thailand, Cambodia and Laos in the lower Mekong basin reveals that institution building in the health and sanitation sectors is most effective long-term strategy (Cernea, 2002).
 - The study shows that a human health component in the river basin development projects safeguarded against higher risks of morbidity and mortality (Mather, Sornmani and Keola 1994).
 - This IRR model has also crucial function (Cernea, 2002). It helps the project authorities to illuminate the risks' with its following facts.
 - Nature
 - Inner linkages
 - Pathologies
 - Socioeconomic remedies

Functions of IRR Model

Basic Functions of the Model

The IRR model provided following functions

- 1. The Predictive Function**
- 2. The Diagnostic Function**
- 3. The Problem-Resolution Function**
- 4. The Research Function**

1. The Predictive Function.

- It refers to warning and planning function (Cernea, 2002).
- The predictive capacity is possible when past experiences/ knowledge synthesized by the IRR model are analysed.
- This will help predicting likely problems “hidden” in the new situations.
- It is crucial for planning on risk-avoidance or risk-reduction (Cernea, 2002).
- It helps in adopting alternatives for avoiding displacement and responding with mitigatory measures, bargaining strategies, and coping approaches (Cernea, 2002).

Functions of IRR Model

2.The Diagnostic Function

- **Diagnostic function refers to explanatory and assessment function(Cernea, 2002).**
 - This diagnostic function helps in promoting counter-risk measures.
 - It supplies information as well as recommendations necessary for planning and preparation of counter risk measures.
 - It explains and assesses project situation and risks' likely intensity and other impoverishment risks if any in the context.
 - The practical utility it provides to policy officials who take decision on displacement as well as affected populations who incur the consequences.

3. The Problem-Resolution Function

- **Problem resolution functions refers to guiding and measuring reestablishment function (Cernea, 2002).**
- **Problem resolution moving from prediction and diagnosis to prescription for action**
- **From risk-avoidance or risk-reduction to risks-reversal**
- **A redevelopment orientation**

4. The Research Function

- The research function refers to formulating hypotheses and theory led field investigation functions (Cernea, 2002).
- For building concepts/ theories
- Facilitating the exploration of mutual linkages and the reciprocal reinforcement or weakening effects between related risks.
- It is key for policy formulation

Improvements in resettlement practices:

- According to Cernea (2002) the necessary improvements in resettlement practices are analysed in the following manners.
 - 1) Flaws in Conventional Risk Methodology
 - 2) Why Cost-Benefit analysis is incomplete
 - 3) Resettlers' participation in risk analysis
 - 4) Resettlement Research and the IRR Model
- 1.Flaws in Conventional Risk Methodology.
 - It is obvious that the routine risk analysis is carried by the planners for the project. But it so happens that sometime affected people are not included in routine sensitivity and risk analysis.
 - The sensitivity analysis is carried out on duration of project implementation, cost overruns and availability of local co-financing (Cernea, 2002).
 - It is to see as how to minimize financial risk and maximize returns to investments.
 - The methodological bias takes place while project investors' risks are analyzed and weighed carefully, the affected population's risks are not analysed in similar manner.
 - This contradicts with displaced/affected people's interests and welfare as well as with the policy objectives of reducing poverty.
 - Therefore, project risk analysis must cover IRR and design insurance as deconstructed by Cernea.

2. Why cost-benefit analysis is incomplete.

- The CBA does not explore the distribution of costs or benefits among project stakeholders.
 - The displacement caused losses/harms are hardly compensated by the aggregate benefits of development.
 - In fact, the real losses or full costs of displacement are hardly valued and measured properly.
 - The analysis of physical, natural, human and social capital is overlooked.
 - A large part of the real costs is treated as externalities and “externalized out of projects’ budgets, these costs are left to be borne by those who suffer the displacement” (Cernea, 2002:44).
 - In fact, “personal costs are neither fully subtracted from the aggregate benefits, nor paid for by the project’s beneficiaries” (Cernea, 2002:44).
- To overcome the incompleteness of CBA through the following measures:
 - A mandatory distributional analysis in the methodology of development projects.
 - Project’s special economic and financial analysis distinct from CBA displacement may be taken into consideration.
 - An equity compass may be there that requires *cost and benefits to be calculated distinctly for each affected people positively or negatively*
 - This requirement flows from the principle that *differential* impacts must be recognized.
 - The project should adopt safeguarding policies like resettlement policy.
 - For instituting equitable policy or revising out-dated policy provisions (land acquisition and eminent domain law) to be debated among decision makers, politicians, and technicians.
 - It should change from an “economics of compensation” to an “*economics of recovery*” and development (Cernea, 1999).

3. Resettlers' Participation in Risk Analysis.

- The root cause of resettlement failure is its dysfunctional communication between decision makers and affected groups.
 - The problem is what displaced people think that technical experts and agencies do not think (Mairal and Bergua, 1996).
 - Thus, the risk-perception by decision makers may not be correct and result in wrong risk analysis.
 - This leads to a communication gap for adequate development.
 - "The participation through consultation with potentially affected people is indispensable for "resettlement in development mode"(Bartolome, de Wet, Mander, 1999)"(Cernea,2002:47).
 - Communication between resettlers and planners is highly required for an early warnings and joint preventive activities.
- A successful reconstruction depends on resettlers' information for their conscious participation, negotiation and resource-mobilization strategies.
- However, resettlers must receive information in a timely and transparent manner
- A reverse participation like active opposition movements against development programs takes place due to breakdowns in information and communication (Oliver-Smith, 1994; Dwivedi, 1997).
- By forecasting the chain effects of displacement, the IRR model helps for an informed participation.

4. Resettlement Research and the IRR Model.

- **It is acknowledgeable fact that the IRR is used in many ways:**
 - In project preparation
 - In project appraisals
 - In project monitoring
 - In project evaluation work
 - In designing indicators or formulating recommendations,
 - In theory-led basic research
 - To explore its relevance for displacements and reconstruction approaches.
- **Case studies:**
 - Parasuraman (1999) discussed the impoverishment risks identified by the IRR model in his book on displacements in India.
- **The studies on displacement issue in Odisha conducted by Pandey and Associates (1998), study on Rengali Dam in Odisha done by Ota (1996) & Ota and Mohanty (1998) and an analysis in a book in 1999 published by L. K. Mahapatra confirmed the IRR model.**
- **Thus, we can conclude that Cernea has not merely explored impoverished risks in great details but also recommends risk reversal reconstruction strategies along with vital functions and improvements on their flaws.**