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# **‘RAT-HOLE’ MINING AND THE ‘NGT’ BAN: AN ANALYSIS OF SOCIO, ECONOMIC AND POLITICAL IMPACT OF MINING INDUSTRY IN MEGHALAYA, INDIA.**

**Iasuklang Kharumnuid**

Department of Political Science, Saint Mary's College  
Shillong, 793003, Meghalaya, India, Email: [iasuklang@gmail.com](mailto:iasuklang@gmail.com)

**Krishna Chauhan**

Department of Economics, Buddha Bhanu Saraswati College (B.B.S)  
Shillong, 793002, Meghalaya, India, Email: [victory4k@hotmail.com](mailto:victory4k@hotmail.com)

**Sankar Sarma**

Department of Commerce, Shillong College  
Shillong, 793003, Meghalaya, India, Email: [shankar.s.sharma@gmail.com](mailto:shankar.s.sharma@gmail.com)

## **ABSTRACT**

Mining with its embedded social, political and economic character draws a unique attention in Meghalaya. The ‘Rat-hole’ mining in Meghalaya with its distinct character and the imposition of ‘NGT’ ban since early 2014, is giving rise to an altogether different dynamics to mining scenario and its rooted green issues. Though in terms of environmental concerns it is viewed as a landmark decision and expected to have a deep ecological impact. However the livelihood factor, social and political debate is yet to be analyzed in the light of NGT ban considering its impact in the long run.

The present study is an attempt to throw some light on the impact of NGT ban on mining in Meghalaya and possible shift in various socio-economic and political dynamics with its impositions.

**Keywords:** Green; NGT; Rat-hole; Mining; Economic; Social; Political; Impact.

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# **‘RAT-HOLE’ MINING AND THE ‘NGT’ BAN: AN ANALYSIS OF SOCIO, ECONOMIC AND POLITICAL IMPACT OF MINING INDUSTRY IN MEGHALAYA, INDIA.**

## **1. INTRODUCTION:**

Presence of coal and limestone deposits in Meghalaya has been responsible for mining and started as a humble traditional practice carried out as a small-scale subsistence livelihood model for the families dependent in the rural area without any government interference. But in due course of time this gained volume and sizable population is depended on the coal and limestone mining which has been helping the local economy to some extent. Moreover due to the nature of property right and institutional mechanism things began to distort the model by unregulated exploitation which had its embedded consequences leading to an endless debate on right model of mineral exploitation and subsequently the environmental conservation. However the practice of unscientific and unregulated traditional method of ‘Rat-Hole’<sup>1</sup>mining of coal (non-existent anywhere in India due to safety concern) in Jaintia Hills and rampant extraction of coal has raised concern for the environmental safety and sustainability.

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<sup>1</sup>‘Rat Hole’ mining is a primitive method that entails clearing ground vegetation and digging pits ranging from five to 100 square metres to search the coal seams (The Hindu, 2012). Also it is a generic name used for mining of coal in Meghalaya which is unique traditional mining model (non-existent anywhere in India), where small hole of approximately two meter diameter is carved out for extracting coal which in due course takes the shape of winding caves and tunnels. This has been classified as unscientific and unsafe method of mining practice in Meghalaya.

Therefore National Green Tribunal (NGT) ban on coal mining has come as an institutional response to the environmental concern though various parameters of mining is yet to be analysed to justify the issue of rat-hole mining in Meghalaya.

### **1.1.RESEARCH PROBLEMS**

‘Rat-hole’ mining in Meghalaya is contributing to the families’ income and employment generation for long time and it has been practiced in traditional (unscientific and unregulated) model. Of late, the unexpected outcome of the coal mining and its ecosystem issues has been observed and has invited both social and political disapproval from various stakeholders. As there have been changes in the attitude and opinion on the coal mining among the people it has gradually turned into a burning issue after the imposition of ban on coal mining by the National Green Tribunal (NGT).

### **1.2.OBJECTIVES:**

To examine the impact of NGT ban on Rat-Hole mining and its various parameters like social, economic and political issues in Meghalaya.

The plan of the paper is as follows: First of all, Impact of NGT ruling on mining and its effect on various stake holders in Meghalaya has been discussed. Then an analysis of alternative solution to the environmental crisis is examined.

### **1.3.MATERIALS:**

The issue being very current and problem still not addressed with sincerity, continuity of debate and discourse from various stakeholders are in progress. Therefore the study is primarily based on the secondary data consisting of reports, various government publications, journals, news papers etc. However, primary data from labourers, families engaged in coal business and NGOs are collected to have better idea of the issue and arrive at the proper analysis.

### **1.4.STUDY AREA AND CLIMATE:**

Meghalaya with a total geographical area of 22,429 sq. km is situated in tropical to temperate zone and characterized by undulating topography and wide variations in altitude, rainfall, temperature and soil conditions. About 85 percent of the total annual rainfall is received during monsoon season and has an average maximum temperature of 30° C and average minimum temperature of 14° C during the rainy season, with a maximum and minimum of 20° C and 8° C, respectively, during the winters. Khasi, Jaintia and Garo are the main indigenous tribal communities inhabiting the study area. The total population of the state is 2,964,007 (1,492,668 male and 1,471,339 females) with decadal population growth of 27.82 per cent (Statistical Abstract of Meghalaya, 2011-2012).

## **2. ‘NGT’ AND ITS INSTITUTIONAL ISSUES:**

Meghalaya has large deposits of coal and limestone and unscientific "Rat-Hole" mining of coal in the Jaintia Hills and other parts of the region has been criticized for not only damaged ecology but also for its inability to uplift the economic condition of the local people and serving solely the interest of the coal merchants and

compromising the welfare and livelihood security of the miners. Though, The Draft Meghalaya Mineral Policy 2010, Government of Meghalaya, a comprehensive policy on Mineral and Mining was finally approved by the Cabinet incorporating various clauses indispensable for the policy in 2012. It also announced the continuation of old practice of "Rat-Hole mining" prevalent in the state, and exploit mineral resources in a scientific manner taking into consideration interest of the state and the people. But the rat-hole mining and its embedded unscientific and unregulated issues kept environmental critics overhaul the institutional arrangement and demanded bridging of the gap between the traditional practice and current needs of the environmental and social protection. In this context The NGT on April 17 passed an interim order banning rat-hole coal mining in Meghalaya after the Assam based All Dimasas Student's Union and Dima Hasao District Committee filed a petition before it, which reported about the acidic discharge from coal mines of Meghalaya and polluting the Kopili River downstream. Following the complain, ban is also imposed in East Jaintia Hills, West Khasi Hills and south Garo Hills on transport of coal (which has been extracted and piled up at the mining site) till further order including all coal mining activities in the state.

The whole issue of Mining and NGT ban can be viewed from a simple model of institutional dynamic, where the traditional institution had approval on mining activities and was not accorded illegal till it was within the carrying capacity. Moreover the potential benefits that mining brought to the community were shared by both people and government (taxes on mining). Since institution change with time and socio, economic and political dynamic are evolved eventually, new mechanism are put in place to check the excessive resource use and to off-set the potential negatives on their concentration to a limited factor. These often lead to a conflict in the

institutional arrangement and replacement of one is resisted in the beginning due to social and political maturity. Also the technological change is another key factor which determines the level of exploitation of resource and direct society when to restrain and respect the carrying capacity of a system so as and remain in sync with the nature and welfare. As resource in the economy has a life span and alternative arrangement should replace the existing, but in case of minerals like coal and petroleum efforts are still inadequate and no reasonable substitute is able to reduce the resource pressure especially in the developing and under developed countries due to various cost, availability factors etc. This has led to complex outcome like environmental degradation, loss of flora and fauna etc. and further led to more exploitation of resource and damage to common property resource. Thus ban on mining activity is an outcome of gradual transition that has been under going over the years before it is blown out in open. However the transition period could not create smooth sail for the coal mining industry in Meghalaya and resulted in hysteria situation.

### **3. SOCIAL AND POLITICAL ISSUES:**

Over the years mining became a preferred investment option to the mine owners due the nature of property right and absolute command over it without any interference from the government. The unique property right clause, where mines are privately owned by the mine owners and have unlimited access to the minerals exploration and extraction without any regulation has attracted various players. And various reports suggests that now businessman, politician, bureaucrats, and even the government officials including senior policemen are engaged in coal mining. A good number of politician and leaders are sharing a mining background though that does

not question their integrity; however the crisis often gives rise to suspicion on their role and seriousness on the ecological and social issues when negative impact of mining are beginning to fall out.

Rising crime rate and rampant theft and loot has been reported from the coal mining area. Also the large exodus of migrant people and labourers to their native place has made them soft target of the anti social elements. Due to the unemployment and frustration many people are resorting to the criminal activities and reports of kidnapping, rape and killing has increased several folds in last few months after the imposition of ban by the NGT. Instances of abandoning and selling of children to the villagers for few thousands due to poor economic conditions and inability to support families by the migrant labourers after they lost employment in the mining activities has been observed. Social unrest and breakdown of the families in the mining area has created serious flaws, since it hints at the unplanned and irresponsible manner in which the tribunal is addressing these issues without taking adequate measure. Therefore families are displaced and disintegrated from their primary occupation and livelihood security. The NGT ban in a similar way has the vulnerability of creating various social ills like criminals, sick and depressed human capital, broken families, bleak future etc. in the mining belts due to sudden imposition of ban.

Politically NGT is also seen as an instrument of coercion in the hands of central government and considered to be discriminating with regard to the mining of other minerals like limestone which is kept outside the purview of the ban. It is also questioned whether mining is stopped for good with the regulation or is it a temporary phase? Whether after much debate and discourse mining will be back to its previous glory? Thus, the outcome and alternative to the mining is not clear in the NGT.

Besides, issues on alternative method of mining, pollution and acidic discharge from other industries and mineral extraction including various concern of environmental protection are not addressed in the ruling. It has also been observed that there is a hidden agenda of transferring the mining in future to the big league by destroying the present set of norms and system which will facilitate the big promoters, who are said to be lobbying for mining in bigger scale and gain control over the mining rights in the state. According to certain reports and discussions there is a nexus between the politician and coal mafias at the local and national levels which is gaining momentum and are responsible for the delay in the process of redressal to the crisis. Rather there is an incentive to delay and prolonging the NGT ban for further negotiation with the various coal traders and merchants. In due course time when ban on mining is withdrawn most of the land and mine owners would have sold their lease and rights to the big multinational and league and are able to take over control of these resource and further deteriorate the ecology and economy.

Though mining has been blamed for infiltration of illegal labourers and settlers in the state and absence of time series data pose challenge to understand the accurate magnitude of the problem. However in 2012 government reported detection of over 12,000 Bangladeshi infiltrators during 2008 - 2012, in different parts of Meghalaya. Likewise labourers from Assam, Bihar, and Nepal are said to be the next big source of migration in mining industry from different parts of country and outside. In fact one of the agenda of the proposed imposition of Inner Line Permit (ILP) is primarily aimed at resolving the illegal migrant issues and check infiltration in the state. Though the ILP clause does not confront the registered labourers who are employed in various mines and construction sites under the appropriate labour laws but their numbers are very limited and majority are unregistered therefore are

impacted by the rules. Together, NGT ban on mining and the ILP has caused mass exodus of the labourer from different coal mining areas and has led to a different social and economic issues. Also in the event of revival of mining activity there could be severe man power shortage and would negatively impact the mining industry.

NGT has also found that the model of safe mineral exploration and exploitation under ‘rat-hole’ mining have not been implemented by the coal mine owners despite the increase in the number of reported death of mine workers (Table-1), though number can be more than reported. It has also been highlighted that there has not been much effort from the government, NGOs or coalmine owners in spreading the awareness programme in connection with mine safety. Also due to non implementation of the mineral policy and relevant labour laws besides fixing the responsibility of mine owners in providing safety to the miners most accidents are occurring. Moreover this is true for the other mineral exploration though magnitude may differ but the metaphor remains the same but this has been excluded by the NGT ban which is partial in its effort to rectify social evils.

<b>Table-1: No. of Reported Death in Coal Mines from different Places and Districts of Meghalaya</b>			
<b>Year</b>	<b>No. Of Death</b>	<b>Place and District</b>	<b>Reasons Reported for Death</b>
<b>2002</b>	40	SGH	NA
<b>2003</b>	7	Nangalbibra, SGH	Drowned inside a mine
<b>2009</b>	8	Rongsa Awe, SGH	Trapped in a coal mine
<b>2011</b>	4	Siju, SGH and JH	Trapped and Toxic gas
<b>2012</b>	19	SGH and Chyrmang, JH	Trapped in coal mine
<b>2013</b>	10 (Till March)	EJH	Crushed and Trapped
<b>Source:</b> The Shillong Times, 13 <sup>th</sup> march 2013.			
<b>Note:</b> SHG (South Garo Hills); JH (Jaintia Hills); EJH (East Jaintia Hills).			

The issue of child labour is another stigma attached to the mining industry in Meghalaya and has been a serious take for the NGT and efforts from certain NGOs has significantly added volume in opinion building in this direction which is a fall out of the unscientific and unregulated mining practice in Meghalaya. But the question of child labour and extraction of coal by these minors has been observed critically and difference in opinion in this regard has been debated by both the NGOs and the Mine owners. As mining requires high physical activity with heavy implements it may be not possible for the minors to fit into the shoe of their elders and participate in the appropriate mining activity. Though, presence of some child labour between age group 14-15 is observed who are possibly participating with their elder family member in doing some petty job but that cannot be misunderstood for exploitation and employment of child labour as observed by the mine owners.

Though NGT ban is assuming to address these issues and assures changes in the employment of labours and their security from exploitative character of mining, however livelihood security of the mining labourers is a matter of concern and are silent as of now. Though the safety issues are addressed temporarily with the imposition of ban but the absence of alternative vocation and income source during the ban period is a serious concern and is threatening to trap the household to abject poverty and insecurity.

#### **4. ECONOMIC ISSUES:**

The issue of timing of the NGT ban is viewed as a conflict of interest for various stakeholders who are directly or indirectly depended on the mining. Where mine owners and labourers complained of huge economic losses, due to abrupt sanction without prior notices and consultation as it compromised their survival. With the

imposition of ban only in coal mining it has resulted in the impoverishment of families dependent on it and remaining industries like limestone, sand, stone etc. mining are insulated. Such initiative by the tribunal is considered to be discriminatory and violate the fundamental right to livelihood and survival. Cement industries are also polluting the environment and threatening the ecosystem, however NGT ban has been silent on the issue. Coal being an important input for the cement industry ban has direct implication on them in near future. Since the power scenario and impending crisis in Meghalaya is getting worse over the years, it is also expected to impact cement including other industries in Meghalaya which are using coal as an input for their production. Besides, mining of other minerals is continuing to pollute rivers and degrade forest and environment in the state, region and rest of country. Rather ban should have been uniform on all mining and proper discussion and debate could be initiated before finally imposing complete ban on a particular industry.

NGT restriction on the transportation of coal from the site is another issue where about 3.4 million metric tonnes of extracted coal is lying in the open though miners' associations claim the figure to be about 9 million metric tonnes. This indicates huge loss of revenue and income to both the mine owners and the workers working in the coal mining industry. Since many mine owners could not make payment to the labourers, staffs and firms supplying goods and services due to unsold inventory which seriously impacted their household income and sustenance. The highest impact of the loss of income and employment are the wage labourers who solely depend on the daily income. Saving being almost negligible the possibility of meeting the crisis by these wage earners is remote. Therefore it is hitting hard to the wage labourers and petty firms. Also the stock pile of coal is adding volume to the pollution since extracted coal in Meghalaya is in dust form and monsoon being at

peak, several lakh tons of coal is washed off to the downstream and further polluting the river and soil in the region. These are adding to the losses to the mine owners and labours whose income and investment are destroyed due to delay in the transportation of extracted minerals. Though, miners who owned and gained from mining activities over the years can seek alternative income source due to availability of capital by investing in other industries and production process and protect their income and sustenance. Though the time lag and skill is a challenge, government and NGT has not been able to give any assurance when the deadlock will open so that various stakeholders are motivated to change their business model and opt for alternative solution and explore investment opportunities.

Moreover delay in the decision to allow transportation of extracted coal, lots of hasty buying and selling of coal is taking place and big traders are engaged in future trading. Whereas small firms engaged in coal business in order to minimize the loss in the long run and fear of continuous fall in the prices of inventory due to extension of ban and absence of any resolution and also the financial obligation they are selling their stocks at throw away prices. Which has resulted in panic situation and big businessman are taking advantage of these situation thus it is a loss of opportunity and income to them and gain for the wealthier capitalist class. Traders supplying goods and services to the coal mining areas also complained of huge losses on account of closure of mining activities and crores of rupees have been lost and there is no grantee if they would recover the losses incurred. Since most businessmen in coal mines have announced themselves bankrupt and refused to pay any dues on account of NGT ban, it has affected their business severely and fear for the worst as they are largely dependent on the business in the mining belt for their income generation and livelihood.

Also in the most cases displaced families from various developmental and conservation activities like construction of dams and hydal projects, national park, national highway etc. are given compensation and resettlement is prioritized to protect the livelihood and sustenance of the effected households. But under the NGT ban on coal mining there has not been any such assurance to the impacted families. Also, resettlement process and package for protection of livelihood security NGT is silent at present. Therefore it seriously challenges the fundamental right of the families who are traditionally depended on the mining and its related activities in Meghalaya.

Even though illegal toll gates and collection centre is menace to mining industry in Meghalaya, an average of Rs 1500 per truck is charged and about 20-30 thousand truck are plying in the coal belt and generate about Rs. 18 – 20 crores per day. Collected funds are shared by different stake holders and almost 30-40 per cent of the generated fund is directly spent in the economy by low income share groups like labourers, transporters etc. and with the ban and no activity, this will also have some impact through complex mechanism on the coal economy and various dependent factors.

## **5. CONCLUSION:**

Though NGT ban on rat-hole mining has an environmental priority and justifies the conservation issues of flora and fauna and protection from further degradation, however the man and nature conflict is not new and some balance has to be made. Neither of the stakeholders should be worse off than before so as to make lasting solution. Also, NGT should address these socio, political and economic issues while

addressing the ecology so that everyone gains from the institutional interference and there is a greater participation from all parties. At the same time rehabilitation efforts has to be speed up for the families (wage labourers) depended on mining with priority on both economic and social security. NGT should also look into the issues of resource regulation so that no unscrupulous people hijack the precious resource for individual gain at the cost of mass sufferings. Also efforts should be made to restore the degraded mining area so that a better message and conservation model can be handed down.

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