
A STUDY ON THE WORKING OF THE INTERNATIONAL INSTITUTIONS AND THE NATIONAL INSTITUTIONS IN RELATION TO THE RIGHTS OF THE INTERNALLY DISPLACED PERSONS: WITH SPECIAL REFERENCE TO DAMS IN INDIA

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ABSTRACT

This paper examines the multifaceted crisis of Internally Displaced Persons (IDPs), focusing on the distinction between IDPs and refugees and the inadequacy of current legal and institutional responses. The study underscores that while refugees are protected by international law after crossing borders, IDPs, who remain within their home countries, are often left without a clear legal framework or constitutional safeguards. The document analyzes the primary drivers of internal displacement, which are not limited to armed conflict but also include development-induced and environmental factors, such as dam construction and urban expansion. It highlights that in countries like India, the absence of a national policy on internal displacement has created a significant protection gap, leaving millions of individuals vulnerable.

The analysis reveals that displacement leads to a devastating loss of not only physical homes but also social networks, cultural identity, and livelihoods. The text details how this vulnerability is especially acute for marginalized communities, including tribal populations, women, and children, who face heightened risks of exploitation and poverty. It critically evaluates the role of international institutions, arguing that while they have established guiding principles, their effectiveness is often limited by issues of state sovereignty and institutional inertia. The paper concludes with a strong call for governmental accountability. It argues that for development to be truly just and sustainable, national authorities must adhere to constitutional protections, reform flawed compensation and rehabilitation policies, and prioritize human rights over economic progress.

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I. INTRODUCTION

Mahatma Gandhi once emphasized the importance of prioritizing humanity over rigid national identities. This perspective becomes particularly relevant when examining the issue of Internally Displaced Persons (IDPs). The internally displaced persons are individuals compelled to abandon their homes due to conflict, disaster, or other crisis, yet who remain within the borders of their country.² Despite the scale of this humanitarian concern, the plight of IDPs continues to receive inadequate recognition and response, rendering them "invisible citizens" within their own nation. Historically, territorial conquest for the purposes of economic exploitation, labor generation, or commercial gain has frequently led to mass movements of populations. The key distinction between IDPs and refugees lies in the crossing of international boundaries while refugees flee across borders and come under international refugee law, IDPs remain under the jurisdiction of their own state, often without any tailored legal protection.

Beyond food and clothing, shelter is a fundamental human necessity.³ A survey of historical patterns reveals that various forms of conflict have consistently triggered large-scale human displacement. This includes forced exiles, mass migrations, and expulsions. The 19th century is often described as the "century of mass migrations," while the 20th century came to be known as the "refugee century," largely due to the devastating impacts of the two World Wars. These conflicts left nearly 100 million people uprooted, stripped of their homes, ecosystems, and social structures. It was not until the 20th century that institutional mechanisms such as passports and visas were introduced to regulate human movement and migration more systematically. Human beings naturally exhibit resilience and adaptability, adjusting to the environments in which they find themselves. However, long-term residence in a particular area contributes significantly to the formation of individual and collective identity shaped through social networks, cultural practices, and shared experiences. The neighbourhood or locality in which one resides often becomes an extension of one's identity, playing a vital role in the

² UNHCR, available at: <https://www.unhcr.org/in/about-unhcr/who-we-protect/internally-displaced-people> (last visited on June 29,2025)

³ J.M. Delissen & Gerard J. Tanja , *Humanitarian Law Of Armed Conflict* 55 (Martinus Nijhoff Publishers , 1991).

development of culture and community values.⁴

In the present day, while democratic values are widely endorsed in theory, the lived reality for displaced individuals often starkly contrasts with these ideals highlighting a profound irony in the global human rights discourse. Many modern democratic theorists tend to overlook the critical issue of territorial boundaries and the authority of political communities, assuming them to be already established often in alignment with language policies or state structures.⁵ However, the phenomenon of Internally Displaced Persons (IDPs) has emerged as one of the most urgent geo-political challenges of the twenty-first century. Across the globe, millions have been displaced internally due to armed conflict, the breakdown of state systems, and natural calamities. The ever-shifting geopolitical landscape shaped by evolving definitions of national borders frequently compels individuals to leave their long-established communities. Ironically, those displaced are often not the contributors to the underlying conflict; rather, displacement arises from the failure of state authorities, global leaders, or international institutions to ensure basic living conditions and uphold human dignity.⁶ Additionally, issues such as climate change, environmental degradation, warfare, demands for regional autonomy, foreign invasions, and even localized unrest contribute to forced displacement. This uproots individuals from their homes, stripping them of their culture, identity, and sense of stability, and pushing them into unfamiliar and often inhospitable environments.

The redrawing of territorial boundaries, particularly in the context of newly formed states, typically involves the establishment of governance structures to demarcate geography and authority. India, too, has faced such complex challenges particularly in the post-World War II and post-independence periods. Episodes such as the partition, nuclear fallout, natural disasters, ethnic and communal tensions, and struggles over natural resources have all played a significant role in generating internal displacement.⁷

These compounded factors highlight not only the fragility of modern states in protecting their populations but also the persistent gaps in international and national mechanisms for managing

⁴ H.L.A Hart, *The Concept Of Law* (South Asia Edition, Oxford University Press, , third edition, 2012).

⁵ Andreas Gestrich and Hartmut Pogge von Strandmann, *Bid for World Power* (The German historical Institute London, Oxford University Press, 2017).

⁶ Janie Hampto, *Internationally Displaced People: A Global Survey* 221 (London Earth scan Publisher Ltd, 2nd edn., 1997).

⁷ *Ibid.*

internal displacement in a manner that is just, humane, and rights-oriented.

II. AN OVERVIEW ON INTERNALLY DISPLACED PERSONS WORLDWIDE

Internally Displaced Persons (IDPs) are individuals compelled to flee their habitual residences due to conflict, violence, or persecution. Unlike refugees, however, IDPs remain within the borders of their own countries. This distinction is critical, while some internally displaced persons choose to stay behind in anticipation of improved conditions, others are unable to escape due to financial or logistical constraints. Presently, the global number of IDPs is approximately double that of refugees. Although policy frameworks may appear comprehensive and promising in theoretical discourse, they often fail to address the lived realities of displacement, including the erosion of social networks, routine disruption, and material deprivation, all of which profoundly affect the human condition. The formal recognition of IDPs as a distinct category of concern emerged after the Cold War during the 1980s, but it was not until the following decade that they gained prominence as a critical humanitarian issue. The debate over whether IDPs should be granted a legal status equivalent to that of refugees and entitling them to similar protections and assistance remains unresolved. Significant progress was made under the leadership of Francis Deng, the then-Representative of the UN Secretary-General on Internally Displaced Persons, who developed a widely acknowledged definition that now forms the basis of the United Nations Guiding Principles on Internal Displacement.⁸ After the Cold War dynamics saw a tightening of international migration policies, contributing to the increasing vulnerabilities of IDPs. The United Nations Office for the Coordination of Humanitarian Affairs (OCHA) highlights that as early as 1949, the Greek government advocated for the provision of international humanitarian aid to IDPs, despite their exclusion from the legal refugee framework. Similarly, countries such as India and Pakistan have articulated strong positions concerning the rights and recognition of internally displaced populations. A pertinent debate surfaced in the 1998 and 1999 editions of the Forced Migration Review (FMR), suggesting that IDPs and refugees be treated under a unified institutional mandate. Human rights proponents have often championed extending refugee protections to IDPs. However, critics caution that such convergence could undermine the foundational asylum principles and exacerbate tendencies toward containment rather than genuine protection.⁹ The rise in intra-state conflicts during the 1990s further fueled restrictive

⁸ Roberta Cohen and Francis Deng, *Masses in Flight: The Global Crisis on Internal Displacement* 22 (Brookings Institution Press, 1998)

⁹ *Ibid.*

migration policies, intensifying the plight of IDPs. Despite differing opinions on their legal status, there is broad consensus on the necessity of ensuring access to international aid for IDPs on par with refugees. Internal displacement may occur for various reasons, most notably due to armed conflict or developmental activities, each presenting unique humanitarian and legal challenges.

The forced relocation of individuals and communities resulting from infrastructure and economic advancement initiatives refers to Development Displacement. In the contemporary context, development and growth are perceived as inseparable components of progress. However, it has become increasingly evident that such progress often entails the uprooting of people from their native habitats. Large-scale projects intended to modernize society such as urban redevelopment, the construction of residential complexes, and the expansion of public infrastructure have frequently resulted in the displacement of vulnerable populations. A notable illustration is the Narmada Valley Development Project, which led to the involuntary displacement of numerous local inhabitants. Similarly, the demolition of slum settlements to make way for high-rise buildings and commercial complexes underscores the human cost of unbalanced urban development.

A new kind of displacement emerged as a pressing issue, particularly in the context of industrial expansion referred to as Environmental Displacement. The establishment of Special Economic Zones (SEZs) has contributed significantly to environmental displacement. Government initiatives have already sanctioned hectares of land for SEZ development, with additional hectares of land under consideration, pending administrative clearance. These land acquisitions have led to widespread dispossession and ecological disruption, raising serious concerns regarding environmental justice and the rights of affected communities.

III. ROLE OF INTERNATIONAL INSTITUTIONS

The United Nations High Commissioner for Refugees (UNHCR), in its approach toward preventive protection, primarily emphasizes addressing the underlying or “root causes” of forced migration, aiming to deter mass population movement before individuals are compelled to cross international borders.¹⁰ This approach shifts the focus from the conventional right to

¹⁰ The International Institutional Framework, *available at*: <https://www.icvanetwork.org/uploads/2022/04/Chapter-Global-Protection-Cluster-Handbook-for-the-Protection-of-Internally-Displaced-Persons-Part-1-The-International-Institutional-Framework.pdf> (last visited on July 24, 2025)

seek asylum or emigrate toward advocating the “right to remain” within one’s homeland. However, this notion becomes contentious when weighed against state sovereignty, often provoking debate over the limits of external humanitarian intervention within domestic jurisdictions. Institutions like the World Bank have advocated for a cluster-based response mechanism rather than establishing a single specialized institutional framework. Under this model, if one agency fails in delivering the necessary response, the responsibility is shared among the group, ensuring continuity in humanitarian interventions. Several causes underpin internal displacement, and while the motivations are diverse ranging from conflict to environmental triggers—the economic dimensions are particularly noteworthy. Studies have increasingly shown that displacement is more acute in economically marginalized or developing nations, often referred to as the “Global South.” In these regions, economic disparities are stark, with a disproportionate concentration of wealth in the hands of a select few. This widening gap forces the underprivileged into more poverty, where the mere struggle for survival becomes life-threatening. In the context of the 21st century, where even serious issues such as hate speech receive limited redress, internally displaced populations (IDPs) often experience extreme social exclusion, exploitation, and trauma in their search for basic sustenance. According to data published on May 10, 2019, by the Internal Displacement Monitoring Centre (IDMC) of the Norwegian Refugee Council (NRC) in Geneva, more than 13.4 million people were displaced across East and South Asia and the Pacific.¹¹ In the previous year due to natural calamities, including tropical storms and monsoon floods, as well as conflict and violence. IDPs are frequently rendered invisible citizens, facing immense challenges in accessing healthcare, housing, and education. Women and children are particularly vulnerable, often falling prey to bonded labor, sexual exploitation, and human trafficking.

Despite the multitude of displacement triggers ranging from urban expansion and environmental degradation to economic infrastructure, the most pressing need is for constitutional adherence and human rights protection, particularly in countries like India, where the Constitution provides for comprehensive safeguards across political, social, and geographical domains. However, institutional inertia and jurisdictional ambiguity between international bodies have hindered accountability, aggravating the crisis. A key question persists: Why do those in positions of power, endowed with the authority and resources to

¹¹ *Ibid.*

address the crisis, continue to neglect the plight of displaced populations.¹² The causes of internal displacement are multidimensional. Displacement can stem from projects related to urban infrastructure, wildlife sanctuary creation, mining, oil exploration, agricultural expansion, and transport development (roads, railways). Although these are pursued under the guise of modern societal advancement, they often exact a devastating human toll. Communities, especially in slum areas, are forcibly removed without receiving even the most basic support or resettlement provisions. These actions reflect a disturbing imbalance where the pursuit of development and luxury amenities tramples the right to dignity and survival of marginalized populations.

IV. POSITION AND RIGHTS OF IDPs IN INDIA

a) Internal Conflict

Since the late 1980s, India has witnessed a substantial rise in internal displacement due to ethnic conflicts, secessionist movements, and counter-insurgency operations aimed at suppressing demands for greater autonomy. These episodes of violence have generated hundreds of thousands of internally displaced persons (IDPs), primarily affecting the northeastern states such as Assam, Tripura, Manipur, Arunachal Pradesh, and Mizoram, as well as the northern region of Jammu and Kashmir.¹³ In more recent years, the escalation of violence led by Maoist (Naxalite) insurgent groups, particularly in Chhattisgarh, has compelled tens of thousands to flee their homes.

Accurate, nationwide data on IDPs remains elusive. However, estimates based on camp-like settlements and individuals who have returned without achieving sustainable reintegration suggest that many people have been displaced due to conflict in India.¹⁴ This figure does not account for those dispersed in urban areas or who have migrated across state boundaries and are no longer traceable. The affected populations include a wide range of groups: those uprooted since 1990 by militant violence against the Hindu minority in Jammu and Kashmir, civilians displaced due to cross-border shelling along the Line of Control between India and Pakistan, people forced to move due to ethnic and secessionist conflicts in the northeast since

¹² Thomas Chandy, Rodney J. Keenan, et.al., *Mountain Research and Development* 117-125 (Green Economy and Livelihoods in Mountains, International Mountain Society, May 2012)

¹³ Internal displacement in India: causes, protection and dilemmas, *available at*: <https://www.fmreview.org/lama/> (Last visited on July 28, 2025)

¹⁴ *Ibid.*

1947, and victims of inter-ethnic and intra-ethnic violence. Others include those affected by the Naxalite conflict in Chhattisgarh, communal riots in Gujarat and Orissa targeting Muslim and Christian minorities, and people displaced in West Bengal due to violent resistance to a proposed development project. The year 2009 saw fresh waves of displacement due to ongoing violence in Manipur, Assam, Mizoram, and Orissa. Across all these contexts, India's IDPs face urgent protection deficits, particularly in terms of access to basic human needs such as food, clean water, shelter, and healthcare. Personal safety remains a concern for those recently displaced, while groups in prolonged displacement struggle with education, housing, and livelihood opportunities. Each displaced community faces distinct vulnerabilities. For example, tribal IDPs residing in camps in Chhattisgarh are caught between state forces and Naxalite insurgents, making them susceptible to violence from both sides. Muslim IDPs in Gujarat endure appalling living conditions and face the loss of their ancestral lands, often occupied by Hindu extremist organizations. Similarly, Christian IDPs in Orissa encounter religious coercion, including threats of forced conversion to Hinduism upon returning to their native villages. In the northeastern states of Assam and Manipur, the displacement crisis has pushed many women into prostitution as a means of economic survival in the absence of male breadwinners, many of whom have migrated in search of work.¹⁵

b) Indian Legal Framework

India currently lacks a legal framework that specifically recognizes or protects conflict-induced IDPs. The responsibility for their welfare is generally delegated to state-level authorities, many of whom lack awareness of and are reluctant to uphold the rights of the displaced, especially in cases where state actions contributed to the displacement. In the absence of legal recognition, IDPs face significant challenges in asserting their civil, political, economic, social, and cultural rights. For instance, Kashmiri Pandit families, displaced for over 15 years, now risk losing their cultural identity, while the state refers to them dismissively as “migrants”, effectively denying them the protections and entitlements due to displaced populations. Long-term solutions for India's internally displaced remain limited. Without a national policy on internal displacement, there is no systematic support for either local integration or resettlement in other parts of the country. States receiving IDPs are often resistant to permanent settlement, preferring repatriation to the place of origin. For example, the Andhra Pradesh government has actively

¹⁵ Hussain Monirul, XLI *Internally Displaced Persons in India's North East* 33 (Economic and Political Weekly, 2006)

compelled IDPs to return to Chhattisgarh, and Tripura authorities continue to advocate for the return of displaced persons, rather than supporting integration into the host communities.

V. KEY NATIONAL MECHANISMS AND THE INDIAN CONSTITUTION

a) Violence causes displacement in India

Armed clashes involving Maoist insurgents, known as Naxalites, Indian security forces, and state-backed militias such as Salwa Judum have led to a significant rise in displacement in recent years. Although this conflict has been ongoing for over two decades, the situation has worsened, particularly in Chhattisgarh.¹⁶ States like Madhya Pradesh, West Bengal, Bihar, Jharkhand, Odisha, Tamil Nadu, Maharashtra, and Andhra Pradesh have also witnessed similar unrest due to insurgent activity. The violence has resulted in numerous killings, human rights violations, and gender-based abuses. A major contributing factor to the expansion of the Naxalite movement has been systemic neglect of the tribal communities (Adivasis), large-scale displacement caused by infrastructure projects, and inadequate government provisions for food and security.

The official response has been inconsistent and often criticized for its lack of coherence. Along with deploying federal forces and paramilitary units, some states have also reportedly supported armed village groups. For example, the government in Jharkhand is known to have encouraged local “defense” units to counter insurgents.¹⁷ In Chhattisgarh’s Dantewada district, one of the worst-affected areas where civilians, primarily from villages allied with Salwa Judum and targeted by Maoists was living in relief camps as of early 2007. No reliable estimate exists for those who fled to neighboring regions such as Andhra Pradesh and Odisha or into Maoist-controlled territories, but some reports suggest the number of displaced were many.

Many people continue to face the threat of displacement due to the destruction of their livelihoods, restricted access to land, food shortages, and lack of healthcare services. The crisis briefly attracted international concern in March 2007, following a deadly Maoist assault in Dantewada that killed security personnel. Despite the severity, the crisis has remained largely unreported globally. Médecins Sans Frontières (MSF), the only international organization

¹⁶ Norwegian Refugee Council, National and state authorities failing to protect IDPs, *available at*: <https://api.internal-displacement.org/sites/default/files/publications/documents/201009-ap-india-overview-en.pdf> (last visited on July 21, 2025)

¹⁷ *Ibid.*

operating in the region, has termed it one of the world's most neglected humanitarian emergencies. MSF offers critical support to displaced populations through medical camps and mobile health units. However, the conditions in relief shelters remain dire. In one disturbing case, Maoists attacked a relief camp in Arabore village, killing at least few people and abducting others. There have also been alarming reports of child recruitment, with temporary camps allegedly serving as sites for military training and indoctrination. Both insurgents and state-aligned forces have been accused of involving minors in the ongoing conflict.

b) The Indian constitution

Displacement within India, particularly due to large-scale infrastructure projects, has raised serious concerns about violations of fundamental rights enshrined in the Indian Constitution—specifically Articles 14, 19, and 21.¹⁸ These provisions guarantee equality, freedom, and the right to life and personal liberty for all citizens. Despite being internally displaced unlike refugees affected individuals do not lose their citizenship status. Yet, they often experience severe hardships, including loss of homes, livelihoods, access to education, healthcare, and basic amenities, all in the name of development.

While India boasts a strong legal framework and is celebrated as one of the world's largest democracies, implementation of laws especially around rehabilitation and resettlement remains weak. This disconnect is evident in the way development is prioritized over human welfare. Although the Indian government promises compensation and rehabilitation for displaced persons, the process often disregards the emotional, cultural, and societal costs. This imbalance questions the actual commitment of democratic institutions to the rights of their most vulnerable citizens. The issue of forced displacement is not only about physical relocation, it is also about identity, cultural preservation, and human dignity. For instance, in Sikkim, people closely tied to their religious practices and ancestral lands have protested dam projects, from the Teesta River region to demonstrations in places like Jantar Mantar, yet without any significant impact. Despite legal protections such as Article 371F, which grants special status to communities like the Lepchas, hydroelectric companies continue to gain approvals easily.¹⁹ Local opposition is dismissed, and environmental or human rights concerns are brushed aside under the pretext of economic progress and job creation. Tunnels constructed for these projects

¹⁸ The Constitution of India, arts. 14,19,21.

¹⁹ The constitution of India, art. 371F

have even triggered man-made landslides, but these consequences are downplayed. Many individuals don't even want compensation—they simply want to live peacefully in their ancestral homes, grow old in familiar surroundings, and raise their families without disruption. The Constitution guarantees these aspirations, particularly through Article 21, which promises the right to life and personal liberty. But for many displaced people, these rights remain theoretical, unfulfilled, and repeatedly ignored. The issue of internal displacement due to dam construction may occasionally make headlines or spark debate, but its deeper implications comparable to a crisis like climate change are often overlooked. Without timely and just resolutions, the problem may escalate to mass resistance or movements like the Naxalite insurgency, driven by frustration and social marginalization. One of the most critical pathways toward resolving this crisis is to hold national governments accountable. According to the UN Guiding Principles on Internal Displacement, it is the primary responsibility of national authorities to protect and assist displaced individuals. Since governments authorize the entry and operations of large infrastructure firms including hydropower companies they must also ensure that safeguards such as displacement tracking, compensation funds, and rehabilitation plans are in place before project approval. If a company is unwilling to comply with these standards, governments should seek alternative firms that are willing to respect human rights. Some argue that these corporations who profit from development projects should bear responsibility for the harm they cause. While this is reasonable, relying solely on corporations can be problematic due to their private interests and limited accountability. Governments, as the facilitators of land acquisition and project implementation, are better suited and more obligated to uphold constitutional and legal protections.²⁰

Examples from international contexts, such as Brazil's Belo Monte Dam, highlight the urgency of governmental accountability. There, the government pushed for project approval despite environmental and social objections. Yet, legal provisions like Article 231(3) of the Brazilian Constitution mandate public hearings before land acquisition.²¹ These hearings should happen before displacement, not after, to ensure that affected communities can voice concerns and contribute to planning their rehabilitation. Incorporating their needs into the early stages of

²⁰ Theodore E. Downing, *Avoiding New Poverty: Mining-Induced Displacement and Resettlement* 58 (Mining, Minerals And Sustainable Development, 2002).

²¹ Brazil Threatens to Withhold License for Belo Monte Dam over Mitigation Worries, The Guardian, available at: <https://www.theguardian.com/world/2015/sep/23/brazil-belo-monte-dam-operating-licence-withheld> (last visited June 11, 2025)

development planning allows governments to pass on accurate cost estimates to project funders and developers.

In recent times, increasing pressure from NGOs, civil society, and international organizations has created an opportunity for governments to change course and assume responsibility. Recognizing displacement as not just a logistical issue, but a human rights concern, is essential. Only then can development be truly inclusive, just, and sustainable upholding the constitutional promise of justice, liberty, and equality for all.

VI. DEVELOPMENT DISPLACEMENT AND DAM CONSTRUCTION

Dam construction serves as a prominent example of development-induced displacement.²² While these projects contribute to economic growth through water storage, fishery promotion, and hydropower generation, they simultaneously inflict serious harm on local communities. Though hydropower is often held as a “green” and low-pollution energy alternative, requiring high capital investment but generating long-term returns, the socio-environmental costs are substantial. Projects often disrupt natural river systems, destroy agricultural livelihoods, and erode wildlife habitats, prompting significant opposition from environmental and human rights organizations.

In states like Sikkim, dam projects do not always result in physical displacement due to the geographic nature of narrow river valleys. Nonetheless, the indirect socioeconomic impacts on nearby villagers are profound, even when communities remain in place. Such communities suffer from resource depletion, reduced income opportunities, and environmental degradation, undermining their overall livelihood security.

Globally, since the 1940s, over 40,000 large-scale hydropower dams have been constructed, consuming investments exceeding two trillion dollars. Today, hydropower provides 80% of renewable energy globally, significantly contributing to the world’s energy supply.²³ Yet, this comes at a steep cost. It is estimated that between 40 to 80 million people have been displaced due to these projects—many of whom are indigenous populations in Asia, Africa, and Latin

²² Dr. Vishwanath m. , Dams, development and displacement: a sorrow picture of farce inclusive growth available at: <https://vmslaw.edu.in/dams-development-and-displacement-a-sorrow-picture-of-farce-inclusive-growth/> - :~:text=Dams and Displacement: India has,of India's Planning Commission, Dr. (last visited on July 23, 2025)

²³ *Ibid.*

America. Displacement occurs in two primary forms: (1) physical displacement—where people are forcibly removed from their homes, and (2) livelihood displacement—where communities lose access to natural resources essential for their survival, such as rivers and arable land. This phenomenon has been termed the “resettlement effect”, which includes not just the loss of physical property but also the destruction of non-material assets, such as cultural identity, social networks, religious practices, and communal support systems. The psychological and cultural consequences are often more devastating than the physical relocation itself. Hydropower projects have been identified as producing eight key displacement risks: landlessness, joblessness, homelessness, marginalization, food insecurity, increased health vulnerabilities, loss of access to communal resources, and community disintegration. Despite this, there remains no comprehensive global framework to mitigate these risks. The World Bank has highlighted that the burden of displacement disproportionately affects the poorest and most vulnerable, particularly tribal communities.²⁴ For instance, research on development projects in India reveals that at least 1.6 million individuals have been displaced, nearly half of whom belong to tribal populations. The consequences of displacement often lead to what scholars refer to as “new poverty”, where already impoverished individuals become even more economically and socially marginalized due to the loss of even the smallest resource. The impacts are even more severe for vulnerable minorities within displaced communities, such as elderly individuals and women. The loss of land and community structures diminishes support systems for the elderly, while women, many of whom contribute to household income through subsistence farming or selling produce find themselves deprived of livelihoods, with few alternative employment opportunities.

In sum, while hydropower and green economy policies are positioned as critical solutions for combating climate change and promoting sustainable development, the human cost of such initiatives, particularly for the displaced and disenfranchised, remains profoundly under-acknowledged. If development is to be truly equitable, it must reconcile technological advancement with the preservation of human dignity, cultural identity, and sustainable livelihoods.

VII. BRIDGING THE GAP WITH THE WORLD BANK

Human rights advocates have raised alarms over the treatment of displaced populations,

²⁴ THE WORLD BANK, *available at*: <http://www.worldbank.org/en/about> (last visited on July 29, 2025).

especially those affected by large-scale development projects like dams.²⁵ International financial institutions such as the World Bank, which have historically funded these ventures, are increasingly being held accountable due to mounting pressure from developed nations. If national governments fail to protect and support displaced citizens, it has been suggested that the World Bank which has funded nearly 538 dam projects worth about \$75 billion by the end of 1998 should withhold financial support.²⁶ Since it plays a major role in funding, the World Bank holds significant power to influence national governments, pushing them to enforce policies that safeguard displaced people. To stay aligned with its mission of poverty reduction, the Bank should actively ensure the fair treatment of those who are involuntarily displaced.

Currently, compensation systems for displaced people are deeply flawed. These systems often narrowly define who qualifies for compensation, excluding many who suffer indirect harm. Only individuals whose land is physically submerged or seized tend to receive compensation. However, those who lose access to rivers, suffer agricultural damage, or experience declining land values due to project-induced environmental changes are typically left out, despite being significantly affected. A more accurate count and categorization of all affected individuals both directly and indirectly is essential.²⁷ For instance, in the case of India's Hirakud Dam, while official numbers cited the displacement of 110,000 people, actual figures considering broader impacts were closer to 180,000. Another major flaw lies in the timing and calculation of compensation. Payments should be made before relocation occurs to ensure proper budgeting and preparedness. Moreover, calculating compensation based on market value ignores the cultural, emotional, and religious significance of the land. Instead, compensation should be based on replacement value, which considers the actual cost of acquiring new land, rebuilding homes, and establishing life in a new location which is often much costlier. One-time lump sum payments also fail to consider household size, cost of living in the new area, or long-term resettlement needs. While compensation is a constitutional requirement in many countries, it alone is not enough to rebuild lives or secure a sustainable future for displaced people. Resettlement and rehabilitation are two crucial steps beyond compensation. Resettlement involves the physical relocation of affected individuals, while rehabilitation is a long-term process that helps rebuild livelihoods and social systems.²⁸ True rehabilitation includes creating

²⁵ *Ibid.*

²⁶ Ngaire Woods & Amrita Narlikar, *Governance and the Limits of Accountability: The WTO, the IMF, and the World Bank* 53 (INT'L SOC, 2001).

²⁷ Vasudha Dhagamwar, *The Land Acquisition Act: High Time for Changes, in rehabilitation policy and law in india: a right to livelihood* 111 (1997)

²⁸ *Ibid.*

employment opportunities, supporting new economic ventures, and helping restore community structures. However, even this may not be sufficient. Michael Cernea, a specialist in displacement issues, argues that “sustainable development” should be the ultimate goal meaning affected populations should emerge better off than before. Without careful planning, displaced people face risks such as unemployment, homelessness, food insecurity, health issues, and social fragmentation. Addressing these risks proactively is essential to ensuring successful and humane development outcomes. One promising approach to support affected communities is benefit-sharing model where displaced people become active stakeholders in the projects that have disrupted their lives. This can take many forms: shares in the company, access to free electricity, educational investments, microenterprise funding, or direct grants. The idea is that if private developers and corporations’ profit massively from using these lands, a portion of the benefits should be redirected to the people who bore the cost. One-time payments before displacement do little to support long-term recovery, whereas benefit-sharing could offer ongoing support and meaningful inclusion in the development process. However, this model must account for the fact that many displaced individuals are economically marginalized and may lack access to banking services, making financial participation challenging in some contexts.

In addition to financial compensation and benefit-sharing, successful relocation depends on social integration and training. Displaced individuals often become outsiders in unfamiliar communities and may suffer discrimination and isolation. Prior consultation with affected groups known as social preparation can help preserve social bonds by relocating communities together and maintaining support systems. Disruption of these social networks can lead to psychological stress, declining health, and a lower quality of life.²⁹ Therefore, rebuilding both formal institutions and informal support systems is vital for long-term rehabilitation. Finally, job training must be part of any resettlement strategy. Many displaced persons were previously self-sustaining through agriculture, fishing, or artisanal trades. When moved to urbanized or industrial settings, they often lack the skills needed for employment. Dam financiers and developers should fund training programs tailored to the demands of the local job market, ensuring that displaced individuals gain real, employable skills. Such programs should not just train but also ensure actual job placement to avoid leaving people without viable means of

²⁹ Project & Operations: Hydroelectric Development Project, the world bank, *available at*: <http://www.worldbank.org/projects/P007609/hydroelectric-development-project?lang=en> (last visited July 29, 2025).

livelihood.

In essence, the issue of displacement due to development projects is not merely a legal or logistical concern but it is a deeply human one. Governments, financiers, and corporations must adopt a comprehensive, rights-based, and people-centric approach that includes compensation, benefit-sharing, social reintegration, and sustainable development practices to truly protect and empower displaced populations.

VIII. CONCLUSION

Amidst the ongoing global energy crisis, where nations are striving to generate power through environmentally sustainable means, the rights of indigenous and local communities affected by involuntary displacement must not be overlooked. Large-scale hydropower projects, though aimed at addressing energy demands, have been repeatedly linked to widespread human rights violations across various regions. Unfortunately, the existing remedies to tackle such violations remain largely inadequate and fail to encompass the full scope of the issue. To address this growing concern and uphold human rights standards, it is imperative that individual states are held accountable for protecting their citizens from long-term, irreversible harm caused by such developmental initiatives. However, experience has demonstrated that many governments lack the political will or institutional capacity to manage these responsibilities effectively and transparently. In this context, international oversight becomes essential. A robust global institution, such as the World Bank, is well-positioned to play a pivotal role in this regard. Given its core objective of poverty alleviation and its significant involvement in financing global development initiatives including energy infrastructure, it has both the influence and the responsibility to ensure compliance with human rights standards. The World Bank possesses a unique leverage: it can withhold or withdraw funding from governments that violate the fundamental rights of displaced populations. By reforming its internal policy framework that is particularly by strengthening enforcement mechanisms and closing critical loopholes within existing guidelines, the World Bank can not only safeguard affected communities but also contribute meaningfully to reducing global poverty. These reforms would enable the Bank to act not merely as a financier of development, but as a global enforcer of human rights in the context of environmentally driven infrastructure projects such as hydropower.