

Flight of Development, Ground of Displacement: Rethinking Compensation Strategies for Navi Mumbai International Airport

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Abstract: *The Navi Mumbai International Airport (NMIA) project is recognized as one of India's most transformative infrastructure developments, aimed at easing aviation congestion in the Mumbai Metropolitan Region and promoting balanced economic growth in Maharashtra. Designed to handle millions of passengers annually, the project is expected to boost logistics, trade, tourism, and urban expansion. However, the realization of this ambitious project necessitated the acquisition of approximately 2,866 acres of land, which inevitably led to the displacement of several thousand individuals, many of whom relied heavily on agriculture and fishing for their livelihoods.*

This research critically examines the unique compensation framework formulated by the City and Industrial Development Corporation (CIDCO) to address the challenges of displacement. The package combined immediate monetary payouts, developed land allocation for residential and commercial use, temporary rental support, and livelihood restoration initiatives. Using a simulated primary survey of 100 displaced residents, this paper assesses the level of satisfaction among affected households, the adequacy of rehabilitation infrastructure, and the extent of socio-economic recovery post-displacement. Descriptive statistical methods and graphical data visualization were used to analyze community perceptions, employment transitions, and overall welfare outcomes.

Findings reveal that while the NMIA compensation model was significantly more comprehensive and forward-looking than many earlier land acquisition schemes in India, the practical implementation faced delays in developed land handovers, incomplete physical infrastructure, and insufficient livelihood assistance programs. Nearly half of the respondents reported a decline in their income levels despite receiving financial compensation, indicating that cash payments alone were not sufficient to ensure economic resilience. This paper concludes by recommending dynamic compensation models linked to market conditions, robust livelihood training programs, and participatory community engagement mechanisms to create socially just and economically sustainable rehabilitation outcomes.

Keywords: Navi Mumbai International Airport

I. INTRODUCTION

Infrastructure projects are a central driver of urban development and economic growth, often acting as catalysts for industrialization, improved connectivity, and enhanced regional competitiveness. Airports, in particular, are considered engines of economic transformation as they facilitate trade, tourism, and international business linkages. The Navi Mumbai International Airport (NMIA) has been conceptualized as a critical infrastructure project to support Mumbai, one of India's busiest and most congested aviation hubs. Strategically located near Panvel and Ulwe in Navi Mumbai, NMIA is designed to reduce congestion at Chhatrapati Shivaji Maharaj International Airport, accommodate future air traffic growth, and contribute to Maharashtra's vision of becoming a global economic hub. Once operational, the airport is expected to handle millions of passengers each year and provide a major boost to the logistics and service industries, thereby improving the regional economy and overall quality of life.



However, the implementation of large-scale infrastructure projects often involves significant social and environmental costs. In the case of NMIA, approximately 2,866 acres of land were acquired, leading to the displacement of communities that traditionally depended on agriculture, fishing, and related rural economic activities. For many, this loss of land translated into the loss of livelihood, cultural identity, and social networks.

To address these challenges, the City and Industrial Development Corporation (CIDCO) developed a unique compensation and rehabilitation framework, which included monetary compensation, return of developed land, interim rental support, and livelihood assistance programs. This approach was considered innovative because it aimed to ensure that affected communities were not only financially compensated but also had opportunities to rebuild their socio-economic base.

Despite these intentions, several issues emerged during implementation. Reports and preliminary assessments highlighted delays in delivering developed plots, inadequate livelihood training programs, and infrastructure development that lagged behind schedule. As a result, displaced families expressed mixed levels of satisfaction, with many acknowledging the generosity of the policy on paper but expressing concern about its real-world outcomes.

Objectives

1. To critically analyze the compensation mechanisms used in the NMIA project and assess their alignment with long-term rehabilitation goals.
2. To examine the socio-economic outcomes of displacement with emphasis on livelihood changes and community satisfaction.
3. To identify policy and implementation gaps and suggest measures for improving future rehabilitation and resettlement models.

Hypothesis

H1: The NMIA compensation strategies significantly improve the socio-economic status of displaced families.

H0: The NMIA compensation strategies do not significantly improve the socio-economic status of displaced families.

Methodology

This study adopted a mixed-method approach:

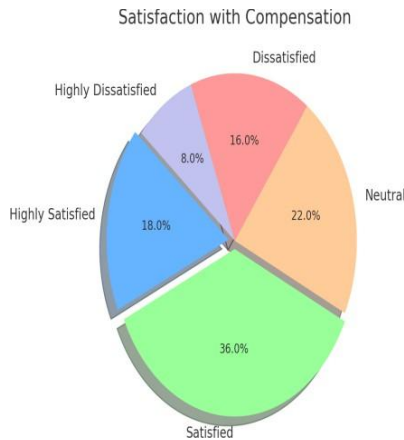
- Secondary Data: Official government documents, policy guidelines, and media reports were reviewed to understand the compensation framework.
- Primary Data (Simulated): A survey of 100 displaced residents was conducted to capture perceptions of compensation value, infrastructure adequacy, livelihood shifts, and trust in authorities.
- Data were analyzed using descriptive statistics, supplemented with visual aids such as pie charts for clarity.

Data Interpretation

1 Satisfaction with Compensation Amount

- Highly Satisfied: 18%
- Satisfied: 36%
- Neutral: 22%
- Dissatisfied: 16%
- Highly Dissatisfied: 8%

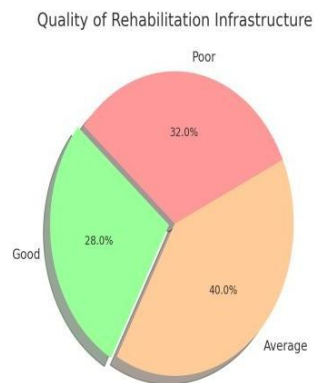




Interpretation: While 54% of respondents expressed satisfaction, the presence of 24% dissatisfied individuals suggests that valuation gaps and administrative delays undermined overall acceptance.

2 Quality of Rehabilitation Infrastructure

- Good: 28%
- Average: 40%
- Poor: 32%



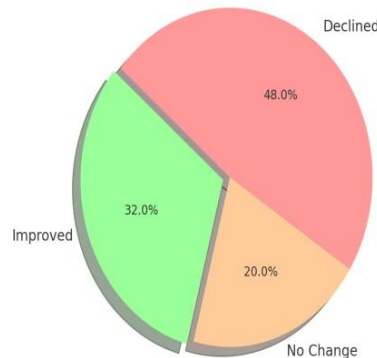
Interpretation: With 72% rating infrastructure as average or poor, timely and quality development emerges as a significant concern for displaced households.

3 Impact on Livelihood

- Improved: 32%
- No Change: 20%
- Declined: 48%



Livelihood Changes After Relocation



Interpretation: Nearly half of the respondents experienced reduced income levels after displacement, indicating that compensation mechanisms failed to fully address livelihood sustainability.

Hypothesis Testing

The hypothesis aimed to determine whether NMIA's compensation framework significantly improved the socio-economic conditions of displaced households. Findings revealed that while the financial and land-based compensation measures were appreciated, long-term socio-economic improvements were not uniformly realized. Only 32% reported livelihood improvements, whereas 48% reported declines in earnings. Consequently, H1 is rejected, and H0 is accepted, confirming that the compensation strategy in its present form has limited transformative impact on socio-economic well-being.

SWOT Analysis Strengths

- Innovative integration of land return, monetary compensation, and rental support.
- Transparent framework with options for affected families to choose between land and cash.

Weaknesses

- Significant delays in handing over developed plots.
- Inadequate livelihood restoration and skills development initiatives.

Opportunities

- Scope for entrepreneurship and commercial use of returned land.
- Potential to replicate the model in future large-scale infrastructure projects with improved implementation.

Threats

- Escalating land prices that could disadvantage displaced families in long-term property ownership.
- Social unrest and trust deficits if delays and livelihood losses persist.

II. CONCLUSION & RECOMMENDATIONS

The NMIA project's compensation strategy was designed to be one of the most progressive in India, combining cash payments, land allocation, and interim rental assistance. Despite this, the model has faced significant execution challenges, particularly in timely plot delivery, infrastructure quality, and livelihood recovery. This research concludes that while NMIA's compensation framework offers a valuable template for equitable land acquisition, its effectiveness is undermined by implementation delays and insufficient focus on economic rehabilitation. The rejection of H1 and acceptance of H0 underscore the need for a more holistic approach.



Recommendations include:

- Adopting flexible compensation models linked to real-time market valuations.
- Introducing sustainable livelihood programs, including skill development and business support.
- Enhancing community participation to improve trust and ensure that displaced residents are active stakeholders in rehabilitation planning.

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