

World Bank to India: Stop dam project!

by Ramtanu Maitra

The clearly biased results of a nine-and-a-half month investigation of one of India's Narmada River dam projects by a supposedly "independent" commission hired by the World Bank, were announced at a packed press conference in Washington, D.C. on June 18. The conclusions are couched in the vague terminology that the World Bank should "take a step back," and that "it would be prudent if the necessary studies were done and the data made available for informed decision-making before further construction takes place." But the fact that the independent review team made no mention of any positive aspects of this project, which is designed to provide irrigation water to 40 million people, raises the question of a possible hidden agenda.

Of the thousands of projects heretofore funded by the World Bank, none until now have been the focus of such an independent review. The precedent of setting up these kinds of commissions to kill developing sector development projects in which billions of dollars have already been invested, has enormous ramifications. The Indian government thus far has not responded to the study.

The overall Narmada River project is mammoth; work on it began over two decades ago. The overall project encompasses construction of 30 major dams, 135 medium dams, 3,000 minor dams, and more than 75,000 kilometers of canals. The total project area is 96,350 square kilometers, and the estimated cost is about \$15 billion, a figure likely to prove conservative. The Narmada River is India's fifth largest in size and the largest among the rivers flowing east to west. It represents an enormous untapped potential resource to deal with power and water shortages for domestic as well as industrial and agricultural use over a large area.

Without the project, river water utilization is barely 4%, as huge amounts of fresh water drain unused into the Gulf of Khambhat in the Arabian Sea every day. The core of the Narmada Valley development project is the construction of two major dams with large reservoirs. One of these two dams, the Sardar Sarovar Dam, which is located in Gujarat, is the target of the independent review. It is expected that the vast tracts of land which will be irrigated by the water made available from the Sardar

Sarovar project command area will eventually help to break the bondage of poverty and drought. Nearly 43% of Gujarat suffers acutely from drought.

Flawed criteria

According to independent review chairman Bradford Morse, the independent review was commissioned and paid for by the World Bank, and the total cost for the exercise was just over \$100,000. Noting the unprecedented nature of such a study, Morse said that perhaps the World Bank would never commission a comparable review again. He noted the team had explained in their letter to World Bank President Lewis Preston: "We think the Sardar Sarovar projects as they stand are flawed, that resettlement and rehabilitation of all those displaced by the projects is not possible under prevailing circumstances, and the environmental impacts of the projects have not been properly considered or adequately addressed."

An Indian journalist who questioned Morse and his team mates on the biased aspects of their investigation interjected that 40 million people will benefit from the project, contrasted with 100,000 people who will be affected; that most of the people affected have voluntarily agreed to relocate; and that they have been given alternative land, buildings, and financial assistance. He later noted privately: "They [the study team] apparently don't know anything about water scarcity. They have not even mentioned—suppose this project is not implemented, what will happen to the millions of people who will be forced to migrate from that part of India to somewhere else. Apart from this project, there is no alternative."

Park rangers for people

Lacking experience in the areas of drought and water scarcity, what were the study team's areas of expertise? The chairman, the Honorable Bradford Morse, is a former congressman and U.N. administrator. Perhaps more important, he is a member of the New York Council on Foreign Relations, as well as the Population Crisis Committee that was founded by William Draper. It was Draper who two decades ago likened the developing nations to the "world famous animal reserve—the Kruger Park in South Africa." "There the elephants were getting too numerous . . . threatening the food supply of other animals. . . . So the park rangers will act as judge and jury. They will arbitrarily reduce one or another species as necessary. . . . But who will be the park ranger for the human race?" Draper asked. The two above institutions in which Morse holds membership were instrumental in drafting *The Global 2000 Report to the President* in the early 1980s—in effect a handbook for the "park rangers." One of the proposals offered in the study is to keep energy prices high for the less developed nations to further reduce their purchasing power.

Assisting Morse as deputy chairman is Thomas Berger, a Canadian lawyer and Supreme Court judge known interna-

tionally for his work on aboriginal, environmental, and human rights issues. Berger received a distinguished achievement award from the Sierra Club of North America in 1978. Hugh Brody, a British anthropologist at the University of Cambridge who has written and directed anthropological films for British and Canadian television, was designated as the senior adviser for "resettlement and rehabilitation assessment" for the independent review.

'Just the beginning'

A second press conference, entitled "Responding to the Review of the Sardar Sarovar Project," was held the same day by the well-financed Environmental Defense Fund (EDF) in conjunction with Asia Watch and the "International Rivers Network." EDF lawyer Lorie Udall, who has coordinated the campaign to kill the Narmada project and is the daughter of the environmentalist former U.S. Interior Secretary Stuart Udall, began by commending the team on the "seriousness with which the team went about their review. From what I can tell about the recommendations, they support many of the issues that we've been raising over the last six years. . . . The project should be suspended; the bank should withdraw completely; there is overwhelming evidence that this project can never be implemented."

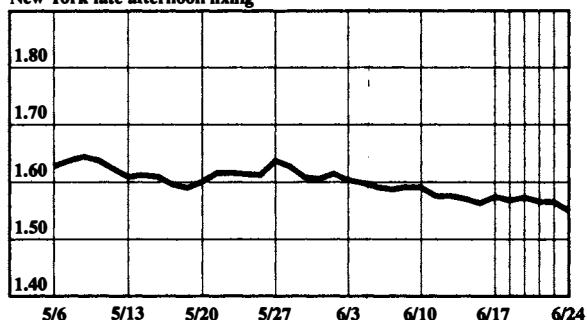
Udall said that the decision to even have an independent review was precedent setting; that she and others had finally convinced two World Bank executive directors "who convinced [then president] Barber Conable that this independent study was a good way to settle things." The study "will have far-reaching implications for other Bank projects. . . . In India alone the World Bank is financing over 20 projects; the situation in some of these other projects is worse than Sardar Sarovar. In other countries, projects such as the Pak Moon Dam in Thailand, the Katamonga Dam in Indonesia, also have serious environmental and social problems. What we have seen today is just the beginning," she said.

Smitu Kothari, an Indian member of the steering committee of the International Rivers Network, gave more details about the internationally coordinated non-governmental organization (NGOs) battering ram against large Third World development projects. "Lorie Udall, the Environmental Defense Fund, and the International Rivers Network on whose behalf I am standing here are part of close to 50 to 60 organizations around the world who have taken an extremely strong stand around projects like this." Never has the world seen until recent years, he continued, "the coming into being of popular movements and democratic forums that have become consolidated all around the world, never has one witnessed anything on the scale of this global alliance. This is a global alliance that extends itself horizontally across national boundaries to hold global institutions accountable." He claimed that there is a very active "movement across India," with which he and Udall are closely involved, to close down all of the Narmada Valley projects.

Currency Rates

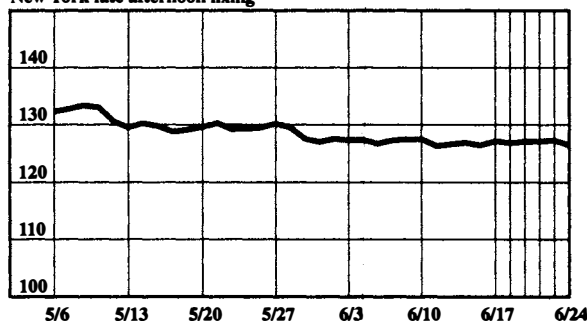
The dollar in deutschemarks

New York late afternoon fixing



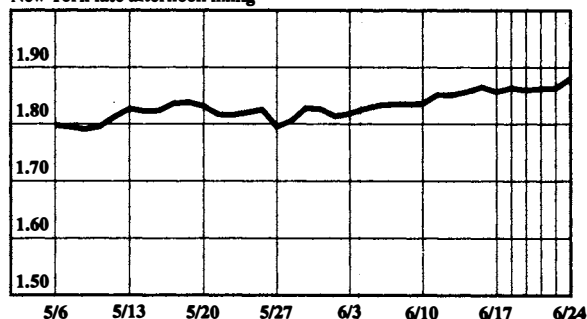
The dollar in yen

New York late afternoon fixing



The British pound in dollars

New York late afternoon fixing



The dollar in Swiss francs

New York late afternoon fixing

