

# The People's **Movement**

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The Noose of  
Global Lender

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# Survival and Struggle

It was heartening to see that the Supreme Court had put its foot down in Gujarat, where it felt that the state government has been colluding with the criminals of the communal carnage of March-April 2002. It reprimanded the infamous Narendra Modi government and also expressed displeasure with the investigations and court processes and has asked the cases to be transferred to another state. The decision is said to have reinforced the faith of the people in the independence and fair play of the judiciary and its adherence to the legal propriety and Constitutional principles.

The same Supreme Court refuses to intervene to save the tribals and peasants in the Narmada valley from the unjust submergence and repeated violation of their rights, life and livelihood. The Court just refuses to look at the ground situation of the 10,000 families who would be affected by submergence due to raising of the height of the Sardar Sarovar dam upto 110 meters – without any sort of land-based rehabilitation. This was done by violating all the laws, regulations and Court's previous order (Oct. 2000). It is the same Narendra Modi, aided by Uma Bharati, the new chief minister of Madhya Pradesh, new BJP government of Rajasthan and curiously the Congress-led government of Maharashtra. They fudged the figures and realities of displacement and rehabilitation. The Narmada Bachao Andolan (NBA) has been approaching to the apex Court in 2001, 2002, 2003 and now in 2004, pleading not to allow the Gujarat government to increase the height of the dam beyond 90, 95, 100 or now 110 meters.

And yet the Court refused to intervene to save the tribals in the Narmada valley. All the governments, bureaucracies and now the judiciary too refused to hear the Narmada people. No National Human Rights Commission takes any *sue motto* action against the violators of the laws, human rights and perpetrators of the worst human tragedy. The Honourable Supreme Court of this country sent back the Narmada oustees back in the fold of their oppressors, without any independent monitoring agency. They assigned the victim to the culprit / defendant, believing his claims of the 'model resettlement', while the ground situation was that the people have been reduced to powerless creatures, sans rights, land and even the self-respect.

It is now certain that the lands and houses of thousands of adivasis and farmers will be drowned this very monsoon in the valley of the Narmada. In Maharashtra itself not less than 1500-2000 adivasi families in 33 Adivasi villages from Manibeli to Bhadal (District Nandurbar) will have their houses ruined and farms submerged due to the Sardar Sarovar being built to 110m by June. The officials too has avoided implementation of the Cabinet's own decisions taken on January 21 and 28, whereby the state was to update its records including the *left out* (undeclared) families. The M.P. government has simply written off thousands of families in the densely populated villages in the plains of Nimad and the adivasis in the Vindhya ranges.


It is an utter violation of the Supreme Court's judgment, the Narmada Water Disputes Tribunal, and every rehabilitation policy and agreement with the World Bank. When adequate land is not yet identified, records not updated, and roads not built, there is no way the governments could save the affected families' houses, villages, markets, and monuments, from drowning and devastation in this very monsoon. Hundreds of displaced people who were moved out of their villages are still to be given land, houses and any other livelihood resource.

## The Satyagraha

In this context, the Andolan decided to take an innovative and challenging path which will on the one hand expose the government's incapacity, lack of will, and betrayal of the people of the Narmada. It is making a reconstructive effort to create new habitats for the dammed and displaced. It will be a *Bhoomi Haq Satyagraha* (Land Right Satyagraha) where displaced and unrehabilitated people from the Narmada Valley will assert their rights to land and resources, and create for themselves the justice they are seeking. If the government does not recognize their rights to their lands and ancestral homes and does not provide them with their legally guaranteed land-based

rehabilitation, then they take it upon themselves to provide their own rehabilitation. The Satyagraha, starting on May 7, 2004, aims at building a new village, *Narmada Jeevangaon*. Here volunteers and participants from across the country, artists, engineers, eminent persons, and common concerned citizens are expected to participate in their endeavour and help build the community in solidarity with the victims of this man-made calamity. What the route the struggle will take it, depends upon the government's response.

However, the Narmada struggle will be indication for a way forward for the struggles against displacement and resettlement with the right over

resources. The NBA's efforts in Bargi dam for the right of the oustees over the water and fish of the reservoir was emulated in Tawa dam and will fast spread among other displaced people. In the same sequence, the present Satyagraha asserts the rights of not only of the people who were involuntarily displaced, but also of all the communities, who have been asserting the right over the resources and right to life. 

## The Contentious Elections


The general elections in India have thrown up various possibilities and new trends, which will have long-term effects on the Indian polity. The Election Commission got embroiled itself in the unwarranted work regarding maintaining the code of conduct and present flurry of orders of higher courts made its life uneasy. It could not complete the revision of the electoral roles, and the missing out the names of hundreds and thousands of voters from the role has further lowered its image. There should be some sense of proportion regarding the kind of duties the Election Commission can take upon itself.

Another worrisome feature this time is the spate of opinion polls and exit polls, particularly sponsored by different television channels. We do not object the right to information of the voter, whereby s/he can gauge various possibilities, capabilities and merits of the parties and candidates before voting. But, the opinion polls at different stages and exit polls, at least on four times – have eroded the political nature of the elections and trivialized the politics itself. The many opinion polls, four exit polls on four/five channels, and the continuous treating the politics as the game of numbers and permutations-combinations, continuous discussion on these things with the reluctant yet ever-ready party spokespersons – all this has become, apart from big gamble, a money and time churning business.

It corrodes seriousness of political process and decision-making. Everything becomes, as if, media-centered and media-manipulated. The party leaders too glibly respond to the flippant, half-baked, arrogant and trite TV brats. This is a tragedy of any serious politics of the nation. The audio-visual media in India never seriously the voices, priorities, issues of rural, weak, underprivileged people, their movements and issues.

*Last word:* the Corporate bosses, their share market, sensex.. et al, wish that the National Democratic Alliance, led by the Bharatiya Janata Party,

should come back to power with full majority in the Center, because they feel that the NDA is more committed to the agenda of that the economic reforms – the privatisation, globalisation, repeal of labour laws, opening up of power, water and agricultural sector. The Corporate secularist newspapers like The Indian Express have been insisting with the Congress to own up the reforms and claims that the Samajwadi Party, Shiv Sena, Telugu Desam and all political parties do accept the 'economic reforms' – which these parties do own!

This is the clear message for all the people's movements, struggling for the rights and life of the exploited, displaced, organized and unorganised workers, underprivileged, farmers, dalits, adivasis and all the toilers. We are up against more formidable challenge. And we all must prepare for that. The Fourth Bi-annual Convention of National Alliance of People's Movements is planned immediately after the Elections and the results. We hope and appeal that all the organizations and movements must chart out some coordinated strategy to counter the impending danger. 

# 60 years and no more

Medha Patkar

*There is a greater need for a continued struggle against the way the World Bank imposes its development agenda on the people in the Third World, with the connivance of the ruling class in these countries. People's organizations will have to question the Bank, its pushes and pulls, its growth model, corporate designs, its impacts and irresponsibility.*

As the World Bank is completing its sixth decade of global banking operation, there appears to be no option for the national and international people's organizations than to campaign with a motto "60 years and no more." This doesn't flow from any irrational, all-too-radical views, or from the unquestionable anti globalisation position. This emerges from the real cases of the global Bank's refusal to learn from the lessons of the past projects, from which it had to withdraw or make its borrower turn around. It is also due to its unwillingness to execute the various recommendations of the internal evaluations and investigations, and its strategic apathy to respond to the global reports such as that of the World Commission on Dams. Last but not the least, the Bank's policies in the various sectors including water, indigenous peoples or involuntary resettlement are, according to the monitoring organizations, increasingly being weakened on the people's issues and priorities.

Why should one investigate into the Bank's operations and policies, when its our own sovereign government that ushers the Bank in, defines the priority to project that the Bank funds and is ultimately responsible, through its policies, for social, environmental and economic

aspects, and impacts? Moreover, challenging all such global fronts of a common corporate system may seem to further legitimising the Bank and its sister organizations like IMF. However, it should be kept in mind that Bank's billions worth lending to various countries continues to influence and change the national policy in almost all sectors in almost every nation, especially those considered poor in the capitalistic economic frame work. Such lendings are the largest carriers of the social and environmental impacts as well as the economic and political, affecting the common people - the masses. Moreover, the interconnections between the World Bank, IMF and the WTO have become more stronger than ever, as shown by many, including Mr. Joseph Stiglitz, the economist who came out of the system. It only indicates a highly critical role played by this parent organization, one of the Bretton Wood institutions established by the capitalistic development leaders, the developed societies, after the Second World War.

It's in this context that the critical appraisal of the past experiences and the present happenings undertaken by hardworking, people based organisations carries weight and relevance. The Bank had to face many challenges about its role in the development project planning, especially since 1980's. While the Bank contributed a very small percentage of a project's cost, its influence has been larger than its contribution. It was the Bank's money that would bring in legitimacy and credibility to the project, thus would act as a guarantee and a pull to the aid from bilateral and other multilateral lenders, along with private investors into the project, its related works, research and planning assignments, monitoring and evaluations, equipment and supplies. Such a critical share in financing would make the project a *fait accompli*, at the cost of detailed plans - financial to social and environmental compensation - and impact assessments. This has, in turn negated the possibilities of honest project appraisals, legal sanctions by the national / local agencies under the law of the land.

## The SSP Lessons

This was exactly what happened in the case of Sardar Sarovar Project, more than two decades ago. Here the World Bank entered the scene in 1983, got some studies including the first cost -benefit analysis by an external agency, with some plans. This happened four years after the Narmada Water Dispute Tribunal (NWDT) declared its Award approving the Project, mainly with only the civil engineering and water sharing aspects, and with much better (than past projects) rehabilitation provisions. Even with the enormous influence at its disposal, the Bank could not ensure the complete and comprehensive social and economic impact assessment, rehabilitation plans and environmental compensation

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measures. Whatever was done was incomplete as became obvious from a comprehensive but dissenting judgment by Justice Bharucha (October 2000), as well as umpteen number of research studies, regular reports and the most of all, ground level situation. There is no doubt that the unmasking of the ways and means of the Bank and its national and international allies by the strong people's movement, compelled the Bank to accept the flaws and violation of its own policies by an Independent Review. Thus the Bank became the main culprit in allowing the project to gain a *fait accompli* with a conditional clearance - conditions which meant never to be met in time, or ever.

The Bank withdrew from the Sardar Sarovar Project (SSP) in 1993. This was preceded by comprehensive revelation - right from the Bradford Morse-led Independent Review and every single evaluator and student-researcher - regarding the old ways of Bank's planning, viz. unscientific, incomplete planning, violating its own and the government's policies about planning, execution and evaluation process with participatory approach - while making huge claims on social and environmental aspects. However, SSP was not the lone case. The large dams in Chile, Uruguay, Brazil, South Africa, Pakistan, Indonesia, China, or pipelines / infrastructure projects in Brazil, Canada, and others in water, power as well as other sectors were exposed more or less on the same ground. It was more than proved that the Bank couldn't ensure rehabilitation leading to a better standard of living than prior to displacement. Compensatory afforestation and other environmental impact compensation or mitigation measures were a failure and the economics of large dams in populous and poor countries was not any different than what was referred to by the US Bureau of Reclamation in 1994 declaring a moratorium on large dams in US. All these lapses and blunders were accompanied with huge investment that was justified with the inevitability of the project, capital intensive technology that was largely related with the Bank's entry. However, the governments and governing class in the so called Third World countries too must be held equally or rather more responsible for such impropriety.

This popular struggle against the Bank-aided projects, particularly against the Narmada project, has many repercussions and rippling effects. The Bank had to establish the Inspection Panel as an independent mechanism within the Bank, to address such conflicts through independent investigations into the petitions by the affected people on Bank-aided project. The panel stayed certain projects or at least made Bank stop its funding, following the Narmada case. The World Commission on Dams - a multi stake holder joint inquiry commission into all aspects of large dams and options, can also be traced back to the same phase when the Bank was on the way of losing its credibility on large dams as symbol of development aid.

Having gone through all this, the Bank could certainly gain some compensatory credit for openness, transparency and participatory ways of dealing with civil society - the affected people to activists - as also for the mediator

role it played in certain cases of conflict between the national governments and the struggling masses. That was also the phase when the Bank appeared to be treading a progressive path with its policies on rehabilitation and improved monitoring, showing a way out of persistent battles. However, all that could not suppress the basic questioning of aid politics, technological aberrations and debt obligations with long term impacts.

The fast track globalisation, with a major role for the Bank, has resulted in subversion of the system and taken a toll of even normal scientific process and sanctioning agencies. This has also distorted many a things including the Bank's more or less genuine face of environmentally sound and socially responsible investor / lender. While its funding and furthering role in the development efforts has increased, which includes natural resource harnessing to construction, capacity-building to resource mobilization, education to R&D, Bank's role in changing the policies in the opposite direction has grown, its accountability to people it claims to serve has reduced. No doubt Bank has become sophisticated enough to involve 'civil society representatives', which invariably are from the category of NGOs which cannot confront the establishment beyond a limit and have consensual approach at any cost and also can accept funds from Bank. The Bank also capitulated to the vested interests, as has removed land for land policy for rehabilitation to almost a recommendatory category. It has submitted to the interests and pressures that regarded land for land rehabilitation policy as an impediment and rehabilitation prior to development as a barrier to be removed.

### Water Sector and Bank

The real story of Bank's fast abdication of its obligations about the social - environmental issues and related paradigm-shift

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is most obvious in the case of water sector. The Bank's abysmal track record in this case, and the borrower government's flawed policy of large dams were proved beyond doubt. Just one aspect, large-scale displacement due to such projects and the miniscule rehabilitation could convince anyone of the devastating nature of the large dams. The WCD report spoke of a conflict-resolution methodology of planning - prior informed consent of the affected populations to options and impacts assessment as pre-condition to any decision on a large dam. This was necessary to avoid unjustifiable costs that would make the project devoid of developmental character and vision.

The Bank, meanwhile, since 2000 - the year of WCD report release - had also set what are highly publicized as the millennium goals, with poverty reduction as the first and foremost. Impoverishment of the affected population to disparity in water benefit distribution thus could not be permissible. The invariably poor planning and governance as well as lack of land-based rehabilitation couldn't be acceptable. Environmental impacts affecting natural resource capital and people's livelihood creating normally unorganised categories of the affected and the evicted couldn't go un-noticed, unmeasured, or non-compensated in time i.e., prior to unrepairable destruction. These simple facts, would make the Bank not only accept WCD report but also bring out its own politics and rules in the water and hydro power sector. However, the Bank, that had its funding no more restricted to projects but to sectors of water and power thus wielding more influence and powers at the same time, avoid project based criticisms by diffusing its specific role. For some time, after the unique report that didn't take any political and radical position of 'no big dams' or 'no privatisation' but merely suggested a way, a guideline, for planning as a self sus-

tained criteria for resolving conflicts and ensuring consensual development in at least the two sectors, the Bank talked about this internal readings and discussions on the report, but in vain. Today, the Bank seems to have fallen prey to the capitalistic vested interests behind large dams. The nexus of politicians, bureaucrats, technocrats and investors, with their callous and crude money lending, full of violations and contradictions, is thus exposed. The latest statement by the President of the Bank that it has decided to go in for large infrastructure including large dams indicates that Bank has not learned the lesson that needs to be taught!

The example of Sardar Sarovar stands much more evident today than before. Unlike the impression in some quarters, the struggle for life and resources is still going on despite the adverse judgement of the Supreme Court of India. Over 40,000 families are still in the reservoir area and are yet to be rehabilitated, while there is no rehabilitation plan, or even the required land remains to be identified. After 25 years of the NWDT Award, the final cost of the dam has gone up above Rs. 4,40,000 million (44000 crores) with 22% of the annual expenditure going in for interest and capital repayment while there is no valuation of social and environmental costs completed till date. The waters are taken in small quantum to Rajkot and Ahmedabad cities, both the constituencies of the infamous Chief Minister Mr. Narendra Modi, leading to distress and challenges from the people elsewhere. All this, when the Bank claimed to have appraised and participated in planning, monitoring the project for at least 8 years, at least till 1993. But while the global lender facilitated the ill-conceived dam to be pushed ahead, without the basic pre-conditional action, it obviously has failed in playing the other role - monitoring and restraining. The Development Credit Agreement and the loan agreement it signed with the Union and state governments thus stands violated. As a party to the Project, the Bank that is still legally responsible since the loan and credit are not yet fully repaid and above that the moral responsibility it owes, is not doing anything to clear the mess created. No monitoring, no evaluation and no supervision. "We have a right to supervise but no obligation in the case of SSP" has to become the famous quote of the Director, Social Development, sharing the old designs of evading responsibility.

The economics and policy dynamics are the themes of papers of Banks experts, advisors and series of bank publication since years, which reflect some sensitivity within. Yet the enormous and basic issues of flawed and limited definition of project affected, non settlement of land rights, outdated land records, unaccounted common property resources, no public hearing and information given to oustees, incomplete or no implementable planning, no land based rehabilitation - all or most of these problems are still there, known to all and yet remain unresolved. Yet, the Bank does not do anything, with its plethora of staff planners, researchers and hired agencies. It pleads that it could not intervene as the borrower countries raise the issue of sovereignty and indigenous laws and agencies. But this is an alibi provided for a naive student, we can not accept this. We would absolve Bank of any questioning and responsibility if, and

only if, the Bank would remain out of large dams as also water sector. But continuing to fund individual projects such as part of Sardar Sarovar Kutch pipeline, the Bank is also assessing and planning, globalising and privatising our waters, indirectly or directly, allowing its funds to go into the knowingly destructive projects violating its policies.

The Bank in a way has gone backward to the outdated growth model. It has discarded rights as the criteria before assessing any project and has done away with even a theoretical commitment to justice. It has only a crude approach of unconditional reward or growth that can facilitate the Bank to fund any and every infrastructure project. No matter if that devours prime agricultural land, leads to extraction of minerals that affect the aquifers and large pondages that submerge houses, fields, cultures, monuments, living communities and watersheds. This lately seen confidence and arrogance of the Bank does not focus on low cost - social and environmental projects alone and takes a big leap on big projects with huge costs (not just risks). This approach emanates from imaginary, unrealistic claims and promises which have not worked in the past.

Interlinking of rivers, the giant project that can never get any response nor a consent from the riverine communities, is a latest target that will now be placed before the World Bank. Ignoring and suppressing all cost-effective, right and sustainable, decentralized and hence just options in water management, equitable distribution and conservative measures, this project is to invite investors with Rs. 5, 60,000 crores, taking away not just

the right to water but the water itself: a source of life and livelihood to all. While first feasibility studies are done in just 6 out of 30 links conceived, these studies are not even placed before the public, when it is a long way to the detailed project report with impact assessments and then to legal approvals. But before all that, the Bank is being or will be approached for an unconditional commitment. Other corporates, technical investors are already approached with its former Chairman of the Task Force on Interlinking of Rivers Mr. Suresh Prabhu camping in Texas and contacting oil producing countries. Government of India otherwise with a begging bowl is known for its opposition for lenders raising human rights issues or proposing socio-environmental measures.

And hence the need for a continued struggle, to question the Bank, its pushes and pulls, its growth model and corporate designs, its impacts and irresponsibility.



### The ADB in South Asia:

# Policies of Poverty Creation

Sameer Dossani

***Asian Development Bank (ADB) is less about development and more about a model of development that suits its major donors, including Japan, the United States, and European countries.***

The Asian Development Bank (ADB) was founded in 1966 as a Multilateral Development Bank. Its mission is to reduce poverty in Asia, though its critics claim that its function is the exact opposite of that end. The ADB is the major actor in the push for globalisation in Asia, along with the World Bank, the IMF and the WTO.

Like these other institutions, the ADB has come under intense criticism in recent years for the model of development which it forces on developing countries in Asia. Unpopular policies such as privatisation of public services, liberalization, and a penchant for large scale infrastructure

projects serve as evidence that the ADB is less about development and more about a model of development that suits the ADB's major donors, including Japan, the United States, and European countries.

In response to its critics, in 1999 the ADB adopted a framework wherein poverty reduction, not economic growth, was to be the primary focus of ADB projects and policies. However, after examining evidence from the South Asia region, one is inclined to believe that this change was a cosmetic one and as yet, there is little

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evidence to suggest that the ADB's impact in Asia has done any good for the poor at all, and certainly not enough to offset the harm done to the poor by prior as well as ongoing projects.

In 2002, the ADB underwent another change, again largely in response to its critics. It underwent a restructuring whereby it adopted a regional approach to its policy and project lending. In the case of South Asia, this meant that projects that were previously scattered over many departments now all came under the ADB's new South Asia department. Furthermore, the ADB adopted a policy of decentralization, meaning that the regional offices in New Delhi, Dhaka, etc. gained more power, though most power still remains with the head office in Manila, Philippines. Partly as a result of these shifts, one can now begin to talk about something like the "ADB's approach to South Asia" whereas before, one could only really talk of ADB's approach to a particular sector or at the most generalize about countries.

In 2002, the Asian Development Bank had a total of U.S. \$32.3 billion in loan commitments to governments in Asia and the Pacific. Although the ADB has since 1999 portrayed itself as an institution committed to poverty reduction, 46% of loans go to the transportation/communications and energy sectors. The extent to which this lending meets the criterion of reducing poverty is largely unknown, though the topic warrants serious academic study.

From 1966 to 2002, the institution has lent nearly U.S. \$100 billion to 38 countries in the Asia/Pacific region, seriously affecting the policies of those countries. In addition to the political significance of the money that it lends, the ADB can leverage other forms of bilateral and multilateral aid, thereby making it an extremely influential institution.

Some of the sectors in which the ADB has traditionally been the most active include water supply projects, river diversion schemes, roads and other transportation projects, and urban infrastructure projects.

In terms of what sectors the ADB is involved in South Asia, one must bear in mind that the region contains two of the ADB's largest borrowers, India and Pakistan and that therefore, all sectors are well represented in the South Asia portfolio. Of the over 100 billion US dollars the ADB has lent in its 25+ years, the South Asia region accounts for more than one third. However, like the ADB's portfolio overall, the South Asia portfolio shows a heavy bias toward the Energy, and Transportation and Communications sectors.

Civil Society has cited a number of major problems with the lending practices of the ADB in South Asia. In the case of Bangladesh, ADB lending may be feeding cycles of corruption which guarantee that aid monies do not get to those who really need them; in Pakistan, Afghanistan and Nepal, ADB policies may be lending support to what are seen as unaccountable and undemocratic governments. In India, the ADB apparently has a practice of lending to states and therefore placing conditionalities on those states that may otherwise be too unpopular to be passed. At the project level, the ADB is involved in projects that have come under heavy criticism for problems related to displacement, privatisation, human rights violations and more. The following are a few examples of projects that groups in the network of the NGO Forum on ADB are following:

### **Pakistan: Chashma Right Bank Irrigation Project**

In 1992, the ADB initiated the third phase of the Chashma Right Bank Irrigation project in an area of Pakistan that is part of the province of Punjab, but whose people identify themselves largely not as Punjabis but as Siraiki, a minority community within Pakistan. Many Siraiki Pakistanis claim that their language and culture have not been given room for existence by the Punjabi dominated Pakistani society and before that, even by the British colonialists.

The project, designed to bring water to farmers who no doubt need water, extended a canal which runs between the river Indus and the mountains of Balochistan and Afghanistan. The third phase of this project (which is the one against which groups are campaigning) is 278 kilometres long, a huge length for a canal of this kind. At a technical level, this created the problem that the run off from mountain rain and spring water which feeds the river Indus, had to somehow be diverted above or below the canal, or else the canal would be destroyed in the rainy season. The problems associated with this and other similar technical problems have yet to be properly addressed, and in 2003, several villages were flooded because of the canal, although the rains were not particularly heavy that year. When rains are heavier, it is possible that entire villages will be wiped out. Another series of problems concerns the forced resettlement of numerous villages often using illegal methods to obtain land forcibly, without ad-

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equate compensation. Also, due to the divisive nature of the canal, it has made it difficult for people to travel between villages and therefore cut people off from various social services such as schools or hospitals.

### Bangladesh – SBCP

The Sunderbans Biodiversity Conservation Project (SBCP) was approved by the ADB in 1996. The project was a grandiose attempt to deal with the very controversial issue of how to protect the Sunderbans, which is the world's largest mangrove forest and home to several endangered species including the celebrated Royal Bengal Tiger.

Civil society members claim that the project was initiated without adequate consultation and therefore was an attempt at the impossible, using the Forestry department, which is at least very under-resourced and possibly corrupt, to manage a whole number of components in the project. The project also included things like micro-credit and eco-tourism, that had no direct link to biodiversity conservation, while treating the indigenous people who live around the Sunderbans and have cared for it for centuries, as part of the problem, outlawing many of the practices that they need for survival. Furthermore, some claim that SBCP was a way to shelter off some of the Sunderbans so that the rest of the forest could be open to natural resource extraction (Shell and other companies believe that beneath the Sunderbans could lie huge natural gas deposits).

The ADB itself was unable to deal with the implications of some of these problems, and in August 2003, announced its decision to suspend the project. In July of this year, it is expected to announce whether it will restart the project or cancel it entirely. While community organizations were unhappy with the scope of the ADB's project, they maintain that if it is redesigned from a pro-people point of view, it could be helpful in preserving this Bangladeshi heritage.

### India: Madhya Pradesh Power projects:

India is the second largest borrower from ADB and in some respects represents a unique way of doing business for the institution. Instead of having an approach for India as a whole, the ADB varies its approach from state to state. Often it works in tandem with the World Bank, with one institution taking the lead in a particular state. So Madhya Pradesh (MP), for example, is a state where the ADB takes the lead.

In 2001, the ADB approved a loan (which has since turned out to be the first in a series of loans) for restructuring the power sector of MP. The loan had been in the pipeline for several years, as the privatisation of generation of power in MP was already being pushed by the ADB which had seen the supposed benefits of privatisation in the World Bank's privatisation programs in another Indian state, namely, Gujarat.

The result of the policies of the ADB and the government's attempts to act on them has been an 800% increase in the cost of electricity in remote areas, thereby making electricity prohibitively expensive. Legislation has been passed allowing providers to completely ignore places where providing electricity is not likely to provide a profit, and as the government has moved towards privatisation, the poor have been more and more cut off from power.

Mass movements have succeeded in putting pressure on governments to change these policies. In the run up to the elections in 2003, the government declined to disconnect farmers from a number of villages who had refused to pay their electricity bills out of protest. In fact, the perceived failure of the government to respond to the needs of its people because of ADB interventions may have been a factor in the change of government in 2003.

### Conclusion

Throughout South Asia, the ADB's policies are consistent with those of other International Financial Institutions. While paying lip service to environmental and social concerns, the ADB works in tandem with other donors and influential sectors of borrowing countries to promote policies and projects that harm the people they claim to serve.

*(Sameer Dossani is the Executive Director of the NGO Forum on ADB, a network of NGOs and People's Movements campaigning against ADB policies and projects.)*

[www.forum-adb.org](http://www.forum-adb.org)



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# Disclosure or Deception?

Multilateral Development Banks and Access to Information  
Shalmali Guttal

*Unless they can set their own house in order, the ADB and the World Bank are in no position to sermonise to the world about transparency, accountability, participation and good governance.*

Multilateral institutions such as the Asian Development Bank (ADB) and the World Bank pride themselves on their information disclosure policies. Especially since the Asian economic crisis, they have held their policies up as evidence of their commitment to transparency, accountability and participation.

Information disclosure policies and practices, however, need to be located in the larger context of rights and governance. Not only must they provide full access to information, but also, they must facilitate timely and informed action by concerned actors. Meaningful public participation in contemporary democratic processes requires informed discussion and debate. Unless the public is fully empowered with all the relevant and required knowledge within a relevant time frame, its participation in a given situation is cosmetic at best.

Today, the public's right to know is considered indisputable by most proponents of democracy, and articulated in the Universal Declaration of Human Rights and International Covenant on Civil and Political Rights. By "governance," I refer to a comprehensive and transparent system of rules, processes and procedures that ensure the protection of peoples' rights to knowledge and decision making, as well as accountability for

decisions made and actions taken. Policy and programme decisions have economic, social and political consequences, and it is crucial to examine whether those who bear the greatest costs of such decisions have been adequately and sufficiently involved in making these decisions.

Based on the above standards, both the ADB and the World Bank fail in their practices on information disclosure and access to information. Both institutions are completely unaccountable to the public, highly non-transparent in their policy-programme formulation and decision-making, and irresponsible in their stated commitments to promote public participation, and equitable and fair access to information.

## Politics of Information Disclosure

Access to information is primarily a political issue that is embedded in power relations and the exercise of power. It involves not only the ability to access information that already exists but also the very generation of information that could enhance the public's ability to participate in making decisions about their future. The capacity to generate information and to enshrine this information in social and institutional memory as "knowledge" is indeed a powerful one.

The World Bank and the ADB have this capacity and have used it to their full advantage in the name of information disclosure. The information disclosure policies of these two public institutions, although different in form and articulation, have similar fundamental shortcomings.

### 1. Irrelevance to decision making

The most obvious flaw in both Banks' information disclosure policies is that they have little to do with influencing the key policy and programme decisions made by the two institutions. It does not matter how much paper or how many megabytes the Banks make available. The fact remains that the most important decisions are made according to the economic and political interests of their more powerful members and not according to broad-based public interests.

Equally important here is the issue of how decisions within the Banks are made. Again, public debates or public interest priorities have little meaning here. Government representatives from the member countries of the two institutions do not have equal weight in negotiations and discussions. It is widely acknowledged that a significant reason why

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developing countries have been disadvantaged by multilateral institutions is that they have been marginalised from the formal decision-making systems of these bodies.

In the World Bank, formal decision-making power is based on the size of capital subscriptions. The United States (U.S.), with a hefty 17.6% voting power, has the formal clout to veto decisions not to its liking. It has also managed to limit the capital share and voting power of Japan—the only possible contender to its powerful position in the Bank—to eight percent.

What Japan has lost in the World Bank, it has claimed in the ADB. According to a number of ADB insiders, this Bank operates by the rules of 'Japanese culture'. Decision-making is 'consensus-driven' (Japanese style) and takes place through informal discussions in hallways among select members of senior management and the Board. The ADB also has key senior positions reserved for the nationals of its more powerful capital subscribers. Sole and final authority on all decisions rests with the Bank's President, who also chairs the Board of Directors and, most important, is always Japanese. The position of ADB General Counsel, however, has been cornered by the U.S.

Decision making in the ADB and the World Bank is thus controlled by exclusive, closed circles of top leadership and senior management, and guided by multiple levels of self-interest. The present information disclosure policies of the two Banks are certainly not going to change this situation.

### *2. Selective disclosure*

Another fundamental flaw in the Banks' information disclosure policies is that they only make public what is convenient to them and when it advances their institutional interests. What they do not disclose always turns out to be more important than what they let the public see.

For instance, the World Bank's recently revised information disclosure policy continues to focus on providing people with information about decisions already taken, rather than making available the information needed for the public to participate in decision making. In the new policy, key documents such as tranche release memoranda, the Bank president's reports, drafts of Country Assistance Strategies (CAS) for most countries, and the draft and final documents for most structural adjustment lending will not be made available to the public.

According to the Bank Information Centre (BIC), a U.S. based policy research organization that has exhaustively monitored the World Bank's information disclosure process, the World Bank under its new information disclosure policy has essentially abdicated responsibility for its own transparency by pushing such disclosure decisions onto borrowing governments.

The new policy has also ensured that the World Bank's Board of Directors will continue to govern in total secrecy. While the World Bank claims that it is interested in including project-affected communities in decision-making, it refuses to make available to the public important documents about project design, implementation and financing until after decisions have already been made.

The ADB, for its part, proudly touts its website and the number of reports it has made available as evidence of its commitment to information disclosure. But a source close to the ADB says what is not on paper is the real issue. In fact, what is available on the website or in published form is not pertinent to the ADB's decision-making processes. Too many decisions are made through closed, informal discussions that should in actuality be open to the public.

At the same time, much of this information, as well as access to such discussions are not equally shared within the institution. Delegates from poorer and less powerful nations are as likely to be kept out of the loop as the general public in the ADB's borrowing countries.

### *3. Dubious quality*

Given the high degree of secrecy that governs the information disclosure policies of the World Bank and the ADB, it is difficult to trust the quality and integrity of the information that they make available to the public.

In the case of the World Bank, a clear example of its doublespeak can be found in the debate about the Chad-Cameroon pipeline in West Africa. Backed by the World Bank, the project entails extracting one billion barrels of oil in Southern Chad and transporting it through 660 miles of pipeline to a facility in Cameroon. Based

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in two of the world's poorest countries, the pipeline will cost approximately \$4 billion and will be built by a consortium of private companies led by Exxon-Mobil.

The project has been sharply criticised by a number of local and international NGOs, who claim that the social and environmental impacts of the project outweigh its benefits, and that the project is likely to exacerbate human rights abuses in the region.

Interestingly, a confidential report by the Bank's own independent inspection panel has noted that Chad will get only five percent of the royalties from the project and that the local population will not get a fair share of the project's profits. The panel also found that the environmental impact assessment undertaken by the Bank made a "serious omission" by not taking into account the pipeline's cumulative environmental impacts.

Not to be deterred from its support for the project, the Bank has rejected the panel's findings, saying the suggested approach to environmental assessment would have been "cumbersome and ineffective."

The ADB has not had much success with quality or integrity either. The information it provides about its own policies is in fact out of date with developments within the institution. The ADB's lawyers have advised Board members and management not to make public statements about the status of project inspection policies and processes (as in the case of Thailand and Sri Lanka) since there is such a lack of clarity within the institution about its most current positions.

### **Governance: Morass of Contradictions**

That their information policies and practices are inherently flawed and useless to the public are not the only

reasons why we should doubt the ADB's and World Bank's commitment and competence in the area of governance. Equally important is the fact that internal and external governance in both banks are in complete disarray, and they would do well to take a critical look at themselves before they tell others what to do.

Take the World Bank's attempts to bolster its image by engaging the public in at least two global initiatives: the Structural Adjustment Programme Review Initiative (SAPRI) and the World Commission on Dams (WCD). In both these initiatives, civil society organizations – which included many long-time critics of the Bank – entered into what they hoped would be good faith processes of research and dialogue with a variety of opposing interest groups. And despite challenges and compromises, they stayed with the initiatives.

In contrast, the World Bank started to back-pedal as soon as it became clear that the two reviews were generating information that contradicted its self-created scorecards of success in structural adjustment programmes and support for large dams. In the case of SAPRI, the Bank produced a separate report, which ignored the findings of the research that its own staff was involved in, and which (not surprisingly) arrived at conclusions opposite to those of the SAPRI research. By so doing, the Bank effectively closed off any substantive or meaningful discussion with the public about its structural adjustment programmes. As for the WCD, the Bank more or less rejected the Commission's findings and is taking refuge behind opposition to the report by some country governments as an excuse not to implement the WCD recommendations.

### **The ADB's Share of Struggles**

The ADB has its own problems of internal governance, non-transparency and lack of participation. To be sure, the ADB has yet to show how it operationalises good governance in its own institutional conduct. The only concrete examples it can offer of Bank facilities for good governance are its corruption "hotline" and its inspection function. The corruption hotline does not provide the public much by way of access into the Bank since despite agreement that phone-calls to the hotline can be anonymous, there is little clarity about what happens next once it receives a tip-off about corruption or malpractice in an ADB-supported programme or project.

In addition, the ADB's inspection function is already proving to be an avenue for the Bank to evade responsibility for poor performance, wrong decisions and involvement in harmful projects. The Samut Prakarn Wastewater Management Project (SMWMP) in Thailand was the first project to go through the Bank's inspection process and opened a can of worms within the ADB, highlighting problems of poor leadership, staff confusion, and lack of responsibility and accountability. It revealed the inconsistencies among the ADB's stated policies, what is recorded on paper and actual implementation.

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Like the World Bank, the ADB also appears to be moving towards a general lowering of programme and project standards by arbitrarily deciding which of its policies and procedures are "inspectable" and which are simply "good practice." The thinking appears to be that the less the ADB opens itself for investigation, the less responsibility it needs to assume for problems in its projects.

Internal documents indicate that the rationale for the ADB's inspection function is clearly based on the immunity it enjoys and serves as little more than the Bank's public face of good governance. But this function falls severely short of universally accepted standards and systems of good governance. As things stand, final decisions about the Bank's compliance to policies and procedures, and assessment of institutional and staff conduct rest with the ADB's board of directors, on the advice of senior bank management. The ADB, then, is its own investigator, jury and judge, with no obligations of external, public accountability.

The ADB is currently engaged in a review of its inspection policy and process. It remains to be seen whether there is sufficient political will and commitment within the Bank to shape the inspection process so that it becomes a genuine avenue of redress for those negatively affected by the Bank's operations.

### A Long Way to Go

Secrecy in the policies and practice of information disclosure to the public is a violation of the social and political compacts between a people and their government. Governments are—at least in theory—expected to be accountable to their citizens for the decisions they make. Going by the principles of transparency and participation, their decision-making processes are also expected to be open to public scrutiny and debate.

Multilateral institutions argue that they are directly responsible to the governments that constitute their clientele, and not to the general public. This is a significant reason why decision-making and democratic oversight in the World Bank and the ADB are becoming increasingly remote to the public. But there is still a sham of openness going on. Most likely, as the World Bank and the ADB decrease their external accountability, they will 'disclose' a lot more irrelevant information through paper and megabytes.

It should be remembered, however, that the ADB and the World Bank are public institutions: their financing base comes from capital subscriptions by member countries, their financial credentials are guaranteed by governments, many of their programmes and projects are financed through bilateral funds, and their governors and boards are made up of ministerial level officials from member countries. Moreover, their policies and operations have severe and long-term consequences that are not borne by governments, but by the populations in client countries. And the less directly accountable a public institution is to the public, the more

open and transparent it needs to be in order to uphold and prove its stated commitments to democracy, good governance and social responsibility.

Unless they can set their own house in order, the ADB and the World Bank are in no position to sermonise to the world about transparency, accountability, participation and good governance.

*(Shalmali Guttal is the Coordinator of the Micro-Macro Issues Linking Programme at Focus on the Global South [www.focusweb.org](http://www.focusweb.org))*

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# Bearing Witness to World Bank's Legacy of Impoverishment

Dispatch from Washington DC, April 25, 2004

Angana Chatterji, Dana Clark and Dickson Mundia

As we write this, we are sitting on the third day of our fast in front of the World Bank, while the Bank officials and Finance Ministers from around the world conduct their annual meeting. We are holding a symbolic fast for the duration of their meeting, to call attention to the legacy of impoverishment inflicted on people forcibly displaced from their homes and lands by Bank-funded projects such as mines and dams.

We are here to commemorate these forgotten people in the Bank's 60-year history, those whose internationally recognized right to development has been violated by the very institution that claims to listen to the voices of the poor, and we are bearing witness to situations across the globe where the Bank's record of lending dangerously has violated its own mandate and policy framework.

Bank projects, undertaken in the name of development, have led to the displacement of tens of millions of people. Nobody knows exactly how many people have been displaced, because the Bank has been negligent in keeping track. Bank-financed dam projects alone have displaced at least ten million people. Indeed, the Bank's own research has shown that most people who are involuntarily resettled do not easily regain their previous standard of living, much less benefit from the project and have their standard of living improved, as called for by Bank policy.

We are gravely concerned by the role played by the World Bank in funding and

legitimizing many projects around the world that have come to represent a legacy of implementation difficulties, of underestimated and under-resourced externalities and costs, costs which are borne by those least able to bear them. For example, Dickson Mundia, one of the fasters, is the grandson of people who were evicted from the Zambezi Valley as a result of flooding caused by the Kariba dam in Zimbabwe and Zambia, built during a time of British colonial occupation in the 1950s; the dam has been an enduring source of misery for 50 years for the Tonga people. The Singrauli coal-fired plants in India, financed by the Bank from the mid-70s to the early 90s, have wreaked havoc on the lives of hundreds of thousands of people.

In the past two decades, the Bank has made significant shifts in its commitment to sustainable development, in particular the adoption of environmental and social policies and the creation of the groundbreaking Inspection Panel. We commend this attention to the empowerment of people affected by Bank lending and the increased awareness of social and environmental risks associated with those projects.

Yet an unfortunate recent trend has manifested itself: the Bank's seeks to minimize its obligations and shift more of the burdens and risks onto local people and borrowing governments. This tendency is reflected in the recent exercises in reformulating Bank operational policies. Many organizations have engaged in dialogue with the Bank regarding revisions to its policy framework – including policies on involuntary resettlement and indigenous peoples – only to be frustrated by the Bank's practice of weakening policies and resisting calls for the policies to be improved and brought into line with existing and emerging standards of international law.

We are particularly concerned about project supervision issues. Although the Bank has apparently been paying more attention to due diligence at the design stage ever since the fallout from the China Western Poverty Reduction Project (rejected by the Bank's board in 2001 after intense civil society campaigning), there is still much to be desired in the Bank's approach to project supervision and project implementation. In 2001, the World Bank significantly weakened the language of its project supervision policy; the revision was done without public input.

In correspondence last month regarding the threat of an increase in the height of Sardar Sarovar dam on the Narmada river without adequate rehabilitation and in violation of the terms of the loan agreement, the

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country director for India confirmed that the Bank as a rule does not supervise projects beyond the disbursement of funds by the bank to the borrower. We note that when the Bank was forced to withdraw from Sardar Sarovar in 1993, the Bank's General Counsel clarified that the terms of the loan agreement continue to apply to a project until it is repaid. The Sardar Sarovar Project loan has not been repaid and is therefore still legally binding. Nonetheless, Bank Management is taking a hands-off, laissez-faire approach to project supervision – at least with respect to the environmental and social loan conditionalities. This approach makes a mockery of the terms of the involuntary resettlement, indigenous peoples, and other policies that are supposed to mitigate the longer-term impacts of Bank-financed projects. By failing to ensure that funds are being used in accordance with the purpose and conditions of the loan, the Bank is abrogating its responsibilities as a lender, and its mandate of poverty alleviation.

We are acting in solidarity with people affected by Sardar Sarovar on the Narmada river, where the World Bank has willfully ignored publicly reported accounts of policy violations, and remained silent when the Indian government authorized yet another increase in the height of the dam. The Bank shares complicity in last month's decision to increase the dam height to 110 meters, as a result of which thousands of people – mostly indigenous or tribal people – will face an onslaught of miseries this year.

The Bank's silent acceptance of forcible displacement without adequate resettlement and rehabilitation is in violation of its own policy framework, and in violation of basic principles of international law. Its determination to continue displacing people and ignoring the consequences is reflected in its renewed emphasis on high-risk infrastructure.

We are aware that many projects in the Bank's portfolio are out of compliance with the loan agreements and Bank policies – including projects like Sardar Sarovar that are not actionable through the Panel process. In addition, we are troubled that those problems that have been identified by local people and confirmed by the Inspection Panel have not been adequately remedied. We stand in solidarity with communities affected by these accountability gaps.

We are concerned that lessons of the past do not seem to be affecting plans for the future. A recent report by International Rivers Network, "The World Bank at 60: A Case of Institutional Amnesia?" (available at [www.irn.org](http://www.irn.org)) documents the Bank's return to a strategy of financing high-risk and unsound infrastructure projects, and emphasis on a government and corporate focused approach to development that systematically marginalizes civil society in decision-making.

In short, we are concerned that the well-documented lessons of the past are not constructively affecting Bank staff and management's decisions today and their plans for the future. To remedy some of these problems, we call on the Bank to ensure, at a minimum, that projects that it has

supported are brought into compliance with its own policies and loan covenants. We call in particular for full compliance with the terms of the resettlement policy for all communities that have been displaced by a Bank-financed project. The Bank must ensure that people who have suffered displacement by its projects are able to regain and improve their standard of living. The Bank should also dedicate new resources and create institutional capacity to address implementation failures and assist the borrowers and affected communities to come to terms with legacy issues.

In fasting, we call on the World Bank to take responsibility for ensuring the development effectiveness of its lending and the accomplishment of a rights-respecting and rights-enhancing approach to development. As an institution dedicated to alleviating poverty, the World Bank should do no less.

*( Dickson Mundia, Founder, Basilwizi Trust, Kariba Dam (Zimbabwe) oustee. Mr. Mundia is a lawyer campaigning for compensation for the Tonga people, displaced by the World Bank funded Kariba Dam in Zimbabwe.*

*Angana Chatterji, Professor, California Institute of Integral Studies. Since 1984, Dr. Chatterji has been conducting advocacy and policy research with postcolonial social movements towards enabling participatory democracy for social and ecological justice.*

*Dana Clark, President, International Accountability Project, Berkeley, CA. Ms. Clark is a human rights and environmental lawyer who has recently co-authored and co-edited a book assessing the efficacy of the World Bank's Inspection Panel. )*



# A Case of Institutional Amnesia?

## A Critical Look at the Implementation of the Bank's Infrastructure Action Plan

Peter Bosshard

*This is the Executive Summary of a report about how the World Bank implements its new high-risk strategy, particularly in India, that International Rivers Network published in April 2004. The full report is available at [www.irn.org](http://www.irn.org)*

Improved access to services such as water and electricity is important to overcome poverty. Yet infrastructure development has also produced spectacular failures in the past. Many power and water sector projects have had devastating social, environmental and economic impacts. New supply projects were often financed even when a better management of existing, wasteful infrastructure would have made more sense. And centralized, top-down approaches to infrastructure development were usually favoured over services that were initiated by local communities, and directly addressed the needs of the poor.

The World Bank decided to increase funding for infrastructure projects in an Infrastructure Action Plan (IAP). This Plan was adopted by its Board of Directors in July 2003. It reflects the new 'high risk/high reward' philosophy that Bank management formulated in late 2002. A Progress Update on the IAP was discussed by the member governments at the World Bank's Spring Meeting in April 2004 in Washington (USA).

Nine months after its adoption, it is time for civil society to examine how the new Action Plan is being implemented. The new IRN report looks at whether the

World Bank incorporates the lessons of the past and current best practice guidelines as it carries out the IAP.

### India – Important Test Case

In spite of repeated requests, the World Bank has not shared information that would allow a comprehensive analysis of the implementation of the Infrastructure Action Plan. The new IRN report thus focuses on the implementation of the IAP in India. India is the largest recipient of cumulative World Bank lending, and has been a trailblazer for new trends in Bank lending for many years. The Indian government was a strong promoter of the IAP, and the country is an important test case of how the Plan is being implemented.

With dam projects such as Sardar Sarovar in the Narmada Valley, infrastructure lending has a very controversial history in India. The Bank's management has consistently refused to accept its responsibility for the unresolved social and environmental legacy of its dam projects in India. Still, in December 2003 the Bank decided to double its infrastructure lending for India, and to re-engage in large dam projects. World Bank officials have scouted various dams under construction in India, and MIGA (the World Bank affiliate that guarantees private sector projects) is currently considering support for the contentious Omkareshwar dam on the Narmada river. The Omkareshwar dam will displace an estimated 50,000 people. Construction has already started but so far, no environmental impact assessment or resettlement action plan have been prepared. A return by the Bank Group to the Narmada valley, the place of its most spectacular development disaster, would be highly symbolic.

### No learning from past experience

The Bank's plans for the Indian water and power sectors ignore important lessons of the past. As a former World Bank India country director put it, the most important element of reform in the power sector is to combat the "widespread theft, graft and corruption" in the distribution of electricity. "There is no point investing in generation if the power does not reach the consumer," a former World Bank director said. The Bank's latest evaluation of the Indian power sector found that financing new generation projects only encouraged the "continuation of inappropriate and unsustainable sector policies." The evaluation recommended that the Bank should not support further power generation projects in sector that is characterized by waste and corruption.

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The World Bank's most recent evaluation of the Indian water sector came to the same conclusion. In the past, the Bank's approach was to develop water resources rather than to manage them equitably and efficiently. The evaluation report proposed: "In the long run, the gap between growing demand and inelastic supplies must be closed by increasing managerial efficiency, rather than developing new supplies." This focus on improved management rather than new supply is the Bank's main lesson from past experience. In line with these findings, the current Country Assistance Strategy for India does not include any support for expanding power and water supply.

The World Bank's new dam-building plans represent a dramatic departure from this position. They will pour more water into the leaking tubs of India's water and power sectors, rather than plugging the holes of the system. The new dam-building plans not only defy the lessons of rational and democratic sector planning. They will quite likely also cause massive social and environmental impacts.

### 'Washington Speak' and India Action

The World Bank's new strategy violates the current best practice recommendations for water and power sector projects. Based on the strategic priorities of the World Commission on Dams, the Bank issued a sourcebook on the assessment of options in the water and energy sectors in July 2003. This sourcebook recommends to "involve all relevant stakeholders" in options assessments, and to "assess all options strategically and comprehensively." The IAP equally stresses the need of comprehensive assessments of all options as the first step towards increased lending for infrastructure.

The Bank's recent evaluation of India's water sector strategy found that planning in this sector was "top-down, bureaucratic and fragmentary, rather than participatory, client-oriented and integrated." The Bank's best practice recommendations for the assessment of options are thus highly relevant for India. Yet in a recent meeting with NGOs, the Bank's senior water advisor argued that these recommendations were "Washington speak." India was a sovereign country, he argued, and therefore there was no need for implementing the recommendations. The Bank is not assessing the available options in any comprehensive or participatory way in India, and is not carrying out the initial scoping study that is recommended by the IAP.

The IAP strongly stresses the importance of country ownership. Bank management appears to equate this concept with government ownership alone, and government ownership with ownership by the hydropower bureaucracy and other infrastructure ministries. Decades of experience show that such a narrow perspective will favour vested interests rather than the interests of society at large, or the poor.

The Bank's management seems to view the binding social and environmental policies as an obstacle to its ambitious lending plans in India. In a recent briefing paper, the management announced that it planned to change the safeguard procedures and shift the responsibility for implementing them to the Indian authorities. Doing so would increase the risk of massive social and environmental impacts of Bank projects. As various evaluation reports found, compliance with existing environmental standards is seriously deficient in India.

### Recommendations

The Infrastructure Action Plan, as it is currently being implemented in India, disregards the lessons of past experience and the current best practice recommendations. The Plan seems to have been taken hostage by the vested interests and the ideology of dam-building bureaucracies and the governments that back them. Such an approach will exacerbate conflicts, but will not help to reach the Millennium Development Goals that the United Nations have formulated.

In order to address the problems of the IAP, governments and the Executive Directors of the World Bank should support the following measures:

- ◆ Infrastructure development should start with the needs and initiatives of the poor, and not the interests of powerful groups. All needs and options therefore need to be assessed in a participatory, transparent and balanced way before new projects are identified.
- ◆ Within the water and power sectors, the World Bank should follow the recommendations of the World Commission on Dams, and the principles of the Bank's recent options

assessment sourcebook for the water and energy sectors.

◆ The so-called Extractive Industry Review has proposed a series of measures that are relevant for all sectors of World Bank lending. The Bank should recognize the principle of free, prior informed consent for communities affected by Bank projects, adopt a comprehensive human rights policy, and

shift its energy lending from fossil fuel technologies to the support of renewable energy sources.

◆ The World Bank has so far not learned the lessons of past experience, and has not strengthened its capacity to deal with social and environmental risk. The Bank should be less risk averse when supporting innovative, socially and environmentally friendly technologies. It should however not engage in new projects with high social and environmental risk as it implements the Infrastructure Action Plan.

*(Peter Bosshard is with International Rivers Network)*



# Globalisation and Education Resisting Appropriation and Distortion of Knowledge

Anil Sadgopal

*The attack of the market forces on education as an attack on the nature of knowledge itself and also as a design to control its access, production and distribution amongst nations and social classes.*

Globalisation is not exactly a recent phenomenon. It is a more evolved, powerful and subtle form of colonialism, in terms of its ruthless pursuit of global markets, control over natural resources and means of livelihood, its methodology and strategies of influencing the State policies through systematic co-option of the Indian corporate houses and the educated elite. The IMF, the World Bank, WTO and a whole spectrum of multi-lateral and multi-national arrangements represent the new structures formed for tightening the stranglehold of the global capital on world economy and extending the market agenda into every sphere of human activity and concern, including education. The NGOs, the so-called civil society organizations of the globalised era, have almost become willing agents

for camouflaging the ugly face of globalisation and presenting it in a 'humanised' language.

Both the colonialism and globalisation have come to be viewed as a response of the then industrializing and now the affluent West to its own internal economic crisis and need for expansion of markets. In recent decades, globalisation has acquired the added dimension of the need for access to new markets for the weapon industry and information and communication technology and control over additional sources of oil, forest and water. This is now clearly evident in the increasing militarism of the western powers led by the superpower USA and non-fulfillment of their international commitments to the developing countries on climate, agriculture, bio-diversity and sustainable development.

## Market and Higher Education

It should surprise no one, therefore, that globalisation has both used and adjusted with the colonial paradigm of appropriating and distorting people's knowledge. As this knowledge has been the basis of human development and welfare, the purpose of the market forces is clearly to direct people's mindsets and creative activities to achieve its cynical objectives. Let us recall the Macauleyan emphasis in early nineteenth century on controlling and re-orienting higher education in colonial India at the very outset and imposition of English as the medium of *instruction* (not education!). The colonial powers knew well (as do the forces of the global capital) that it is the higher education sector that generates knowledge for development and change. It is with this understanding that the

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Ambani-Birla Report, submitted to the Prime Minister's Council on Trade & Industry in April 2000, recommended that the entire higher education sector must be allowed to be privatised (GoI, 2000). The report further recommended that all those disciplines (this includes all sciences and social sciences and even disciplines of humanities such as linguistics) that have a market value must *not* be supported by the State funds. The report proposed that such marketable forms of knowledge can instead be supported by the market forces. Only disciplines such as oriental languages, archaeology, palaeontology, religion and philosophy that do not have a market value as yet, may continue to receive State funding. This implies that the nature of knowledge in sciences and social sciences will henceforth be determined by the market forces, which in turn are controlled by the global capital.

Since the knowledge that informs education and its pedagogy from early childhood care and pre-primary level upwards is also generated in the higher education sector, Ambani-Birla Report implies that education at all levels henceforth will be determined by the market forces. In this sense, the Ambani-Birla Report fulfills the agenda put forth in the 'World Declaration on Education For All and Framework For Action To Meet Basic Learning Needs' issued by the Jomtien Conference under the sponsorship of the World Bank and UN agencies (UNDP, UNESCO, UNICEF and The World Bank, 1990), though it seemed to be advocating the cause of elementary education by recommending enhanced State support for this sector. Significantly, Tomasevski (2001) noted the following regarding the Jomtien Declaration:

*"The language of the final document adopted by the Jomtien Conference merged human needs and market forces, moved education from governmental to social responsibility, made no reference to the international legal requirement that primary education be free-of-charge, introduced the term 'basic education' which confused conceptual and statistical categories. The language elaborated at Jomtien was different from the language of international human rights law."*

[The Dakar Framework of Action adopted by the Dakar Conference of the World Education Forum in April 2000 maintained the basic paradigm of the Jomtien Declaration.]

Education is no more viewed as a tool of social development but as an investment for developing human resource and global market (ref. Ambani-Birla Report's Foreword).

### Trivialisation and Exclusion

The dominant features of education in the age of globalisation may be summarized as follows (see Sadgopal, 2002, 2004 for details):

- i) trivialisation of the goals of education;
- ii) fragmentation of knowledge;
- iii) alienation of knowledge from social ethos;

- iv) determination of the character of knowledge by the market forces;
- v) institutionalisation of economic, technological and socio-cultural hegemony of the global forces in the curriculum;
- vi) introduction of parallel and hierarchical educational streams for different social segments;
- vii) exclusion of poor children and youth as well as the backward regions through competitive screening and a discriminatory system of institutional assessment and accreditation;
- viii) abdication of the State's obligation towards provision of education of equitable quality for all children;
- ix) marginalisation of the Parliament and State legislatures as well as governmental institutions in formulation of education policy and determination of national priorities; and
- x) tempering with the Constitution and laws.<sup>1, 2</sup>

Globalisation does not need thinking people. Thinking people can be dangerous. They ask too many uncomfortable questions. They also tend to explore new and divergent paths. Worse are those people who have been educated to do critical thinking!

The forces of globalisation are determined to suppress all forms and structures of education of the masses that lead to critical thinking, generation of new knowledge and humane values and sensitivities, primarily because it promotes social welfare and equity. Such education must be restricted to a selected few who could be utilized as human resource for advancing the vested interests of global capital. Why else do you think the Government of Madhya Pradesh ordered the closure of the 30-year old Hoshangabad Science Teaching Programme (HSTP) in July 2002? Why did the Government stop more than one lakh children from learning science

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through experiment-based, inquiry-oriented and environment-related pedagogy in 1,000 schools of 14 districts? No other schools in India - not even the expensive and exclusive metropolitan public schools - were practicing this pedagogy. Why indeed did the Government not make it into a policy for the entire state? It must also be noted that Madhya Pradesh had until recently the largest component of the World Bank's District Primary Education Programme (DPEP) in India. Obviously, World Bank's notion of knowledge for the developing countries was inconsistent with the ways in which HSTP (and also Eklavya's Social Science Programme) viewed knowledge. The Government buckled under the pressure and closed the programme, lest the World Bank comes in conflict with HSTP when, and if at all, it moves to the upper primary levels where the HSTP's pedagogy was being practiced.

### Fragmentation

Let us also examine another critical aspect of globalisation related to educational psychology. This has roots in the ideology of behaviourism which was promoted in the United States and Europe in 1930's when the west was undergoing one of its worst economic crisis. This ideology viewed human beings as entities which could be regulated, controlled and directed. It found expression in the Jomtien Declaration which insisted that all targets of basic education must be 'observable and measurable'. It is also reflected in NCERT's 'National Curriculum Framework for School Education' which lays down long-discarded and irrational parameters such as Intelligence Quotient (IQ), Emotional Quotient (EQ) and Spiritual Quotient (SQ) for measuring, regulating and screening human behaviour (NCERT, 2000). Indeed, the basic tenets of the computer-based programmed learning, pre-determined satellite communication and media packages, fragmentation

of knowledge into competencies and tasks (e.g. NCERT's Minimum Levels of Learning, 1991) and trivialisation of human development issues (e.g. fertility control, AIDS consciousness, anti-pollution drives, anti-terrorist campaign etc.) flow out of this very ideology of behaviourism that dominates globalisation's knowledge agenda. Any attempt by the people to resist this ideology must lead to re-construction of knowledge that informs the dominant framework of educational psychology.

The impact of global market forces, multi-national capital, satellite communication and digital technologies have become the determining co-ordinates of knowledge inherent in all curricula, from pre-school to Universities. This impact is concomitant with the process of privatisation and commercialisation operating at all levels of education, thereby converting education into a marketable commodity.<sup>3</sup> This has led to relegation of the State-supported education to the poor sections of society, institutionalisation of parallel and hierarchical streams of education for different social segments and the phenomenon of increasing abdication by the State of its Constitutional obligation towards *education of equitable quality* of all children (Sadgopal 2002, 2004).

Evidence of State's tendency to abdicate its Constitutional obligation towards provision of education of equitable quality for all children was already visible in the National Policy on Education-1986 as well as in its modified version of 1992 in accepting the low-quality low-budget non-formal education as a parallel stream for the poor, especially the child labour and girl children (Sadgopal, 2004). However, the market agenda and the Structural Adjustment Programme inherent in the Jomtien Declaration had a significant impact on the State's policies, resulting in further attrition of its commitment during the Nineties to fulfill its Constitutional obligation in the following concrete ways:

- ◆ Education made synonymous with literacy;
- ◆ Dilution of elementary education of 8 years to primary education of 5 or even less years;
- ◆ Diverting attention from the central issue of transforming the mainstream school system with respect to issues such as the lack of social relevance of education, inequity inbuilt in school structure, inflexibility and non-contextuality of curriculum, teaching-learning process and evaluation parameters founded on erroneous pedagogic principles, ill-planned professional content of teacher education etc.;
- ◆ Imposing Minimum Levels of Learning (MLLs) as a tool for organizing learning material and evaluation despite the fact that the concept of MLLs is rooted in only a limited and incomplete view of education and is aimed at conditioning the child's mind with social biases and market ideology (see Dhankar, 2002 for a detailed commentary);
- ◆ Ignoring the policy commitment to the Common School System (Sadgopal, 2002, p. 123; 2004);
- ◆ Institutionalisation of low-quality low-budget parallel streams of educa-

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tion for the deprived sections of society viz. Alternative Schools, Education Guarantee Scheme etc. (Sadgopal 2002, 2004);

- ◆ Reducing the issue of women empowerment and gender discrimination to the so-called gender parity measured in terms of enrollment ratios (Gol, 2001; UNESCO, 2002, pp. 68-79);
- ◆ Marginalising the issue of social and cultural discrimination of dalits, tribals and the minorities both within and outside the school and its impact on their capacity to participate in and complete elementary education; reducing the entire issue to their enrollment ratios;
- ◆ Isolating education from its socio-economic context by ignoring issues such as child labour, wage structure, common property resources (e.g. fodder, fuel and water), patriarchy, caste structure, cultural alienation and discrimination, communalisation of polity, feudal and patriarchal control of Panchayati Raj institutions etc.;
- ◆ Reducing the aim of girl child's education to the narrow view wherein women are envisaged as merely 'useful products', ready receptors or transmitters of demographic and nutritional messages or proficient wage earners or producers, thereby violating girls child's right to education as a human (see World Bank, 1997, pp. 1 & 39);
- ◆ Violating the Operation Blackboard's norms prescribed by the National Policy with respect to the number of teachers and classrooms per primary school and then legitimising multi-grade teaching for the poor;
- ◆ Overlooking the cumulative gap in resource allocation to education building up for the past three decades due to non-investment of the recommended level of 6% of GDP in education; and
- ◆ Refusing to re-prioritise the national economy for the purpose of allocating adequate resources for education of the poor and thereby redistributing social justice; using this reluctance as a rationale for seeking external aid for primary education, promoting privatisation and commercialisation of education at all levels and substituting national concerns with the conditionalities of international aid giving agencies.

### Ignoring Inequality

Indian education has hardly acknowledged that issues such as disparity, socio-economic stratification and caste hierarchies, patriarchy and gender inequity, conflicts of cultural and ethnic identity, unemployment and disemployment, regional imbalances, distortions of development policy, attrition of values inherited from the freedom struggle and cynical attack on democratic institutions have a decisive impact on the structure and processes of education. The rise of communalism and the consequent attempts to impose mono-cultural hegemony during the past couple of decades has seriously begun to threaten the multi-ethnic, multi-cultural and multi-lingual character of Indian nationhood. Policy formulation and any realistic planning of education calls for reviewing the role of education in social change and re-designing the entire education system to deal with these issues. Curriculum must also begin to take note of the rapidly emerging linkage between globalisation and religious fundamentalism (see Ahmad, 2002; BJVJ Document of January 2002 reproduced in

Sadgopal, 2003; Sadgopal, 2004). There is no space whatsoever either in the Jomtien Declaration or in the framework of the externally aided programmes for such meaningful policy changes.

It may be noted that external aid flowed in India's primary education sector for the first time in a systematic manner as part of an understanding reached at the Jomtien Conference in the Nineties under the World Bank-sponsored District Primary Education Programme (DPEP). DPEP started 1994-95 and, by the year 2000, had spread to 275 odd districts in 18 States – almost half of the country. Ironically, despite this inflow, resources made available for elementary education steadily declined during the Nineties. This adverse impact of external aid on nation's political will to fulfill Constitutional obligation towards education is yet to become an issue of political debate.

We must also be aware of the emerging danger posed by the forces of revivalism which are cynically trying to misconstrue the concept of people's knowledge (also called 'indigenous knowledge'). In the north-eastern region of the country, the forces of Hindutva have recently joined hands with the local cultural revivalist forces to promote a forum purportedly for protecting 'indigenous' cultures from 'alien' impact (for both of them, 'alien' in fact means only Christianity in the context of the north-east). What is the difference between people's knowledge and revivalist knowledge? Revivalist knowledge represents an **uncritical, a-historical and retrogressive acceptance** of all forms of traditional knowledge systems. It would promote hegemony (religious, cultural, patriarchal, casteist, economic or political) and tend to be divisive. In contrast, people's knowledge would imply knowledge systems that have evolved through people's struggle for their survival and co-existence with

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nature in order to gain a measure of control over their own *lives* (not control over *nature*). In this sense, people's knowledge would be one that has been **historically subjected to critical scrutiny in both the scientific and humanistic frameworks** alike and, therefore, would continuously tend to grow and transform to meet the ever-emerging challenges to human survival. Philosophically speaking, people's knowledge systems also need to be distinguished from the western, imperialist and market-oriented paradigm of 'scientific knowledge' wherein the chief driving force is to *control* nature, rather than *co-exist* with it, and maximise profits instead of human welfare. Any knowledge system that lacks this critical and holistic epistemological relationship with social reality and material resources would tend to become revivalist in nature.

We must learn to recognize the attack of the market forces on education as an attack on the nature of knowledge itself and also as a design to control its access, production and distribution amongst nations and social classes. These forces have decided that it is only by regulating, controlling and distorting knowledge that they can dictate their terms to various nations and large sections of global society. In this sense, the assault of globalization on education needs to be viewed as an epistemic attack (Sadgopal, 2002, 2004). Only then we will know how to resist and counter it. A counter-globalisation and counter-revivalist but pro-people educational agenda will aim to empower people to analyse, question and de-construct the colonial (and now the globalised) paradigm of knowledge and development. This cannot be achieved without informed and conscious social intervention through a grassroots-based people's movement.

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<sup>1</sup> This is evident in the 86<sup>th</sup> Amendment to the Constitution which was made in order to fulfill the dictates of the Structural Adjustment Programme by snatching away the Right to Education already available through Supreme Court's Unnikrishnan Judgement (Sadgopal 2002, 2004).

<sup>2</sup> As a follow-up of the 86<sup>th</sup> Amendment to the Constitution, the Government is now ready with the draft 'Free and Compulsory Education Bill, 2004' which is designed to carry forward the policy of increasing abdication by the State, on the one hand, and imposition of control, on the other. In addition, the draft Bill exacerbates exclusion of children and institutionalises disparity and discrimination in the education system (Sadgopal, 2004). This is likely to one of the first Bills to be introduced in the Parliament if NDA Government returns to power after the General Elections, 2004.

<sup>3</sup> The latest assault by the State in this direction has come in the shape of the UGC Model Act, 2003, which unabashedly talks of withdrawing State's support to higher education and increasingly franchise it to corporate forces step by step.



# World Bank and Indian Agriculture RIGHT DIAGNOSIS BUT WRONG TREATMENT

Gorrepati Narendranath

Over the last few years alarming signals emitting from the agriculture sector in the form of hundreds of suicides by desperate farmers across the country are forcing everybody to take a serious second look at the policy of "reforms" initiated in the early nineties.

It is difficult to clearly delineate and say how much of it is all due to natural calamities (droughts and floods), how much due to deliberate government policy or non-policy (lack of investment in the agriculture sector etc), the impact of WTO conditionalities, IMF's Structural Adjustment Programme, World Bank's policies and/or deficiencies in farming practices.

Way back in 1991 the World Bank in its comprehensive review of Indian agriculture (India 1991 Country Economic Memorandum, Vol.II) identified the problems of the agriculture sector in India. Some of the main observations are briefly as follows:

1. Despite the Green Revolution (GR) and agricultural growth rate (2.5%) outstripping the population growth rate (2.1%) in independent India, 40% of the population continues to consume less than 2350 k.cal/day the minimum required for a normal, healthy Indian. (% same as in 1960s)

2. The Green Revolution has tended to taper off, after two decades, confined to certain crops (wheat, rice etc) and certain regions (North - West and irrigated areas). No new technological breakthroughs for increasing yield dramatically have been evolved. GR has by-passed dry crops and eastern region of India.

3. Over two thirds of surface irrigation potential has already been tapped (38% of cultivated area). Exploiting the balance potential is expensive and difficult.

4. Subsidies: burdensome and counter productive:

**a) Inefficient fertilizer industry** (costlier than international rates) is taking away 52% of subsidy meant to encourage farmers to adopt chemical fertilizers. Even among farmers, the better off sections are consuming a major share of it.

**b) Electricity:** While agriculture accounts for around 25% of power consumption, farmers were being supplied at an average of one sixth the cost of supply resulting in heavy losses to the boards and driving out cross-subsidy bearing HT consumers to their own captive generation.

**c) Surface irrigation:** Extremely low water rates have resulted in lack of funds for even maintenance of existing irrigation works resulting in avoidable wastage/over use and non-supply to tail enders.

**d) The public distribution system** has become unwieldy, and inefficient. While eastern and central India have 60% of rural poor they receive only 38% of PDS supplies. Most of the PDS is concentrated in urban areas and also caters significantly to 40% of the upper strata. Together, the various subsidies to the agriculture sector have grown larger than the investment made by the government in major irrigation in a financial year.

5. Credit: Only 27% farmers are using co-operative credit and another 4% from commercial banks. Small farmers tend to avail short term loans mostly from co-operatives while larger farmers prefer long term loans from commercial banks. 25% loans are over due by 5 years, 50% by three years. Cost of servicing is higher than amount received through interest charges etc.

6. Seed production is also concentrated only on irrigated crops, mostly wheat, rice, sugarcane, mustard, cotton and a few dry crops like sun flower, soya and groundnut. No suitable HYV rice seeds for flood irrigated areas of eastern India have been evolved. The World Development Report 2003 of the World Bank has since shifted focus onto ecological and sustainability concerns.

7. Cultivation of marginal lands, over grazing, salination, and soil erosion (together resulting in a loss of 2.5 mn.ha per annum, another one million ha. due to mining activities and rapidly disappearing of forest cover (1.5mn.ha.p.a.)

Global warming, competing claims on land and water by urbanization and industrializa-

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tion, pollution and the contradiction of agriculture contributing to around 25% of GDP while still supporting over 60% of labour force are some of the issues of serious concerns pointed out by the World Bank.

The World Bank (the IMF, WTO, US & other capitalist countries) have one sure shot all cure international panacea for these problems for all countries: follow the programme of export oriented growth with the policies of Liberalisation, Privatisation and Globalisation (LPG), grow only those crops which give you a 'comparative advantage' and the "market" will take care of the rest. The Bank suggests withdrawal of all subsidies to the agriculture sector and reinvesting the same in creating productive assets such as development of irrigation, infrastructure development, transport and communication and development of human resources, by investing in health, education and development of skills and facilitating export of goods and services.

Unfortunately for the Bank, there is not a single country in the entire developing world, that it can point to and say: "Look: They did what we told them to and see how they have developed and prospered!" (i.e. measured on the human development index). The developing countries which are making it good these days: China, South Korea etc. have followed paths rather different in man ways from the World Bank – IMF-WTO model of development /SAP.

This is because the WB is silent about certain questions. It raises some critical questions but provides wrong answers! In others it makes the problem the solution!!

First and foremost, the World Bank imagines the existence of a 'perfect market,' where by selling goods and services which we can do so cheaply and buying those which we cannot, everyone

stands to gain. But as experience has shown, the 'market,' the world over, is far from a level playing field. As events after formation of WTO have so clearly demonstrated (and acknowledged by the World Bank as far back as 1982 (World Development Report P.54) when it comes to trade all countries are playing dirty. The more developed a country, the more protective it is of its economy and products, subsidies rage from 38% in USA to between 38 to 80% in different countries of Europe and over 100% in Japan. Recently, George Bush, President of USA announced additional 180 bn dollar protection incentive for the US agriculture sector, in the name of its farmers, but most likely to be cornered by the agribusiness corporations. which have by now replaced most of the farmers in that country.

Next important question: Why is the Bank silent about TNCs? One may search all its reports (and those of the IMF and WTO), but there is not a single word about them. A small farmer selling his surplus produce is considered / assumed to be on the same level as the TNCs marketing their products. The TNCs are busy, converting / cornering all goods and services across the world from water, health and education to arms in to their monopoly shares, at times with mega mergers between corporations, going wherever labour is cheap and pliable i.e. easy to hire and fire at will, environmental laws are lax. Yesterday it was Mexico and Brazil, today it is China. In fact it is the TNCs who are dictating the policies of the USA and other OECD countries, reflected by the World Bank and WTO, from dumping untested GM seeds and food in third world countries to intellectual property rights (of quite a few pirated genes of plants preserved for generations and centuries by various traditional communities). From polluting fertilizers to pesticides, agricultural machinery displacing human labour, investments in the power sector and petrochemical industries, they are the dominant force. The only law they follow is PROFIT and more profit.

The World Bank has nothing to say about them and their activities from Coca-Cola exhausting the ground water in several parts of India denying local farmers and people rights to drinking and irrigation, to the rogue behaviour of George Bush, as President of USA, refusing to sign the Kyoto protocol, to reduce carbon dioxide emissions and pay for their control on 'polluter pays' principle, when its entire development report of 2003 is about sustainable development, warning against Global warming and land degradation.

While the Bank is worried about the pollution of land and water bodies through long and excessive use of chemical fertilizers and pesticides it is dismissive of attempts to replace them by farm yard manure, observing that we would then have to triple our cattle populating and therefore advocates moderate/appropriate doses of chemical fertilizers and integrated pest management practices instead of looking seriously at organic/natural farming practices across the world and attempts to promote them.

Despite its historical observation of the positive benefits of equitable redistribution of properties, incomes and assets (p.87 WDR-2003), and the efficiency and productivity of small farms and their ability to promote

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production of local groups by their consumption, the Bank has never insisted on these measures as a condition for advancing its loans in any developing country. Instead, it has meekly argued for systematizing land laws, especially those relating to rent and lease, so that more land enters the market as a commodity. Even taxing land, especially uncultivated land has been suggested. Buying land from the rich/big land owners or any one wanting to sell, by the state/government which could in turn sell these lands or lease the amount to the poor is another 'land reform' suggested by the Bank. (Klaus Designer, World Bank Policy on Land Reforms and poverty reduction, Sept. 2003).

### Putting the cart before the horse

There can be no two arguments about the irrational and counter productive nature of most subsidies as they are today. But how do we rectify the situation? As Sharad Joshi, the veteran Farmer's leader pointed out over two decades ago, remunerative price for a farmers' produce is the critical issue in agriculture. If a remunerative price is assured, the farmer does not need any kind of subsidy. It is for the experts, the government, the ecologically concerned and leaders of farmers' organizations, to work out sustainable cropping patterns for various regions and regulate production to first meet local consumption needs and trade the surpluses escaping the volatile behaviour of the market.

Without assuring a farmer of a remunerative price first, insisting on the withdrawal of the meagre subsidies in power, water rates, fertilizer credits

and seed etc., enjoyed by the already heavily indebted Indian farmers, all amounting to hardly 3% of the GDP (and in fact a negative subsidy if one takes into account the terms of trade of agriculture with industry), such measures will only lead to bitter resistance from farmers and avoidable social unrest.

With the central and state governments, and all the political parties barring shades of the left, sold out on the LPG programme and looking forward to implementing the World Bank agenda of reforms and impending imports through WTO, **the future is indeed bleak for Indian farmers who are poorly organized and whose leaders are far from clear about what to ask and whom.**

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## Extractive Industries Review Boomerang Hits World Bank

Souparna Lahiri

***Planet Earth's ecosystem cannot take further abuse. The World Bank cannot ethically take part of its further undoing. The findings of the EIR about the extractive industries have not contributed to the mitigation of poverty.***

James Wolfensohn is spending sleepless nights in Washington, bracing for an unhappy sixtieth birthday of the World Bank. Little did he know during the Prague Meeting of June 2000, that a smart public relations move – commissioning the extractive industry review - will turn hostile one day. Today, Wolfensohn and the Bank management is drawing flak from all quarters in trying to disown a review report that the Bank itself initiated.

The Extractive Industry Review (EIR), essentially a World Bank Group (WBG) project, was released in January this year. Dr. Emil Salim, a former Indonesian Environment Minister, was appointed to lead the process. In a damning

indictment of the World Bank support to the extractive industry, Dr. Salim, in the preface to the EIR Report 'Striking A Better Balance', pointed out that although governments are consulted directly and continuously by the WBG and companies are clients of the WBG in terms of financing and risk insurance, civil society is left out and has no direct official links with the institution. "But it is civil society who suffer the negative impacts of extractive industrial development, such as pollution, environmental degradation, resettlement, and social dislocation." Based on more than two years of consultations and research, the EIR felt

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that there is still a role for the World Bank Group in the oil, gas, and mining sectors. And that can only happen when the right enabling conditions are in place.

Some of the recommendations of the EIR to the WBG are:

- ◆ obtain prior informed consent of local communities affected by extractive projects as a precondition for financing;
- ◆ phase out lending for coal operations immediately and that of oil projects by 2008;
- ◆ increase support for renewable energy by twenty per cent per annum;
- ◆ develop a human rights unit and adopt a rights based approach to development;
- ◆ ensure the establishment of indigenous peoples' land rights as a condition for project finance;
- ◆ ensure that all agreements with indigenous people and affected communities are covenanted in project agreements/contracts;
- ◆ protect biodiversity through establishing "no go" areas for ecologically critical habitats;
- ◆ promote revenue transparency, just revenue sharing among the project affected;
- ◆ adopt and strengthen a wide range of social and environmental policies

The EIR Report and the recommendations exposed the chink in the WBG armour. The EIR rightly points out the increasing WBG role not as a leading lender in the extractive industry sector but its shift more towards financing of political reform and privatisation efforts in the mining sector. In essence, WBG has encouraged resource extraction by promoting structural reform programmes, for the reorientation of the governing regimes, improved title registries and broader guarantees for investors, as well as by providing direct support for individual projects.

WBG lending in extractive industries per se has been volatile during the last decade, with an overall decline in recent years. Since 1980, the World Bank Group has lent approximately \$800 million annually for extractive industries-related activities globally. More and more investment in extractive industries is taking place in the private sector.

In other words, from direct lending to extraction of mineral resources, the WBG investment shifted towards promoting dirty tricks in various developing countries to pave way for private corporates. WBG is associated with developing strategies for subversion of indigenous rights, land rights, amending laws, protecting communities and their resources, luring away and co-opting community leaders and trying to use the reach of non-profit, non-governmental organisations to manage the social and environmental impact through promoting a distorted concept of tri-sectoral partnership between the governments, corporates and the project affected (business partners for development).

Current World Bank policy does not require that projects involve communities influencing or sharing control over development initiatives, decisions, and resources. Furthermore, an evaluation by the Operations Evaluation Unit found that one of the weakest areas of safeguard consistency for the projects reviewed was public consultation and disclosure of environmental and social impacts. When a company is granted the legal right by a government to exploit resources in certain territories, locals and indigenous peoples may be evicted from their traditional lands or lose access to land that may hold cultural and survival significance to them. When this happens without talking to and receiving the consent of those who live there, it can result in a breakdown of communities and cultural norms, as well as cutting people off from their sources of livelihood.

Such instances have been documented by the EIR team from case studies presented by various project affected communities from countries like Columbia (Mining Code), Papua New Guinea (gold mining), Philippines (Mining Policy Reform), Russia (structural reform in Coal Sector), Chad-Cameroon (Oil Pipeline), Indonesia (forcible closure of community and small scale gold mining), and India (coal extraction).

### Bank's Response

The Bank is not happy with the findings and recommendations of the EIR. Wolfensohn made it clear to Dr. Salim that 'I do not necessarily accept... that unless the report's recommendations are adopted in their entirety, the World Bank Group will have somehow failed in its response'. Bank Management rejected most of the EIR report's key operational recommendations.

Bank management set explicit future annual lending targets for supporting fossil fuel projects and mining of \$300 to \$500 million per year with oil and coal to account for, between 70% and 50% of future WBG supported fossil fuel investment. "The WBG will respond to increased demand for financing for

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renewables from both governments and the private sector....Encouraging gas and renewables is already an important component of WBG energy policy...fossil fuels will remain a critical part of global energy resources for the next few decades," the draft response states. It should be noted that renewables currently only account for about 6% of World Bank energy lending, as opposed to 94% for fossil fuels.

British Government's Department for International Development's (DFID) response has been much more scathing. Sharon White, Director Policy division criticized the draft report as unduly negative and failing to 'acknowledge either the potential benefit the sector can bring, or the changes made in Bank policy in recent years'. In a veiled threat to Dr Salim Emil, the DFID official wrote, "the British government would like to see a more balanced report emerging from the Extractives Industries Review with a constructive critique of current policy and suggestions for improving management of the sector...if this does not happen, then there is a real risk of the Board rejecting the report's conclusions as a whole..."

### Civil Society Response

Mining affected communities, indigenous peoples, various NGOs etc. have called upon James Wolfensohn and the Bank Management to accept and implement the key recommendations of the EIR. Tremendous pressure is being exerted on the governments of southern countries to comply with the EIR recommendations. While the government of Indonesia has decided not to accept WBG assistance in future in the EI sector, the EU has committed its full support to the report.

The civil society groups have got together in an effective global campaign, lobbying in favour of the EIR using information and analyses of World Bank lending programmes to create favorable public opinion. Using the Bank's quasi-independent Operations Evaluation Department (OED) reports, bank's claims towards its commitment to poverty reduction and environmental accountability have been seriously questioned. The 2002 OED environmental review documents a marked deterioration in the World Bank's environmental performance. OED also cites the Bank's failure to consistently comply with its own social and environmental safeguard policies. Environmental assessments (EAs) – part of a mandatory Bank policy implemented more than 10 years ago – are introduced too late in the project cycle to have any impact on project design, and alternatives are rarely given substantial consideration. Furthermore, the Bank continues to exempt structural adjustment and other programmatic lending, which constitutes an increasing percentage of the Bank's lending portfolio, from the purview of its environmental and social policies.

A report "Poverty Reduction or Poverty Exacerbation," co-sponsored by Oxfam America, Friends of the Earth – US, Environmental Defence, Catholic Relief Services & Bank Information Centre (April 2003), questions as to whether support for extractive sectors in Africa is consistent with the World Bank's

poverty reduction mandate. The report further states, "In fact, countries highly dependent on oil and mineral exports tend to grow more slowly, face lower living standards, and suffer higher levels of corruption and violence than resource-poor countries. In addition, oil, gas and mining projects can have significant negative economic, social, and environmental impacts on directly affected communities and ecosystems." The disconnect between extractive operations and the local economy is exacerbated where the facility is owned by foreign transnational corporations that are permitted to fully repatriate their profits rather than invest them locally.

Ecuador is one such country where massive oil extraction is destroying thousand of hectares of cloud forests rich in biodiversity, indigenous peoples' habitat and fostering poverty and corruption. Today, almost 80% of the population in Ecuador is below poverty level. The government has been forced to adopt US dollars as its currency and a consortium of oil and gas multinationals are today extracting 350,000 barrels of crude oil every day.

Planet Earth's ecosystem, on the one hand, cannot take further abuse, just as the World Bank cannot ethically take part of its further undoing. On the other hand, the amount of social upheaval these projects have, and are, causing, is ethically unjustifiable and just plain wrong. It should be very, very clear, if you read what the OED report wanted to say, but was afraid of saying, and what the findings of the EIR, that the extractive industries have not contributed to the mitigation of poverty; in fact, just the opposite. Too much injustice has been done in the name of economic growth, aimed at benefiting the powerful of the North, and the corrupt of the South.

*(Souparna Lahiri is Co-ordinator of Delhi Forum)*



# Cricket diplomacy

Rubina Jabbar

*It is wrong to invest some higher purpose to it (cricket). This can lead to disappointment. But if we stay with the game for its own sake only, then we can all party, as we have been doing, and have ourselves a great time. Any other gain must be seen as a bonus*

Frosty Sino-US relations saw an upturn in 1971 when China's founder Mao Zedong invited the US team for a table tennis tournament between the two countries, which did not have diplomatic relations.

But, can 'cricket diplomacy' help end animosity and distrust, and bring peace between India and Pakistan as ping-pong diplomacy did between China and US?

Many believe cricket will certainly help bringing people of both countries together. It is most popular game in sub continent and both countries have some great players.

But there are others say political differences aside; cricket is a game not a political tool to blackmail any country. Let the politicians and diplomats handle the peace negotiations and let players play the game.

Manzoor Ahmed Razi, a railway trade union leader in Karachi adds, "Playgrounds could sometimes turn friends into foe. And the game of cricket, particularly, in the context of India and Pakistan could spoil cordial relations," Manzoor observes.

Salman Abid, a social activist, believes the wave of friendship between India and Pakistan is created by the establishments of the two countries for their own interest, and not for people's sake. "And I am also sure that the present cricket series is also the part of this diplomacy and results manipulated," he claims.

But Mirrat Malik, a college student, who watched the ODIs said it was fun, does not agree with this view. "Yes, cricket can promote peace between the two countries. Our public has shown great sportsmen spirit. They warmly welcomed the Indians. I don't think it was an eyewash." But Mirrat felt sad and got depressed when she watched the Indian movie 'LOC' a few days ago. "It was full of bias. I don't know what they want to present," she asked.

True, cricket may not be the end solution for India and Pakistan's woeful relationship, but it is a great start for patchwork to take place.

This particular tour has an element that other tours of Pakistan by India did not have. It has involved the presence of thousands of Indian visitors and the reception given to them by the ordinary people of Pakistan that should have opened the eyes of the leaders of both countries. The Indian visitors have been, or ought to have been, overwhelmed by the warmth of hospitality and probably startled that there has been no trace of animosity that they had been brainwashed into believing existed.

"It could be that cricket creates its own ambience. But it could also be that the leaders have been out of touch with their own people. Or it could be that the people are not so dumb after all," observes Omar Kureishi, a noted cricket columnist.

The overall change in the attitude of the supporters of cricket teams of the two countries during the cricket matches played between India and Pakistan on Pakistani soil after a gap of 15 years showed that people were never in favor of tension between the two countries.

Mazhar Abbas, a senior journalist, says there has never been tension between India and Pakistan on people's level. It was the two governments who propagated hatred and mistrust by not letting the two people visit each other. And now when the people have been given the chance to express their sentiments, they did it right from the heart.

It reflects that the tension between the two countries is only the part of the policies of the two governments and the people were not the part of it.

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"Hundreds of thousands of people will cross the border between India and Pakistan, if visa restrictions are softened which reflects that the people on both sides desperately want peace and friendship," says Mazhar, who is the bureau chief of AFP in Karachi. But, strangely, it's also true that the people hardly resisted these sanctions and submitted to the government policy, he noted.

But why the religious groups who took out protest rallies against the visit of Indian Prime Minister Vajpayee to Lahore during the government of Nawaz Sharif did not raise objection on the visit of Indian cricket team and thousands of Indian fans including ministers and people from the show biz industry this time?

Extremist groups have been banned. As far as religious parties are concerned their attitude has been changed since a coalition of religious parties, Muttahida Majlis-e-Amal (MMA), led by Jamaat-e-Islami (JI) is in power in two provinces — NWFP and partially in Balochistan — of the country.

Jamaat-I-Islami (JI), who had taken out protest rallies against the visit of Indian Prime Minister Vajpayee, now hosted a reception for Indian parliamentarians in Lahore and Maulana Fazalur Rehman, the chief of Jamiat Ulema-e-Islam (JUI), another component of MMA, who recently visited India also hosted a reception for Indian parliamentarians in Islamabad.

"Perhaps the attitude of religious parties might not have been positive so much, if a political party was in power in Pakistan, opined Mazhar. Army's presence in power in Pakistan and post-9/11 world agenda has also been a major factor for the change of attitude. President Mushrraf is one of the major allies of international coalition on war on terror, therefore, he would not like to show the world that he was hostile to his neighbour. And, India is also under international pressure to stop war mongering.

There is a yearning for peace all over the world and though savage wars raged and none more savage than the daily killings in Palestine and Iraq and Afghanistan or the brutal oppression of the Kashmiri people, war as a means of settling disputes has become a dead-end.

There is a greater realization that wars serve private interests and not the public good. "Does it really matter to American people that Saddam Hussain's brutal regime has been toppled? But it matters to those who will make billions of dollars out of it," comments Omar.

War is an industry even bigger than organized crime.

Mazhar is of the view that this friendship will become more genuine, if the dispute over Kashmir is resolved sooner. There is a likelihood that the conflict on Kashmir which is called as '*atoot ang*' by one party and

*'shah rug'* by the other would attract extremist elements and create more problems, if consigned to cold storage.

The people should not suffer any more just for the sake of dispute over Kashmir which the two governments have not been able to resolve for the last 50 years.

Salman who visited India twice in the last six months and gave lectures in colleges in Bombay said: "Yes, people like peace but Indian society does not want to talk about disputed issues like Kashmir. Even the Indian civil society is silent on it. Just review the Indian school curriculum and you will see a lot of hatred about Muslims and Pakistan in textbooks. How could peace, in my view, be attained without resolving the real disputed issues or without talking about them," Salman asks.

The Kashmir issue will be resolved only through talks, once the restrictions on traveling are lifted, people come together and misunderstanding removed, Razi opined. "After all, it was people's power that razed the Berlin Wall. The people of two Koreas have been desperately striving for coming together. So, why can't we the people of sub-continent do so," he asks.

The newly elected president of Pakistan-India Peoples Forum for Peace and Democracy (PIPFPD), Pakistan Chapter, Asad Iqbal Butt, whose family hails from Pehalgam near Srinagar, informed that both the chapters of PIPFPD have been putting pressure on their respective governments to withdraw troops and curb infiltration of Mujahideen and let the people of Kashmir decide their future through plebiscite.

Asad, a businessman by profession, believes that peace and friendship will promote trade and business and the

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common man will gain from it. Trade ties bring two people closer than any other bond does. A relationship based on trade and business interest lasts longer and connects them more closely. "We can import cars and bicycles from India and they can buy sugar, cotton, etc. from us. The price of a Suzuki Maruti car is Rs150,000 in India and Rs. 400,000 in Pakistan. A Pakistani consumer can save up to Rs100,000 even after he paid 100 per cent duty on the import of car from India," Asad said.

Razi says it's not the game of cricket but cultural exchange, visits of writers, poets, artists and intellectuals that provide a good tool of diplomacy. He suggested that the government lift ban on the exhibition of Indian films in Pakistani cinemas and the artists should be allowed to visit each other frequently.

"It is wrong to invest some higher purpose to it (cricket). This can lead to disappointment. But if we stay with the game for its own sake only, then we can all party, as we have been doing, and have ourselves a great time. Any other gain must be seen as a bonus," commented Omar Kureishi.

*(Rubina Jabbar is a journalist with 'The News', Karachi).*



## Bush vs. Kerry AN Early Assessment Srinivasan Sitaraman

***Three issues that will dominate Presidential elections in November 2004 and decide the fate of the two contestants, Bush and Kerry: the Iraq conflict, American economy, and the War on Terrorism.***

The 2004 American presidential elections will be very expensive, viciously fought, and extremely close. Republican President Mr. George Bush has already raised over 350 million dollars in campaign contributions. Presumptive Democratic nominee Mr. John Kerry has also raised nearly 100 million dollars, and he is likely to raise more money as the battle for the White House heats up over the summer. Unlike previous election years, this year the bunched-up Democratic primary led to the emergence of clear Democratic Presidential Primary winner at least two months earlier than normal. As a result both Mr. Kerry and Mr. Bush have already begun running T.V. and radio commercials attacking each other, even before their parties formally nominate them as

official candidates at their respective National Conventions.

This year's election is shaping-up as a bitter contest because of many reasons. For starters, the electorate is clearly divided right down the middle. Many national polls suggest that 47 percent of the voters are likely to vote for Mr. Kerry and another 47 percent of the voters clearly favour Mr. Bush. That leaves about 6 percent of the electorate that could swing either way. Besides the swing voters, voter turnout will also affect the outcome of the elections. On an average about 48 to 50 percent of the eligible voters generally participate in American elections. Low voter turnout was one of the reasons for the electoral crisis in the year 2000, which eventually led to the intervention of the United States Supreme Court to stop the continual ballot re-counting in the State of Florida, which ensured Mr. Bush's victory over the former Vice-President Mr. Gore. The Democratic Party and its supporters are extremely embittered that the Republican Party was practically allowed to steal the 2000 elections. Wary of such an event occurring again, both parties have begun aggressive grass-roots voter registration drives and door-to-door campaigning in the hopes increasing voter turnout.

### Three Issues

Three issues that will dominate 2004 elections: the Iraq conflict, American economy, and the War on Terrorism. Let me address each issue in order. President Bush is facing extraordinary domestic and international pressure over his decision to invade and occupy Iraq without proper United Nations approval. Mr. Bush enjoyed an initial jump in his approval ratings

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due to the quick destruction of the Iraqi army and capture of Saddam Hussein. However, this initial success has been marred by the ferocious civil war in Iraq. The American forces have been unable to stop the daily bombings, terrorist attacks, kidnapping, murder of innocent civilians, and vicious street battles. Since the Iraq conflict began, close to 700 American military men and women have died and probably 3000 to 3500 military personnel have been injured. It is estimated that nearly 7000 to 10,000 Iraqi civilians have died since the conflict began in Iraq. Troop rotation has been delayed and tours of duty of the current personnel serving in Iraq have been indefinitely extended. This has led to low troop morale and generated widespread resentment among the families of American service personnel. Besides, states such as Spain and Australia have started to withdraw their troops from Iraq and many other coalition partners are considering similar moves.

The war is also turning out to be very unpopular among Americans. Particularly, in light of the emerging evidence that Mr. Bush and some of his trusted advisers—Vice-President Mr. Dick Cheney, Secretary of Defence Mr. Donald Rumsfeld, and Assistant Secretary of Defence Mr. Paul Wolfowitz—might have manipulated intelligence to show non-existent links between Iraq and the September 11<sup>th</sup> terrorist attacks, and exaggerated Iraq's weapons of mass destruction capabilities in order to carry-out their pre-determined objective of invading Iraq. The revelations by the former White House counter-terrorism expert, Mr. Richard Clarke, during the recent September 11<sup>th</sup> Commission hearings that Mr. Bush and his advisers might have ignored the warnings from FBI and CIA regarding potential terrorist threats prior to September 11<sup>th</sup> in order to pursue their decision to invade Iraq has proven to be a political bombshell for Mr. Bush. In early January 2003 more than 70 percent of the Americans supported Mr. Bush's decision to invade Iraq. Presently, only less than half of that 70 percent believe that Mr. Bush made the right decision by invading Iraq.

Mr. Kerry needs to capitalize on Mr. Bush's mistakes, while ensuring that the Republican Party's propaganda machine does not define his candidacy. Mr. Kerry has responded to the challenge by soundly criticizing Mr. Bush's foreign policy and his unilateralist approach. However, unfortunately for Mr. Kerry, he has a 19-year Senate voting record that is posing some problems for his campaign. The Republican Party has managed to use Mr. Kerry's voting record to portray him as a flip-flopper because he voted for the authorization of force against Iraq, but voted against the 87 billion dollar budget proposal to fund the post-war American war efforts in Iraq. Similarly, the Republican Party has also started to run television commercials portraying Mr. Kerry as weak on national security and soft on terrorism. The Kerry campaign has countered by promoting his Vietnam service and various medals and honours he won for courageous service. But, so far, the Kerry campaign is yet to translate Mr. Kerry's heroic Vietnam war record and into any measurable electoral gains.

The news on economic front has not been good for Mr. Bush. Since he took office America has witnessed the collapse of the Internet E-Commerce boom, rapid job loss, and outsourcing of hi-tech jobs to India and manufacturing jobs to China. The combination of job loss and outsourcing is becoming a major political issue between Mr. Bush and Mr. Kerry. Both candidates are trying to show the American public that they can create new jobs and engender prosperity. If Mr. Kerry is elected President, he might attempt to introduce populist policies to satisfy his supporters—labour groups and other low-income workers. However, whether he would succeed in stemming the outsourcing of jobs remains to be seen because it is unlikely that any one country, even if it happens to be the United States, can control the global economic flows. If Mr. Bush is re-elected, he will definitely reward his constituents, i.e., big corporations that have funnelled huge sums of money to ensure Mr. Bush's re-election. These corporations would prefer to reduce regulatory hurdles. They would love to remain fleet-footed in a highly competitive global economy. This means less regulation and more mobility. Especially, the ability to move jobs and production centers to the cheapest locations in the world. However, this does not mean that Mr. Bush will not resort to populist policies to get re-elected. Last October, Mr. Bush imposed 40 percent tariffs on imported steel to protect American mining and steel industry. Later, Mr. Bush had to rescind the steel tariffs in response to a WTO ruling.

On the war on terrorism, there is unlikely to be any radical strategic shift in American policy irrespective of whether Mr. Kerry or Mr. Bush is the president. There are certain things that the United States would continue to do such as keep troops in Afghanistan and Iraq, continue the hunt for Osama Bin Laden, and closely screen

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visitors to the United States. It is also doubtful that Mr. Kerry will sever the unique relationship with Pakistan, which continues to aid America's war on terrorism. It is possible that if Mr. Kerry becomes the President, he is more likely to pursue a multilateral approach to fight terrorism and re-engage with the United Nations, whereas Mr. Bush might continue with his unilateralist approach and alienate rest of the world.

There is good six months until the elections, which is scheduled for November 2004. Many things could happen between now and November 2004. If there is a bounce in the American economy, if the transfer of power in Iraq happens smoothly as planned on June 30<sup>th</sup>, 2004, and if the Bush administration either captures or kills Osama Bin Laden, it would be difficult to defeat Mr. Bush. Conversely, if any of these events do not transpire, it will surely give Mr. Kerry a better shot at winning the presidency.

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## South Africa at 10: Towards a New Bondage

Patrick Bond

***South Africa came into existence as a symbol of emancipation of the exploited and freedom. However, the same anti-apartheid leadership fettered the newly born nation with the World Bank and other global financiers, distorting its development goals.***

South Africa's freedom from formal racism came on 27 April 1994, the date of the country's first democratic election. But as we now mark ten years of worsening poverty and inequality, it is worth remembering that the great struggle against apartheid was quite conclusively hijacked by neoliberalism in December 1993.

### Interference

The occasion: the first act of the Transitional Executive Committee – a government-in-waiting combining Nelson Mandela's African National Congress (ANC) and the outgoing National Party apartheid regime – was to borrow \$850 million from the IMF, ostensibly for drought relief, although the drought had ended 18 months earlier. The real reason was to begin repayment of the \$25 billion

apartheid-era foreign debt, so that the new government could gain access to international financial markets.

The loan's secret conditions were leaked to Business Day newspaper in March 1994. They included not only items from the classical structural adjustment menu: lower import tariffs, cuts in state spending, large cuts in public sector wages, etc. In addition, there was informal but intense pressure by IMF managing director Michel Camdessus to reappoint both the National Party finance minister and central bank governor, the two main stalwarts of apartheid-era neoliberalism.

That interference was the latest in a four-decade history of support for white power in South Africa:

- ◆ the Bank's US\$100 million in loans to the state company Eskom from 1951-67 gave only white people (no blacks) access to electricity, but all South Africans paid the bill, as well as US\$100 million more for railways that undergirded the regime's migrant labour ('Bantustan') policy;
- ◆ the IMF granted apartheid-supporting loans of more than \$2 billion between the Soweto uprising in 1976 and 1983, when the US Congress finally prohibited lending to Pretoria;
- ◆ the Bank lent more than \$110 million for Lesotho mega dams bringing water to rich white people's Johannesburg swimming pools – dams rife with ecological damage, peasant displacement, and corruption by dam building companies like ABB – which were widely acknowledged to 'sanctions-bust' on behalf of the apartheid regime in 1986; and
- ◆ the IMF advised the racist regime to impose a regressive Value Added Tax in 1991, in opposition to which 3.5 million people went on a two-day stay away.

The subsequent post-apartheid activities of the Bretton Woods twins were

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also damaging:

- ◆ the Bank promoted 'market-oriented' land reform in 1994, which established such onerous conditions (similar to the failed Zimbabwe policy) that instead of 30% land redistribution as promised by the ANC by 1999, less than 1% of good land was redistributed;
- ◆ the Bank endorsed a bank-centred housing policy in 1994, with recommendations for smaller housing subsidies;
- ◆ the Bank designed South African infrastructure policy in 1994, which provided the rural and urban poor with only pit latrines, no electricity connections, inadequate roads, and communal taps instead of house or yard taps; and
- ◆ the Bank promoted water cut-offs for those unable to afford

### Neoliberal Seduction

As a result, ten-year liberation celebrations to be held on April 27 will be much more boisterous in the mansions and corporate headquarters of Johannesburg. 'The government is utterly seduced by big business, and cannot see beyond its immediate interests,' remarked the neoliberal editor of Business Day newspaper last June.

In the national elections of April 14, the ANC won 70%, as anticipated, and Mbeki's Machiavellian divide-and-conquer of the two white-dominated opposition parties reduced their combined vote markedly. At closer to 6%, the Zulu-based Inkatha Freedom Party even lost its home provincial power base of KwaZulu-Natal. There was no serious challenge from the Left.

Regrettably, progressive political organizations which decided not to run their own candidates for election exhibited weakness and inconsistency. Many thousands of Johannesburg township activists consciously 'spoiled' their ballots in protest, while the Landless People's Movement (LPM) called for a simple boycott, in anticipation that the apathy factor would rise substantially. Although the 2004 turnout was substantially lower than 1994 and 1999, at 75% of registered voters, the LPM cannot easily claim that their boycott strategy worked.

What the landless activists can do, however, is honour the arrests of more than 60 members in the ghetto of Thembelihle, near Soweto, on election day. As the movement's press statement explained, 'The people have been arrested in terms of the Electoral Code of Conduct and the 1993 Prohibition of Illegal Gatherings Act. The charges are related to illegal gatherings on the day of elections. The LPM regards the charges as spurious. The LPM members were not permitted to gather even though they were prepared to observe regulations allowing only protests held at least 200m from any polling station. They were arrested as they disembarked from their transport, and so no gathering or meeting even took place.' Two of the women activists were tortured by security officials during their incarceration.

**Patrick Bond**

payments, opposed a free 'lifeline' water supply, and recommended against irrigation subsidies for black South Africans in 1995, within a government water-pricing policy in which the Bank claimed to have played an 'instrumental' role.

There are many other examples of the World Bank's contribution to South African poverty, including co-authorship of a 1996 'home grown' structural adjustment programme which promised massive job creation and equally. In reality, formal unemployment doubled from 16% in 1994 to 32% in 2002, and adding millions of people who have given up any hope of finding a job, the real unemployment rate rises to 43%.

It is here that the core concession made by the ANC during the early 1990s transition deal is apparent, namely in the desire by white businesses to escape the economic stagnation and declining profits born of a classical capitalist crisis, in the context of a sanctions-induced larger, and amplified by the 1970s-80s rise of black militancy in workplaces and communities.

The deal represented simply this: black nationalists got the state, while white

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people and corporations could remove their capital from the country, and simultaneously remain domiciled in South Africa with still more privileges. Trade, credit, cultural and sports sanctions ended; exchange controls were lifted; luxury imports flooded in; white people's incomes rose by 15% during the late 1990s; taxes were cut dramatically; and the corporate pre-tax profit share soared during the late 1990s, back to 1960s-era levels associated with apartheid's heyday.

Hence inequality soared during ANC rule, state statistics show. Black 'African' South Africans suffered an income crash of 19% from 1995-2000, with every indication of further degeneration in subsequent years. Notwithstanding deeper poverty, the state raised water and electricity prices, to the point that by 2002 they consumed 30% of the income of those households earning less than \$70 per month. An estimated 10 million of South Africa's 45 million people then had their water cut off due to inability to pay, according to two national government surveys.

If we look specifically at gender concerns, women's status includes some improvements since 1994, especially in reproductive rights, albeit with extremely uneven access. But contemporary South Africa retains apartheid's patriarchal-capitalism, thanks to both residual sex discrimination and the migrant labour system, which is still subsidised by women stuck in the former Bantustan

homelands. Structured super exploitation of women is accompanied by an apparent increase in domestic violence associated with rising male unemployment.

Women are also the main caregivers in the home, and bear the highest burden associated with degraded health. Public-sector services continue declining due to under-funding and competition from private providers. Infectious diseases including AIDS are rife, all far more prevalent than during apartheid. Most South Africans with HIV still have little prospect of receiving antiretroviral drugs to extend their lives, for Mbeki is on record disputing the merits of the medicines. Mbeki has also stood down human rights activists and arms-control groups opposed to his \$6 billion purchase of sophisticated weaponry from European corporations.

On the environmental front, the country's ecosystem as today in worse condition, in many crucial respects — e.g., water and soil resources mismanagement, contributions to global warming, fisheries, industrial toxics, genetic modification — than during apartheid.

Politically, those opposing class apartheid from the left continue to build social movements in spite of intense repression by the ANC government. Jubilee South Africa, for example, was one of the originators of the call to defund and close down the World Bank ([www.worldbankboycott.org](http://www.worldbankboycott.org)). Even if there are disputes between some of the movement activists, most of them unite in promoting the decommodification of basic need goods like water, electricity, anti-AIDS drugs, education and much more, along with the deglobalisation of capital - while supporting international solidarity and globalisation of people.

It is only with increasing victories by these movements - and their networking with NAPM and other allies around the world — that we will see the destruction of both local and global class apartheid.

*(Patrick Bond teaches at the University of the Witwatersrand and is an associate of the Centre for Economic Justice-Southern Africa in Johannesburg. He is the author of "Against Global Apartheid: South Africa meets the World Bank, IMF and International Finance" Zed Books)*



*"The people that stand outside and say they work in the interests of the poorest people ... they make me want to vomit. Because the poorest people on our planet, they are the ones that need us the most."*

Michael Moore, Director General of the WTO, commenting on protesters

# Well, what are you waiting for?

L.S. Aravinda

When a group organised a program opposite the World Social Forum with the protest that the WSF was "not radical enough" I asked, why aren't they painting the walls of Reliance Industries? Are they radical enough?

So I am as wary of cheap sneers and easy dismissals as I am wary of anything calling itself a "manifesto for a new world order." It is not so easy to dismiss the prevailing world order. So we grudgingly look beyond the bold capitals on the cover declaring "For Sale in the Indian Subcontinent Only," not unlike so many dams, discontinued contraceptives, unapproved pharmaceuticals & pesticides. In this case the intention is to protect the profits of the publisher. Overlooking that as well, we will appreciate the effort involved in proposing a constructive program amidst the cacophony of dissent.

Monbiot's *Age of Consent* appeals to those from all stripes of the Global Justice Movement seeking common goals, namely to "replace the system which works for the powerful with one which works for the weak ... to replace a world order built on coercion with one which emerges from below, built upon democracy" (p.67-68).

He evaluates the existing systems such as the UN which have also been founded with such noble intentions and calls for the UN General Assembly be democratized, capturing the powers now vested in the Security Council. Along with this he proposes a democratically elected World Parliament, and International Clearing Union for timely debt clearances and a Fair Trade Organisation. Details of these proposals draw from historical experience and ideas which have been put forward in other times and places, which Monbiot believes deserve a chance to succeed here and now.

To popularise and reach consensus on this program Monbiot proposes to "publish pamphlets and web pages ...in as many languages as we possess." (pg. 89) However precisely those people who are most oppressed are those whose languages and communication technologies, knowledge paradigms are not represented in writing or in websites. A system that excluded these people would give disproportionate weight to the already powerful. While he understands that it will require extra efforts "to reach people who are illiterate," (p. 126) is he aware that the illiterate may be trying to reach us? What efforts could we make to be better reached? Sadly, he can't envision a scenario in which all have an equal voice or even an equal opportunity for a voice. Monbiot acknowledges, "We may have to start without some regions of the world." (p. 93)

Missing from this manifesto is an appreciation for those who practice the solutions RIGHT NOW - without any big budgets or World Parliaments.

An immediate benefit of a manifesto that demands, as Monbiot's does, to be taken seriously, due to the fine blend of passion and humility with which he argues for it, is that it generates debate, criticism and alternatives. He knows that his proposals will "horrify all right thinking people" yet he gets past the horror and elaborates them anyway. I do believe that he is right to do this. Yet I object to the "at last" factor with which the manifesto is being pushed. *At last the anti-globalisation movement will tell us what it is "for."* This is grossly unjust. Though they may not make the evening news[1], the rural majority of India as well as the world works every day to keep Monsanto out of their fields, World Bank out of their pockets and Uncle Sam's war machine out of their faces, so that they may simply live. Their societies, cultures, and economies present a living alternative to globalisation. These are disappearing not to embrace modernity but simply because the spaces where they flourish are being bulldozed into oblivion.

Can we not propose to change the world from the multiple manifestos in myriad languages of these spaces? An inexorable problem with this and numerous other such alternatives dependent on e.g. love, human kindness, and the distribution of "anti-power" is simply low probability of happening. But what do we mean by *happening?* on the global scale, everywhere at once? In the cities and on the information superhighway? But, Monbiot would perhaps argue, our solution needs to happen there (as well) in order to threaten the power of those making war on the planet.

## Reviews

So can it happen? If enough people are ready to find out, why not? Hoarse from shouting slogans, on the long train and bus journeys home, in the late night chats after all the meetings, no one disputes that we need something new. To read "The Age of Consent" is to be provoked, and leaves no excuse for inaction. Because, whether we agree with Monbiot's plan or not, we cannot ignore his final question, "Well, what are you waiting for?" It not a question for the "affected people" but for the dissidents among those insufficiently disturbed by the status quo to enjoy the pleasure of reading.

Footnote [1] A visitor from abroad passing through Mumbai en route to Sikkim spent enough time at the WSF to be interviewed by MSNBC. This "interview" formed the major part of that news channel's 2 minute coverage of the WSF.

*The Age of Consent: A Manifesto for a New World Order*  
**George Monbiot**  
**Harper Collins 2003**  
**Rs. 250**

*(Aravinda is with the Association for India's Development)*



# The Meaning of Subsistence

**Nalini Nayak**

This book written by Bennholdt-Thomsen and Maria Mies comes after others they have written analysing the patriarchal accumulation of capital on a world scale. They draw on their years of activism to lucidly illustrate the analysis and contradictions created by the globalised free market and industrial system.

This book is particularly interesting because they work towards proposing an alternate perspective. This is based on a perspective of rural women and poor urban women of the South, commencing with everyday life and its politics and the strategies of women to keep life going. The subsistence perspective that they develop primarily depends not on money, education, status and prestige but on control over means of subsistence so that communities can produce their life without being dependent on outside forces. They are convinced that the utopia of a socialist, non-sexist, non-colonial, ecological, just society cannot be modelled on the life-style of the ruling classes but on the subsistence security for everybody.

They explain subsistence as empowerment based on people's own strengths and their cooperation with each other and with nature. The features of the subsistence paradigm are: the change in the sexual division of labour where subsistence production has priority over commodity production and where subsistence production should not subsidize the market economy as it does today but that wage labour and the market economy subsidize the large social productivity and the production of life. Subsistence technology they say should enhance life and nurture and value the knowledge available among people and should be such that its effects could be 'healed' and repaired. They speak about a moral economy that respects the limits of nature that is decentralized and serves the core-life system. Trade and markets will also serve local needs, preserving the diversity of products and resist cultural homogenisation. A subsistence economy requires new and reciprocal relations between rural and urban areas, between producers and consumers, between cultures, countries and regions.

Interestingly, this is all not only a dream as the authors show how communities/people both in the North and South, in rural as well as urban areas, in agriculture as well as in markets succeed to realize these dreams.

Subsistence politics is not a model but a process. They say the path is the end and that the most important step is the first step. It is simultaneously a *sangarsh* and *nirman* process. It is not mere parochial politics. They are of the opinion that true internationalism, not based upon exploitation becomes possible only when subsistence communities in the south as well as in the north determine also their subsistence politics. Only then can the

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diversity of cultures, societies and ethnic groups be conceived of as true richness, as a source of power and not as a threat.

They particularly call this a Subsistence Perspective because they feel sure that such a concept cannot and will not be appropriated and distorted by the mainstream.

The only problem in such praxis is understanding how individual/isolated processes link up to make a larger collective process and what the mechanisms of interconnectedness are. What is the concept of state power and how do alternatives survive as alternatives without getting drawn into the mainstream in the slow process of transformation. This comes into focus particularly when they question how work is valued and are opposed to the use of money as a means of exchange. Nevertheless,

for those already in the process of creating alternate systems of production and exchange, this book provides hope and ways forward.

*The Subsistence Perspective:  
Beyond the Globalized Economy*  
By Veronika Bennholdt-Thomsen and  
Maria Mies  
Zed Books, 1999

(Nalini Nayak is a senior activist of SEWA, Kerala and is associated with fishworkers' movements)



# Remembering the Comrade

Anand Mazgaonkar

Prominent Human Rights and Labour activist Thakorebhai Shah passed away in Baroda at the age of 76 years on 10th April 2004. Despite his humble beginnings he plunged into the freedom movement at a very young age devoted his life to struggle for and with the oppressed and exploited all his life.

Thakorebhai, a man of few words, solid action and unswerving commitment to the cause he undertook, was an inspiration and pillar of strength to anyone, of any generation who espoused, who stood up to be counted. His activities evolved over time but his focus, commitment, continuity, perseverance were unflagging. *Buniyadi Taleem* (Basic education) interested him in his youth. At the height of the Draconian Emergency in 1975, he and a few others founded the Vadodara Kamdar Union.

Mid-1980's onwards was a time when uttering the anti-Narmada-word in Gujarat was not only unpopular, but downright hazardous. That's when Thakorebhai and the Vadodara Kamdar Union offered their office space to the Narmada Bachao Andolan, and their courage and act of conscience was tested every now and then. But steadfastness is the stuff some people are made of and they are ones who have kept the struggle alive through all the travails, turmoil and corruption. And they seek neither credit nor recompense for their exertions. Surely, many of his former comrades considered him either stupid or unrealistic. But, for the Thakorebhais of this world stupidity, unrealistic idealism are medals, not that they care about them. Adversity brings out the best in people of his ilk. There were only a few people who stood up in Baroda when the madness of year

2002 engulfed Gujarat. Thakorebhai and a few others actually kept night-vigil at a threatened community to either protect them or share the fate of the threatened.

Thakorebhai's heart ailment was old and known. He consciously decided not to undergo expensive surgery or treatment because his comrades in a similar situation would not have afforded it. He had neglected his body too long and it was too late to do anything. His funeral procession trudged its way to the crematorium amidst the soft refrain of "*Tumko shahido, bhule nahin hum, bhule nahin hum, bhule nahin sangramee janata....*"

Suryakantaben, his wife and Trupti, his daughter and many other women led the mourners at the crematorium.

(Anand Mazgaonkar is with  
*Pariyavaran Suraksha Samiti, Gujarat*)



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# TRIBUTE TO THE DOYEN OF CIVIL LIBERTIES

Rajindar Sachar

Justice V.M. Tarkunde is no more with us. It is deep tragedy that has left a void in the field of civil liberties and will be almost impossible to fill up. It is my regret that I was away when Mr. Tarkunde breathed his last on 22.3.2004. I had left for Nainital to participate in the annual JP Memorial Lecture to be held on 23rd March which was one of the contribution of Tarkundeji in the memory of our common mentor. I came to know Tarkundeji when he had shifted to Delhi from Bombay and started practice in 1970. It is learnt on reliable authority that the former Chief Justice of India Mr. Gajendar Gadkar had wanted Mr. Tarkunde to be the first Chief Justice of Delhi High Court (Mr. Tarkunde was then a judge of the Bombay High Court since 1957). All his friends of Bombay like Mr. Soli J Sorabjee (present Attorney General of India) Mr. Nariman speaks volume of his contribution on the Bench. But somehow that thing did not materialise - Mr. Tarkunde resigned 2 years earlier from his date of retirement and shifted to the Supreme Court, Delhi.

Though Tarkundeji did not believe in destiny, I thank the fate for this development. Had Tarkundeji become first Chief Justice of Delhi High Court in 1966, he would certainly have gone to the Supreme Court Bench - no doubt the Supreme Court would have been more progressive - but then we would have lost him as a daring, fearless champion of civil liberties fighting the battles on behalf of the oppressed before the Supreme Court and other courts. Personally it would have been a tremendous loss to

me because I would have been deprived when a bench of his impeccable and persistent advocacy, incisive analysis.

I became a Judge in February 1970. I still recall of my earlier cases in which Tarkunde ji appeared before me sometime in April 1970. He was quite persistent in arguing and his logical presentation immediately impressed one. It was a difficult case in which the question of privilege had been pleaded by the Union of India. Mr. Tarkunde's argument persuaded me to reject the Union of India contention and hold in his favour by looking into the confidential file of the Cabinet Secretary and approved by the Prime Minister of India. Thereafter apart from the meeting with him at some of Bar function or his appearing before me we did not much of personal contacts but his frequent appearances made him so familiar to me.

I became a closer to him in 1975 during the emergency. I was then at Sikkim on a short duration as Acting Chief Justice when I learnt about the detention of my father Shri Bhim Sen Sachar and Kuldip Nayar, my brother-in-law and I came to Delhi and requested Tarkunde ji to appear in Delhi High Court in those proceedings. He immediately agreed and argued the matter successfully resulting in allowing the petition and the release of Kuldip Nayar. My father had been released after the petition had been filed and notice had been issued to the Union of India.

I retired in the end of December 1985 and I think it was probably January or February 1986 when Tarkunde ji telephoned me saying that he had received a message from Karpoori Thakur, Bihar who wanted a delegation of PUCL to hold an inquiry into the infamous killing of innocent persons by the Bihar Police at Arraval. He asked me if I could go there which I readily agreed (Karpoori was an old colleague of mine in Socialist Party since decades). I held an inquiry alongwith General Sinha, (the present Governor of J&K) and gave a finding against the police. Of course, unfortunately like all other findings of the inquiry the Government ignored them with the result that the police are continuing even uptill now to commit crimes. Such was the political morality in those days that Karpoori did not contact me at all during the enquiry or thereafter also till the report was published. Again it was some time in April 1986 that Tarkundeji telephoned me and asked me whether I would agree to become the Vice-President of PUCL. Mr. Rajani Kothari was the then President and he was being asked to continue for another term of two years. I told Tarkundeji that I would, of course, be honoured to work in

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PUCL in any capacity but I was not sure that I was fit to take up the burden of office in the PUCL. I still remember Tarkundeji in his usual smiling tone telling me that "Mr. Sachar you need not worry. I am best judge of person." It was so touching. Subsequently, Mr. Kothari's indifferent health did not permit him to continue for the 2nd term. Mr. Tarkunde at the conference got my name approved for the Presidentialship of the PUCL in 1986. I was thereafter in deep contact with Tarkundeji continuously and seeking his guidance over delicate issues and which was readily available.

Tarkundeji was consistent and frank and never watered down his opinion even against the best of friends. I remember that when V.P. Singh Govt. took over, we were having our PUCL general council in Delhi that very day. Mr. V.P. Singh announced his Cabinet and included Mr. Raja Ramana in his Cabinet - Mr. Ramana as is well known and has been associated with the nuclear weapon and bomb. Tarkundeji was totally against the atomic bomb and he wanted PUCL to pass a resolution opposing the induction of Mr. Raja Ramana even when V.P. Singh was so personally close to Tarkundeji. Some of us felt that such open condemnation of V.P. Singh Govt. right at the very threshold was politically rather excessive. Tarkundeji was very firm and it was with great difficulty that we were able to persuade him not to demand specifically the dropping of Ramana from the Cabinet but we were of course all agreed on opposition to nuclearisation and PUCL passed a resolution expressing our strong opposition to the spread of nuclear weaponisation and calling for a ban on it.

Tarkundeji led our first team to visit J&K in 1990 when we met all the leaders of the militancy movement. The advice of Tarkundeji to them was that we do not approve of the violence by the militants though we understand many of the issues and the background which had led to the state of affairs. Tarkundeji always emphasized that violence was not the answer and their movement would have a better public effect if it remained non-violent. His physical stamina was remarkable. I still remember that on one of our visits to Srinagar there was no facilities of hotel etc. in Srinagar where we stayed in one of the ram shackle house which the owner had converted into a lodge place. Quite a difficult time from morning to reach there. But Tarkundeji was ready to move out to see things for himself in modality- normally we had deported our luggage though I must confess

that I even a decade junior in age could not make it. His visits helped average person to have faith in the genuineness of civil liberty movement and PUCL when he found that there were people like Tarkundeji who were objective and committed to the value of the civil liberties and were prepared to speak against the security forces.

Even a few years back Tarkundeji sat with us on Dharma on public causes even in the heat of summer at Delhi. One of the instances was when we sat outside Maharashtra Bhavan in Delhi on Dharna to show our anger that the Maharashtra Govt. was not carrying out or implementing the report of Justice Sri Krishna in the Mumbai riots in 1992.

Tarkundeji remained alert right till the end. His advice on the functioning of PUCL and other current matters including the present general elections were readily and available to us. He was a generous soul and was a deeply humane personality. I was the recipient of his deep affection and guidance. My working with him has been my one of the most fruitful period of my life. I like others will miss Tarkundeji greatly. We must, as a tribute of his memory again rededicate ourselves to keeping the flag of Civil Liberties and principled stand in public life aloft and flying at all times, I salute the memory of one of the great sons of India.

*(Rajindar Sachar is a former Chief Justice of Delhi High Court)*



*"Who are these people? Who do they represent? If anyone is the voice of the people, it is me. I am elected by 185 countries. I am the one who can claim legitimacy."*

Michel Camdessus former head of IMF

# News Capsules

## National Convention On The Right To Food And Work (11-13 June 2004)

A national convention on the right to food and work will be held on 11-13 June 2004, tentatively in Bhopal (Madhya Pradesh). Organisations committed to the right to food and work are expected to join from all over the country. The main purpose of this convention is to share experiences of grassroots action for the right to food/work, and to plan future activities. This is also an opportunity to address the organisational issues that arise in building coordinated action for the right to food and work.

This convention is a follow-up of earlier discussions held at the World Social Forum in Mumbai (January 2004). It is facilitated by the support group of the "right to food campaign", in collaboration with several country-wide networks such as the National Alliance of People's Movements (NAPM), Bharat Gyan Vigyan Samiti (BGVS), Jan Swasthya Abhiyan (JSA), All India Democratic Women's Association (AIDWA), National Federation of Indian Women (NFIW), Human Rights Law Network (HRLN), National Conference of Dalit Organisations (NACDOR), National Campaign Committee for Rural Workers (NCCRW) and People's Union for Civil Liberties (PUCL).

If you are keen to participate, please send a line to [right2food@yahoo.co.in](mailto:right2food@yahoo.co.in) or get in touch with any member of the "coordination team". Contact details for the coordination team, and the confirmed venue of the convention, will be circulated soon and also posted on the website of the right to food campaign ([www.righttofood.com](http://www.righttofood.com)).

## Rashida Bee & Champa Devi Shukla Honored

Rashida Bee & Champa Devi Shukla are honored with the Goldman Environmental Prize 2004. Despite their poverty and poor health due to toxic gas exposure, both of them have emerged as leaders in the international fight to hold Dow Chemical accountable for the infamous 1984 Union Carbide gas leak in Bhopal, that killed 20,000 and left more than 150,000 seriously injured. (Union Carbide became a wholly owned subsidiary of Dow in 1999.) They organized the first global hunger strike to draw international attention to Dow's deadly legacy and traveled the world to protest at Dow shareholder meetings. Now on the 20th anniversary of the disaster, Rashida Bee and Champa Devi are plaintiffs in a class action suit demanding a clean up of the noxious factory site and damages to cover medical monitoring and costs incurred from years of soil and water contamination

## Final Statement Of The World Forum of Fisher Peoples to the UN Commission on Sustainable Development

"It is the bountain duty of every government in the world to see that every citizen get drinking water, sanitary needs, shelter, education, health, and food, and they should be bound by the Constitution of the respective country. It is the fundamental right of every citizen to have these basic needs met. These should be justiceable. These should be achieved in collaboration with the national governments, provincial, state and Municipal governments, NGOs, Trade Unions, Aboriginal Community, Fishing Communities, Farmers Communities, Women, Youth, and all the major groups, and the International Community. And this is the fundamental right of every citizen, whether one is URBAN OR RURAL."

## State-wide Campaign: Oppose Communalism & Globalization

The People's organizations in Maharashtra have urged the political parties to address to the real issues of the common people's survival and their rights, like water and drought, displacement, food security, public services, health and education during and after the elections. They resolved to exert people's power on the elected candidates to make them accountable to the public. While debunking the communalism as represented by the Bharatiya Janata Party (BJP) and Shiv-Sena in the state, the people's movements also questioned the economic policies of corporate Globalization by the opposition party, the Congress.

This was evident in a series of meetings and programmes in nine centers in all parts of Maharashtra from April 7 to 15. Over a hundred organizations and movements from Konkan to the Vidarbha and thousands of farmers, workers, labourers, tribals, displaced people, Dalits, self-employed and unemployed youth, lower middle classes, activists and intellectuals, representatives of progressive political parties participated in this ten-day *yatra*.

## Mass Rally

Unorganised Workers Federation held a Mass Rally led by Com. G.Natarajan, President from Munroe statue to State Guest House and a Mass Dharna at the State Guest House Chennai on March 28<sup>th</sup>, the Martyrs Day in Chennai. The Rally was held to focus public attention on independence - right to life and livelihood before exercising the voting right. The unorganised workers have undertaken a Pledge and released Election Manifesto of the Unorganised Workers.

## New Phase of Narmada Struggle:

Narmada Bachao Andolan is initiating an innovative and challenging path which will on the one hand expose the government's incapacity, lack of will, and betrayal of the people of the Narmada in rehabilitating the thousands of tribals and peasants, while at the same time making a reconstructive effort to create new habitats for the dammed and displaced. It will be a *Bhoomi Haq Satyagraha* where displaced and unrehabilitated people from the Narmada Valley will assert their rights to land and resources, and create for themselves the justice they are seeking. If the government won't recognize their rights to their lands and ancestral homes and will not provide them with their legally guaranteed land-based rehabilitation, then they will take it upon themselves—with the solidarity and support of fellow citizens—to provide their own rehabilitation. The Satyagraha, which would start in the second week of May, will aim at building a new village, *Narmada Jeevangaon*, where volunteers and participants from across the country—activists, artists, engineers, eminent persons, and common concerned citizens—will come together and help build this community in solidarity with the victims of this man-made calamity. For more details: Tel: 07290-222464 Email: medha@narmada.org

## Poor are Most Susceptible to TB

The Better Health For All Campaign, Agra had organized a seminar, on March 25, to discuss the rising incidence of TB among low income groups. Dr Rajeshwar Prasad, national president of the Indian Social Sciences Council, and other social scientists, activists participated the programme. Dr. Prasad pointed out that, "the biggest challenge to eradication and control of TB are the societal norms and taboos that generate fears of ostracisation and boycott in the minds of the sufferers who choose to conceal their actual health status and suffer in agony."

*Brij Khandelwal, Agra*

# NATIONAL ALLIANCE OF PEOPLE'S MOVEMENTS (NAPM)

Haji Habib Bldg., First Floor, A wing, Naigoan Cross Rd., DADAR (East), MUMBAI 400 014.

## Invitation For The Fourth Biannual Convention

Sat. 22nd to Mon. 24th May, 2004 at TIMBAKTU, Anantpur District., A. P.

Dear friends,

The country is amidst a crucial elections. The corrupt, criminal & corporate bases of the power holders & the power seekers are exposed. The communal forces are confident and arrogant. The corporates are waiting in the corridors to take over not just the public sector but the peoples' resources – land, water, forest – private & common property of the farmers, labourers, fish workers, artisans & small entrepreneurs. The urban & rural poor, women belonging to all sections living an insecure life, are demanding security of food, employment, energy but also life & livelihood. The electoral politics occupying the space of the civil society has brought out a two-fold challenge of strengthening the people's movements & transforming, monitoring, influencing electoral politics, both.

It's amidst all this that the peoples movements are trying to strengthen ones own support, strategies & ideological basis. The National Alliance of Peoples Movements has helped us all to attain this. The success of struggles, in various sectors, against all odds & giant forces as also the blows & the backlash compels us to assess the complex reality, the role of people's organisations & the civil society at large & to evolve a much more efficient strategy.

THE FOURTH BIENNIAL CONVENTION OF N A P M is THE opportunity to carry forward this endeavour of ours with all urgency & commitment. All our allied organizations & individuals, our sympathisers & supporters, belonging to various walks of life, engaged in struggles, reconstruction, research & analysis, writing & media work, advocacy & legal battles to institutional politics must be together for three days at Timbaktu Collective, Aanantapur District, Andhra Pradesh for intensive & extensive dialogue, deliberation & strategisation.

Having a session-wise plan enclosed, we invite your inputs in planning this convention & your presence & participation in the same. Much has happened during last two years. The national tour with a commitment to *Desh Bachao Desh Banao*, formation of Peoples Political Front, struggle against coca cola, right to land & food, challenging W.T.O., joining the WSF .....all moves towards our ideals of equity, justice, sustainability & peace. All this to be endorsed, debated & further detailed at the earliest.

Aware of the criticality of the time & space we need to exploit, it's our earnest appeal to you all to come with at least five delegates from each allied organization (ten from once with a base beyond one state) as also invite others from individuals, groups, institutions & organization to the convention. Formal membership, if not obtained already can be sought & granted at the convention itself. Those other than the members-individual & organizations - can be witnesses with prior intimation as far as possible. Organisation desirous of coming with a larger number may please inform & ensure convenience from the national office.

Please make it possible, sparing your valuable time, keeping aside some of our regularly occupying work, to come & be at the convention for all three days, towards a people's resolve to further clear our path towards a National People's Movement.

### PROPOSED AGENDA

**Day 1 - Morning Session: INAUGURATION AND REPORTING OF ACTIVITIES**

Afternoon Session: CHALLENGES AHEAD FOR BUILDING ALTERNATIVE DEVELOPMENT AND ALTERNATIVE POLITICS

**Day 2 - Morning Session: About Main Issues: Pepsi-Coke- MNCs; Land Rights; Urban Poor; Drought, Water & Interlinking of Rivers; Communalism and Alternative Reconstruction, Regeneration & Revival**

Afternoon Session: STATE WISE DISCUSSION ON ALL ABOVE PRESENTATIONS

**Day 3 - Morning Session: Resolutions, Future Programs, INDO-PAK FRIENDSHIP PADAYATRA, Election of National Conveners for next two years. RALLY & PUBLIC MEETING at the CONCLUSION in the evening.**

Sincerely Yours,

Ajay Kumar  
General Secretary,  
A.P.V.V.U

### PS: Details about the Venue and Directions to Reach there:

Timbaktu is located 5 KMs from Chennekothepalli village which is on the national high way of Bangalore & Hyderabad. Timbaktu has an office at Chennekothepalli which is at the distance of 22 kms from Dharmavaram railway junction. There are frequent buses from Dharmavaram to Chennekothepalli. Arrangements will be made to transport people from Chennekothepalli office to Timbaktu.

# (Un)Happy Birthday, World Bank

The World Bank turns 60 this year. Activists are converging in Washington DC this month for a series of protests around the Bank's Spring Meetings. Their message? Sixty years of World Bank funding has left a legacy of forced displacement, debt and destruction. Yet despite this legacy, the Bank is set to repeat its mistakes all over again. Over the past year, the Bank has announced a return to funding big infrastructure projects – it's so-called "high risk, high reward" plan. Yes, big is back at the World Bank. But is this appropriate behavior for an institution that's reaching its twilight years?

Let's take a look at some of the institution's achievements over the past 60 years (especially regarding large dams). The record is a sorry one, prompting us to ask: Is it time for early retirement?

- ◆ Number of dams funded : atleast 552
- ◆ Amount of money invested in those dams: more than \$ 86 billion (in 2004 dollars)
- ◆ Number of people evicted by Bank dam projects: atleast 10 million
- ◆ Number of World Bank – funded dams that improved income of oustees according to a 1994 Bankwide Resettlement Review: 1
- ◆ Number of people that the 1985 appraisal of Sardar Sarovar Dam failed to count as losing their livelihood to the project's canals: 140,000
- ◆ Average percent increase in number of people to be displaced at completion, compared to estimates at time of appraisal: 47
- ◆ Average construction cost overrun on World Bank – funded dams: 30%
- ◆ Percentage of IDA (International Development Association) projects that failed to meet their development objectives in the period 1994-2000: 65
- ◆ Amount of money the World Bank has invested in fossil fuels since the Climate Change Convention was signed in 1992: \$26.5 billion
- ◆ Amount of money the World Bank has invested in renewable energy efficiency projects since 1992: \$1.5 billion
- ◆ Amount of lifetime emissions of carbon dioxide from Bank fossil fuel projects financed since 1992: +40 billion tons
- ◆ Number of times the World Bank's Board of Directors has rejected a project : 1
- ◆ Number of fish species eliminated upstream of Thailand's Pak Mun Dam: 56
- ◆ Amount of money lost to corruption for Yacycreta Dam (Argentina/Paraguay) : more than \$6 billion
- ◆ Number of internal reviews conducted by the World Bank to analyze actual performance of its large dams: 0
- ◆ Number of World Commission on Dams recommendations that the World Bank has incorporated into its safeguard policies: 0
- ◆ Number of companies debarred by the Bank for corruption on dam projects : 0
- ◆ Amount of money US companies receive for every taxpayer dollar invested in the World Bank by the US government: \$1.01
- ◆ Amount of money UK companies received in procurements in 2003: \$ 185 million
- ◆ Number of countries that received less World Bank money than UK companies in 2003 : 59 (the World Bank lends to 88 countries)
- ◆ World Bank net income for 2003: more than \$5 billion.

Aviva Imhof  
International Rivers Network  
*Courtesy: World Rivers Review*