

UPDATE

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Dams and the damned, the Maheshwar Struggle

Today *S. Kumar* is becoming more 'famous' not only for its expensive fabrics of suiting and shirting but also for producing expensive electricity. The reference is to the Maheshwar Hydro Electric Project, which is being built across river Narmada in Madhya Pradesh.

This is the first hydro-electric project in the country, which has been handed over to a private company like *S Kumar's*. The electricity produced from this project is estimated to be four to five times more expensive than what is being produced by the Madhya Pradesh State Electricity Board today. The costs of this Project has to be borne by 40,000 farmers, wage labourers, fisher people and crafts people from 61 villages who will lose part or all of their land or sources of their livelihood, as well as the common people of Madhya Pradesh who will not be able to buy this expensive power and will thus be plunged in darkness.

This controversial project in addition to destroying 61 villages would also submerge approximately 1100 hectares of fertile agricultural land.

This high price of the privately produced power, to be purchased by the Madhya Pradesh Electricity Board will be between Rs. 8-10 Rs.per kWh, although the well-known rating agency in India, CRISIL, elaborating in its report on MPEB has shown its negative cash flow and incapability to make the annual payments to the Maheshwar Project and some other projects. The report also states that the MPEB will be able to make the annual payments only on the basis of taking substantial external loan in the coming years. Obviously this annual payment will push the state of Madhya Pradesh to the bankruptcy.

Due to the project's financial risks and massive opposition from the affected people, Indian and the international environmental and human rights groups who have organized countless demonstrations and rallies against the Project , U.S. Power Utility Pacific Corp. withdrew from the project in 1998 and the two German utilities Bayernwerk and VEW Energie in April 1999. In spite of that, in March,2000, the New York-based Ogden Corporation signed a Memorandum of Intent to take a 49% equity share in the Maheshwar dam project. This step brought rang an action alert all through the world to stop the corporation from building the dam. This spring, nearly 300 elected representatives of the affected area sent Ogden a resolution opposing the project. This was followed by the demonstration outside the US embassy in Delhi on April 4 where around 200 project-affected people expressed their opposition to Ogden's involvement in the Maheshwar project.

The Narmada Bachao Andolan, which represents tens of thousands of affected people and has organized campaigns for more than a decade to stop big dams on the Narmada river is determined that the people will never let the project to happen. Over the last two years, thousands of farmers, whose lives and livelihoods are destroyed by the construction of the dam, have been struggling for their rights and against the displacement and loss of

their lands. Because the public utility of the Project has never been demonstrated and the promises regarding the resettlement and rehabilitation had never been kept by the companies, they have occupied the dam site many times, barricading all roads leading to the dam and have held mass demonstrations and hunger strikes opposing the dam.

The rehabilitation policy of the state government and the conditional environmental clearance provides land compensation for the families whose land and houses will be flooded and whose livelihoods will be ruptured. The report worked out by the Tata Institute of Social Science showed that lands claimed to be available for the resettlement were either eroded and stony and already used by other poverty-stricken communities, or located in the submergence zone of the reservoir. The report also found that claims of private lands identified for resettlement were fictitious. Till date, no single person has been offered a cultivable land. Rather, people have been intimidated to accept cash compensation.

The new villages for displaced people should have had various facilities such as schools, electrical connection, roads, medical, sanitation and drinking water along with cultivable lands. No new villages have been built with these amenities claimed by the S.Kumars. On the other hand, the prosperous and water economy of the valley is going to be destroyed. Schools, roads and fertile fields, drawdown agriculture and sand quarries are going to be flooded.

According to the recent NBA studies, nearly 35-40,000 people will be affected by the project. This includes also those who will lose their livelihood such as landless laborers and fishers. These categories have always been ignored. The calculations are underestimated and based on outdated and incomplete data. Also the specific environmental impacts of the Maheshwar project are not known because no comprehensive environmental assessment exists. But there is no

doubt that the dam has a significant impact on riverine and floodplain flora and fauna.

The project will generate far less energy than what is being claimed by the Ogden Corporation. According to the project documents, the average power expected to be generated by the Maheshwar project is 92MW initially and 49 MW finally. Because of smaller water storage capacity, the power production of the project will depend only on the amount of water flowing in the river at a particular time. Nearly 80% of the project's energy will be generated during the four months long monsoon. During this time the river flow is high so the electricity can be produced throughout the day at a time when there is a surplus of power. In the eight-non monsoon months this project will not produce more than an hour per day. Moreover, the incomplete Narmada Sagar Project on which water release to the Maheshwar project relies will limit its production of power. Independent analysts estimated the cost of power of the Maheshwar dam as one of the most expensive in the country. There are certainly cheaper and more effective alternatives of getting energy among which we can mention biomass generation, optimum use of oil-based plants and existing dams or micro hydro plants. In March 1999, the Central Power Minister, Mr. Kumaramangalam, made an offer to the state of Madhya Pradesh concerning the cheaper power from the Ceba project in Orissa.

It is evident that the people of the state of Madhya Pradesh do not need the project. It would be a social and economic disaster. Moreover the project is proved to be understudied, non-viable and benefits a single private company. To avoid pushing the state to bankruptcy and destroying the lives and livelihoods of thousands of people the State government must immediately stop the construction of the Maheshwar project and all the other project-related activities. The reports of the Tata Institute of Social Sciences, the Task Force group set up by the Madhya Pradesh government and that of the Central Environment Ministry, clearly reflect that there is neither any cultivable land nor a credible rehabilitation plan for thousands of affected farmers, workers or fishers. The State government

must undertake smart steps in order to get rid of the project.

According to the recent news, NBA has called upon the German Government to refuse the confirmation of the Hermes export guarantees to the German Company Siemens, a supplier of the power equipment for the Maheshwar project. In May-June this year the Development Ministry of Germany has sent a team of three internationally renowned experts into the affected area in order to take a decision regarding the guarantee. Their report has found that the project is socially non-viable and the resettlement impossible. This is likely to compel the German government to refuse the export guarantee to the Maheshwar project.

The Handloom Struggle Update

The handloom sector, a significant contributor to the Indian Textile Industry was originally recognized as a privileged and prosperous profession. Thanks to the government's concerned policies, today it seems to have a bleak future. The handloom sector along with the powerloom used to constitute the 'unorganized sector' of the textile industry. Even though the share in the total textile output produced by the handloom weavers has come down due to unbalanced competition to 20%, it demonstrates the enormous potential of the sector in providing employment for 124 Lakh persons working on 36 Lakh looms. Even today, it is taken for the second largest employer in the country next to agriculture.

Despite its importance to the nation's economy, the traditional handloom sector, has always been neglected and is presently facing serious problems. The sector where production value is in excess of Rs.14, 000 crores obtains budgetary allocation of Rs.1, 050 crores i.e. 7%. This has to be compared with the conventional industry's average of 25-33%. In addition the handloom weavers are now being threatened by the

powerlooms, that present the bulk of the weaving production and today dominate several product segments. A comparison between handloom and powerloom sectors prove handloom weaving as cost-effective because of its low capital base, independence of cost of electric power and its economical way of getting additional skilled workers for the looms. Referring to the producing quality, powerlooms are not capable to meet international standards while handlooms production corresponds to the quality, range and flexibility required by the domestic and international markets.

The National Textile policy of 1985 included ensuring the availability of yarn and other raw materials at reasonable price. The handloom Reservation Act, which was to be enforced by the Union textile ministry, accorded a major benefit to the handloom sector. This was the reservation of 22 varieties of articles for exclusive production. Along with this, the Hankyarn Obligation Act ensured the production of the hankyarn by the spinning mills, which is the essential raw material for production of handlooms. Unfortunately the government does not adequately enforce these measures.

In July 1998 the government set up the Satyr Committee in order to make recommendations for the formulation of the New Textile Policy. The basic constitution of this Committee turned out to be unsuccessful. The absence of the handloom weavers representatives on the Committee and the anti-handloom stance in recommending the repeal of the benefits mentioned above forced the weavers to get together against it and also to express their concerns about their own livelihood.

On 10th May 2000 nearly 1500 handloom weavers from all over the country came to Delhi to participate in the Chalo Dilli programme primarily organised by the Rashtra Chenetha Karmika Samakya which is the Andhra Pradesh chapter of SIHWOC (South India Handloom Weavers Organising Committee). A rally from Red Fort to Sansad Marg was organised which was followed by a sit-in Dharna at the Jantar Mantar. People from different walks who expressed their solidarity and support to the agitation addressed the Dharna.

Satyam Committee recommendations were rejected by the leaders of various weaver organizations terming it anti-handloom and unilateral. They presented following specific demands in the context of the New Textile Policy:

1. The items reserved for handloom production should be included in the 9th Schedule, and thus get Constitutional sanction,
2. The budget allocation for handlooms should be proportionate to handloom's share of the country's textile production,
3. Guaranteed supplies of hank yarn should be ensured and the HYO should not be repealed,
4. A Handloom Advisory Committee with powers to make studies and recommendations to Government on measures for the strengthening of the handloom sector to be set up.

The negligence of the handloom sector has its roots in colonial India. Since the arrival of the British the handloom weavers have started the struggle for their survival which continues today. Livelihood obstacles, A large number of the handloom wavers today are living below the poverty line. Poverty has caused them to take extreme steps like committing suicide. Some have tried to move into surer jobs but less remunerative, some contract laborers and some others into immoral trafficking. The review of the requirements defined above by the policy makers as well as the support from the state and enforcement of the measures by the government is consequently necessary and remains a challenge for many weaver organizations.

Update Collective

F-10/12, Malviya Nagar, New Delhi – 110017
Tel: 6426783, Telefax: 6237724,
Email: delforum@vsnl.com

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Greetings from National Fish-workers Forum (NFF), Calcutta!

Dear Friends,

The Dakshin-Banga Matsyajivi Forum (DMF) has decided to observe June 5th Environment day as the Anti Nuclear day in protest against the plans to build a nuclear power plant in Sunderban area of West Bengal. Sunderbans, the largest breeding ground and nursery of many fish and aquatic species and a unique ecological gift of nature will not be allowed to be destroyed in the name of so called development. The scale of destruction in the Super Cyclones in Orissa is assigned by many to the destruction of Mangroves in the area.

We are also worried about the way the project is being discussed, as there are no clear information reaching the people living in this area. This is against all democratic norms.

The DMF is firm in its opposition to a nuclear power plant. Where will you bury the nuclear waste? In the belly of the sea? Sea to us is sacred, she is our mother and provider of our livelihood.

On June 5th DMF will organise demonstrations in different places against the proposed nuclear power plant. DMF is also remembering Lt. Col. Save who was murdered for standing with the cause of fishworkers in Umbergaon. Martyrs always show us the way...

Harekrishna Debnath
Chairperson, National Fishworkers' Forum
1073 A.G Colony, Maniktala P.O
24-Parganas (N) West Bengal- 743 263
Phone: +91- 321-65 77 6 9

Initiatives: Two case studies on alternative ventures have been done by Delhi Forum. These are on "Pani Chetna Manch" – Palamau, primarily working in the field of check dams by 100% people's participation and an experiment on alternative education in Shadol. Mr. Tarun Bose led the study.

Rising Fascism: is a compilation of papers presented by experts in different fields of activism. Its main focus is the manipulation of the different social political cultural institutions etc. which leads to fundamentalist interests, with special reference to Jharkhand. The team of update collective has done this work.

Condolences; The sudden demise of Rt.Rev.Dr.Alan De Lastic is a shock. He was a champion of human rights and was leading the Christian community in this odd time. We also share our deep-felt grief with all others.