

**Who takes decisions for large Dams?  
How? Why? Who profits? Who pays?  
Many questions, few answers**

“At the dawn of independence India relied, wistfully, on her high dam-builders... During this TVA phase of India’s economic development, a well-known Indian engineer used to proclaim off and on that he was going to build the highest dam in the world, suggesting implicitly a new yardstick for measuring national greatness – the height of a dam and the millions of cubic yards of concrete poured.”

Sudhir Sen (The first Chief Executive Officer of the Damodar Valley Corporation, called India’s TVA by many) *A Richer Harvest: New Horizons for Developing Countries*, Tata McGraw-Hill Publishing Co New Delhi, 1974

The above quote is remarkable for a number of reasons. It should be noted that Sen belonged to the mainstream official group of people that were at the helm during the first decade after independence in 1947. So this is not coming from somebody outside the system. Secondly, the “well-known Indian engineer” that Sen described here is Ayodhya Nath Khosla, who can be safely described as the first Engineer in Chief of Independent India (this title is used just to describe his position, it is true that no title like that existed). And lastly, the dam that is referred in the quote is the most famous icon of India’s dam building history, the Bhakra Dam.

The quote above is also remarkable because it in a nutshell reflects a reality about political economy of dam building in India. The people who took decisions about large dams in the initial years after Independence got away with a whole series of decisions about building large dams, for which they did not have to answer any questions. Sen goes on to say about Khosla and company, “That many engineers in India if left to themselves, like to build monuments to themselves regardless of the time and cost involved is a commonplace of history. India had yet to discover this.” These are strong words coming from someone who occupied a very senior position in the scheme of things then.

What this means is that many of the decisions about the large dams were not taken on merit and that people who took the decisions were not answerable in any real sense of the term. Well known scientist of W Bengal, Meghnad Saha said in Parliament in 1954 about AN Khosla, who was the first chairman of the Central Water, Irrigation and Navigation Commission, “The chairman of the CWINC was combining in himself the functions of Brahma, Vishnu and Maheshwar. He drew up the designs, he executed the schemes himself and as Secretary he passed the whole thing himself.”

But the responsibility for the decisions about these projects do not rest with Khosla alone. The politicians, the bureaucrats and the various other institutions were equally responsible for the decisions that lead to water resources development being centered around large dams. The then Prime Minister Jawaharlal Nehru himself said on Nov 17, 1958, while addressing the 29<sup>th</sup> annual meeting of the Central Board of Irrigation and Power, “For some time past, however, I have been beginning to think that we are suffering from what we may call, *disease of gigantism*. We want to show that we can build big dams and do big things. This is a dangerous outlook developing in India.... the

idea of having big undertakings and doing big tasks for the sake of showing that we can do big things is not a good outlook at all.” It is another matter that Nehru could do little to reverse the trend of unaccountable decisions.

The trend that was thus established in 1950s has continued till today as far as decisions about water resources development is concerned. Nehru’s grandson and the then Prime Minister Rajiv Gandhi famously said in 1986 while addressing a conference of Irrigation Ministers, “The situation today is that since 1951, 246 big surface irrigation projects have been initiated. Only 66 out of these have been complete; 181 are still under construction. Perhaps, we can safely say that almost no benefit has come to the people from these projects. For 16 years, we have poured out money. The people have got nothing back, no irrigation, no water, no increase in production, no help in their daily life.” Rajiv Gandhi may have been off the mark about some of those numbers, but he was right on the spot about the end result. Unfortunately, these brave words did not get translated into any effective action to counter the situation.

The most glaring example in this regard in recent times is about how the river linking scheme is being pushed. Even today, it is known that for a number of proposed links even feasibility report is not ready. There has been no proper consultation with the people, even basic information is yet to be made available to people. The assessment of costs, benefits, impacts, options, nothing is known in detail. And yet, the President of India has been repeatedly advocating these proposals for over three years now. This advocacy started in his speech to the nation on August 14, 2002 and the most recent instance when he repeated this was in his address to the nation on August 14, 2005. The Supreme Court of India has also been pushing implementation of this scheme, though this is clearly beyond the mandate of the Supreme Court. Ramaswamy Iyer, former Secretary, Union Ministry of Water Resources has said, (The Hindu, Dec 14, 2004), “It is necessary to remind the readers that in a sense the President of India and the Supreme Court are the originators of the ILR project. Meanwhile, the President continues to commend the project in his speeches on various occasions, and the Government of India is under an obligation to report periodically to the Supreme Court on the status of the project. Those two factors indirectly act as a kind of pressure on the Government...”

When NDA government was in power before May 2004, the Prime Minister AB Vajpayee, the deputy Prime Minister, the Vice President and Ministers concerned were pushing the project that has yet to pass the first stage of due process of decision making. With advocacy from all these high functionaries, will the due process have chance of considering the project on merit? The answer is clearly a big NO.

In fact when Vajpayee was Prime Minister, he seemed particularly favourable to large dams, as is clear from some of his actions listed below.

- **December 13, 1999** The PM laid the foundation stone for the 800 MW Parbati Hydel Power Project (stage II).
- **June 5, 2000** (WORLD ENVIRONMENT DAY) The PM lays Foundation stone of 800 MW Kol Hydel Power Dam in Himachal Pradesh.
- **March 4, 2001** He dedicated the Thein dam (Punjab) to the nation.

- **Launching of 50 000 MW hydropower initiative**
- Launching of Task Force on River Linking programme
- Ordering closure of Tunnel 3 & 4 of the Tehri Project, even as the people to be affected were yet to be resettled.
- Supporting and pushing for increase in height of Sardar Sarovar Dam even as the people to be affected were yet to be resettled as per legal requirements
- Pushing for the Indira Sagar Project, leading to submergence of over lakh people including those in Harsud Town and over a hundred villages, without due rehabilitation.
- Formulating National Resettlement and Rehabilitation policy without legal teeth and with just provisions, much diluted when compared with the R&R norms of say Sardar Sarovar Project

All these (and some other) actions collectively gave a big push to taking up big dams at an accelerated pace. When each of those projects involve hundreds of crores and in some cases thousands of crores, the one can understand the kind of benefits and perks that the various arms of the government would reap.

Another actor that has been playing an important role in pushing projects without justification is the World Bank. The WB may have directly funded only a small fraction of the large dams taken up in India, but it has played a significant role in shaping India's water resources policies and programmes and pushing such projects. This it has done many times in violation of its own policies and in violation of Indian policies. For example, when the World Bank signed the agreements to fund the Sardar Sarovar Projects in 1985, the Ministry of Environment Forests had yet to give clearance to the project from environmental point of view and for diversion of forest land. In fact the agreement signed with the Bank and the dues that Indian government had to start paying for the same were used to put pressure on the Ministry of Environment and Forests to give clearance to the project even when the Ministry explicitly said that the project is not ready for clearance. In fact the World Bank agreement was used as a certificate of merit to push various clearances for the project.

The World Bank similarly pushed the Nathpa Jhakri Hydropower project in India without full consideration of all the costs, benefits and impacts of the project and signed an agreement to fund the project in 1988-89. The consequences of that are visible today, when the project had a time over run of over 7 years and cost overrun of over 358% over the projected cost. Moreover, the project is facing serious problems in terms of flash floods, the siltation leading to stoppage of power generation, and so on. So much so that the Parliamentary standing committee on energy issues, in a report tabled in Lok Sabha on August 18, 2005 has recommended a thorough enquiry into these issues.

Allain Duhangan Hydropower project in Himachal Pradesh is another instance where the World Bank (this time International Finance Commission, the private sector arm of the World Bank) was found guilty of pushing the project without adhering to its own norms and in fact based on falsehoods. In October 2003, IFC declared on its website that the project would go to the WB Board on Oct 31, 2003 and that all the necessary

requirements including the Environmental Impact Assessment and the Public consultation has been completed. When SANDRP (South Asia Network on Dams, Rivers & People) along with the people from affected villages exposed that these were lies, the project had to be withdrawn from being taken to the Board. But the Bank seems to have learnt no lessons and it pushed the project through the Board a year later after paying some lip service to the concerns of the people, without even completing the EIA in all respects.

One fundamental problem is that there is no participatory bottom up decision making process that would help put in a sense of transparency and involvement of the local people in the decisions. Moreover even after completing about 4000 large projects, there is no credible comprehensive post fact assessment of performance of any large dam project. These factors have helped the system to go on even in face of big gaps between promises and performance.

What is shocking is that the authorities have found it difficult to adhere to even whatever little processes that is required today for people to participate in the decisions about projects. For example, the project authorities have been using various measures to scuttle the effective participation of the people in the public hearing process that has become mandatory since 1997 before any large project can be cleared. The quality of most of the EIAs that have become mandatory for large projects since 1994 is shameful. The Ministry of Environment and Forests, that is supposed to be responsible for these processes has been acting not only as a rubber stamp, but many times have been actively involved in helping the project authorities scuttle the due process.

The latest and most shocking instance in this regard came to light in March-April 2005 when the MEF gave clearance to the proposed Chamera III and Parbati III hydropower projects in Himachal Pradesh. The EIA notification require that the report of the public hearing for such projects should come to the MEF with inputs from the state Environment department and state Pollution Control Board. However, before the state government could take a decision about these projects, the MEF gave clearance to the projects, apparently under pressure from National Hydroelectric Power Corporation. The additional Secretary, department of Environment, Himachal Pradesh strongly protested in his letter dated April 25, 2005 to the secretary, MEF, "These decisions have serious ramifications as it is State Government and the inhabitants of the area who have to directly bear the brunt of environmental related problems. Moreover, the role of the State Government and the State Pollution Control Board as enunciated in the EIA Notification (and related clarifications) and enshrined in Article 48A of the Constitution of India has been apparently overlooked."

When the report of the World Commission on Dams was made public in November 2000, a golden opportunity was available to make some significant changes in the decision making process of water and power development projects. However, senior officers of the World Bank worked over time to ensure that a number of key developing country governments opposed the WCD recommendations and then the Bank used such opposition to justify non adoption of the recommendations in the Bank policies.

Only light in these dark surroundings is that at many projects people are becoming conscious of the serious adverse impacts of large dams and are giving a strong response to unjustifiable projects. It would of course take a long time before these responses are strong enough to counter the strong entrenched interests pushing large dams.

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