

The Ecologist

July/August 1995

CAMPAIGNS
& UPDATES

Private Power Project Scrapped

IN EARLY August India's first major private-funded infrastructure project, the Dabhol power station in Maharashtra, was cancelled because of its costs and environmental impacts, following a long campaign by project affected people, NGOs and politicians.



The Government of Maharashtra awarded the \$2.8 billion contract to build the oil and gas-fired power plant to US corporations Enron, General Electric and Bechtel without competitive bidding. Enron, the main partner in the consortium, secured income and corporate tax breaks, cover against exchange rate fluctuations and a guaranteed minimum post-tax return of 16 per cent on its capital outlay. The Maharashtra Electricity Supply Board agreed to buy all the power produced at Dabhol, even if it had to limit the output from its own stations, and payments to Enron were guaranteed by

the State and Central governments.

The power station threatened the livelihoods of around 10,000 people, mainly fishers and farmers. The power station itself required 700 hectares, with more land needed for an airstrip, roads and associated industries. Half of the land has been occupied and fenced off by the company, but many landowners have refused to allow their land to be taken. Large numbers of police were deployed and hundreds of arrests were made, but the people continued to protest and in May succeeded in halting construction.

The Hindu nationalist BJP and Shiv Sena parties, which won the Maharashtra state election in March partly because of their vigorous opposition to Dabhol, set up a review of the project which recommended that it should be cancelled. The review cited the lack of competitive bidding, excessive secrecy about project details, insufficient consideration of environmental effects and high costs.

Work has now stopped at the site, but it is unclear whether Enron will sue the government, renegotiate, try to continue with the first stage of the project which has already begun, or try to build the power plant in another state.

The US and UK governments warned that the cancellation of Dabhol, the largest single foreign investment in India since the economy was "liberalized" in 1991, would make other power companies withdraw from the country. However, some foreign companies have instead agreed to lower the capital costs of their planned projects, and the Indian government is now reviewing all seven other private power projects which, like Dabhol, were agreed without competitive tendering.

Rather than acting as a model for further private infrastructure projects in India, Dabhol will serve as a warning that multinationals investing in India can expect to be closely monitored by Indian NGOs and politicians, many of whom are increasingly sceptical of private sector development. With a national election due in the next six months, multinationals will continue to be told that economic liberalisation does not mean an unlimited licence to exploit.

CONTACT: Centre for Holistic Studies, 79 Carter Road, Bandra, Bombay 400 050, INDIA, Tel/Fax: +91 22 6040739.

Progress in Indian Anti-Dam Campaigns

PROTESTS AND a Supreme Court case taken by the Narmada Bachao Andolan (NBA) have helped limit construction on the Sardar Sarovar dam this year.

Many people have been protesting about conditions at resettlement sites, where the minimal facilities that the government provided are now falling into disrepair after only a few years. Some who were given infertile land have returned to their original villages, although police have tried to stop them.

ARCH-Vahini, an NGO which until now has supported the government of Gujarat's resettlement programme, has

indicated it is also losing patience with the government. Meanwhile, two new World Bank studies have raised serious questions about the project's finances and likely benefits.

● A 49-day fast by Sunderlal Bahugana ended in July when the Indian government announced a scientific review of the Tehri dam project in Uttar Pradesh. There are indications that the review may not go ahead, however, although critics believe the dangers of earthquakes near the dam, in one of the world's most seismically-active areas, need careful further examination (see *The Ecologist* May/June 1991).

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The Ecologist

CAMPAIGNS & UPDATES

This section highlights current campaigns, suggests how to support them and gives updates on feature articles. Send details of any campaigns to:

Alex Wilks, The Ecologist (Campaigns), Agriculture House, Bath Road, Sturminster Newton, Dorset DT10 1DU, UK, E-mail: ecologist@gn.apc.org, Fax: 01258 473748. No copyright on Campaigns.

Goans Oust DuPont Nylon Factory

MILITANT PROTEST by NGOs and local residents has forced DuPont, the US-based chemical multinational, to abandon its planned \$217 million nylon fibre factory in Goa, India.



DuPont, in a joint venture with Indian company Thapar, acquired agricultural land near Ponda to build a factory to produce nylon 6,6 for car tyres. The state government, which had a financial stake in the project, made over villagers' land to the companies and guaranteed cheap access to water and electricity.

The two primary chemicals used in nylon 6,6 manufacture are classified as "hazardous" by the US government. Yet DuPont negotiated limited liability in the event of a chemical accident and the company admitted in a leaked September 1994 memo that its pollution control measures were insufficient.

Fearing that the factory would pollute drinking water and deplete the water table, all five local *panchayats* (village committees) opposed the project. Protests ranged

from a refusal to sell supplies to site workers to roadblocks of DuPont executives trying to reach the factory. After police fired on the crowd at one such protest, killing a 25-year-old activist, people stepped up their actions, staging a general strike in Ponda and exploding a bomb in an unoccupied DuPont building.

DuPont then announced that it was leaving Goa, but in June the company signed an agreement with the government of Tamil Nadu to establish the plant in Guminnipoondi near Madras. Forty human rights and environmental groups in the state are opposing the plans.

CONTACT: Anti-DuPont Committee, 1st Floor, 194 Walluvar Kottam High Road (Village Road), Nungambakkam, Madras 600034 Tamil Nadu INDIA.

McDonald's Worried By Libel Publicity

MCDONALD'S, which spends \$1.4 billion a year on advertising and promotion, is becoming increasingly concerned about the negative publicity generated by the libel case it has brought against two British activists (see *CAMPAIGNS*, Sept/Oct 1994).

McDonald's recently met the two, Helen Steel and Dave Morris, who are accused of distributing defamatory leaflets about the company, to discuss ending the fourteen-month old case. As no agreement was reached, however, the trial may continue well into 1996.

The case recently covered employment practices. Trade unionists from Lyons, France, gave evidence about five

McDonald's managers who were arrested in 1994 for trying to rig union elections. For the UK, Sid Nicholson, ex-Head of McDonald's Personnel, admitted that staff "would not be able to carry out any overt union activity on McDonald's premises".

Thousands of anti-McDonald's leaflets have continued to be distributed by activists during the trial.

CONTACT: McLibel Support Campaign, c/o 5 Caledonian Road, London N1 9DX. Send cheques to McLibel Support Campaign for court costs.

ONLINE INFORMATION available via the McLibel listserv — to subscribe send a message "subscribe mcLibel" to majordomo@world.std.com

AN ANTI-CORPORATIONS FAYRE will be held in London on October 28, Conway Hall, Red Lion Square, London WC1. McLibel Support Campaign have details.

"Grave Doubts" About Saro-Wiwa Trial

A NEW report by a senior British lawyer expresses serious concerns about the conduct of the trial of Ken Saro-Wiwa and 14 other Ogoni people in Nigeria (see *CAMPAIGNS*, Jan/Feb 1995).

Saro-Wiwa, a well-known campaigner against Shell Oil and leader of the MOSOP Ogoni peoples' organization, was arrested in May 1994 and is now being tried for

incitement to murder. Michael Birnbaum found the military tribunal which is hearing the case to be "neither independent nor impartial" and that defence lawyers have been denied access to their clients and harassed by the security forces.

NIGERIA: *Fundamental Rights Denied* is available from Article XIX, Lancaster House, 33 Islington High St., London N1 9LH, Tel: 0171 278 9292.

Hidrovia Queried

HUNDREDS OF NGOs have formed a coalition, Rios Vivos, to monitor the Hidrovia project which aims to create a 2,100-mile shipping lane from Caceres in Brazil to Nueva Palmira in Uruguay.

The project, designed to transport soyabeans, iron ore and timber, would dredge, dam and divert parts of the Paraná-Paraguay-La Plata rivers, threatening the vast Pantanal wetland and other areas. Critics fear a loss of fish and crop productivity, increased flooding, and land conflicts. Rios Vivos has asked the United Nations Development Programme, the Inter-American Development Bank and the Brazilian government to suspend Hidrovia studies and engineering work because there is so little access to information or public participation.

CONTACT: Glen Switkes, International Rivers Network, 1847 Berkeley Way, Berkeley, CA 94703, USA, E-mail: irn@igc.apc.org

Arun Loan Halted

THE WORLD Bank has cancelled a planned loan for the Arun III dam in Nepal, following criticism of the project's high cost, reliance on foreign contractors and likely environmental and social impacts (see *The Ecologist*, May/June 1994).

The Bank claims the cancellation is not due to the recent report by its Inspection Panel and says it will now identify other projects for the Nepali energy sector.

N-Test Boycott



A BOYCOTT of French goods has been launched to press France to reconsider its plans to restart nuclear weapons testing in the South Pacific.

France is a signatory to the Nuclear Non-Proliferation Treaty, extended this year, which commits countries to work towards a comprehensive nuclear test ban by 1996. The British Nuclear Test Ban Coalition is pressing for such a ban, as well as restoration of land affected by tests and compensation for affected people.

CONTACT: British Nuclear Test Ban Coalition, 88 Islington High Street, London N1 8EG.

Ban Landmines

A NATIONAL day of action on landmines is being held on 23 September, just before a UN conference on the Inhumane Weapons Convention.

The UK Working Group on Landmines, a coalition of NGOs, advocates a total ban on the use, production and export of anti-personnel mines. Hundreds of events and activities across the UK aim to show the British government the broad support for such bans. Among other activities, people will lay mock minefields in city centres, place mutilated dummies in the streets, and collect signatures for a countrywide petition to Parliament.

FOR AN ACTION GUIDE, CONTACT: UK Working Group on Landmines, 601 Holloway Road, London N19 4DJ, Tel/Fax: 01296 632 056.

No Shop Day



AN ANTI-consumerism day with street theatre, leafletting and other actions will be held in the UK and US on 23 and

24 September respectively.

Campaigners aim to persuade people not to shop by highlighting the social and environmental costs of overconsumption, the disparities in purchasing power that are growing both within and between most countries, and the power of the \$250-billion a year advertising industry.

CONTACT: ENOUGH, One World Centre, 6 Mount Street, Manchester M2 5NS, UK; Tel: 0161 237 1630. For the USA and Canada: Kalle Lasn, National No Shop Day, Tel: 1 (800) 663 1243 or (604) 736 9401.

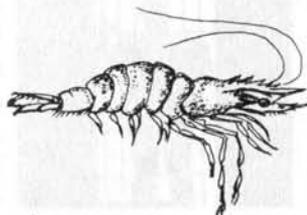
Clearcuts Limited

IN EARLY July, the British Columbia Government, responded to a report of an official scientific panel by announcing a ban on "conventional clear-cutting" in Clayoquot Sound.

The government also announced the postponement of any logging or clearcutting in the five intact watersheds in the Sound. Campaigners have welcomed the move, but remain cautious; they are asking that the new total annual allowable cut and the timetable for implementing the arrangements be announced as soon as possible.

Prawn Farming Boycott, Court Ruling

ECUADORIAN group Acción Ecológica has launched a boycott of Ecuadorian farmed prawns in an effort to save the country's mangrove forests and the livelihoods of the people who depend on them (see *The Ecologist* Vol 25, No. 2/3, 1995).



Official studies show that large areas of mangroves in Ecuador are being lost to prawn farms despite legislation designed to protect them. Esmeraldas province, the area with Ecuador's largest remaining tracts of mangroves, is now threatened as prawn companies move away from areas where their harvests have been decimated by a disease epidemic.

The President of the Ecuadorian Chamber of Aquaculture called the boycott "irresponsible, ridiculous and unpatriotic". But Acción Ecológica maintains that, as the government has taken little effective action, consumer pressure is the best way to protect mangroves and the coastal communities which depend on them for fish, firewood and other resources.

Ecuador's prawns are exported to the

USA, Europe and Japan by companies such as Aquamar, Morrison International, Ground Round Restaurants, Quirola Group, Perez Group and Vannoni Group.

CONTACT: Gina Chavez, Campaña por la Defensa del Manglar, Acción Ecológica,

Lérida 407 y Pontevedra, Quito, ECUADOR, E-mail: cmanglar@acecol.ecx.ec

● In India community organizations have won an interim order from the Indian Supreme Court banning the establishment of commercial aquaculture farms in Tamil Nadu, Andhra Pradesh and Pondicherry states. The Court ruled that no agricultural or salt farms should be converted to aquaculture, no groundwater should be used for it, and that aquaculture farms should not block access to the sea for fishers and others.

The organizations which brought the case are trying to win a permanent ruling and have recently formed a national Peoples' Alliance Against the Shrimp Industry to keep up pressure to get the restrictions implemented in the face of strong industry lobbying.

Opencast Blasted in Philippines & UK

THE NORTHERN Philippines is being threatened by a wave of opencast gold mining since the government introduced a new Mining Code last year.

The new Mining Code, which offers generous tax breaks and profit repatriation terms, has tempted many companies including RTZ (Britain), Newmont Mining (USA), and Newcrest Mining (Australia) to traditional Igorot land.

In contrast to the Igorot tribal people's traditional methods of gold mining, which have continued sustainably and equitably for centuries, the modern mines will employ very few people. Chemicals such as cyanide and mercury may pollute water supplies and farmland; breathing difficulties in the area have already doubled since the Benguet Corporation opened a mine.

In the UK, campaigners have been trying to limit the spread of opencast coal mines (see *CAMPAIGNS*, Jan/Feb 1995). At Celtic Energy's operations at Selar and

at Bryhenllys, near Swansea, South Wales protesters have built treetop houses and other barricades to prevent mining on land including a Site of Special Scientific Interest, an oak woodland, and part of the Brecon Beacons National Park.

Local opposition to Celtic Energy has been strong. Farming families have been forced to move from the area, abandoning their way of life. Many people are angry that the British government closed down most of the deep coal mines but now supports opencast mining, which extracts coal at a similar cost to deep mining, but employs far fewer people and causes much greater environmental damage.

WRITE TO: The Honourable Victor Ramos, Department of the Environment and Natural Resources, Elliptical Road, Quezon City, Metro-Manila, THE PHILIPPINES. Ask that tribal peoples' collective rights to their lands be recognized by law before any new mines are allowed.

CONTACT: Cordillera Links, c/o PRC, 23 Beviden Street, London N1 6BH; Wales Against Opencast, 11 Park Avenue, Porthcawl, Mid Glamorgan, CF36 5EP, Tel: 01685 873 993.

Council Condemns Refugee Pinball

A EUROPEAN Council on Refugees and Exiles (ECRE) report severely criticizes the European Union for deporting asylum seekers to "safe third countries".

Under this policy, agreed by EU Ministers in 1992, asylum seekers who travel via other countries to reach their final EU destination can be returned to the transit country in the hope that their asylum application will be examined there. Refugee recognition rates and practices vary widely between states, and some seekers have even been returned to their country of origin without any state examining their case.

The report cites a Togolese national



who fled from Togo to Munich in July 1994. His claim for asylum in Germany was refused because he had changed planes at Brussels airport. He was returned to Belgium where his application was refused partly on the grounds that he had not been granted asylum in Germany. The Belgian authorities expelled the man to Togo from where he fled to Benin.

ECRE urges that the deportation of asylum seekers should be stopped at least until safeguards are introduced to ensure fair treatment in the receiving country.

Safe Third Country is available from ECRE, 3 Bondway, London SW8 1SJ, Tel: 0171-582 9928.

Climate Economists Told To Recalculate

THE ECONOMISTS who valued Chinese and African people's lives at one fifteenth that of US people (see *The Ecologist*, Nov/Dec 1994) had their work rejected at a meeting of the Intergovernmental Panel on Climate Change (IPCC).

At the meeting in July the Global Commons Institute (GCI) circulated a rebuttal of the IPCC-appointed, mainly Northern economists' calculations of *The Social Costs of Climate Change*. Some governments said they agreed that the economists' work, which allocated rights according to spend-

ing power, "contained errors".

The economists, who have spent two years contributing to the estimate of what governments should spend to try to stop global warming, now have to reconsider their conclusions before another meeting of the IPCC in October. The GCI will continue to monitor the economists' attempts to override human rights and equality with dubious economic logic.

CONTACT: Global Commons Institute, 42 Windsor Road, London NW2 5OS, E-mail: saveforests@gn.apc.org

Toxic Racism

A RECENT report, *Toxic Waste and Race Revisited*, shows that "the racial gap between communities with commercial toxic waste sites and those without has grown significantly" in the last five years. In 1993 black people were 47 per cent more likely than whites to live near a commercial waste facility.

Another study, commissioned by the World Council of Churches, has also criticized widespread racism in the United States, including the detention as political prisoners of many African-Americans and Native Americans involved in struggles for self-determination.

Toxic Waste and Race Revisited is available from the Center For Policy Alternatives, 1875 Connecticut Avenue, N.W., Suite 710, Washington DC 20009, USA.

Transport Protests

IN MANY UK cities, as well as in Washington DC, USA, and Montevideo, Uruguay, mass cycle rallies are being held to demand better provision for cyclists.

Meanwhile, the British government has abandoned its promised year-long review of the Newbury bypass after seven months. Building work has now started and campaigners have begun direct action protests.

CRITICAL MASS cycle rides in London are on the last Friday of each month, meet 5.45pm on the South Bank by Waterloo Bridge, contact: CHARM, PO Box 3738, London E8 2BA.

OTHER CONTACTS: CEUTA, Santiago de Chile 1183 CP 11200, Montevideo, URUGUAY, E-mail: ceuta@chasque.apc.org, Newbury bypass campaign, Tel: 01488-608 388.

ALARMUK, the alliance of anti-roads groups, has moved to South Bank House, Black Prince Road, London SE1, Tel: 0171-582 9279.

IN BRIEF ●●●●●●●●●●

● INSIDE THE ARMS TRADE

A new World Development Movement report examines the government's and merchant banks' role in supporting the UK arms trade. WDM urges banks to adopt a code of conduct on which countries they will sell arms to, and the government to establish an independent review of the link between arms and aid money and the Export Credits Guarantee Department's support for arms sales.

THE REPORT is available for \$3.50 from: World Development Movement, 25 Beehive Place, London SW9 7QR, Tel: 0171-737 6215.

● OESTROGEN CONCERNS

A study by the Danish Environmental Protection Agency and an article in the *New Zealand Medical Journal* have added to concerns about the effects on human fertility and health of chemicals which mimic oestrogens (see *The Ecologist*, Jan/Feb 1995).

CONTACT: The Food Commission, 5/11 Workshop St., London EC2A 2BH, Tel: 0171-628 7774.

● SAPS AND TOURISM

A new project has been launched to study the links between structural adjustment and tourism.

CONTACT: The Ecumenical Coalition on Third World Tourism, PO Box 35, Senanikhom, Bangkok 10902, THAILAND, Fax: +662 939 7112, E-mail: contours@pg.frlht.ernet.in

● BIALOWEZIA SAVED?

The Polish Director of State Forests has declared a moratorium on the logging of old growth trees in the area of the Bialowieza forest after protests both inside and outside Poland (see *CAMPAIGNS*, May/June 1994).

CONTACT: EYFA, Postbus 94115, 1090 GC Amsterdam, THE NETHERLANDS, E-mail: eyfa@antenna.nl

● BEST/WORST LANDLORD

The Land is Ours land reform movement for Britain has announced a competition to name Britain's best and worst landlords.

ENTRIES SHOULD be sent to The Land is Ours, Box E, 111 Magdalen Road, Oxford OX4 1RQ to arrive no later than 30 November.

● UNDERCURRENTS OUT

The third volume of *Undercurrents*, the alternative video news "magazine", has been launched in the UK.

TO ORDER, send £9.50 (waged), £6.50 (unwaged) to Small World, 46 Rhymers Lane, Oxford OX4 3LB.