D. RAJA M.P. Secretary

9th August 2007

Respected Shri Manmohanji:

Subject: Recent news articles regarding Government's efforts to exonerate Dow Chemical of Bhopal liabilities

I have followed with interest and disappointment the recent news reports that highlight the coming together of very senior politicians, bureaucrats and industrialists in a bid to rid Dow Chemical of its liabilities in Bhopal. Specifically, I refer to the news articles datelined 27 July, 2007, that appeared in *The Economic Times*, and another article datelined 30 June, 2007, in *The Times of India*.

The former article "Dow's Bhopal Legacy Under Scanner" mentions that US side has said that "the uncertainty faced by Dow – which plans to invest \$1 billion in India – is a major irritant that needs to be tackled as a priority" in view of the 123 agreement between India and the US. This statement is in specific reference to the application filed by the Ministry of Chemicals in the Madhya Pradesh High Court asking for Rs. 100 crores to be deposited by Dow Chemical as advance and part payment towards cost of environmental remediation of the Union Carbide factory and its surroundings.

Sir, the legal position on this matter aside, let me alert you that given the global attention and support for the Bhopal campaign, the emotive issues of justice and the symbolism of Union Carbide as the perpetrator of the world's worst industrial disaster, any move that short-changes the Bhopal survivors will not go uncontested and will prove to be massively unpopular.

In the shameful 23 year saga, Union Carbide and its new master Dow Chemical have found more sympathizers and easy access with the highest levels of the Government even while Bhopalis have had to resort to extreme forms of demonstration including indefinite hunger strikes and padayatras. In terms of magnitude and scale of suffering, the Bhopal disaster itself is nothing compared to the betrayals and tribulations faced by the survivors of the disaster in accessing justice and at the hands of successive Governments.

You may recall that it took more than two decades for the compensation amounts to be handed to the survivors, and even that only after the intervention of the Supreme Court.

The criminal case against the Indian accused has moved at a snail's pace. The criminal case against the foreign accused has moved not at all. No fresh or updated notice has been served on Union Carbide Corporation. Warren Anderson's extradition notice has been stuck at the Ministry of External Affairs for more than a year.

Union Carbide's toxic wastes lie strewn in and around the factory site, creating a new generation of poisoned Bhopalis through contaminated water.

Meanwhile, Dow Chemical continues to lie and bribe its way through India. In 2005, Indian Oil Corporation was forced to revoke a deal with Dow Global after it was revealed that Dow had tried to pass of Union Carbide's patented technology as its own. In 2006, the US Securities and Exchange Commission fined Dow Chemical \$325,000 for having bribed Indian officials to expedite registration of their pesticides. Dow Corning, Dow's joint venture, has secured approval for its Greenfield silicone factory in Ranjangaon, Maharashtra, based on flawed data, including a map of its American facility in the place of the actual project area.

A submission in the Chief Judicial Magistrate's court in Bhopal reveals that Dow, through its subsidiaries, has actively profited from the sales of Union Carbide technologies and services in India even while shielding the company or its sales proceeds from attachment. Between February 2001 and 2004, Dow has repatriated more than \$4.5 million through sales of Union Carbide technology and services. Union Carbide remains an absconder from Indian courts.

Interestingly, in all the communications unearthed by Right to Information by Bhopal groups, there is no mention of the criminal and troublesome antecedents of Dow.

I have noticed a marked concern expressed by the Ministers of Commerce and Finance, your office and Shri Montek Singh Ahluwalia on the uncertainties and delays being faced by Dow Chemical in investing in India. Nowhere has the plight of the Bhopal survivors, or the need for urgency in resolving this in the interests of Bhopalis and their children, been accorded even a mention. The American multinational, rather than Bhopal survivors and their children, are being regarded as the victims by our Government. The indigent survivors, themselves, are seen as an irritant and impediment to investments by Dow.

Ironically, Dow's carrot of \$1 billion in investments is less than a third of what was originally sought as compensation by the Government of India from Union Carbide. And the cost of environmental and groundwater remediation in Bhopal, and for care of the more than 25,000 people currently exposed to contaminated water could well run into hundreds of millions.

While I agree that the Bhopal issue has to be resolved without delay, my motivation comes from a desire to end the suffering of the Bhopalis and not as a result of pressure from the US Government or its multinationals. It is objectionable that the Government of India seems to have pledged issues of justice and fair play in a bid to please the Americans business interests.

Sir, as you well know, the victims of the 1984 disaster were denied proper compensation as a result of the settlement between the Union of India and Union Carbide Corporation in 1989. The settlement of 1989 was roundly criticized by every single newspaper in the country as a sell out to the American multinational. We hope that by your timely and effective intervention in the matter concerning Dow Chemical's environmental and criminal liabilities, victims of toxic contamination of ground water and soil in Bhopal will be spared a betrayal.

Litt regards,

Sincerely,

(D. RAJA

To:

Shri Manmohan Singh The Hon'ble Prime Minister of India Room No. 152, South Block Raisina Hill, New Delhi 110 001



## प्रधान मंत्री Prime Minister

New Delhi August 17, 2007

Dear Shri Raja,

I have received your letter of August 9, 2007 regarding Dow Chemical's liabilities to victims of toxic gases in Bhopal.

With regards,

Yours sincerely.

(Manmohan Singh)

Shri D. Raja, MP Ajoy Bhavan 15, Com. Inderjit Gupta Marg New Delhi-110 002