

India's Ugliest Dam Builder

by Heffa Schücking

India's ugliest dam builder is undoubtedly the state-owned National Hydroelectric Power Corporation (NHPC). While the company is currently angling to acquire new capital, its operations at home and abroad have left a trail of ruined livelihoods and misery in its wake.

The best case in point is Burma. Where others see a human rights disaster, NHPC sees a prime business opportunity. In 2004, NHPC negotiated a contract with the country's military junta to build the Tamanthi Dam on the Chindwin River in Northwestern Burma. The dam is being built on the lands of the Kuki indigenous tribe, and will displace over 30,000 Kukis. Construction began in 2007, and according to reports from the area, the military has begun destroying villages and applying the slave labour system common to Burmese construction projects. Electricity from the dam will be exported to India and its proceeds will fill the military's coffers. As one Kuki leader says: "Tamanthi is yet another weapon in the hands of the junta."

Even in its home country (which after all prides itself on being the world's largest democracy), NHPC shows complete disregard for democratic norms or environmental and human rights considerations. In the Indira Sagar project in the Narmada Valley, NHPC enforced a regime of terror, forcing people to leave their villages through intimidation and the use of special armed forces. During the 2004 impoundment of the dam, NHPC began flooding villages without prior notice, so that many villagers had to run for their lives. In the Omkareshwar Dam area, just 50 km downstream of Indira Sagar, NHPC's approach has been similarly brutal. Here, the inhabitants of the village of Panthiaji were given only 24 hours to leave their homes, and were told that they would not receive any compensation unless they destroyed their own houses.

Ramphere Yadav of Panthiaji tells the story of what happened that day: "First we refused to go, but then the people from NHPC said that they would break our houses with their bulldozers and smash our belongings. So there was no choice. It was the monsoon and raining heavily, but we were forced to leave our homes, and all our belongings were lying in the rain. So we worked all night. We took out our belongings, took down our roofs and broke our homes because the pressure was so much. People were crying, and we were in extreme distress. Having to break our village was like breaking our own heart."

Amazingly, in spite of Supreme Court judgments, resettlement plans, project agreements, the conditions set out by India's Environment Ministry and state policies – all specifying that the affected villagers must receive land-for-land compensation and must be resettled at least six months before impoundment begins – NHPC has never provided a single family with new land. Recent-

ly, oustees in the Narmada Valley have managed to win a number of court cases against NHPC, so that the High Court of the State, for example, put a stay on the filling of the Omkareshwar reservoir. However, NHPC has completely ignored court decisions ordering it to compensate those who were already displaced for the Indira Sagar project. The result is that some 200,000 people, most of whom were formerly self-sufficient farmers, have been turned into refugees and paupers.

Currently, NHPC's dam building is focused on India's Northeast, a region with a fragile ecology and home to over 100 indigenous groups. Here, too, the company is ignoring local laws and the rights of affected people. The best example is the Dzongu region in the state of Sikkim. Dzongu is home to the Lepcha people and the only remaining refuge for their culture. Over 100 years ago, when Sikkim was still an independent Buddhist Kingdom, Dzongu was proclaimed a Lepcha reserve in recognition of the tribe's unique culture and deep bond to nature. This law was affirmed when Sikkim became a member of the Indian Union



Women from Gunjari village in the Narmada Valley spent nine days standing in the rising waters to protest NHPC's lack of resettlement measures. Photo: NBA

in 1975. In the meantime, the area adjacent to Dzongu has been declared a Biosphere Reserve to protect the region's spectacular biodiversity. NHPC has nonetheless begun planning and building a series of dams that will have severe impacts on both Dzongu and the Biosphere Reserve. The Lepcha are waging a desperate battle against these projects and last year, two of their leaders went on a 63-day hunger strike. As Dawa Lepcha, one of the hunger strikers, says: "The only law that the government is currently upholding is the Land Acquisition Act, which allows it to displace people. All other laws are thrown to the winds."

As a state-owned corporation, NHPC has been allowed to virtually ignore India's environmental laws and regulations, the conditions set out in project clearances, court judgments and in project agreements to guarantee the rights of people affected by its projects.

In recent years, the corporation has received support from European private banks such as Banca Monte del Paschi di Siena, Barclays, Deutsche Bank, HSBC, ING, Natixis, Société Générale and Standard Chartered as well as by the Asian Development Bank and export credit agencies such as Coface, Export Development Canada and JBIC.

NHPC has set a whole new standard for corporate social irresponsibility and sheer callousness. Any financial institution with a semblance of ethics needs to blacklist this corporation. ●

The author is with the German environment and human rights organization Urgewald. This article is based on her new report, "NHPC: People Don't Matter," which can be downloaded from internationalrivers.org.