

# East and Southeast Asia Activists Unite to Protect Rivers, Fight Dams

Organizations in East and Southeast Asia have united to form a regional network to fight dams and protect rivers in the region. At the first East and Southeast Asia Regional Meeting on Dams, Rivers and People, held in Kong Jiam, Thailand in late June, more than 60 participants from 14 countries announced their intention to “unite our struggle at the local, national and international level so as to stop the funding of dam projects in East and Southeast Asia and to restore rivers to the communities who depend on them.”

Chainarong Srettachau, Director of the Thai NGO Southeast Asia Rivers Network, the local organizer for the meeting, said, “We have recognized that we share common problems caused by dams – the appropriation of local communities, rights to their rivers and water resources by governments

and private developers. By joining forces we will drive a stake through the heart of the dam-building industry in this region.”

Participants at the meeting, which included dam-affected people from Malaysia, Korea, Thailand, the Philippines, Taiwan and Cambodia, together with allies from across the region, produced the Pak Mun Declaration, which calls for:

- a moratorium on large dam construction until the problems created by existing dams have been rectified and reparations made to affected communities;
- the decommissioning of dams which have created irreversible social, environmental and cultural destruction; and,
- an immediate stop to the financing of dam projects by bilateral and multilateral organizations, particularly the World Bank, Asian Development Bank and Japan Bank for International Cooperation.

Participants visited Pak Mun and Rasi Salai dams in Thailand, where villagers have occupied the dams and are demanding the permanent opening of the gates (see stories, page 3). They told the villagers that they would work to support their struggle to restore the Mun River. ■

## News Flash

In a victory for villagers affected by Rasi Salai Dam, the Thai government on July 6 ordered the dam's gates opened for two years.

See Page 3.

## SPECIAL FOCUS ON Asia

- China: The massive Xiaolangdi Dam is powerless due to drought. Page 1
- Commentary: A “peace message” from Thailand’s Assembly of the Poor. Page 2
- Thailand: Gates on Rasi Salai a Dam are opened; but a similar proposal for Pak Mun Dam is ignored by government. Page 3
- The World: NGOs anxiously await the final report of the World Commission on Dams, due in November. Page 4
- China: The World Bank and resettlement in China. Page 6
- Cambodia: Vietnam’s Yall Falls Dam is disastrous for downstream communities. Page 8
- North America: Canada’s indigenous people are paying for high energy use in the US. Page 10
- Brazil: Manso Dam has harmed the Cuiabá River’s fisheries. Page 11
- News Briefs: Alternatives, updates and more. Page 12
- In Print: New publications of note. Page 14

## IN THIS ISSUE

Address Correction Requested

International Rivers Network  
1847 Berkeley Way  
Berkeley, CA 94703, U.S.A.



Non-Profit Org.  
US POSTAGE  
PAID  
Berkeley, CA 94703  
Permit No. 126

# World Rivers Review

Volume 15, Number 4 / August 2000

Published by International Rivers Network

## China Drought Paralyzes Hydropower

By Doris Shen

The World Bank-financed Xiaolangdi Dam has not generated electricity since May 20 due to a severe drought, according to Chinese media. According to the China News Agency, the Central Government urgently ordered the immediate release of water held in the reservoir to relieve shortages downstream. At press time, power production had still not resumed.

In an interview with the *South China Morning Post*, an official at Xiaolangdi said "This has brought us great economic losses, but we were told not to worry about profits."

The multipurpose dam was expected to have a generating capacity of 1,800 megawatts and aid in the development of industry in the largely rural Henan province.

The dam had just started to produce electricity in January of this year. Other large dams in the watershed are also idled by the drought. The Yellow River has been suffering from overuse of its waters for decades, and since 1985 has failed to reach the sea for ever longer periods.

The US\$4 billion dam on China's Yellow River received over \$1 billion in loans from the World Bank. It is currently the largest dam project to be completed in China. It was built by Italian, French, and German companies, including Impregilo, Hochtief and Dumez. All three of these firms have been charged with corruption on another major World Bank dam project, the Lesotho Highlands Water Project in Southern Africa.

A few years back, the World Bank listed Xiaolangdi as one of its top ten "green projects" because it would offset a large amount of coal-fired electricity.

The dam is a "multipurpose project," designed both for flood control and electricity production. Engineers argue the dam is a necessary flood control tool, holding back the river's high levels of sediment so that downstream levees do not need to be raised. Sedimentation levels in the Yellow River are among the world's highest. After passing



Xiaolangdi Dam under construction.

through Xiaolangdi, the river reaches the plains of central China and deposits sediment at a rate of 10 centimeters a year. Critics of the dam warned back in 1995 that the project was not cost effective for flood control as it was likely to fill with sediment in 20 years.

Close to 200,000 people have been displaced for the dam. Another 300,000 people in receiving areas where the resettlers are to be moved have been affected. Journalists told IRN that they have not been given access to the dam's resettlement areas.

In an interview with IRN, Barry Trembath, principal power engineer in the World Bank's energy and mining sector for East Asia, confirmed that repayment on the Xiaolangdi loan was dependent on profits from electricity generation. When asked whether or not more large dams would be constructed on the Yellow River, Trembath responded "The World Bank has nothing, in principle, against funding large dams." He said it was up to the Chinese government to decide on how to proceed with its original plan to build more dams on the Yellow River.

Hydrologists in China and the US fear that the dam might repeat the failure of the earlier Sanmenxia Dam 120 km upstream. Built in the 1950s by Chinese and Russian engineers, Sanmenxia was the largest and highest profile project in China at that time. Mao Zedong's impatience during the Great Leap Forward forced builders to speed up construction. Soon after completion, the dam silted up so that it was useless for either generating electricity or flood control.

According to a World Bank report on involuntary resettlement in China (No. 11641-CHA), the majority of the 410,000 people displaced by Sanmenxia still live in abject poverty, without any means of livelihood. Within three years of reservoir impoundment in 1960, the river had deposited more than 50 billion tons of sediment at its upper end, raising the riverbed by several meters and threatening upstream areas, including the ancient capital Xian, with serious flooding. Between 1962 and 1973 the dam had to be redesigned twice to increase its ability to flush sediments. ■

# Message of Peace

*This message was sent by the Assembly of the Poor in Thailand in July to various media and email lists. The Assembly of the Poor is a peoples' movement comprised of thousands of poor rural villagers from all over Thailand who have been protesting government policies and projects which harm the poor for five years. The Assembly of the Poor has been at the forefront of the movement to restore the Mun River, whose communities have been harmed by the Pak Mun and Rasi Salai dams (see opposite).*

**F**ormerly, we were not poor. We had farmlands and self-reliant livelihoods based on nature, land and rivers. We were not rich but had never been hungry. When the government built dams on the land where we had lived and farmed for generations, we protested. The government used legal measures to evict us and gave us chickenfeed and futile land as compensation for uprooting our lives.

So we became poor – or to be more exact, the government and its rural resources-exploiting urban development approach impoverished us.

We were admonished by the government not to be selfish but to sacrifice for national development. If development doesn't make rural communities as important as urban ones, if it doesn't entitle local communities to manage their resources, but instead means that thousands of households and abundant natural resources must be ruined in exchange for a few megawatts of electricity, then we're not willing to sacrifice our sustainable resources and the future of our descendants for such worthless development.

The Assembly of the Poor came to camp out in front of Government House, time and again. We didn't come to ask for what's not ours. We came to urge the government to mediate to return what we deserve. Is it wrong to demand what has been robbed from us? Is the Assembly wrong to ask the government to follow the recommendations of the neutral committee that was set up by the government itself?

Instead of being sympathetic, the government accused the Assembly of being greedy. It has been said we are mercenary mobsters, trouble-making Lao migrants and funded by overseas groups. We beg you to believe that our rural way of life is simply based on self-sufficient culture. If it had not been for the encroachment of dams on our farmland and rivers, hardly anybody here would know we exist.

The Assembly is just a marginalised group of poor people. The Assembly has asked ourselves "What's most important in our lives?" Houses and farmland – but we've already lost them. The most important thing for us now is our dignity. Physical assets such as houses, farmland and resources can be taken away from us, but we'll never let ourselves be looked down upon. We'll stand by *dhamma*, truth and righteousness.

We've realized that to preserve our dignity is to fight for justice and righteousness; not to fight for personal gains. We have to fight to keep our cherished local culture, our rivers, mountains, forests as well as wildlife for the future sake of our descendants.

We hold a hunger strike not to torture ourselves or in protest of the government or the public at large. We refrain from taking food to maintain *dhamma*, to communicate the truth about poverty problems. Our poverty doesn't come from personal laziness, it is caused by a structural system of misdirected development and economic policies. There are at present a great number of hungry people. It mirrors the hunger of millions in this country.

While we're fasting, we'll send our loving kindness and well wishes to the government and the policemen who have to be on duty. They are not our enemies. Our actual enemies are unjust economic and social structures, which we, the government and every member of Thai society have to join hands to change.

For the government, if it still considers itself as the people's government, it should treat the poor's problems as equally as it does economic issues. If the government had the guts to amend and change legislation, regulations and structural policies to solve problems for the business sector, it must do the same for the sake of the poor.

Thai society's wisdom must be mobilized to find acceptable and fair solutions to all concerned. To find a way out of this plundering of natural resources – symbolized by dam construction – means not only seeking solutions to the problems of a few thousand members of the Assembly of the Poor, but will also be an example for other similar structural problems in Thai society.

Assembly of the Poor

## World Rivers Review

Volume 15, Number 4

ISSN Number 0890 6211

**Editor:** Lori Pottinger

**Design/Production:** Jeanette Madden

**Printing:** West Coast Print Center

### International Rivers Network

**Executive Director:**

Juliette Majot

#### Staff:

Monti Aguirre, Elizabeth Brink, Selma Barros de Oliveira, Yvonne Cuellar, Annie Ducmanis, Ignacio Fernandez, Mary Houghteling, Aviva Imhof, Patrick McCully, Pamela Michael, Lori Pottinger, Steve Rothert, Doris Shen, Glenn Switkes, Susanne Wong, Petra J. Yee

#### Interns & Volunteers:

Anne Baker, Naomi Beymer, Jean Choi, Zola DeFirmian, Will Dvorak, Bodhi Garrett, Belle Kevin, Nancy Osundwa, Amrita Patwardhan, Betty Ann Webster

#### Board of Directors:

Paul Strasburg (*Chair*),  
Philip Williams (*President*),  
Dan Beard, Patricia Chang, Bob Hass, Dorka Keehn, Lauren Klein, Joshua Mailman, Walter Sedgwick, Brian Smith, Francesca Vietor

#### Contact Information:

International Rivers Network  
1847 Berkeley Way  
Berkeley, CA 94703 USA  
Tel: (510) 848-1155  
Fax: (510) 848-1008  
E-mail: [irn@irn.org](mailto:irn@irn.org)  
World Wide Web: <http://www.irn.org>

International Rivers Network is an affiliate organization of Friends of the Earth International.

# VICTORY!

## Rasi Salai Dam Gates Opened

by Jean Choi

In a victory for villagers affected by Rasi Salai Dam, the Thai government on July 6 ordered the dam's gates opened for two years.

"The opening of the gates will restore the land to its natural condition," said Science Minister Arthit Urirat.

The decision came after seven years of protests by affected villagers for compensation and consideration of their problems. In August 1999, protesters established a village in the reservoir area and said they would stay until their demands were met. Last November, 400 villagers risked drowning as the reservoir's waters rose around them. In mid-May this year, 800 villagers took over the dam and occupied the dam crest. Frustrated by the government's inaction, the villagers eventually started removing rocks from the southern part of the dam in an

effort to allow the Mun River to flow along its natural course.

The long years of protest by the villagers have finally borne fruit. In addition to opening the gates, the Minister promised to investigate the compensation claims of the affected villagers. An estimated 17,000 people have been affected by the dam and are seeking compensation. However, as the land was not surveyed prior to construction, the exact location and uses of the villagers' land are not known. The Minister ordered the Department of Energy Development and Promotion to re-survey the land held by villagers around the reservoir after the water is released to determine who has been affected by the dam.

The Minister also agreed to conduct soil salinity studies in accordance with the demands of the villagers. People have com-

plained of salinity problems in the reservoir since the dam was completed in 1994. A report by the Land Development Department revealed that more than 42 percent of the area irrigated by the dam is at risk for salinity problems due to the high salt content of the reservoir waters. Pajit Silarak, a leader of the Thai group Assembly of the Poor, claims the water from the dam flooded salt mines, causing soil and water contamination in the area.

As a result of the Minister's promises, the Rasi Salai villagers have moved away from their protest camp at the dam site. However, the villagers will continue to protest in solidarity with the Assembly of the Poor until all of the group's demands are met, which include 16 dam, forest and other development projects affecting poor farmers. ■

## Thai Government Resists Pressure on Pak Mun

by Aviva Imhof

While the Thai government recently agreed to open the gates at Rasi Salai Dam to help restore the Mun River (see story above), Prime Minister Chuan Leekpai has remained steadfast in his refusal to permanently open the gates at Pak Mun Dam, where similar harm to peoples' livelihoods has occurred.

Villagers affected by the dam have been protesting for the past year and a half to pressure the government and the World Bank to open Pak Mun's floodgates and restore the river's fisheries. Two months ago, after villagers occupied the dam, Deputy Prime Minister Banyat Bantadthan appointed a neutral committee to investigate the dam and 15 other problems raised by the Thai group Assembly of the Poor. The committee recommended that the government open Pak Mun's gates for four months during the rainy season each year to allow fish migration. The Deputy Prime Minister refused to comply with the recommendation.

Frustrated by the lack of response from the government, in mid-July thousands of villagers traveled to Bangkok to protest. On July



A 2-year-old-child and her mother were among those arrested in Pak Mun protests in Thailand.

16, more than 200 villagers entered Government House. Police wielded batons and fired tear gas at the protesters. Some 50 people were injured, 10 of whom were admitted to the

hospital, and 225 villagers were arrested and charged with trespassing and illegal assembly. Their charges are still pending.

*continued on page 15*



# Dam Critics State Expectations for WCD Report

by Patrick McCully

**M**ore than 100 nongovernmental organizations and people's movements from around the world endorsed a letter to Kader Asmal, Chair of the World Commission on Dams (WCD), to express their many concerns over the WCD process and their expectations for the final report. The WCD's final report is scheduled to be released in mid-November. The organizations which endorsed the June 16, 2000 letter have contributed to the WCD process in various ways over the past three years.

Despite their concerns, the groups state that they "still believe that the WCD has the potential to produce a truly groundbreaking report." The letter states, "A bold WCD report could help move the world toward a new paradigm of energy and water management, and even toward a new paradigm of development in general. This paradigm must be one which gives the highest priority to social, economic and political justice, human and cultural well being and equality, and ecological sustainability.... There are few issues more central to the task of creating a brighter future than ensuring the provision of water and energy we need while maintaining healthy ecosystems and societies."

A body of research papers commissioned by the WCD are, in large part, what its final report will be based on. The letter notes that "while some WCD studies represent rigorous and comprehensive independent reviews based on the latest available evidence, some are no more than standard dam-industry tracts." The letter's authors cite a number of reasons for flawed WCD reports, including: "a lack of understanding of ground realities (especially of the human costs of displacement and environmental degradation) on the part of the responsible secretariat staff and consultants, and a lack of time to carry out the studies, which made a proper participatory process impossible."

The NGO letter includes the following facts and issues about dams, noting that many of these are illustrated by WCD studies:

- Even after building 45,000 large dams, billions of people are suffering from inadequate water or energy supply. In many countries, more people are now drought-prone, flood-affected, poor, malnourished or thirsty than at the beginning of the big dam-building era.
- The projected social, environmental and financial costs of large dams have invariably proved to be gross underestimates, and projected benefits gross overestimates.

- Dam builders claim that because irrigation plays a vital role in world food production, therefore dams play a vital role in feeding the world. But only a small proportion of irrigated crops are watered via dams and dam-based irrigation systems are notoriously inefficient.

- It is also claimed that because large dams are built for flood control they have therefore controlled floods. In fact, while some dams have proved effective at moderating flood peaks in the short term, for a variety of reasons dams and embankments have only increased flood damage on a worldwide scale.

- Tens of millions of people have been displaced by large dams. Most of these people are from the poorest and most marginalized segments of society. A highly disproportionate number are from indigenous and tribal communities and ethnic minorities. Women have had little place in either sharing the benefits or in taking decisions on large dams, whereas they have had to bear a large part of their adverse impacts.

- Large dams have caused serious environmental impacts. Environmental impact assessments have failed as a tool to predict these impacts. EIAs, instead of being a tool to assess, predict and mitigate impacts of large dams, have become a tool to legitimize them.

- Large dams, especially in the tropics, can contribute significantly to global warming.

- No large dam has reduced inequity in a society. Those who primarily benefit from large dams include consultants, contractors, development bureaucrats, agribusiness corporations and electro-intensive industries in particular.

- Deregulation and privatization of the energy and water sectors under the name of corporate globalization are eliminating the possibility of water and energy planning being directed to meet prioritized social needs and environmental sustainability.

Taking the above into account, the letter urges the WCD to adopt the following key recommendations:

## Displacement

- If the WCD accepts the principles of equity, full participation, sustainability, democracy and respect for human rights, then there must be an end to involuntary resettlement. Only when resettlement is voluntary, based on collectively negotiated agreements between affected communities and developers, is there hope that just resettlement will

occur. Institutional mechanisms must be put in place which allow affected communities to negotiate as equals in access to information, expert advice and the law throughout project appraisal and implementation. If the WCD fails to adopt these principles, it is unlikely that affected people's movements will have any interest in supporting the WCD's report.

- The rights of indigenous, tribal and traditional people to self-determination must be recognized, as must their rights to the preservation of their resources, cultural heritage and territories.

## Fix What's Broken First

- Before investments are made in any new projects in a specific region, existing energy and water infrastructure projects (not just dams) must be rehabilitated to meet their full potential.

- There should be a moratorium on the construction of new dams in any given country until the problems caused by completed projects in that country are resolved, including reparations for economic and cultural harm, and the restoration of damaged ecosystems.

- Where private companies implement dams they must be held responsible for the social and environmental costs involved. Companies should have to meet the same standards overseas as they do in their home countries.

- The WCD should call for improved, democratically accountable, regulatory regimes, and not accept current trends of privatization and globalization as inevitable.

Dam critics who follow the WCD believe that the Commission's conclusions should not be determined by what it thinks governments or companies might presently consider "acceptable" or "realistic," but rather should be based firmly on the available evidence. The letter states, "We expect the Commission to state absolutely truthfully their judgement about the development effectiveness of large dams in the past, without fear or favor."

The letter concludes, "The WCD report should not come across as a cheerleader for a new generation of kinder, gentler dams. This will only be misused to push more schemes which, whatever claims made for them, will only replicate the problems of past and present projects. Obviously we would not be able to support such a report." ■

For more information on the WCD, visit [www.dams.org](http://www.dams.org).

# The End of the Road Nears for WCD

by Liane Greeff

**W**ill it have been worth it? This is the big question shadowing those from civil society who have contributed so much time, energy and resources to the World Commission on Dams (WCD) process. The answer to this question will be clear in November upon release of the WCD's final report. Will it be a strong report that gives clarity on the fundamental development effectiveness, or lack thereof, of large dams, or will it be a weak and neutral report which, in its attempt to appease all sides of the debate, ends up not satisfying anybody?

Much hangs upon the success or failure of the WCD, as its approach is being touted as a new way to resolve international debates about controversial issues. If successful, it may be replicated in an effort to find solutions to other global controversies, such as genetic engineering or timber harvesting.

However, for the millions of individuals who have been forcefully removed from their ancestral land, or for the millions more who have lost their livelihoods through the loss of riverine resources upon which they depended, the World Commission on Dams means so much more. The original call for the WCD came from dam affected communities from around the world who gathered in Curitiba, Brazil, in 1997 to share their common experiences with regard to the loss of land, forests, fisheries, their fight against vested interests, the worsening of inequalities by large dams and exclusion from decision-making processes.

In their vision they called for a "society where human beings and nature are no longer reduced to the logic of the market where the only value is that of commodities and the only goal profits. We must advance to a society which respects diversity, and which is based on equitable and just relations between people, regions and nations." To this end they demanded that "an international independent commission [be] established to conduct a comprehensive review of all large dams financed or otherwise supported by international aid and credit agencies, and its policy conclusions implemented."

This request became reality at a World Bank meeting in Gland, Switzerland where an internal evaluation of World Bank dams was criticized as being biased and methodologically flawed. Surprisingly, the World Bank, together with the World Conservation Union (IUCN), agreed to requests for an

independent study and put up seed funding.

The World Commission on Dams was formed in 1997. Commissioners from all sides of the debate were selected, and South Africa's former water minister, Kader Asmal, was chosen as Chair. The Commission's two overarching goals have dictated its work plan:

- Review the development effectiveness of dams and assess alternatives for water resources and energy development;
- Develop internationally accepted standards, guidelines and criteria for decision-making in the planning, design, construction, monitoring, operation and decommissioning of dams.

Specialists from all corners of the earth moved to Cape Town to begin a grueling work program of 17 "thematic" reviews (covering key issues surrounding dams, such as resettlement, economics and corruption), 7 river basin studies, 2 country studies, and a survey of the characteristics of 150 dams.

In addition to doing extensive research, the WCD has held four regional consultations, and received over 800 stakeholder submissions. Its commissioners have come together numerous times, and continued the debate from their home offices via email. As an additional safety net, and as a way of broadening buy-in from stakeholders, a "WCD Forum" was established at the beginning of the process. This has grown to include 68 member institutions from 34 countries. At the second Forum meeting in April 2000, Forum members approved the WCD's progress, identified gaps in the knowledge base and participated in working groups, which identified the following as key areas for the Commission to address:

- How to ensure that alternatives to dams are given the same weight in the planning process for energy and water supply.
- Participation issues such as whether communities resettled by dams should have the right to prior informed consent;
- How to improve the management of the 45,000 large dams already in existence;
- How to ensure that dam-proponent promises, such as for compensation or mitigation of environmental and social impacts,



WCD commissioners and secretariat staff hear testimony

Photo: IRN

are kept through effective regulations, compliance, incentives and standards;

- How to negotiate competing rights and interests.

Now, three years later, the World Commission on Dams has moved from the listening stage of its work program to the synthesis stage, in which it is putting fingers to keyboards and producing a final report. The implications are significant for dam-affected communities the world over, and especially those where dams are planned. The era of dam building is by no means over – large dams are being planned in Angola, Brazil, China, Costa Rica, India, Turkey, Mozambique, Vietnam, Laos, Uganda and many, many more places. Each time a river is dammed it loses something essential, as do the communities who live with it. In the words of Arundhati Roy, "Anyone who has loved a river can tell you that the loss of a river is a terrible, aching thing."

A body like the World Commission on Dams was in fact long overdue. Many are now waiting with bated breath to discover whether it has the courage and foresight to question the faulty development paradigm that has shadowed the era of large dams. They wonder if the WCD's work and final report will help lead us to a future that places people at the center of development, and restores linkages between people and the world's essential, ancient things — earth, forest, water and air.

In just a few short months, the answer will be clear. ■

*The author is with the Environmental Monitoring Group, an NGO in Cape Town. She has been acting as a liaison between the WCD and environmental NGOs, human rights groups and communities affected by large dams.*

# More Spin Than Substance

## *Involuntary Resettlement and the World Bank in China*

by Sophia Woodman

**A** propaganda team visits a remote village and stages a show about a national government project which will require most of the people in the village to relocate to another county. This is the first the villagers have heard of the scheme. Their lives will be immeasurably better in their new homes, the team tells them, describing green fields that contrast starkly with the harsh landscape of the arid region they live in. Some time soon after, a survey team accompanied by a bevy of local officials arrives with a sheaf of forms, and goes around the village collecting responses. The first items to fill in: Name, age, address. The next question: Do you want to move?

Are villagers likely to express their true opinions in such circumstances? Not very likely, given China's current political reality and recent history. Yet a journalist was told this was the method used as part of a social survey carried out for the World Bank, a survey which was supposed to provide an objective assessment of resettlement for an anti-poverty project in northwest China being considered for Bank funding. According to a recent report from the World Bank Inspection Panel, lack of confidentiality in surveys was the norm in all the studies carried out for the China Western Poverty Reduction Project (see story, opposite).

This high-profile project, from which the Bank was ultimately forced to withdraw, is just one example of a poor consultation process facing people undergoing involuntary resettlement in China. "Participation" there generally involves local elites identified by the authorities as community leaders. Under current Chinese law, water projects are actually exempted from the requirement that persons to be displaced be consulted, which, in any case, only involves informing the affected people about the details of the project in question after all the plans have been approved by the relevant levels of government.

Can such methods be considered to fulfill the World Bank's policies on pre-project assessment and consultation? Hardly, but as Bank staff told the Inspection Panel, "in China things are done differently." In response to initial criticisms of assessments conducted for this project, Bank management stated: "The level and quality of preparation and analysis for this project were very much in line with Bank practice in applying



Rural Tibetans would be affected by resettlers moved to their territory for China's Western Poverty Reduction Project.

social and environmental policies to projects in China in the context of its political and social systems."

Another way things are "done differently" in China is that studies are often not conducted by bodies independent of the institutions in charge of the project in question, a practice that is in violation of Bank guidelines. The most notable recent example is the Bank's 1998 evaluation of two of its major completed dam projects in China, Ertan and Shuikou. Both of these studies were carried out by the East China Investigation and Design Institute, a division of the Ministry of Water Resources and Electric Power. Not only is this institute a subsidiary of the government department responsible for these projects, but it also had been involved in the design of both projects right from the start. That an objective report might be obtained from such a source is doubtful, at best.

### Role Model Madness

This is the kind of information on which the World Bank has based its view that China should be considered a model for the developing world in laws, policies and practice on involuntary resettlement, including for water projects such as dams and reservoirs. The 1994 Bank-wide review on the subject, *Reset-*

*tlement and Development*, states: "With some limited differences, Chinese law and regulations now generally converge with the Bank's policy directives on resettlement." Practice, too, was rated exemplary: "Where the standard of income restoration is pursued, as it is for Bank-funded projects, international experts rate Chinese reservoir resettlement performance among the best in a difficult business."

The Bank's glowing assessment is particularly remarkable considering China's dismal history of resettlement, mentioned in Bank reports. China's massive dam building program from the 1950s to the 1970s is now known to have been an unmitigated disaster for many of those displaced. Particularly during times of intense political mobilization, little thought was given to resettling people and compensation was frequently completely inadequate. Many, if not most, of the farmers displaced by dam projects ended up destitute, and an unknown number of people died as a result. By the end of the 1980s, around 70 percent of these "reservoir resettlers" were deemed by officials still to be living in "extreme poverty."

Mainland sources record how, in the 1980s, open resistance broke out to protest the government's failure to provide for reser-

*continued opposite*

# China Withdraws Resettlement Project from World Bank

by Kay Treakle

**O**n July 7, 2000, China withdrew from consideration one of the most controversial projects in World Bank history – the China Western Poverty Reduction Project – in light of strong opposition within the World Bank’s Board of Directors. The project, designed to address poverty in Western China, involved the resettlement of some 58,000 people from eastern Qinghai Province to Dulan County. The project included the creation of a water-storage dam, large-scale irrigation, and the transformation of an arid ecosystem populated by Tibetan and Mongolian nomadic herders to an agricultural center.

When the project came to light in April 1999, Tibetans in Dulan County smuggled letters out to Tibetan exiles in the West requesting help to stop the project, which they believed threatened their cultural survival. Tibetans account for 25 percent of the population in this region, and would have been overwhelmed by the resettlers. Their concerns and those raised by an international network of Tibet support groups and human rights organizations were echoed by environmental groups who questioned the sustainability of the project.

In June 1999, the International Campaign for Tibet, an NGO dedicated to promoting human rights and democratic freedoms for the people of Tibet, filed a claim

with the Bank’s independent Inspection Panel on behalf of project-affected people. The claim stated that the project violated several of the most important World Bank safeguard policies, including involuntary resettlement, indigenous peoples, environmental assessment and information disclosure. It alleged that the project would harm Tibetan and Mongolian herders. Days later, the Board of Executive Directors agreed to withhold funding for the Qinghai project component until the Inspection Panel had conducted a full investigation. The Panel’s report was delivered to Bank management and a limited number of Board members on April 18, 2000.

The Inspection Panel, which investigates cases in which people believe they have been or could be harmed by World Bank-funded projects, discovered numerous problems with the project design. Policies on Environmental Assessment, Resettlement Indigenous Peoples, Natural Habitats, Pest Management, and Information Disclosure had been seriously violated. The Panel found that critical studies and analyses were not done. Moreover, the Panel observed that there existed a “climate of fear” in the project area which would make any meaningful consultation with project affected people impossible. Informed consultation is a prerequisite to the Indigenous Peoples, Resettlement and Environmental Assessment policies.

The Panel report states, “The Panel found that Bank staff apply a double standard in China, with less rigorous application of the Bank’s environmental and social safeguard policies.”

After angrily withdrawing its request for funding, China said it would use its own money for the resettlement and denounced “political interference” in the Bank’s operations.

The story does not end here, however. This controversy, following on the heels of the approval of the controversial Chad-Cameroon pipeline and April World Bank/IMF protests, has brought critical issues of Bank practices and policies to the forefront of international debate. Both the United States and China are calling for major changes in the way that the World Bank conducts its business, albeit with very different ideas about what needs to change. Activists intend to follow up on the profound institutional weaknesses that the Inspection Panel report highlighted, in particular the Bank’s commitment to its policies designed to prevent harm and promote sustainable development objectives. Moreover, China has decided to go forward with the project with its own financing, thus presenting another challenge to human rights and pro-Tibet activists. ■

*For the full text of the Inspection Panel request, see: [www.savetibet.org/action/inspeclaim.pdf](http://www.savetibet.org/action/inspeclaim.pdf)*

## More Spin continued

voir resettlers. Actions ranged from civil disobedience and reoccupation of land to outright violence. Finally, the Chinese government allocated money to address their plight. Yet despite this rehabilitation program, by 1994, according to the World Bank, 46 percent of the displaced people in China remained “at great risk” as they had not been “properly resettled.”

So has China really turned things around so much as to become a resettlement paragon for the developing world? How has the country achieved such a remarkable shift?

Even before the effort to redress the wrongs of the past, beginning in the early 1980s, the Chinese government began to design new policies on resettlement, culminating in the enactment of national statutes and regulations. In addition to responding to

the manifest deficiencies of past practice, this legislative program reflected a broader effort by the Chinese state to initiate “rule by law.” A central concept in current resettlement policy is “developmental resettlement.” The idea is that people who are displaced for a development project should actually experience an improvement in their standard of living as a result of the move, and that project planning and funding should provide for this.

Developmental resettlement is a commendable idea. But is it put into practice? As the World Bank itself points out, there is no legally enforceable provision in the relevant regulations requiring that resettlers either maintain or improve their standard of living. Thus developmental resettlement is an aspiration, not a guarantee. In the context of today’s China, where a host of good-sound-

ing laws – guaranteeing workers an eight-hour day, promising gender equality and childhood education – are routinely ignored by officials racing after profits, such good intentions are often worth little.

Chinese citizens, especially rural dwellers, have few means at their disposal to ensure that the government keeps its promises or abides by its laws. The Chinese authorities severely restrict the rights to freedom of expression and association, and do not permit the existence of independent NGOs. Even ad hoc campaigns in which people band together to ask for action on a problem run the risk of being declared illegal organizations, especially when they are challenging official interests, as would likely be the case in disputes relating to resettlement. Journal-

*continued on page 15*



# “I Want to Break the Dam”

## People of Se San River Suffer Dam-Induced Floods, Famine

by Kate Colvin and Dave Hubbel

**T**hat day, during the last dry season, can never be forgotten by the village of Chan. The day began peacefully enough in the tranquil fishing village on the Se San River in Cambodia, and as dusk settled a village woman and her three-year-old child walked down to the river's edge. As mother bathed and child splashed about, a massive surge of water came without warning, submerging the two. The sudden flood swept the child away; the body was never found.

To this story add hundreds more stories of the deaths of mothers and fathers, sons and daughters, respected elders. These are the stories heard in the fishing villages located along the Se San River in Cambodia's northeastern province. This is the story of lives shattered by a hydroelectric dam known as Yali Falls.

In 1993, Electricité de Vietnam, the state-owned electricity utility, began construction of the US\$1 billion, 720-megawatt Yali Falls hydroelectric project on the Se San River, with funding from the governments of Russia and Ukraine. The dam is located in Vietnam, 70 kilometers upstream of the Cambodia border. The 65-meter-high dam is the first of several projects proposed for the river.

For the past four years, dam-caused flash-floods, described by local people as a wall of water 2-3 meters high, have surged down the Se San River. The first of the floods occurred in 1996, when a section of the dam broke

and reservoir water escaped through the breach in the dam's structure. Subsequent floods appear to have been the result of dam operators' unannounced reservoir releases.

### Stealth Waters

“Destruction caused by the dam is different to the destruction caused by war,” said an ethnic Jarai woman, “During the war they used weapons to kill us but we could hide our body in a fox hole and we could hear the enemy coming. But the dam that causes the flooding – it harms our bodies and we cannot hide.”

Before these unnatural floods began, the Se San River was a rich resource for communities living along the river and a critical habitat for fish in the Mekong River system. In Ratanakiri province, the region affected by the dam, approximately 20,000 people live along the Se San. Almost all of these are indigenous and ethnic minority people, who relied on the river's natural seasonal flows to grow food in riverside gardens, and as a source of fish and habitat for the many wild animals and plants used for food and medicine by these communities.

Fear of flash-floods has forced most people to avoid, when possible, activities on or along the Se San River, including fishing and using the river for boat travel. According to an ethnic Jarai woman living in Phi village, “If I go down to the river I am very, very afraid and very careful. I don't let my chil-

*A leader in Padawl village bends bamboo to count the number of villagers who have died as a result of dam-caused flash floods and poor water quality*



Photo: NTFP Project, Ratanakiri

dren go there alone. We wash very quickly and run back up the river bank.”

In early 2000, the Ratanakiri Provincial Fisheries Office and the Non-Timber Forest Products (NTFP) Project, an NGO working in Ratanakiri province, conducted a research survey in communities living along the river to identify the extent of the social and environmental impacts caused by the Yali Falls Dam. Residents of 59 villages in four riverside districts were interviewed; every village reported serious problems as a result of the dam.

According to the survey, since 1996, dam-induced flash-floods have destroyed crops, drowned at least 32 people (including many children) and numerous animals, and destroyed property and natural habitat along the Se San River. The Se San's waters, now polluted and foul smelling, have caused widespread sickness and numerous deaths in the region.

The survey estimates that more than 612 buffaloes, 322 cows, 2,300 pigs, and over 44,000 fowl have been drowned due to flooding since 1996. These domestic animals are important to the livelihoods of local families. Canoes, household items and fishing nets have also been lost in the flash-floods.

“The things we have lost may appear not to be valuable to people in the city, but they are valuable for us,” said an ethnic Brao woman of Ta Naich village, “It takes us a long time to replace those items once they are lost, and a lot of labor.”

One of the most keenly felt material losses resulting from the irregular flooding on the Se San River is the loss of vegetable gardens and rice crops. Along the river, people can only watch as their paddy rice is submerged and destroyed by the floods, while during the dry season the flash-floods have stripped river bank gardens of their vegetable crops. For many people, these losses have resulted in acute food shortages over long periods of time.

"The flood destroyed my vegetable garden on the river bank. We don't have enough food to eat and now I am feeling so very, very worried," reported a local woman.

While losses of crops have severely damaged the food security of local communities along the river, fisheries – the main source of dietary protein for local families – have been devastated by the disruption of the river's natural flows by the dam.

According to the survey report, "Local people living along the Se San River believe that almost all fish species in the river have been negatively impacted by unusual hydrological and water quality conditions...The Yali Falls dam is causing serious impacts to fisheries in downstream parts of the Se San River in Ratanakiri...It is now typical for villagers to claim that their fish catches have declined to just 10-30 percent of what they were four years ago, before the impacts of the dam were first observed."

The damage to the Se San River by the Yali Falls dam is strikingly similar to the destruction of once-productive natural fisheries by dams on other tributaries of the Mekong River, notably the Pak Mun Dam on the Mun River in northeastern Thailand (see page 3), and the Theun-Hinboun Dam on the Theun River in central Lao PDR.

The Se San River was once a rich source of fish and the cornerstone of riparian agricultural cycles. At least 120 fish species were found in the Se San River in Ratanakiri Province, many of which migrate long distances from the Tonle Sap, or Great Lake, in Cambodia, and even from the South China Sea in coastal southern Vietnam. Wild fisheries contributed 70-80 percent of local people's dietary protein, with nearly every family living near the river and its tributaries engaged in subsistence fishing.

### Water Quality Suffers

As the flow of the Se San River has been changed, so has the quality of water in the river. Water being released from the reservoir of the Yali Falls Dam is of very poor quality,

probably as a result of the vegetation submerged and now decomposing in the reservoir. Almost all the people living along the Se San River report a rapid decline in human health since the water quality problems first became apparent in 1996.

In the communities living along the Se San River, local people report that when the floods come, the water is turbid and releases noxious odors, and a foamy scum is visible on the surface of the water. Bathing in the river results in itchiness and infections of the skin, as well as irritation of the eyes. Stomach aches, diarrhea, respiratory problems, throat and nose irritation, dizziness and vomiting are the most commonly reported ailments experienced by people after consuming water from the Se San River, the main source of drinking water in many local communities. According to the report, 952 people have died of illnesses that local people believe to be directly associated with water quality problems. Many others have become seriously ill but survived.

Domestic and wild animals have also died, apparently as a result of consuming the water in the river. "Our animals are sick – just yesterday my buffalo died," said an ethnic Kachok man from Kachoot village, "We want the natural river back."

How do people in the region respond to the prospect of continued suffering as a result of the Yali Falls Dam or to the possibility of more dams proposed for the Se San River? The answers of the people are clear. "I am very angry. I want to see the ones who made the dam. I will tell them we are suffering. I want to break the dam," said an ethnic Kachok woman of Nay village. "I will encourage the ethnic minorities living along the Se San River to go break the dam. If we cannot break it, we will stand right in front of it and tell the dam builders we are suffering. I want the Se San River to be natural and the same as before – the river that I know."

But these aspirations are sharply at odds with the plans of dam builders to harness the river for hydroelectricity.

The Asian Development Bank (ADB) is preparing to fund the proposed Se San 3 hydroelectric dam. The Se San 3 dam would be built some 20 km downstream of Yali Falls, in Vietnam's Gia Lai province. According to the project's feasibility study, this dam will "extend the prevailing impact of the Yali Falls dam 20 km further downstream."

In fact, the ADB is aggressively promoting the construction of more dams on the Se San and other rivers in the Mekong River Basin,

ignoring the disastrous experiences of dams already built on Mekong tributaries and the warnings of its own consultants. In a recent ADB-funded study of the hydroelectric potential of the Se San, Se Kong and Nam Theun rivers, the consultants reported, "It seems entirely possible that there will be a cumulative if not synergistic increase in fishery damage as the number of upstream hydro schemes increases." The very same consultant then recommended six new hydroelectric projects for "early implementation," three on the Se San River (not including Se San 3).

### See No Evil

How can such destructive dams be justified as development? The answer, applicable to every dam so far built or studied in the Mekong River Basin, is quite simple – the potential impacts of these proposed dams are not studied, as they were not studied when the Yali Falls Dam was proposed.

In 1993, another dam-building institution, the Interim Mekong Committee (precursor to the Mekong River Commission), coordinated the environmental impact assessment (EIA) for the Yali Falls Dam. According to this EIA, undertaken by the Swiss consulting company Electrowatt, "The population in this area [downstream of the project] is very sparse, and are not dependent on the river in any way." For the purposes of justifying construction of the dam, the Yali Falls EIA only studied "an area of 8 km long and 1 km wide below the dam" for potential downstream impacts.

Although left out by Electrowatt and the Interim Mekong Committee in 1993, the 20,000 people living along the Se San River are now refusing to be ignored. At a workshop to discuss the survey of the Yali Falls Dam's impacts, an ethnic Tampoun woman said, "I want to tell you all that the Se San River is not natural anymore. It used to be that fishing supported our life but now we can do nothing because of this flooding. We have lost the fishing and we have lost our vegetable gardens along the river banks. We live in fear and all the time we are wary of the flood. Sometimes we almost drown. We want our natural river returned to us. The dry season must be the dry season and the wet season the wet season. The Government must realize our problems, our difficulties, our life." ■

*The authors are with the Bangkok-based NGO Towards Ecological Recovery and Regional Alliances*

# Only Beavers Should Build Dams

by Chief John Miswagon

*Chief John Miswagon is head of the Pimicikamak Cree Nation in Cross Lake, Manitoba, Canada. This is an excerpt from a speech he made at Upper Midwest University of St. Thomas in Minneapolis, Minnesota in April.*

**T**hank you for this opportunity to speak about the human impacts of energy development for our community of Cross Lake, Manitoba.

We Pimicikamak Crees are water and forest people who have lived in Nitaskinan – “Our Land” – for thousands of years. This remote subarctic habitat southwest of Hudson Bay deserves attention by you, because this is where some of your electricity comes from.

The Nelson River drainage area is huge. It stretches from Alberta in the west to Lake Superior in the east, to Hudson Bay in the north. Cross Lake, where we live, is 10 miles from the control gate that holds back the water in Lake Winnipeg and releases it into the Nelson River to generate power. The whole river basin has been engineered as a big hydro storage battery.

Eleven percent of your power in the Twin Cities comes from the five generating stations built on the Nelson.

When Manitoba Hydro arrived in Nitaskinan more than 30 years ago, it did not inform us of its plans, and did not ask for Cree consent. As it began to construct a massive hydroelectric project, it conducted no comprehensive environmental assessments or cultural inventories. To this day, we Crees do not know how many species have been lost, how many habitats were destroyed, or how many of our traditional campsites and burial grounds lie underwater, or disappeared during construction. We do know that we have lost burial sites, the entire fisheries of whitefish and sturgeon, our ability to travel safely on the waterways, and much of our ability to sustain ourselves from the land.

It is difficult to separate the human impacts from our environment. Across the world, indigenous peoples speak about their connection to the land which often reaches back thousands of years. It is no different for us in the north. On a map, what is a remote wilderness to you is as familiar to us as the backs of our hands. Every stream, every hill, every marsh – even the smallest geographic feature – has a Cree name and a Cree history.

The builders of large hydroelectric projects use words like “self-renewing power,” “green energy,” and “safe electricity.” We



Chief John Miswagon, in front of the Jenpeg generating station near Cross Lake.

Photo: Pimicikamak Cree Nation

Crees have had to invent words to describe our reality. Imagine the pain of a mother who must teach her children dirty words like *emachakamik*, which refers both to water polluted by the soils that wash into our water from the continual erosion of the river banks, as well as the water polluted by methylmercury, which poisons our food – the furbearing animals and the fish. Or *amuskawek*, which means weak ice. The hydroproject’s water fluctuations cause an unreliable cycle of freezing and thawing which makes all travel hazardous. Today’s children will never have the pleasure and security of a clean environment.

For more than twenty years, our people have been beaten up in silence by Manitoba Hydro and the governments of Manitoba and Canada. And now they tell us that we should not tell our story to the American customers of the government-owned utility.

The simple truth is that when Northern States Power and other American utilities want power, Manitoba Hydro turns to the Cree environment to generate it. Last fall, Manitoba Hydro announced plans to double its exports to the US. A few weeks ago it announced plans to build another dam on the Nelson River. Manitoba Hydro intends to become the electric battery for the Midwest in the coming age of electric industry restructuring.

What are the human impacts of these announcements for us in Cross Lake? In the case of Cross Lake, every unit of water stored in Lake Winnipeg and released later causes

drought and floods right where we live. Quite simply, more electricity means there will be more, not less, environmental damage. Our trappers have already seen the richness of their traplines diminished. Our fishermen tell me of their difficulties as they try to sustain fisheries constantly affected by the force and fluctuations of the water releases and by dirty water. These projects are our nightmare.

Aboriginal peoples in the north should not be asked to pay for the energy choices being made in the south with our lands, our resources, our livelihood and our lives. This is not fair. This is not just.

Manitoba Hydro and the governments of Manitoba and Canada are now saying they understand the error of their past ways, and that they will now protect the environment and treat the indigenous people fairly. In 1977, they promised to clean up the thousands of miles of shorelines and remove forest debris from all of the project areas. This work has only just begun, and only as a result of our insistence. At the present rate of progress, determined by Manitoba Hydro, this clean-up will take hundreds of years to complete. This is just one example of many of the environmental and social measures that have never been carried out as promised.

But promises like these, whether they are now carried out or not, are no longer acceptable. Mega-hydroprojects such as Manitoba Hydro’s Lake Winnipeg Regulation and Churchill, Nelson Rivers Diversion Project, are not sustainable. The electricity Manitoba Hydro sells to you is not clean or renewable, for you or for us. It is not cheap either. More destruction of the waters of Nitaskinan and the boreal environment of which it is part should be unthinkable in today’s world. We should be planning for the decommissioning of these terrible undertakings, not building more.

There are alternatives to this kind of short-sighted destruction. Manitoba itself does not need more power. And Minnesotans have the wind power, the conservation potential, and the environmental and human rights conscience to reject harmful hydro from Manitoba. In the end, only the beavers should build more dams in Manitoba.

We invite you to help us demonstrate to your governments, your utilities and your regulators that this precious North American resource, the boreal forest, rivers and lakes, are worth protecting, cleaning up, and saving for future generations. ■

# Cuiabá River Fisheries Depleted by Manso Dam

By André Luís Alves

The filling of the Manso Dam reservoir in Mato Grosso, Brazil has set off an incredible chain of environmental impacts. The dam, billed as a “multi-purpose project,” came with the promise of not only solving Cuiabá’s energy problems, but also of controlling cycles of flooding downstream on the Cuiabá River, one of the principal tributaries of the Pantanal wetlands. The project, which was originally begun by Eletronorte, and then transferred to another state company, Furnas, was built on the Manso River some 85 kilometers from Cuiabá, the state capital. It was constructed by a consortium including the Oderbrecht, Servix and Pesa companies.

Since the floodgates at Manso were closed last November, thousands of fish have died from lack of oxygen in the river downstream. The effects of the reduced stream flow have reduced the Cuiabá River to a trickle, essentially an open sewer fed by effluent from the capital city, with uncertain impacts on fish reproduction and on plant and animal life in the Pantanal, the world’s largest tropical wetlands. The Cuiabá is the second most important tributary of the Pantanal, which provides habitat for birds and aquatic life, as well as lagoons and lakes for fish reproduction.

Recently, the Circuit Environmental Judge and the State Environment Foundation (FEMA), which authorized the dam’s operation, initiated legal actions against Furnas for failing to provide the minimum stream flow required in the Environmental Impact Studies. Researchers at the University of Mato Grosso and the state Attorney General’s office have also found other irregularities regarding the project, including the fact that although Furnas insists water quality is within normal limits, fishermen downstream say that their catches have been greatly reduced.

Besides affecting important areas of habitat, 500 families of traditional river bank dwellers were displaced by the dam. These families received extremely low compensation for their homes, often as little as US\$100-\$300, which is totally inadequate to buy other land in the region. Forced to move from the river, where they earned a living by farming and fishing, the families were resettled high on the bluffs in prefabricated concrete homes overlooking the reservoir, and were provided 15-hectare plots with dry,

sandy, infertile soils. According to the Pastoral Land Commission, it is likely that many of these families will be unable to make this poor land support them, and over time will move to urban slums in Cuiabá in search of jobs as laborers.

Manso Dam, which was shelved in the 1980s following protests by environmental-

cians and the construction companies who built the dam. Even if Manso proves to be an inefficient source of electrical power, the companies will be compensated based on its installed capacity, rather than the actual volume of energy it generates.

Are the environmental impacts of Manso Dam surprising? For years, environmentalists



Pedro Pablo da Cruz: “Because of Manso Dam I haven’t eaten fish in 7 months.”

ists, was revived as a project of Brazil’s Environment Ministry in the 1990s. The project will provide electrical energy which is no longer needed in Cuiabá, following plans by private companies to construct two generating stations powered by natural gas imported from Bolivia. These gas-fired plants, with the first 150 MW plant already in operation, may eventually be expanded to generate at least 650 MW, far more energy than will be needed in Mato Grosso in the foreseeable future, while Manso, despite having 210 MW of installed generating capacity, is expected to operate at only 40 percent efficiency.

How did a project of such questionable feasibility come about in the first place? Manso Dam was conceived as the result of a political negotiation between state politi-

petitioned state authorities for a re-examination of the environmental studies, which were carried out more than a decade ago, but FEMA proved unwilling to question a dam strongly promoted by the state government as a project which would provide multiple benefits to the population.

Without a doubt, Manso Dam is not the only problem affecting the Cuiabá River, which has been increasingly polluted by untreated sewage from the city, unregulated dredging, and sedimentation as a result of agricultural monocultures in the basin. But these impacts can be solved over time, while Manso Dam is an irreversible disaster. ■

*André Luís Alves is communications specialist for the Life Center Institute (ICV), based in Cuiabá.*



## SHORTS

A South African company has come up with a new device that turns the toil of collecting water into child's play. A playground merry-go-round, called a "play pump," allows children to play while pumping groundwater from bore holes into sealed holding tanks. The low maintenance round-about turns as easily as a standard playground fixture. It pumps up to about 4 liters per revolution, which is much more efficient than the traditional hand pump. (For more information: roundabout@roundabout.co.za)

A senior Nepali official said in early July that an American company, Eurorient Investment Group, would be allowed to construct a large hydroelectric power plant in the remote Arun Valley if it can secure financing and power-purchase agreements. A smaller version of this project was dumped by the World Bank five years ago, after local NGOs filed a complaint with the Bank's independent Inspection Panel. Electricity from the proposed 402MW Arun III project is intended for export to India.

In addition to rapid forest and marine habitat depletion, Mexico is dealing with a severe water shortage, National Public Radio Morning Edition reported in early August. As Mexico City grows, officials say the water will run out in less than a decade without new resources. "The situation is terrible," said Mexico's Green Party leader Jorge Gonzales. "In Mexico City, almost half of the city is getting dirty water, water that you cannot drink before you boil it, and about one-third of the population doesn't receive water [regularly]. It's a very poor quality – and quantity."

A policy panel of Japan's Liberal Democratic Party recommended on August 10 that the Tokushima Prefectural Government scrap plans for a flood control dam across the Yoshino River, and consider alternate flood control measures instead. The controversial project had been rejected by 90 percent of voters in a local plebiscite in January, but the government said then it would still proceed with the project.

## News Briefs



### UPDATES

**PAKISTAN:** More than 100 people were arrested and two dozen injured on July 27 as police tried to foil a scheduled rally against the proposed Kalabagh Dam. Protesters were forced to change the location of the protest as police sealed off roads leading to the rally in Sukkur. After protesters ignored police requests for them to disperse, police charged the activists with batons and fired tear gas into the crowd.

One of the leaders, Rasool Bux Palijo, was attacked and arrested moments before giving his speech, but managed to deliver his speech from the police van as it drove away. Palijo later denounced the police action as barbarism and a violation of human rights, and said such tyrannies could not compel the people of Sindh to give up their protest campaign because Kalabagh Dam is a matter of life and death for them. A hide-and-seek game between protesters and police continued for the rest of the day, as supporters organized impromptu rallies throughout the city.

People in Sindh province have been protesting the US\$4.9 billion project, which threatens to displace 124,000 people and inflict severe environmental damage in the Indus basin in Sindh Province. The project has received financial support from the World Bank, Asian Development Bank, and the Italian and Japanese governments. US supporters have set up a web page on the struggle ([www.saveindus.org](http://www.saveindus.org)).

**UNITED KINGDOM:** The UK Parliament's International Development Committee has published a devastating report on the proposed Ilisu Dam in Turkey, which is being considered for British export credit guarantees. The committee recommends against granting the credits for the dam, which would cause the displacement of up to 20,000 Kurds in 15 towns and 52 villages. The report also makes recommendations for the reform of the UK export credit agency – the Export Credits Guarantee Department (ECGD) – and calls for international human rights standards for export credit agencies (ECAs).

The committee stated, "The Ilisu Dam was from the outset conceived and planned in contravention of international standards, and it still does not comply. For that reason cover should not be given. We have no sense that ECGD and the UK Government have at any point seriously considered what repercussions the construction of the dam will have on the prospects for peace (and thus genuine sustainable development) and the rights of the marginalised in this region of Turkey."

Corruption was also raised in the report. The British company Balfour Beatty has applied for ECA credits for the Ilisu Dam; it has been accused in an African court of giving bribes on the giant Lesotho Highlands Water Project. The committee stated, "We recommend that ECGD blacklist companies convicted of bribery or corruption, at least those found on the World Bank Listing of Ineligible Firms."

The ECGD has since announced the results of a year-long internal review. In future the agency will be required to take account of the government's policies on sustainable development, human rights and good governance. Ministerial sources have been quoted in the press indicating that the new guidelines would prohibit export credits for the Ilisu project.

**VIETNAM:** The Vietnamese National Assembly, often criticized as a "rubber-stamp" parliament, in May put the brakes on the massive 3,600-MW Son La Dam, a project previously touted as essential to northern Vietnam's economic growth. Assembly delegates argue that feasibility plans submitted by Electricité de Vietnam do not adequately deal with potential social and environmental impacts and fall far short of international standards.

"There are so many problems spread out on paper now, it's hard to say which is the biggest," said Nguyen Van Minh of the Planning and Investment Ministry's feasibility study department. The Son La Dam would flood more than 450 square kilometers of forest and farmland in the Da River valley and displace nearly 100,000 people, mostly ethnic minorities.

According to a state-controlled newspaper, assembly delegates have asked for more detail on the project and for feasibility studies on a scaled-down project. "Further studies need to be conducted on the seismic conditions of the area, as well as the annual water needs of the Red River delta provinces, land clearance, population relocation and compensation," said Planning and Investment Minister Tran Xuan Gia. The government has also failed to identify funding sources for the \$5.1 billion project.

The plant, nearly twice the size of Vietnam's largest existing hydropower project, was labeled a national priority in the mid-1990s by then-Prime Minister Vo Van Kiet. "Now there is a fight between supporters of Son La and environmental protection people concerning whether or not hydropower is absolutely necessary," said K. Thanh Bui, a senior advisor to the government and the private sector.

**KOREA:** President Kim Dae-jung officially announced in early June that the government was scrapping a controversial dam project to protect the Tong River. "The government is canceling the Yongwol Dam project in order to protect the ecosystem and the 20 endangered species that are found there," the president said. "We also want to protect the seven varieties of animals and plants that have been discovered for the first time in the area."

The Yongwol Dam has been bitterly contested for years by environmentalists. Project proponents claimed a dam was necessary to control flooding and solve the water shortage problems in the area.

Kim said the Tong River would be designated a "nature-friendly cultural and sight-seeing zone," and would create jobs and other economic benefits for the local community.

## CLEANING UP

**US:** California has received federal approval for a state program to reduce "nonpoint source pollution" which runs off contaminated sites into streams, rivers and the ocean, according to an Environmental News Service story (August 2). Such pollution is the biggest source of contamination for the state's waterways. According to the EPA, 54 percent of California's impaired waterways are polluted by runoff. Such water pollution has resulted in 65 percent of California's rivers and streams assessed in the 1998 National Water Quality Inventory being rated as either fair or poor in supporting aquatic life.

The 15-year plan targets contaminated runoff from city streets, farms, timber operations and abandoned mines, and funds studies to measure pollution in creeks, lakes and beaches.

California's program is the first in the country to receive full federal approval. Its budget is \$300 million in state and federal funds over the first five years of the program. The money will support a variety of programs, including grants to help neighborhoods dispose of old chemicals, repair old logging roads that send silt into streams, and help dairy farmers build containment ponds and other barriers to limit runoff of animal waste into streams.

## A BETTER WAY

**SOLAR:** *Home Power* magazine has published a "Rogues Gallery" of "Guerrilla Solar" proponents on its web site (<http://www.homepower.com/rogues.htm>). Guerrilla solar, the magazine says, is "the unauthorized placement of solar electricity on the utility grid. It's safe, good for the environment, and bureaucracy-free." Its Guerrilla Solar Manifesto states: "We hold these truths to be self-evident, that utilities both public and private have no monopoly on the production and distribution of energy, that this century's monopolization of energy by utilities threatens the health of our environment and the very life of our planet. We, the Solar Guerrillas of this planet, therefore resolve to place energy made from sunshine, wind, and falling water on this planet's utility grids with or without permission from utilities or governments. We resolve to share this energy with our neighbors without regard for financial compensation."

The guerrillas operate in places that currently do not have "net metering," a system that allows consumers to install small, grid-connected renewable energy systems to reduce their electricity bills. Under net metering, electricity produced by the renewable energy system can flow into the utility grid, spinning the existing electricity meter backward and offsetting the use of grid power. Other than the renewable energy system, no special equipment is needed. Currently, net metering is allowed to some degree in 30 US states, Germany, Japan and Switzerland.

**FUEL CELLS:** A miniature fuel cell the size of a pencil eraser has been developed using high tech mini-fabrication techniques. "The rash of new electronic products on the market over the last dozen years and the rush to further miniaturize these devices has driven the demand for this technology," said Robert

Savinell, associate dean of the Case School of Engineering, which developed the device. Savinell said the new miniature fuel cells could be used in everything from automobiles to cell phones and computers. "The major portion of the weight and volume of a portable computer or cell phone is the battery system. The size of the power pack is a major limitation for portable electronic devices," he said.

Fuel cells directly convert the energy in a fuel, such as hydrogen or methanol, into electricity, producing no emissions except water vapor. The fuel cells can deliver more energy per volume and weight than batteries, even when including the volume and weight of the stored fuel.

Cars of the future are likely to operate on fuel cells, either alone or a hybrid system. All of the major automotive manufacturers are now developing fuel cells as replacements for internal combustion engines, which emit heat-trapping greenhouse gases.

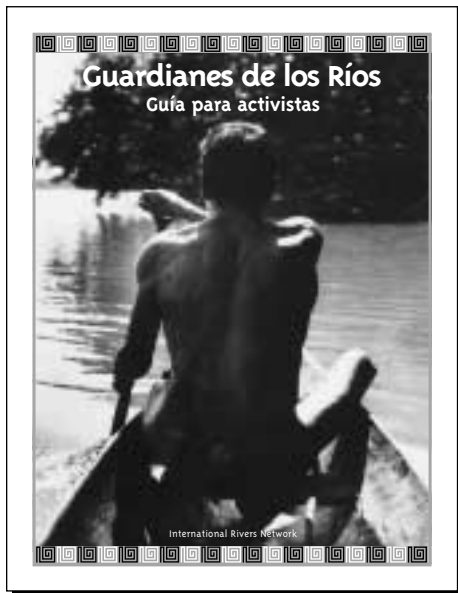
Meanwhile, a company called Manhattan Scientifics has beaten the carmakers to the punch by unveiling a demonstration fuel-cell-powered scooter in July.

The "Hydrocycle" is a motorized electric bicycle fueled by hydrogen. Noiseless and pollution-free, it can run for about 100 kilometers per fueling at speeds up to 30 km per hour. The company says it intends to enter into partnerships with manufacturers soon so it can mass produce the scooter. In many Asian countries, huge amounts of goods are transported every day by scooters with heavily polluting two-cycle engines.

The company says its hydrocycle technology has potential to power portable electronics, wheel chairs, kitchen appliances and remote power stations.

**OLIVE POWER:** Endesa, one of Spain's biggest utilities, has announced plans to build two olive oil-fired power stations at a cost of almost US\$40 million. The fuel is not quite olive oil. It's the solid residue - known in the trade as *orujo* - left after every drop of oil has been pressed from the fruit. *Orujo* has a high thermal value when burned, but is otherwise tricky for olive growers to dispose of.

Spain has nearly 200 million olive trees, making it the world's largest producer of olive oil - and consequently of fuel for the new power plants that will be built in the heart of Spain's olive-growing region. The power plants are expected to come into operation in the second half of 2001, and will produce 32 megawatts, or enough power to supply 100,000 people. They will be the first power stations in the world to use olive residues to generate electricity.



**NEW DAM FIGHTERS' GUIDE FOR LATIN AMERICA**

**Guardianes de los Ríos: Una Guía Para Activistas** by Monti Aguirre and Glenn Switkes (International Rivers Network, 2000)

IRN has just released a new guidebook for Latin American communities threatened by large dams. *Guardianes de los Ríos: Una Guía Para Activistas* was inspired by the extensive movement of Latin American dam fighters which in the past decade has taken extraordinary steps to protect rivers from ill-conceived dam schemes.

Dams have already caused great damage in the region: tropical forests are disappearing, the number of threatened species continues to grow, water quality in rivers is worsening, and poverty levels are increasing for dam-affected communities. Latin America's rivers hold great energy potential, and the dam industry is eager to exploit it, so numerous projects are on the drawing boards.

*Guardianes de los Ríos* gathers the experiences of the region's dam fighters and describes the strategies they have used to prevent dam construction, to ensure just compensation or to demand reparations for damages caused by large dams in Latin America. The 46-page guide contains information that will help activists, communities, and grassroots groups defend their rivers and their lives.

The guide, available in either Spanish or Portuguese, can be ordered from IRN for US\$15; special rate for NGOs (email [von@irn.org](mailto:von@irn.org) or visit our web site for secure credit-card orders: [www.irn.org](http://www.irn.org)). For more information about IRN's Latin American campaigns write to: [monti@irn.org](mailto:monti@irn.org)

**ELECTRICITY GENERATION: SMALL REALLY IS BEAUTIFUL**

**Micropower: The Next Electrical Era** by Seth Dunn (Worldwatch Institute, Washington, DC, 2000).

Today's giant coal, hydropower and nuclear plants are failing to provide the high-quality, reliable electricity needed to power the new digital economy, according to this excellent new report. "We're beginning the 21st century with a power system that cannot take our economy where it needs to go," it states. "The kind of highly reliable power needed for today's economy can only be based on a new generation of micropower devices now coming on the market." The report's release coincided with power outages in California's Silicon Valley and potential power shortages in the Pacific Northwest due to fire-damaged transmission systems in Montana.

Micropower technologies – including fuel cells, microturbines and solar roofing – produce little if any air pollution, avoid costly new investments in central power plants and grid systems, reduce price fluctuations, can be brought online more quickly, and are more reliable. "Small and modular, the new technologies' advantages stem not from economies of scale – building bigger units to lower costs – but from economies of production – producing more units to lower costs," the report notes. An electricity grid with many small generators is also inherently more stable than a grid served by only a few large plants.

The use of wind, solar power and fuel cells can also help reduce global carbon dioxide emissions, one-third of which come from electricity generation. In the US, the report notes, widespread adoption of micropower could cut power plant carbon dioxide emissions in half.

Despite micropower's potential benefits, current market rules favor the centralized model. Many utilities perceive micropower as an economic threat, and are blocking it with onerous connection fees and low prices for grid power.

The risk of locking in outdated central power plants is greatest in the developing world. Over the next 20 years, a projected \$1.7 trillion in new power capacity is expected to be built in developing countries. Micropower offers developing economies power sources that are cheaper, cleaner, easier to scale up as the economy requires it, and more efficient than extending existing transmission lines. "These nations have a golden opportunity to get the rules right the first time, and set up markets that support power systems suitable for the 21st century," the report notes.

The paper can be downloaded for \$5 from [www.worldwatch.org/pubs/paper/151.html](http://www.worldwatch.org/pubs/paper/151.html)

**WATERSHED WISDOM**

**What the River Reveals: Understanding and Restoring Healthy Watersheds** by Valerie Rapp (The Mountaineers, Seattle 1997 – [www.mountaineersbooks.org](http://www.mountaineersbooks.org)).

Oregon writer (and former wildland firefighting crew boss) Valerie Rapp delivers a thorough and personal exploration of the health and ecology of the rivers of the United States' Pacific Northwest. *What the River Reveals* sets out to answer several questions: What makes a river healthy? How can we tell if a river is healthy? How are a river and its watershed connected? Can we restore our rivers and keep them healthy? Her detailed and compelling information and analysis are applicable to rivers everywhere, and as David Bayles of the Pacific Rivers Council comments, should be "required reading for all the watershed councils that are developing all over the west, or for anyone concerned about their watershed."

This well-researched book braids together history, science, and personal observation to describe the intricate ways that all rivers are linked to their landscapes and watersheds and explains the complicated concepts of river ecology in clear and very readable prose. By gathering the collective knowledge and experience of dozens of scientists, anglers, conservationists, state and federal officials (many of whom spoke candidly on the condition of anonymity) from throughout the Northwest, Rapp was able to glean accurate and often disturbing assessments of water quality, stream health, and salmon habitat. The book also offers a prescriptive plan for restoring rivers to health that – not surprisingly – calls for a regional approach to restoration and management.

---

**Pak Mun** continued from page 3

"They trampled us as if we were not humans," said Sa-nguan Puebkhunthod, one of the hospitalized protesters. "I saw a 70-year-old grandmother being hit until her head was bleeding. We didn't want to harm anybody. We had only our bare hands. The only thing we wanted to say was that our suffering is real."

The violent response from the police was met with national and international outcry and increasing protests in Bangkok. More than 30 groups released statements condemning the government for its use of force. They demanded the unconditional release of all detained villagers and the opening of the gates at Pak Mun Dam. More than 40 pro-democracy and activist groups also agreed to join the villagers in their protest at Government House.

On July 24, 96 organizations from 26 countries wrote to the Thai Prime Minister urging him to open the dam gates and expressing outrage at the use of force. In Japan representatives of 10 environmental groups and three members of the Japanese Diet (Parliament) sent an open letter to the Thai Embassy in Tokyo calling on the Thai

government to address the protesters' grievances. In Washington, DC, three protesters fasted for three days and held a vigil outside the Thai Embassy.

In response to national and international pressure, the Thai Cabinet met on July 25 to discuss the problems raised by the Assembly of the Poor, including the Pak Mun Dam, national forests and other "development projects." The Cabinet agreed to open the gates of Pak Mun until the end of August but refused to make any promises for the future. The government also refused to pay compensation to more than 2,000 families affected by the nearby Sirindhorn Dam, which was completed in 1972.

### **Too Little, Too Late**

The protesting villagers described the action as "too little, too late." The Pak Mun Dam's gates would have been opened anyway due to flooding upstream. Chaiphon Praphasawat of Assembly of the Poor said the Cabinet had conceded very little while appearing to have agreed to many of the recommendations made by the government-

appointed committee to solve the problems of the poor.

Two days after the Cabinet resolution, 40 people began a hunger strike to pressure the government to adhere to their demands, the first mass hunger strike ever staged in Thailand. Their number has fluctuated ever since and at press time, 473 people were fasting. On July 30, more than 10,000 people converged in Bangkok to express displeasure with Chuan Leekpai's administration. Chuan said he would grant one major demand - that the government organize a public hearing on the issues - but said that the government could not meet all of the protesters' demands.

The Assembly of the Poor has vowed to continue its struggle until all of its demands are met. In a July 28 statement, the Assembly of the Poor said, "We've realized that to preserve our dignity is to fight for justice and righteousness; not to fight for personal gains. We have to fight to keep our cherished local culture, our rivers, mountains, forests as well as wildlife and riverine animals for the future sake of our descendants." ■

---

**More Spin** from page 7

ists generally need permission before they can cover cases involving official malfeasance, and few such reports about dam projects appear publicly in China.

The experience of people suffering unresolved problems of resettlement is instructive: grievances were only dealt with after widespread popular protests. Scholarly studies of disputes with local governments in rural areas show that villagers generally have to resort to extra-legal methods to achieve resolution of complaints.

This highlights the deficiencies of procedures for dealing with complaints in China. The routine channel for complaints against a particular department is to direct them to a higher level of the same agency that was responsible for the action, or lack of action, which was the cause of the complaint. Since higher officials are ultimately responsible for the behavior of their subordinates, acknowledging wrongdoing could damage their own prospects. Thus such petitions are usually pointless. Yet the World Bank characterizes this right to submit petitions as an "ombudsman system," which is a gross distortion of the commonly accepted meaning of the term.

In addition, the legal system provides few effective avenues for complaints. The law says that resettlers may bring cases to court, but only to challenge whether or not they

received the level of compensation promised, not to challenge the adequacy of compensation levels. Resettlers have almost never resorted to the courts, indicating the weakness of the legal system's protections for those forced to move. The World Bank's 1994 report found that most lawsuits relating to resettlement were applications to the courts for eviction orders against people who refused to move. Also, court systems in many parts of the country have imposed secret administrative bans on hearing certain categories of lawsuits considered likely to cause too much trouble for local authorities.

Perhaps the largest and most obvious reason to doubt the World Bank's China model is the well-documented failures associated with the resettlement program for the Three Gorges Dam project. This massive engineering effort, aimed at building the largest dam on the planet, is said to be the pet project of Li Peng, the No. 2 leader in the Chinese Communist Party. But despite this high level of political attention, resettlement for Three Gorges has been plagued with endemic corruption, poor planning and unrealistic funds for resettlement. So far, hundreds of millions of yuan in resettlement money have disappeared into the pockets of local officials and heads of construction companies. Slopes on which resettlers are supposed to farm have

proved to be too steep to create terraces. As the whole country undergoes economic restructuring, few of the industrial jobs that resettlers were promised have materialized. And people who have complained have faced intimidation, violence and even imprisonment.

Not only is it an insult to the Chinese people struggling to make their voices heard in such circumstances to speak about China as a model in resettlement, but it is also a disturbing indication of the Bank's real commitment to ideas such as consultation, participation, transparency and accountability. The World Bank's safeguard policies are the product of years of struggle by people around the globe to hold the institution to standards that prevent human rights abuses in the name of "development." If these policies are merely "aspirational," as some Bank staff told the Inspection Panel during its investigation of the recent China project, then the Bank's professed commitment to ensuring rights are protected in the process of involuntary resettlement is nothing but empty words. ■

---

*Sophia Woodman is research director of Human Rights in China, based in the group's Hong Kong office. See <http://www.hrichina.org/pr/english/000612.htm> for more information.*