

The Sardar Sarovar Saga

By John Clark, in contribution to the UN Career Records Project, Feb. 2021

SUMMARY

This contribution describes civil society campaigns in the 1980s and 90s to protect more than 100,000 people who stood to lose land, homes and livelihoods due to large dam to be built on India's Narmada River, substantially financed by the World Bank. It is a personal narrative in that it concentrates on those stages and efforts in which I was strongly involved; I have a distinctive view in that I was involved from the perspective of both NGOs and the World Bank – indeed I could say that the project “followed me” when I moved from Oxfam to the Bank. The story is particularly salutary in that it provoked a tipping point for the World Bank and indeed many other development assistance agencies regarding their responsibility for the negative impacts of large development projects they finance. It also was the trigger for creating independent appeals mechanisms to address the complaints of those who find themselves directly disadvantaged. And it is a story replete with drama and tension – between governments, between different departments of the World Bank, between different schools of NGOs and between “old” and “new” India.

MY INTRODUCTION TO THE PROJECT

I visited India for Oxfam in 1982, mostly to prepare materials contrasting the lives of poor people and extreme wealth in the country. I was then the head of Oxfam's campaigning programme. I spent part of that visit travelling with a remarkable man, MD Mistry (who remains a close friend). He was responsible for Oxfam's programme with the poor people in the rural areas of Gujarat state. We visited poor areas that were largely occupied by tribal people where I kept hearing about the Sardar Sarovar dam that was being built on the Narmada River that was either the cause of a government scheme that they wanted not moving forward or, worse, that would submerge their homes and land – with complete uncertainty what compensation, if any, they would get.

Mistry informed me that this dam had been on the drawing board ever since independence, and was touted as the project that would catapult Gujarat out of poverty, but that now it looked likely that the World Bank was going to finance the dam it was now rapidly moving forward. He took me to meet a rural health project close to the area to be flooded that Oxfam had supported for many years – ARCH-Vahini, run by Dr. Anil Patel and a terrific team of exceptionally committed young health workers and activists. ARCH was extremely anxious that the project was moving forward swiftly and yet nothing beyond “politicians' promises” had been offered to those who stood to lose out, indeed they had barely been given any information about the project and their entitlements as oustees. They decided that fighting their cause should become their top priority. What use is it, after all, to treat their every-day ailments if the inundation would destroy their livelihoods? I said that I would do everything I could to help their cause.

On my return to the UK, I made a strong case that Oxfam should initiate a campaign on the issue. Some in the India Department were unwilling, since the Indian government was extremely sensitive to “outside meddling” by foreign NGOs and they feared being thrown out. However, others in management agreed that Oxfam should not be (indeed had never been) scared of controversy or of taking risks, and the campaign got the green light – providing our emphasis was on persuading the World Bank to make proper treatment of the resettlement integral to the project and a condition for its financing. We already had a campaign calling for official aid to target the needs of ordinary people

(particularly the poor) which, as a parody of a beer-drinkers movement of the time, we called the Campaign for Real Aid – and the Narmada Dam was a natural candidate for this.

THE PROJECT

The Sardar Sarovar dam is in Gujarat State, close to the border with Maharashtra. It is on the Narmada River, India's largest westward-flowing river. The dam (which did not reach its full height until 2017 due to legal battles) was planned to provide irrigation for almost 2 million hectares of mostly drought-prone land in Gujarat and Rajasthan (about the area of Wales), drinking water for 28 million people, 1.5 GW of hydroelectric power and flood protection to a wide area of western India. (In practice it may not have reached these targets, according to the Tata Institute in 2008). Together with the canals and power network it is known as the Sardar Sarovar Project (SSP).

While the founding stone was placed by Prime Minister Nehru in 1961, construction work only started in earnest in 1979 with the conclusion of the Narmada Water Disputes Tribunal, at which time discussions started with the World Bank about it financing it.

The reservoir created by the dam would submerge 41,000 hectares of land across three states - Gujarat, Maharashtra and Madhya Pradesh (MP). In the Bank's Appraisal Report of February, 1985, it was estimated that some 41,000 people would be displaced by the reservoir (the "oustees"), but this was an underestimate due to an unacceptable lack of surveys of the inundation areas. Probably about 150,000 lost all or part of their land or had to move their homes; some NGOs state much higher figures, claiming that if all the landless labourers who have lost livelihoods and those affected by the associated canals and roads are included the true number of oustees (in the broadest sense) could be 300,000. While this is no doubt an exaggeration, it is salutary that the project's need of concrete is known to within the nearest tonne, but estimates of the people affected remain vague.

That most of the benefits of the project accrue to Gujarat, while the greatest burden in terms of numbers displaced and rich farmland lost were in MP,

How one village heard about the dam.

In one visit (1985?) I spent some days travelling with my ARCH colleagues in the remote, very poor villages to be submerged in Gujarat to hear for myself their concerns and hopes. We stayed one night in a village of Bhil tribals - Mankadkhada.

The advantage of staying a night during field work is that the conversation becomes more informal when gathered in the dark around a bonfire. I asked how they first learnt that they would lose their land and homes. They told me that 2 or 3 years before some workmen had arrived in the valley opposite their village and were driving in white marker-stones. There was much excitement. Could this be the start of the road they had long hoped for which would enable them to get to markets and services?

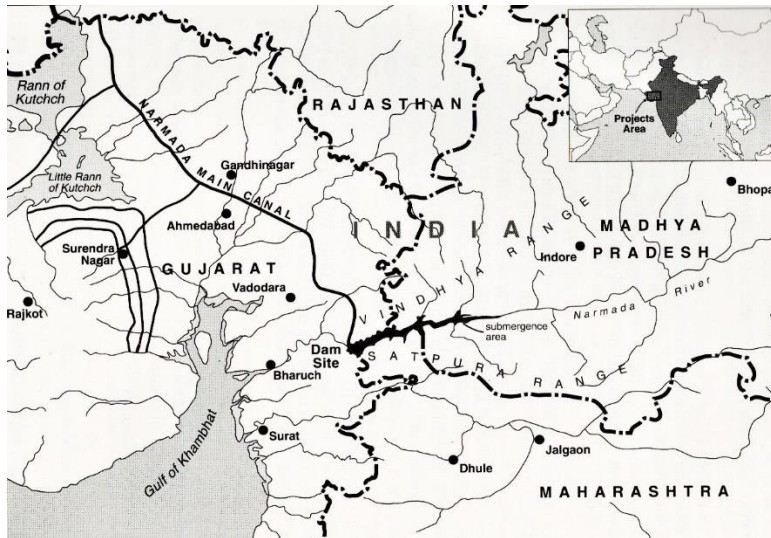
The next day, one of the villagers climbed high up to where the workmen continued their marking and asked what was happening. "Well, this is where the water level will reach", was the answer. Pressed for more, he was told that a dam was being built, the valley would be flooded up to that level (way higher than their village and farmland), and that the stones was so that the forest contractors, who would arrive the next month, could cut the trees below that line, but not those above it.

In other words, some thought had been given to getting the timber resources out of the valley but there was no consideration for the people who lived in it. It is little wonder that – from that point on – the tribal oustees assumed they would get no compensation and would be, literally, damned.

underlay much of the problems that were to unfold. Maharashtra stood both to gain little but also suffer least from the project.

The World Bank's board agreed to provide \$450M of Bank financing (in two parallel projects) towards the \$2bn estimated cost of the total project.¹ While only a small portion of the total costs, the Bank financing was important for three reasons: it covered about half of the \$613M *foreign exchange* component (GOI could easily cover the remaining rupee costs); it would be on very advantageous terms; and it provided the "seal of approval" which made it easy to borrow the remaining finance needed (including rupee loans from domestic banks).

Map of the Sardar Sarovar Project Area



THE CAMPAIGN GETS UNDERWAY ... AND STALLS

Oxfam wrote to the Bank about its concerns after my visit and received a courteous reply, assuring Oxfam that the World Bank was also concerned about the "oustees", but that this was the responsibility of the Indian authorities. Not assured by this Oxfam then started a letter writing campaign in 1983 in which many hundred supporters wrote to the World Bank President. Gradually, variations in the word-processed replies became apparent, indicating that the Bank was becoming more concerned and was more actively discussing the issues with their Indian counterparts. There was little change in what was offered to the oustees, but the shift in the Bank's rhetoric was a signal that the Bank might be the key to unlock the door and so the action was stepped up. At the outset we felt it important to have a common strategy between ARCH and Oxfam, its major funder.

We discussed whether the strategy should be to campaign against World Bank funding for the dam altogether but quickly decided against this for three reasons:

¹ Comprising \$100M of "IDA credit" (i.e., very long term almost interest-free loan) plus \$200M of "IBRD loan" – close to market interest rate, 10-year loan for the dam/power project and a separate \$150M IDA credit for the water delivery and drainage element. Appraisal Report P-3937 of 6 February, 1985 - <http://documents1.worldbank.org/curated/en/159651468034814390/pdf/multi-page.pdf>

Communications

It is strange to recall, but in these days the main means of communication that Oxfam used with its partners was airmail. There was no internet and Oxfam's finance director looked askance if he thought the use of international phone calls was profligate (and connections were awful to offices outside of India's largest cities). Oxfam used the telex machine a great deal but few partners outside of major towns had access to these. Hence, we relied on airmail. And it took at least ten days for a letter to reach our Indian partners, and the same for their reply to reach Oxfam. (Now, of course, even grassroots organizations have mobile phones, Zoom accounts, email and probably can post the latest news on their own website. Information exchange is instantaneous, and international discussion on campaign strategy can be achieved at modest expense.) Furthermore, slow exchange of letters is not a good way to discuss and evolve strategy. Hence, I would aim to visit India every 2 years to meet with campaign partners (not just regarding SSP) and for my own field work.

1. SSP had long been a central plank of the development thinking for Western India and millions of dollars had already been spent on it; without a doubt it was going to happen – and the prospect for just compensation was very much greater *with* the Bank's involvement than without;
2. Although some argued that a series of small projects could meet India's needs for irrigation, hydropower and flood protection, these plans looked "half-baked" at best; backing an alternative in which fast-growing Gujarat remained a rural backwater was not realistic; and
3. It wasn't for an international NGO like Oxfam to tell India how it should develop; it would be resented by the authorities and citizens alike as neo-colonial interference.

Our agreed approach was to argue that the construction should only go ahead if and when a resettlement and rehabilitation (R&R) plan that is fair to all oustees is agreed after due consultation, and that it is realistic (in that adequate land of the choice of the oustees is available); furthermore the World Bank should insist on this as one of the loan conditions. We had learned that in 1980 the Bank had agreed an "Operational Manual Statement" stating that the Bank should ensure that resettlement is minimized as much as possible and that those displaced should be "adequately compensated" with the goal of their incomes becoming the same as or better than before.

With mounting pressure, the Bank started giving more attention to R&R and hired one of the world's leading specialists in the subject, Thayer Scudder, to lead a mission to investigate (August 1984). His conclusions were remarkably similar to those of the NGOs (by this time a number of other Indian NGOs, particularly in Gujarat) had taken up the R&R cause.

After this, World Bank responses became more precise, indicating changes not just in the rhetoric but also in detailing commitments from the Governments of India and Gujarat (GoI and GoG), however questions regarding commitments from the Governments of Maharashtra and Madhya Pradesh (GoM and GoMP) were skated over. However, the Bank gave vague assurances that – although GoG was further ahead – the other governments would follow suit, but might be using tardiness as a leverage to persuade many of their oustees to exercise their right to shift to Gujarat, and to persuade GoG to share the cost of R&R in their states.

GoI's Narmada Water Dispute Tribunal Award of 1979 clarified that all landed oustees would receive land-for-land compensation and a minimum of 2 hectares, and other compensation and assistance. On the surface this seemed reasonable, and certainly better than the "nothing" that many of the poorest oustees thought they would see. Many wondered, however, whether these were just "paper promises" and there remained

many important gaps which ARCH/Oxfam pressed to be resolved. Would the oustees be able to choose their new land? Could villages move as a block? Would denuded forest land (such as they were used to) be an option? Would major sons also receive compensation? etc. One of the most sensitive questions concerned what "landed oustees" meant. Although the oustees had lived many years (even generations) on the slopes of the Narmada valley, the land was mostly classified as "forest land". In reality most of the trees had been cut long before (in particular to build British ships during colonial times) and so the tribals were technically encroachers (Thakur, 2014). Indeed,

Note of recognition: to ARCH-Vahini

I have had the chance to work with some extremely brave colleagues in developing countries, some who are remarkably dedicated in the service of poor and vulnerable people, some highly creative and visionary strategists and some of the warmest people I know. The ARCH team was all of these, rolled into one. Their command of detail regarding those to be displaced (especially in Gujarat) was astonishing, given the many different categories of people to be displaced and they were absolutely determined to do everything possible to ensure justice was done.

Many thousands of people in Western India are so much better off today because of their tireless representation on this issue, as well as from their community health and other work.

the Forest Department had routinely been fining the tribals for their “illegal occupation”. ARCH was helping to document this long-standing farming in the valley, including – ironically – by helping the oustees locate the fine-receipts that were proof of their traditional farming in the valley.

The Bank’s management, however, was relieved to note the firm commitments coming at last from GoI and GoG, and submitted the project to the Bank’s Board of Executive Directors (EDs – the representatives of governments who formally decide on loans, policies etc.²) who approved the loan in March 1985. NGOs were greatly alarmed that this approval was without the resolution of the above “details” which we had done our best to emphasise to the Bank – details of vital importance to tens of thousands of people. Oxfam decided it was time to widen the international campaign and used the occasion of an early gathering of both environmental and development NGOs in Nairobi in 1985 to urge other international NGOs to support the campaign. A number of NGOs participating agreed to do so, notably the Environment Defense Fund, National Wildlife Federation (both in USA) and Survival International (a UK-based NGO concerned with indigenous peoples’ issues).

At first, the expanded campaign – which by now included more Indian NGOs as well – considerably enhanced its impact. Oxfam may be a giant amongst NGOs, but it is a hobbled giant: its statements had to be cautious and highly accurate to avoid causing resentment by the Indian authorities and Oxfam’s expulsion from the country (hence cutting its programme elsewhere in India which was vital to other vulnerable people) and to avoid violating UK Charity Law which prohibits “political activity”.³ The other international NGOs had no such constraints and so could be much more strident in tone. Also, the Indian NGOs who took up the cause had their base in different areas, including in Maharashtra and so some extent MP, so strengthening the witness-base and the campaign’s credibility.

With this injection of new campaigning blood and the increasing adamance of the its resettlement specialists, the Bank became more assertive and suspended disbursements (late 1985) until strong progress was evident on the R&R front. This proved effective and in 1987 GoG capitulated and agreed to virtually all the campaign’s demands. Identifying land, oustees visits to look at possible relocation sites and firming up on the R&R details in a consultative manner started in earnest.

This successful turn could have been a fillip to the campaign and heightened its efforts to wrestle similar reforms for oustees in the other two states⁴, however paradoxically it worked the other way. The NGOs working in Maharashtra and Madhya Pradesh, led by Medha Patkar, changed abruptly to an anti-dam stance – as if granting the Gujarat oustees most of what they had sought heightened the risk that oustees elsewhere would get nothing. A meeting was hastily convened of the NGOs working in all three states to coordinate campaign planning. At that, the NGOs led by Ms. Pakdar dismissed the GoG commitments as mere “paper promises” and criticised ARCH for their naivety in

² There are 25 EDs on the Board; the biggest shareholders, such as US, UK, Japan, Germany and China, have their own ED while the remaining EDs represent groups of the smaller shareholders. Countries who finance the Bank are known as Part 1 and those who borrow are known as Part 2 countries.

³ Oxfam at the time was frequently the subject of complaints to the Charity Commission due to its stances on sensitive issues and Oxfam’s trustees were nervous of being seen to over-step the political limits. Generally, the Commission accepted Oxfam’s case that poverty itself is political, and that fighting it – which is Oxfam’s *raison d’être* – often entails siding with the poor when vested interest groups exacerbate their poverty.

⁴ The GoG reforms gave these oustees the right to resettle in Gujarat with the same terms if they chose, but for many, particularly in MP, this was not attractive. They typically lost only a small portion of their land and so wanted to remain local, and most didn’t speak Gujarati and didn’t have cultural links to Gujarat. Many of the Maharashtra oustees, on the other hand, were also Bhils (as were many Gujarati oustees) and did elect to move to Gujarat.

being prepared to give them a fair trial – especially as the commitment was to award oustees land of their choice (a first for India). They dismissed ARCH's argument that if it could be shown to work in Gujarat then that would strengthen the case for MP and Maharashtra oustees.

This was the dividing point in the campaign, with ARCH and other Gujarat NGOs shifting to make the best of the GoG commitments, and the others – led by Medha Patkar – abandoning pressure for just resettlement and instead launching the NO DAM campaign under the title Narmada Bachao Andolan (NBA – Save the Narmada Movement).

Although most intellectuals in India thought this demand was fanciful, it was very popular with the international NGOs involved. Especially for environmental NGOs it was much more attractive to campaign against a monstrous project than to campaign for just compensation. Fresh NGOs who had little prior interest in this part of India flocked to the cause, such as Friends of the Earth Japan. A starker narrative emerged of a development juggernaut that would destroy a remote idyll, in which indigenous tribes lived in harmony with nature. This picture was a massive distortion. Tribal groups in India are very different from those in the forests and remote areas of Latin America. Their ancestors probably lived elsewhere and moved in search of new land into the rather dry, scrubby up-lands bordering Gujarat, Maharashtra and MP. Necessity, not culture and ties to nature, pushed them into these depleted forests and into poverty.

The Gujarati NGOs, led by ARCH, were very clear about what they should do: turn the GoG promises that they had so long struggled for into reality. They immediately organised outreach to ensure all oustees were aware of their new entitlements, held widespread consultation with the project-affected people – documenting the entitlements of oustee families, started an intensive search to identify possible relocation sites, monitored GoG's activities to ensure they lived up to the R&R promises and helped the oustee communities in their dealings with officials. To them, this was a very exciting moment. Remember, there had never been a resettlement exercise in India previously that had the remotest prospect of leaving the oustees better off than previously; this potentially would set an important precedent. SSP, with the added pressure from the Bank, might be different.

ARCH also did not ignore the situation of oustees in the other states. Indeed, they reached out to the Maharashtra oustees to assure them of their rights to resettle in Gujarat or Maharashtra. ARCH learnt that many were keen to move to a tract of degraded forest land (in Akrani) and petitioned both Gol and GoM for this to be agreed, which it finally was, in 1994.

PROGRESS, STASIS AND TENSION

For some time, the parallel campaigns (*against* the dam and *for* oustee justice) coexisted with cooperation between the international NGOs but increasing divisions in India for at least two reasons: personality and constituencies. Medha Pakdar was a tireless, Mumbai-borne intellectual who saw herself as a latter-day Gandhi⁵, commanded a mass following but was equally at home with leftist intellectuals and celebrities such as novelist Arundhati Roy, who were keen to be associated with her cause. Anil Patel and his group at ARCH were doctors, social workers and practical people who were sticklers for precision, hated exaggeration and false claims and it was not their style to make rousing speeches or play court to the international media.

In terms of constituencies, ARCH worked largely with tribal people who are accustomed to being ignored by India's development, including a large group who had been forced to move a decade

⁵ Her tactics included threats of fasting-to-death, drowning in the Narmada, mass actions of civil disobedience and rousing speeches and rallies.

previously to make way for the dam site itself, its access and a colony to house the construction workers. They had received extremely little compensation, but now, thanks to ARCH's lobbying, stood to get retrospective compensation. NBA's constituency certainly included tribal people, but the most politically powerful element was the high-caste Hindu land-owners along the banks of the Narmada in MP whose soil was highly fertile and who, since independence, had fiercely resisted any dam on the Narmada or any other disturbance to their farming, including to the landless labourers they employed. They, and the NBA, were fiercely opposed to those who sought to make fair R&R possible – and denounced the increasing evidence of progress as mere lies and distortion. When they heard that a group of MP tribals were “breaking ranks” and holding a rally to press for the release of MP forest land for their resettlement they disrupted the rally and beat up participants, including an ARCH team who were helping them.

A mounting tension was also emerging in the World Bank between the operations complex – who wanted to complete the project and move on – and the environmental and social (E&S) specialists⁶. The India Department wanted to believe that the problems with the project were now over and resented “diverting” funds from elsewhere for the frequent review missions that became needed.

They resisted participation of the Bank's E&S specialists in these missions and even orchestrated transfers to other jobs for those who broke ranks (such as the original lawyer⁷). Meanwhile, senior management and the Executive Directors were being inundated with activists' letters and protests and hostile media coverage. The EDs in particular simply didn't know who to believe – the India Department (who gave firm assurance that, while there *had* been problems, everything was now running on a smooth track)⁸ or the NGOs and the R&R specialists in the Bank who largely told a similar story – who spoke of a hiatus in progress regarding many issues, especially in MP.

Compounding the sensitivity of SSP was the upcoming negotiations throughout 1989 for the 9th replenishment of IDA⁹; it was clearly going to be a tough sell to get the funds the Bank thought it needed, and those responsible knew that the stories of tribals who would drown and the “Bank of Destruction” slogans would make their task much harder. On the other hand, the Bank had never cancelled a project for environmental or social reasons, and India was seen as its most important

The glass has some water but is NOT half-full

After a long visit to India (1988) I wrote up a comprehensive, state-by-state account of all the R&R issues needing addressing. I started with Gujarat and noted some important progress before cataloguing the remaining issues needing attention. I sent this to the Bank President as an input to helping clarify the priorities.

I later learnt from the Dutch ED that extracts from my report had quoted by the India Department in their progress report to the Board – but only the “good news” – part of the effort to give assurance that the project was now on track and so there was no need for a suspension of lending.

When I realised this, I immediately wrote to the EDs I knew to be following the project to giving my full set of findings.

⁶ At that time, accolades went not for projects that proved successful, but for preparing project proposals and successfully getting them approved by the Board. Most of the budget of Country Departments was for this project preparation, and very little was for supervision post Board approval. In

⁷ Carlos Escudera, who personally visited their villages and became supportive of the oustees' cause.

⁸ The India Dept. had assigned someone to handle the R&R and environmental issues for all projects in India, not just SSP, but he was a specialist in communications, not social development, and his clear role was to keep the road clear for the project to continue rolling along.

⁹ The IDA (or soft-loan) component of World Bank lending comes from periodic replenishments out of the aid budgets of contributing (Part 1) countries. By the late 1980s the US, under Presidents Reagan and Bush, had become increasingly hostile to multilateral bodies and grudging with aid in general.

client. To resolve the quandary, an unprecedentedly senior mission, led by Moeen Qureshi (one of the two Managing Directors and head of the whole operations complex), visited the project.

Before the mission, Qureshi was carefully briefed by the US and UK NGOs, who also urged their Indian counterparts to put their differences to one side and put to Qureshi a strong case on what they *agreed* on, and not dwell on their differences. This wasn't successful, but the Qureshi team had substantial meetings with all the key NGOs.

On the very evening of Qureshi's return to DC (8 Nov. 1988) I was in Washington and he agreed to meet me for what I thought would be a brief meeting, but we talked for almost two hours about the R&R action needed and he assured me that he was prepared to include the main points in a set of benchmarks – as an acid test of the seriousness of *all* the relevant authorities regarding R&R. If these had not been attained by the following March, the Bank would suspend disbursements. While this was encouraging, especially as he briefed me on the constructive meetings he had had with the Indian Prime Minister and the Chief Ministers of Gujarat and Maharashtra, it was clear that the commitment of GoMP was still an unknown quantity. In addition to conveying these benchmarks, Qureshi sent a very strong letter to the Chief Minister of MP asserting his seriousness to suspend disbursements unless the benchmarks were met in full.

In April 1989 the India Dept. sent a mission (including resettlement expert, Thayer Scudder) to examine progress with the benchmarks. Scudder considered that only GoG had made strong progress, and that the other governments were dragging their feet and seemed to be encouraging their oustees to take up the option of shifting to Gujarat; he was therefore in favour of a loan suspension until all authorities were clearly committed to and taking action on all the issues. He was however ignored and the Bank decided to continue disbursements. Later in 1989, in an email exchange with Oxfam, the Bank's Vice President for South Asia recognised that Maharashtra R&R was "troublesome" (he didn't mention MP, where it was much worse) and he committed to stopping disbursements if progress stipulated was not achieved within 6 months.

By this stage a group of “Part 1” EDs (see footnote 2), convened by the Dutch ED, had formed to closely monitor this project, recognising its importance to the credibility of the institution as a whole, not just to the oustees. This group met with NGOs, the India Department, management and others. They were not convinced by what they heard from the India Department and also were aware from their governments’ aid agencies and IDA negotiators that the Bank’s credibility was wearing thin. In 1990 they started calling for an Independent Review of the project. Medha Patkar led a mass march and undertook a hunger strike, due to the lack of progress. As she became very weak, I was able to be an intermediary between these activists and Moeen Qureshi, taking advantage of being, in Oxford, half-way between the time-zones of India and Washington. In one long night of telephone diplomacy, Qureshi agreed that there would be an independent review (a precedent for the Bank) and Patkar called off her hunger strike.

Less than civil society	Job Shift
<p>As the divides between NGO strategies grew wider, Oxfam was increasingly frozen out of discussions in Washington that were run by the US NGOs, who wanted only the NBA narrative to be told. The apex of this was at the NGO meetings at the time of the Annual World Bank meetings in 1990.</p>	<p>By 1991 the Bank recognised that it needed to strengthen its “safeguard policies” and implement them seriously, to engage more effectively with civil society in both developing countries and the North, and to be more skilled in consulting with and involving local communities in its operations. I was asked to move to the Bank to head up an NGO Unit to help achieve these. After much reflection (and on the second time of being asked to consider it) I agreed. I moved to the Bank in Washington DC in Jan. 1992 while the IR was underway.</p>
<p>In one meeting with a group of Northern EDs that I heard about by chance (and attended) I found that SSP was an agenda item to be presented by Japanese Friends of the Earth. After an introduction that revealed how little the group knew about the life of tribals in the Narmada valley, the presenter called on EDs to cancel the project. The UK ED asked whether that was the view of <i>everyone</i> at the meeting, looking pointedly in my direction. I had to confirm that this was <i>not</i> Oxfam’s view but that funding should be suspended until the R&R was on track in all states.</p>	
<p>The glares and cold shoulders I experienced then made clear that I was seen as the Judas, but it made me convinced that NGOs should also be accountable. For some, it was all about telling a story about the evils of the World Bank- not a fight for justice for the oustees. I was proud that Oxfam remained true to its cause, but it was nevertheless a painful experience.</p>	

With this agreed, the question became who should run this Independent Review (IR) and how should it work. Various candidates were floated, but eventually Barber Conable (then the Bank’s President) persuaded his old friend, Bradford Morse – newly retired from the leadership of UNDP – to take it up, even though he was in poor health. NGO activists (including myself) worked with the Dutch ED (Eveline Herfkens) to draft the Terms of Reference for the IR.

Morse appointed Canadian lawyer Thomas Berger to be the IR’s Deputy Chair and in practice it was he who ran it, including hiring the staff to work with him; Morse himself spent little time on it and yet he was the only member of the Commission to have solid development credentials. Berger’s chief qualification was that he was widely praised for his role as Commissioner of the Mackenzie Valley Pipeline Inquiry, especially for the voice it gave to the native Americans whose ancestral lands it would have run through. The staff he hired were all former colleagues in this very inquiry. None had significant India (or even developing country) experience.

Though Berger and his two colleagues interviewed hundreds of stakeholders over 13 months (including multiple interviews with Oxfam in both Oxford and India), it was as if they were bent on finding parallels with their familiar Yukon experience. That they were predisposed towards the NBA is evident in some of the language in the report they issued (June 1992), for example describing Oxfam as a “pro-dam” NGO. This was choice, given that Oxfam had initiated the international Narmada campaign! Oxfam – to be clear – had always stressed that it took no position one way or the other on the overall dam project, but would work as hard as possible to ensure it only went ahead if there was justice for the oustees. Apart from the reasons sited above, it isn’t Oxfam’s job to tell India what it should or shouldn’t do when India has robust institutions of democracy and due process. Oxfam would strenuously defend the rights of its partners to use those democratic or judicial processes to challenge decisions of the government, but – certainly in my days with Oxfam – would be wary of diving into such deliberation itself where those institutions are strong.

The IR report was rightly critical of the Bank’s failing to insist on high standards of resettlement at the outset, for not giving serious attention to the social issues in the Bank’s missions and dialogue with the Indian authorities until it had become an international *cause celebre* (ignoring the Bank’s own policies on resettlement and indigenous peoples – imprecise though they were) and for being biased in its reporting of progress. However, it was one-sided in that it failed to describe the very significant R&R progress being made in Gujarat and (somewhat less so) Maharashtra at the time of the field work. It was also confusingly enigmatic in its ultimate conclusion, calling on the Bank to “step back” from the project, but not clarifying whether that meant cancelling the loan altogether or suspending disbursements until the corrective measures were in place.

BOARDROOM DRAMAS

On reading the IR report the EDs, who had commissioned it, felt it largely confirmed concerns they had heard from NGOs and the Bank’s social scientists, indeed it told a more damning account, and it heightened their suspicions that Bank management had been obfuscating the very real problems (including in quoting partially from my own reports) but they were not clear what action to take. Management likewise recognised the need to issue a formal response to the IR but there were intense debates about how much to challenge, how many missteps to recognise, and what corrective actions to advise to the Board. By that point I was a Bank employee and was involved in these discussions, and having meetings with some of the key EDs.

The EDs were divided largely on Part 1/Part 2 lines but supported management mounting a major mission to India to talk with *all* the authorities about *all* the issues. This took place in July 1992 after discussing with EDs what might be the benchmarks for getting the project on track. I argued for suspending disbursements until it was clear that all relevant authorities agreed to the benchmarks, but lost. Management recommended to the Board that disbursements continue for 6 further months until another review to establish whether the benchmarks were being observed.

The Board had an unprecedented, all-day meeting on SSP and these proposals on 23 October 1992. Some EDs (including the US, Canadian and Japanese) were in favour of cancelling the loan or at least suspending disbursements until progress was demonstrated, others saw that the benchmarks, if adhered to, would truly address the problems, perhaps even setting an important precedent for dealing with the E&S aspects of future large, Bank-financed infrastructure projects.

I had advised some of the European EDs that the *pivotal* question was whether *GoMP* (as well as the other governments) had agreed with these benchmarks (recall that many more people would be fully or partially displaced in that state than in the other states combined and that resettlement was

the responsibility of State governments, not GoI). The UK ED duly asked at the meeting whether “all the relevant authorities” agreed to the benchmarks. Even though the Indian ED present replied evasively, the meeting chair Ernie Stern (one of the Bank’s two Managing Directors) replied unequivocally “yes” and so the UK voted for continuing the disbursements, giving a narrow margin of approval. At the lunch break I was able to speak with the UK ED, and pointed out that it still wasn’t clear that GoMP accepted the benchmarks, hence the Indian ED’s evasiveness. After the break, the UK ED asked for a sentence to be included in the minutes of the meeting stating that all relevant authorities accepted the benchmarks, but the Indian ED said this wouldn’t be possible since the state governments hadn’t been consulted on this sentence, but that he “was sure” there wouldn’t be a problem, and with this weak assurance the UK didn’t reverse its vote, the management recommendations were accepted and there was no suspension of disbursement.

At the meeting the Dutch ED argued that this saga showed the need for having an independent “Inspection Unit” to review such controversies in the future – an idea that came to fruition the following year. EDs also asked the Bank to prepare a global review of its operations that involve resettlement, which proved very influential in the revision of the Bank’s resettlement policy.

Six months later, in April 1993, a further Bank review mission found, unsurprisingly, that the benchmarks had *not* been adhered to (conspicuously so in MP). Before a Board meeting could be convened to arrive at what by then would have been an inevitable cancellation of the loan (not just a suspension), Bank management and the Indian ED met and jointly agreed to cancel the loan, without a Board vote which would have been humiliating for both the Bank and India. This was the first time a loan was stopped for any reason other than mis-procurement or conflict.

A suspension of disbursement in 1992 might perhaps have wrestled reforms out of GoMP and helped establish stronger precedents for future resettlement operations. Who knows? What was clear was that in those extra 6 months there was a very rapid draw-down of the low interest (IDA) portion of the Bank’s financing (see footnotes 1 and 10). Hence, when it was cancelled in April 1993, while only \$18.5M of the \$200M IBRD loan (at market-based interest rates) had been disbursed, almost all the IDA funds had been used (\$233M for the two elements of the overall project).

This ended the history of the World Bank’s involvement in SSP, but it’s not the whole story.

THE DAM IS FINALLY BUILT; THOSE IN THE LANDS INUNDATED MOVED

Soon after the Bank’s exit there was a protracted series of legal actions taken in India’s Supreme Court which stopped construction for long periods but permitted a resumption of works in-between. Gradually, the dam height was increased but it wasn’t until 2017 that it reached its full, current height of 147 metres (actually almost 20 metres higher than stipulated in the World Bank loan agreement).

Given the immense controversy surrounding the building of the dam it is quite remarkable how little research there has been to establish what has been the actual R&R outcome. One 2018 study (Aiyar and Kaushal) compared ownership of productive and household assets and access to services (including health, education and markets) for 400 randomly selected households who moved in Gujarat compared with the same number of former neighbours who did not move and found that on these indicators, those who moved were substantially better off materially¹⁰, and that the gap was

¹⁰ Oustees were 24% more likely to have brick houses and electricity, 19% less likely to need to do manual labouring work, 48% more likely to access schools, and 25% more likely to access health services. Aiyar, A. S.S and N. Kaushal, (2018) *Are Resettled Oustees from SSP Better off Today than their Former Neighbors who were not Ousted?* National Bureau for Economic Research Working Paper No. 24423, Cambridge MA

even greater for illiterate oustees. However material wealth is not everything. The study showed that slightly over a half of those surveyed – given the choice – would like to be able to return to their ancestral homes (particularly for the older respondents).¹¹

A 2006 survey led by Pune University anthropologist, Ram Gambhir, for GoM tells a similar story for the Maharashtra oustees, with improvements in their agriculture on the more fertile and irrigated land they now had, although they had less in the way of livestock due to a shortage of the grazing land available in their previous location. They had better access to markets and to health and other services, but initially experienced some (short-lived) tension with the host communities. Those who elected to shift to Gujarat were treated the same as Gujarat oustees (getting land of their choice) and their situation is reported by ARCH as good (recent communication).

A similar, though largely qualitative, story is told by the PhD thesis of Vikram Thakur (now at University of Delaware)¹² which documents how the difficulties anticipated for the Maharashtra oustees were largely avoided, due to the hard work of local activists. Paradoxically, the NBA (led by Medha Patkar) was often seen by the oustees as an impediment to this resolution because it was bent simply on opposing the dam and filtered out all information that didn't support this stance. In 2001 (by when the dam height already exceeded 90 metres) even staunch NBA activists accepted what others had argued all along, that the dam *would* be completed. At this point the oustees largely started aligning with the social activists who were helping with their resettlement, rather than the Medha Patkar's NBA. Ms. Patkar had earlier even concealed from the oustees offers of land that MoM had made because she did not want the oustees to "jump ship".

¹¹ Two ex-NBA activists question the methodology and conclusions of this research, but their challenge underlines my central point, the outcome of R&R remains very unclear; see: S. Dharmadhikary and N. Oza (2019), "Resettled Ousteas from Narmada Valley : A Flawed Survey, *Economic and Political Weekly*, 54 (44)

¹² *Unsettling Modernity: Resistance and Forced Resettlement Due to a Dam in Western India*, 2014, Yale

What I have not been able to locate information about is the situation of the MP oustees – the most numerous and in many ways the most complex group. Most of the tribal people have resettled in Gujarat and their current situation is also reported by ARCH as being good. The others (mostly non-tribals) generally lost only their houses and fragments of their lands, and probably resettled in the same villages, but at slightly higher elevations. They would now be getting irrigation for their land. It is likely that these oustees will be worst off since GoMP introduced, and strongly pushed, a cash (rather than land) compensation option – which many went for – and also introduced an arbitrary distinction between those who lost their land only at certain times of the year and permanently. It is highly regrettable that so little seems to be recorded about the *actual* social impact of a project that was the subject of such controversy.

LEGACY ISSUES

The Independent Review, chaired by Bradford Morse, set the precedent for establishing (in 1993) an Independent Inspection Panel to provide impartial scrutiny of such grievances in the future. Almost all multilateral financing agencies now have a similar body.

The Resettlement Review, triggered by EDs in the wake of the SSP controversies, was concluded in 1996 (in published form) and was highly influential in the preparation and agreement of a comprehensive policy on Involuntary Resettlement (in 2001) which detailed Bank staff responsibility at all stages in the project cycle.

SSP was also the inspiration for the Bank to join with IUCN in establishing the World Commission on Dams in 1997, comprising NGOs, governments, the construction industry and academics to seek agreement on what should be the minimum standards for treating the environment and social issues in any large dam in the future. The Commission's report was launched in 2000 at a meeting presided over by Nelson Mandela. Although the World Bank didn't formally agree to abide by the conditions listed in this report, it has been extremely cautious since SSP with regards to financing large dams. In contrast, the European Union now requires assessment against the WCD's criteria before considering the financing of any dam.

Since SSP, the Bank has radically changed its information disclosure policy, in part to avoid the lack of transparency that dogged SSP in its early stages. Now, a vast array of project documents is in the public domain that previously would have been regarded as confidential. Similarly – whereas staff contributing to SSP often found themselves criticised for talking with the communities and

Did the Bank hurt or help?

Although my contribution criticises many elements of the Bank's decision-making, in particular its tendency to downplay the barriers to resolving the intense E&S problems, it is only fair to say that this was due not to deceit but to wishful thinking in wanting to see the benefits of latest-technology irrigation reach farmers and peasants in this crowded part of India.

It wanted to ensure that SSP modelled its new resettlement policy (viz that displacement be minimized as much as possible, and that compensation should aim to ensure oustees' incomes quickly regain at least their previous levels. The Indian authorities agreed to this standard and – while far from perfect – R&R outcomes are said to be better in SSP than in any previous project in India. Without the Bank's involvement there is little doubt that this would not have been the case.

NGOs working for just R&R would have liked the Bank to have been more muscular in pressing their case, particularly in the early stages before the loan was formally agreed (when the Bank had maximum leverage). For similar reasons they were worried when the Bank exited from the project in 1993. They would have much preferred for the Bank to have used disbursement suspensions to press for reforms in the R&R plans, particularly in MP; without the Bank's involvement there were heightened doubts about the NWDT conditions for R&R being met, let alone the Bank's aspirational standards.

NGOs, nowadays they would be criticised if they *didn't* consult with people affected by projects. Having said this, Robert Wade (2021) points out that those who defended the SSP at all costs largely saw promotion in the Bank, while dissenting voices tended to be side-lined.

Similarly, there now is much greater attention to engaging with civil society, both at international and local levels, with an emphasis on recognising that these are likely to have on-the-ground experience that the Bank needs to be aware of.

CONCLUSIONS

Much is obvious. The Bank should have had clear policies about resettlement, indigenous people and other issues much earlier. While responsibility for these must rest largely with the governments who “own” the projects, it isn't tenable for international organisations to bear *no* responsibility. Civil society has become more powerful both in mobilising public opinion and in holding official bodies to account, and communications and mass media have become more pervasive, international and instant; whereas even as late as the 1970s bodies such as the World Bank could have financed projects that caused great hardship without much notice, by the mid-80s this had changed.

Perhaps the more controversial conclusion is about civil society ethics. NGO campaigns are generally *against* something, rather than *for* something because we are motivated more by things that make us angry (injustice, sexual abuse, habitat destruction etc.). Hence campaigns to *stop* a project will get more support than campaigns *for their reform*. Given the arguably inevitable outcome of dam completion, the ARCH-Vahini strategy and analysis at the outset has surely been vindicated and their efforts have greatly helped those displaced and so better served the interests of the vulnerable people who have been affected by SSP than those who wanted to stop the dam. However, the much sexier story was that Gandhian-style campaign against the dam, and it was the attractiveness of this to the NGOs in Japan, Europe and North America – coupled with this being so much more “media-worthy” than the campaign for justice for oustees – that led to a marginalisation of the latter's voices in the international story of the Narmada struggles.

That the anti-dam groups only wanted evidence about how bad the situation was, and how evil the Bank was, meant that what could have been a powerful reform movement was undercut. This in turn led the Bank both to be able to continue disbursements, when a suspension might have won more reforms, and later to cancel the loan when by staying involved it perhaps could have continued to exercise influence.

The mantra at the outset that dam *would* be built, and that R&R would be better if the Bank were involved, is now difficult to contest. The resettlement has been far from perfect, true, but better than in any previous project in India (and many other countries). It is likely that the deficiencies would have been much reduced had the Bank paid serious attention to these issues at the outset, and arguably had stayed involved with the aim of ensuring that MP oustees were not left out.

Further reading and references

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