

Dodgy Development

**Films and interviews challenging
British aid in India**

Richard Whittell and Eshwarappa M

Foreword by Kofi Mawuli Klu

**Corporate Watch
2010**

Dodgy Development:

Films and interviews challenging British aid in India

Films by Eshwarappa M and Richard Whittell

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DVD bonus features:

- * Interview with Ashok Pradhan of the Western Orissa Farmers' Coordination Committee
- * Rushes of interviews with Bijay Pandey, Professor Anil Sadgopal, Abhay Sahoo and Roma
- * Music from Aruldas Vijay and Tom Rogerson

DFID Department for
International
Development



Eliminating World
Poverty: **Building**
our Common Future

Cover of DFID White Paper, 2009

Preface

The British government gives £7 billion a year to poorer countries to 'fight poverty worldwide'. This money is given through the Department for International Development (DFID), established in 1997 by the newly elected Labour government to focus exclusively on eliminating world poverty, which the then British Prime Minister Tony Blair described as "the greatest moral challenge facing our generation."¹ As of July 2010, the new Conservative-Liberal Democrat coalition government has committed to maintaining the DFID as a separate department, with David Cameron promising that "even in these difficult times we will meet our commitment to increase spending on aid to 0.7% of gross national income from 2013."²

Between 2003 and 2008 India received £1 billion of British aid. At the beginning of 2009, the DFID released its new country strategy for India which commits to giving another £850 million until 2011. The then Secretary of State for International Development explained, "because a third of the poor people in the world live in India, this has been DFID's largest country programme for more than a decade. In a country of this size, it is a bold ambition to give every mother the healthcare she needs to give birth in safety and raise a healthy child, to give every child a chance to learn and enough food to eat."³ According to its India brochure, the DFID's priorities have been "strengthening the capacity of government to develop and implement pro-poor policies; promoting increased investment in education, health and water; supporting programmes which help poor people improve their own livelihoods and promoting sustainable management of the earth's resources."⁴

We travelled across India, independently and without funding, to speak to people affected by British aid. It soon became clear that there was a substantial number of people

whose experiences of this aid contrasted sharply with the DFID's publicity and it is these critical views that are presented in these short films and interviews.

We met DFID staff around India but none of them were willing to speak on record, though their comments did not veer far from those of the DFID's publicity department. We asked the head office for an official interview, without joy, but the issues raised in each part have been put to them for comment and their replies are quoted in full at the end of each chapter.

It is likely that the DFID will significantly reduce aid to India and other middle income countries in the near future but the experiences and opinions described here are not limited to the Indian context. The films and interviews are being distributed in other countries that receive British aid, as well as in the UK and elsewhere in Europe, and we hope they will stimulate further investigation of its role and dialogue between people across borders to create and effect alternatives to the type of development the DFID is encouraging.

Thanks to everyone who helped us with the making of this, with special thanks to Sheila Devaraj, Kshithij Urs, Lakshaphatty P and Clifton D'Rozario.

Richard Whittell and Eshwarappa M
July 2010

Richard Whittell lives in London and is a member of the London Coalition Against Poverty. He was living in Bangalore prior to *Dodgy Development* and is the co-author of *Resisting Reform?: Water Profits and Democracy*, published by Sage Publications in 2009.

Eshwarappa M is a film-maker and issue-based photographer from Obalapura village in central Karnataka. He currently lives and works in Bangalore.

Foreword

by Kofi Mawuli Klu*

The global relevance of Richard Whittell and Eshwarappa M's *Dodgy Development* series can be seen in the reaction it has elicited in Ghana, another country whose people have reaped the dubious benefits of British development aid. Kojo Prah Annan and Awura Afitsufe Ampofo, two frontline activists from the ADIEYIEMANFO Movement of Positive Action networks for example, corresponded to me that:

We are keenly studying and spreading the lessons from “*Dodgy Development*” because they reinforce our own thoughts and actions in grassroots work for community regeneration, empowerment and sustainable development all over Afrika. We are helping [people] in their various localities to spread knowledge about the inspiring example of our colleagues in India. We believe the lessons we are drawing from their experiences are useful not only in Afrika but also among the indigenous peoples and their supporting allies in the Americas, Australasia and other parts of the world.⁵

The DFID plays a big role in dispensing money and ideas to Ghana: aid from the UK, which is the largest bilateral donor to the country, provided £99 million in 2008-09 alone. While there can be some appreciation of support for projects such as the procuring of obstetric equipment, there are many serious concerns, which is why this work, which gives us the chance to learn from our inspiring Indian colleagues, is so important. Questionable interventions by the British department in educational matters, of the sort that are so penetratingly explained by educationalists and teachers in Chapter III of this volume, and in the very economic and political governance of the state, as is described in Chapter IV, also abound in Ghana. And just like we see in Chapter II

of this series, in Ghana the DFID appears to be very deeply involved in funding and promoting schemes of divestment and privatization, for example of water and other utilities, to the benefit of British and other foreign transnational corporations. Kwame Adofo Sampong, a Ghanaian-born Activist of the Rail Maritime Transport trade union in the UK, describes how:

amidst the shedding of buckets of crocodile tears and pious sermonizing about so-called Poverty Alleviation and the Millennium Development Goals, [the British Government gives] less than peanuts from its ill-gotten imperial gains ... [This] is now becoming increasingly exposed, resisted and counteracted by communities all over Afrika, Asia, the Americas and other parts of the World - South as well as North of the Globe⁶

and the examples of resistance to the DFID's development, for example in the 'Let them come' film accompanying part IV of this volume, will inspire those who share these serious concerns.

The necessity for such resistance is precisely why the DFID's funding of non-governmental and other forms of civil society organisations, addressed in Chapter V, is very problematic in Afrika today. The temptation, particularly for activists from impoverished communities to ask for funding from questionable sources such as the DFID is very great. Very often poor community activists know little or virtually nothing about the global machinations of foreign corporate and state donor agencies, which is why the interviews with Roma and Madhuri Krishnaswammy that close the book are so important. Indeed, some have already begun to wonder whether DFID funding for some NGOs [non-governmental organisations], in and outside Ghana that are critical of privatization schemes the DFID itself encouraged is, in truth, merely to throw dust into people's eyes and present a façade of critical awareness.

The unwarranted hostility most of the personnel of the DFID and organisations funded by the DFID exhibit towards those independent organisations, networks and campaigns working hard to embed themselves in the grassroots of our communities and who have deliberately chosen, as a matter of principle, not to ask for or receive such types of funding, is very disturbing. The DFID's funding, grooming and international promotion of a sophisticated, unaccountable, NGO and 'civil society' elite diverts international attention away from genuinely radical forces in Ghanaian political parties and from grassroots freedom fighting organisations, networks and social movements of the impoverished masses, which are now regenerating themselves at the heart of their own communities. In the light of the history of Anglo-Ghana relations, and taking into account the processes leading to the coup d'etat of 24th February 1966, we have good ground to be suspicious of the British state's involvement in our development.

The search for alternative, grassroots forms for peoples' self-empowering organisations which are outside the control of the machineries of the state and manipulated establishment political parties, such as the community organisations in India we hear from in this volume, is now encouraging in Afrika the emergence of new types of community-respectful and, more or less, independent civil society organisations. In South Africa, for example, there is the Church Land Programme (CLP), the Abahlali baseMjondolo (AbM), and other organisations of the Poor People's Alliance. In Ghana, there are on-going attempts to build new organisations, like the UBUNTUNKONSO Pan-Afrikan Centre for Global Citizenship Education in Accra, as well as the OKRAKE-SRECOLL in Atidze, Tanyigbe, and the KILOMBO Centre for Civil Society and Afrikan Self-Determination in Peki, both in the Volta Region.

This series will go a long way in raising awareness, forewarning people and sharing the examples of community resistance among like-minded people all over the world. It

will become dynamite, especially if we respond to the contents of the interviews and films, not with the usual protest activities, but by directing our attention, energies and efforts towards heightening a people-to-people internationalist solidarity for truly radical, grassroots, empowering and viably transformative peoples' alternatives to such "destructive development". I urge a more serious hearkening to the long ago (1961!) sounded exhortations of the revolutionary anti-colonial liberator Frantz Fanon:

if we wish to reply to the expectations of the people of Europe, it is no good sending them back a reflection, even an ideal reflection, of their society and their thought with which from time to time they feel immeasurably sickened. For Europe, for ourselves, and for Humanity, Comrades, we must turn over a new leaf, we must work out new concepts, and try to set afoot a new Man!⁷

* **Kofi Mawuli Klu** is a Community Advocate and Educationalist, currently serving as the Chief Executive Commissioner of PANAFRIINDABA, based in London, United Kingdom. He works locally, nationally and internationally, with a wide range of organisations, networks and campaigns in Europe, Afrika and other parts of the world.

I. Poverty with a Human Face

In its brochure for its India programmes, the British Government's Department for International Development (DFID) asserts that one of its priorities for aid in India is "supporting programmes which help poor people improve their own livelihoods and promoting sustainable management of the earth's



resources."⁸ It aims to "promote sustainable livelihoods for poor people, and the rehabilitation of environmentally degraded land with the active participation of local people, particularly those normally excluded."⁹

In this interview, Bijay Pandey of the Adivasi Mukti Sangathan discusses these aims in the context of the government of the central state of Madhya Pradesh's Rural Livelihoods Project, funded by £60 million of British aid, which has encouraged farmers to cultivate the jatropha crop, the seeds of which are used to make biodiesel.

The accompanying film, 'Smile for the Camera', investigates the impact of jatropha on food and land issues and the DFID's claims that the project is democratic. We were taken to see the project - in an area recommended to us as one of the "best examples" of the project's democracy in action - by project staff. After showing us wells and standpipes made through the project they took us to meet the village headman's brother, who confirmed that everything had been decided democratically. We were able to record interviews with people with a different experience, as Eshwarappa M and local activist Madhuri

Krishnaswammy, who speaks in the film and is interviewed in the concluding part of this volume, were able to nip away from the main tour and speak to people without the project staff watching over their shoulders.

Bijay Pandey is Secretary of the Adivasi Mukti Sangathan, a people's organisation working in Western Madhya Pradesh for the rights of Adivasi (roughly translated as indigenous) communities to their forests, lands and rivers. They fight against exploitative processes represented by vested interests; work to preserve tribal culture and language and to create an independent identity for tribal people. They address issues ranging from drinking water facilities and the proper running of schools to land-related issues. They have successfully pressurised the government to implement land-related policies through which more than 1,700 people have benefited. They have fought corruption by government officials—and exploitative money lenders and due to their direct action substantial amounts of money given as bribes has been returned to people, and the culpable land and forest officials have been suspended. They are financed by their members and do not accept foreign funds.

Richard Whittell: Could you explain the situation in Madhya Pradesh with regard to food security?

Bijay Pandey: The western and northern parts of Madhya Pradesh are drought prone areas. The scarcity of water is rampant and the farmers don't get enough to cultivate their crops. Most of our land is rain fed so the farmers don't get enough water to till their land and cultivate their crops. Secondly, there are still many forested areas. Previously, Madhya Pradesh was a princely dominated state. The land belonged to those princes. Very few people had land at that time. Politically, Madhya Pradesh was ruled by all these high caste and high class people, and they did not look after the agriculture. Land redistribution has not taken place even when there have been progressive laws. Because of this, Madhya Pradesh is a state where more than 75% of people are malnourished. This is getting worse as the government is promoting Special Economic Zones and suchlike.

Ten years back, the government said it wanted to tackle

the Dali landlessness question, but they saw the landowners didn't want to redistribute their land. So, they redistributed the common land - the land which is used for pasture and cattle feed - for common use. In every village you will find some land marked out for common usage. Previously, according to the law, 7.5% of total village land used to be common land. The Government changed it to 4% and the other 3.5% of the land was distributed to Dalits and Adivasis. But invariably you will find that the common land is occupied by high caste and high class people. So, the tussle started between Dalits and high class and high caste people.

The food question is very serious, and that is precisely why people are migrating, and the whole of western Madhya Pradesh, the Adivasi areas, are malnourished. They don't even get food once in a day. Not enough food. In one district there is an estimate that 200,000 people are migrating to other areas, Maharashtra and Gujarat and so on. Go to any village at these times and you'll only find old people and dogs, not able-bodied people.

And now, the government is promoting jatropha in what they call the wasteland. Initially, they said this jatropha will be cultivated in the wasteland. See, one must understand the concept of the wasteland. Poor people generally depend on some sort of cultivation on this wasteland, so when it is taken away from them for this kind of cultivation, you can understand what the food situation will be.

Secondly, the government's Public Food Distribution System is absolutely mired with corruption and irregularities. People are not getting good foodstuffs from it and when they do get it low quality, rotten foodstuffs are being provided. So that is the situation in Madhya Pradesh.

What has the role of the DFID been?

In all their Rural Livelihoods Project areas they are

promoting jatropha, anywhere you go.

How?

If you ask people in the project they will tell you they are doing whatever the gram sabha [the village council of all the people over the age of 18] suggests. But, even though we are working in so many districts and at the state and national level, I have never come across a gram sabha with a full quorum. They say whatever the gram sabha says they follow, but they are saying wrong things. It is never done: they in fact ask people to take it, they persuade people. They have employed some people and taken the help of NGOs [non-governmental organisations], who are involved in this persuading and popularising. They identify the sarpanch [the village 'headman'] and they persuade him to grow it. He then persuades others. In each village five to ten people are getting into the jatropha promotion programme. They are persuaded by the subsidised price and that they don't have to worry about it once it's planted as no animal will touch it. In this way, they popularise this jatropha. In all their programmes jatropha will be one of the things they are pushing.

And the jatropha is subsidised. The government says they will subsidise it and procure it directly from farmers. They say it is being popularised because it doesn't need much water. If you grow food crops you need water. Now the government is promoting it, but people are not very enamoured by it and prefer to grow their own millets. Then, when it is grown, the jatropha will be converted into diesel and petrol and the companies and the middle men will collect the money.

They are saying that encouraging the production of crops like jatropha will aid food security.

[laughing] How could it? Jatropha is not for the stomach, it will be used for cars and vehicles.

I think the idea is that they can grow it and then sell it for food.

They can buy food?

With the money from the jatropha.

Where? From their neighbour? It has not occurred anywhere. During our school-days we were told that sugarcane is a very good crop. At that time it was popularised in a very big way. Now you go and see those areas where people are growing sugarcane: they call it a hunger crop. In Latin America they say these are all hunger crops, they create hunger. Because, see, when you sell something, that is regulated by the market; the local market as well as the international market. In the international market the people have no say or no control over it - it can go up and down like the Sensex [the Indian Stock Exchange]. Now we see that even many people who are investing their money in trusts or stocks are going bankrupt and dying. So, how can it promote food security? I don't understand.

The point is that in the era of globalisation, they are identifying areas where people don't grow food crops. The food crops will be grown by a set of people far off from our place and they will provide us with food. Through this we will lose our food sovereignty. Why are the farmers in Punjab getting into suicidal acts? Why in Andhra Pradesh? All the rich farmers are doing that. So when they can't manage, how can our marginal farmers and small farmers manage?

In Gujurat there was a time when CIDA [the Canadian International Development Agency] promoted social forestry. They said if you have social forestry by cultivating eucalyptus you'll grow rich. I tell you in Gujurat people started planting eucalyptus trees on their food growing land and that really created a devastating situation.

So the way these people are promoting jatropha, it is not

for food security. Food security is a terrible problem not only in Madhya Pradesh but throughout India. There are studies which indicate we're getting into a very similar situation to sub-Saharan African countries, particularly in the central tribal belt of India. So, how can we have food security and more money? Who knows what will happen to these biofuels. It's another conspiracy to colonise us.

Yet the British Government says its aid is fighting poverty and helping to empower poor people.

Maybe five years ago they started the Poorest Areas Civil Society Programme. They identified small groups of people in the village and the NGOs started working with them. It gives them credibility. But they are silently destroying the community spirit of the village.

For example, in the Adivasi areas, they will not work with all the villagers. Through their funding they will create a disparity: only some people will benefit from it. You will find that the people they are working with will grow at the cost of other people in the village. All these external agencies are creating cleavages in the village. Of course, there was disparity before, but with these programmes they are creating more disparity.

Our understanding is that the DFID has never worked for poverty alleviation. They want to perpetuate poverty because they want to expropriate the natural resources of third world countries, but with a human face. But through this, more and more people become exploited.

Let me quote the British Government's explanation of how it is working with the Government of India: "The DFID is providing resources and expertise which can help overcome some of the stumbling blocks to rapid progress."¹⁰

No, no, no - what expertise? They employ these rootless

people, these consultants, who manufacture these policy documents and so on. They don't have any expertise. They want to legitimise their presence by manufacturing the consent of the elites. Who are these experts? One day they are working for the Asian Development Bank, the next day they are working for the International Monetary Fund. And now the international NGOs are taking the DFID's funds. They will create a hullabaloo about something, let's say pollution but they are the front-runners of the DFID. They are all apolitical people and they are only thinking about money.

People talk about development, but for the last sixty years of this 'development' 57 million people in India have been displaced by these development projects: big dams, mining companies and the like. They displace so many people, but how many people do they support? The World Bank and the DFID are part of the globalisation process. They are the front runners of private capital.

So, should the DFID be in India?

No. Aid is not needed. It is an extension of national and international politics and it serves their interests. We don't need it. We have enough resources.

The British people should ask questions of the DFID, they should expose their dark deeds. They should be put on trial before the UK people, who should see that all the external agencies are involved in dirty tricks.

Of course now it is not just the individuals that work there: they have built up a system and the institution should be brought before the British public. But there is so much international pressure for aid now. Everyone is saying 'aid, aid, aid' and talking of corporate social responsibility. There are big pop concerts and other such hullabaloo.

So, this is a complicated world, but I think if the DFID were to be examined by common people in the UK, it'd be good.

Question sent to the Department for International Development:

Why is the DFID funding a Rural Livelihoods Project in Madhya Pradesh that is encouraging jatropha to be grown on common land in many areas, and on what grounds is the DFID claiming that the project is participatory when most of the villagers we spoke to say they have not been consulted at all about the project?

The DFID's response:

"DFID is supporting the Government of Madhya Pradesh Rural Livelihoods Project (MPRLP). MPRLP works with village assemblies to improve their ability to plan and manage village level funds. Cultivation of jatropha is already practiced in the state as a 'living fence' to protect homesteads, orchards or fields, particularly in the tribal areas where MPRLP works. MPRLP is involved in jatropha cultivation where communities have identified land and water conservation needs as a priority. Jatropha plantation is taken up by communities for fencing along field boundaries, to reduce soil erosion, as well as on wasteland which has poor soil cover land which is not being used for cultivation.

MPRLP has commissioned work to look at the market potential for jatropha to benefit marginal and poor households through cultivation either on public or private lands. This research will contribute to state government discussions on its policy in relation to jatropha cultivation in the state, and what issues need to be addressed in order to ensure that poor people benefit."

II. The Starting Point for Change

The DFID works with the Government of India and with the state governments of Madhya Pradesh, Orissa, Bihar, Andhra Pradesh and West Bengal, often in conjunction with other development agencies such as the World Bank and the Asian Development Bank.



The purpose of its work with the governments of its focus states is, “strengthening the capacity of government to develop and implement pro-poor policies ... Governments have [often] expanded their role so far that they have become ineffective in providing basic services, and have made a disproportionate claim on public resources ... The starting point for change has often been the need to reduce subsidies in the power sector.”¹¹ As a consequence the DFID has given more than £200 million to the Governments of Orissa, Andhra Pradesh and Madhya Pradesh to “restructure their power industries and seek greater efficiency.”¹²

The next two interviews concern this funding for power sector reform in Madhya Pradesh. Vinay Pandey of the Madhya Pradesh Electricity Employees Union discusses the practical consequences of the reforms and the influence of the management consultants brought in by the DFID. Dr Sunilama of the Madhya Pradesh Legislative Assembly describes how development programmes funded by British aid have been kept from scrutiny by elected representatives in the state parliament or local assemblies. The accompanying film, ‘Power to the People’, was shot in affected areas of Madhya Pradesh and Orissa.

Vinay Pandey is Convenor of the Madhya Pradesh State Electricity Employees & Engineers Coordination Committee, an umbrella body of 17 unions and workers bodies.¹³

Richard Whittell: In its project memorandum regarding support for the Madhya Pradesh Power Sector Reforms, the Department for International Development (DFID) says the goal of its funding is to “support the development of an efficient, accountable and financially viable power sector in Madhya Pradesh”.¹⁴ Has this goal been achieved?

Vinay Pandey: At the state level as well as at the national level, through the All India Power Federation of Electricity Employees, we feel that the whole reform process has been misguided. We feel that after a decade of reforms the situation has deteriorated.

The reform process was guided by the Asian Development Bank, which provided a loan, and the consultants brought in through the DFID and CIDA [the Canadian International Development Agency]. These consultants failed to take into account the real ground situation and it has moved to a situation where electricity is being sold as a commodity instead of a social service.

It is being charged on the basis of cost of supply when it should be on the basis of capacity to pay. A precondition of the loan was that the cross-subsidy element had to be eliminated. In a country like India, social and economic disparity is high and the poor farmer cannot be expected to pay on the basis of cost of supply. So it has created more problems for the common people.

Why is charging on the basis of cost of supply more expensive for farmers?

When a commodity is charged on the basis of cost of supply,

the electricity is supplied in bulk to the big consumers such as the industrial sector. For any product the cost of bulk supply is much less than the cost of retail supply. In Madhya Pradesh, the geographical spread is high and farmers are scattered throughout the state. Low tension lines feed the farmer. On the low tension lines the technical losses are high. So it follows the law of physics: the law of physics says that as the low tension line length increases the technical losses will be higher. This resultantly implies that the farmers and the domestic consumers will have to be charged higher rates.¹⁵

This was a precondition of the reforms that were brought in, that were supported and advocated by the consultants engaged by agencies such as the DFID. And they created the problem. It is creating a rift within the society. We have repeatedly pleaded that in a country like India, where the growth of the common person is very important and the survival of the agriculture sector is the question of the survival of the farmer, electricity has to be treated as an essential service. It is the duty of the state. We cannot leave it to the profit earning organisations; we cannot apply commercial principles to this. We have to decide at some point in time whether it is a social obligation on the state or it is a commercial entity. And we just cannot support the idea that it can be run as a commercial entity like in developed countries because there you have life support systems; there are systems already in place that support a poor person in case of need regarding health, education and the basic livelihood concepts. And if we charge electricity on these rates, this will create a catastrophe.

The DFID argued that the reforms would cut revenue losses and theft, which would lead to better services for everybody.

We just don't subscribe to that theory. The basic problem is that we are suffering from lack of generating capacity. Because of these reform programmes and because the

conditions attached to them said that no additional generating capacity would be brought into the system we have reached a point that whereas prior to reforms there were two hours of power cuts now, after a decade of reforms, we are facing six hours of power cuts. It is a question of investment and investment in the right direction.

And that has created a distortion. We repeatedly pleaded and we launched a campaign. We succeeded in bringing out the facts but even with all our efforts the augmentation of the generating capacity was hampered by this negativity and that is causing the real problem. Earlier we were generating more power, power equal to our demand, but now we are ranked as power deficient.

When we are power deficient the state has to make an expenditure ten times the generating cost. So, on the financial front it has created a very huge loss position. The consultants say that because you are in loss don't go for investment in the generation capacity. But the real thing is that until and unless you make investment in the generating sector, this loss position can never be addressed. We have gone down the wrong path and therefore as the reforms progressed the power situation in the state has deteriorated and the financial position has also deteriorated. Both things have happened simultaneously. Again the consultants could not assess the situation in the Indian context.

So the employees are getting less pay, people are forced to pay higher tariffs and power cuts have gone up. So what sort of reform has taken place? And for whom has it taken place?

One of the first reforms was the 'unbundling' of the electricity supply - splitting the electricity board into separate transmission, generation and distribution companies - which the DFID argued would make it more efficient and more responsive to consumer

demands, and help to “prepare the new sector entities for a more competitive and business-like environment.”¹⁶ What has the effect of this been?

Why is it needed to 'unbundle' an electricity board? Hewlett Packard is integrating its business with Compac because they say economies of scale will help. It will help with reducing cost. It will help with providing better services to the consumer. So why instead of integration we are going towards disintegration?

The entity which was looking after the generation, transmission and distribution has been forced to 'unbundle' in the name of reform, in the name of aid, in the name of grants, in the name of loans, the preconditions of which were specified by these agencies: the Asian Development Bank, the DFID or the Canadian International Development Agency. Everybody knows that in today's world competitiveness goes down if you are a smaller sized entity and it is more difficult to survive.

So whether this is being done to provide better services to the consumer or whether it is being done to enable privatisation - so the private bidders can easily take over these companies - is a big question and it has to be answered.

DFID-funded power sector reforms in Orissa led to part of the service being privatised and the DFID's Project Memorandum for Madhya Pradesh talks of the reforms leading to “a commercially viable power sector, which will be an attractive investment opportunity to the private sector.”¹⁷ Why hasn't the service in Madhya Pradesh been privatised?

There has been large opposition from the union and from the people and we are determined that we will do whatever is possible to oppose the privatisation. Whenever this privatisation comes up it always caters to the 'creamy

layer'. Everyone is interested in entering into the business which is a profit generating business. Everyone is interested in entering to the urban areas, everyone is interested in supplying to the industrial consumers. But who is going to supply power to the poor farmer? Who is ready to supply power to the rural population? And can an organisation, can a country, can a state survive where you have got division between the haves and have-nots in such a situation that the have-nots will not have any electricity? In today's world, it will not be democratic.

Privatisation of the electricity industry or, for that matter, of any infrastructure for basic essential services becomes a question of privatising the profits and nationalising the losses. That's not acceptable. We in the National Coordination Committee of the All India Power Federation, the Western India Power Federation, and the Madhya Pradesh Employees Union are opposed to that philosophy.

And even without privatisation there have been demonstrations against the reforms?

One thing is clear: in general if you look to the media reports, if you go and ask any person on the street, people are not as happy as they were in the 1990s. In the 1990s there were no power cuts. The electricity bill was not causing shock to any person but now the electricity bill generates shock. There are power cuts. People are not satisfied with the overall situation and there can be no denial of the fact. So the test is on the common street. It may be true that people may not be aware of the role of one agency, the DFID or the Asian Development Bank or this and that, but overall it has generated more dissatisfaction than satisfaction and none of the agencies, I don't think, have been able to earn appreciation for their role. Until and unless they change their basic paradigm, they will not.

In state after state it has happened and the problems of the infrastructure, particularly electricity, have caused

turbulence. It is an issue which affects every common person and therefore it affects the fabric of our political system. It is a big political issue, it is a big economic issue, it cannot be denied and therefore we plead that managing the sector should be the responsibility of those who know the sector. We cannot go to the consultants who don't know the sector. A blind person cannot guide me. But we are sorry to say that the prescriptions of these agencies like the DFID were just like that.

Much of the British aid money went to consultancy companies, including Ernst and Young, Pricewaterhouse Coopers and KPMG, for “technical assistance”. What kind of expertise did these consultants provide?

The biggest contribution was in their ability to generate presentations. Nice presentations, nice decorative plastics, PowerPoints and a huge compilation of reports. Report after report after report. The whole grant has been for the consultants, by the consultants and of the consultants.

There is a basic question which has come up before the reform process: whether it was intended in the right direction; whether those who were suggesting, who were guiding, who were giving the consultancy, whether they had any real assessment of the ground situation. We feel very [keenly] that most of the consultants who came into the process, who jumped on the bandwagon, didn't have any real assessment of the ground situation. The employees who devoted their lives, who served in the sector, who knew the ground realities very well were never taken into account, they were never taken into confidence. Their views were never taken into consideration.

So you were not consulted by the DFID?

No. No-one directly interacted and, as far as I know, none of the unions were taken into confidence. Some of the

consultants interacted but [interacting] and listening are two different things.

The employee's perspective is very interesting. Everywhere it is said that if you are running an organisation until and unless you take the employees into confidence, until and unless you address the human resources, you cannot succeed in anything. And we are unable to understand why in this whole process, at no point in time, it has been attempted to take the employees into confidence.

In 2004, we carried out a survey - it was the biggest survey conducted of electricity employees and engineers in India - and about 1,000 employees participated from headquarters. Even at the headquarters, less than 2% of people said they knew the objectives of the reforms. 98% were not sure what the purpose was of the reforms that were taking place. Almost three quarters of employees were of the opinion that these reforms were not guided by the government, or by the needs of the common people but by the agencies from the UK and the Asian Development Bank. So if that is the feeling it raises alarm bells.

What were the effects of the consultants' recommendations?

At the end of the day, when we sit down and assess the situation we are unable to see that anything positive has come out of the whole thing. Rather, we are seeing in the neighbouring state of Chhattisgarh where there was no such programme, where they were supposed to work on their own, they have been able to perform better, their systems have been strengthened. Because they have done it on their own.

In almost all the fields, whether it was human resources or whether it was information systems, what we have seen is that where the consultants were not there [in Chhattisgarh], they were able to implement good systems. The proof of the

pudding is in the eating and if the end consumer is not satisfied, if the employees are not satisfied, if the electricity utility which is being assisted is not able to generate profits, then where is the pudding?

It has created more hindrance or, you can say, more delayed procedures than anything else. Out of this whole consultancy assignment, or reform assignment, the beneficiaries were the consultants. No-one else. It puts a big question mark on the process, on the implications and on the basic objectives of the process. It raises a question mark to the intention of these agencies. We have reason to doubt their intentions and their objectives. And unfortunately no-one has ever come to answer these questions.

What has been the effect on employees?

There is a lot of resentment. As part of the reform process one of the consultants came in and made the recommendation that the number of employees was too high and should be cut by half. They submitted that report but it was challenged by the unions. The logical data was presented, which shows that it is not possible under the geographical conditions of the state of Madhya Pradesh to cut the number of employees and sustain provision. You cannot say that if one driver is needed for a bus then only one tenth of a person will be needed for driving a car. You need one driver for a car also and even if you have a bicycle you need one person.

They took an algebraic equation from a metro city like Bangalore, where there are big apartment blocks and so on, and they said that for this amount of population there is one employee. You cannot apply that algebra to the rural population, where the demographic pattern is too scattered. The population density is one tenth of Bangalore. In some pockets it is one hundredth of Bangalore so that equation cannot be applied - it is too simplistic to make such an assessment. But once the report got to the government,

even with all this opposition, it definitely hampered the process of recruitment and in ten years of consultancy no fresh recruitment took place. Ultimately it has resulted in a situation where we need 70,000 employees to serve the state but we are forced to serve with 52,000 employees, and they have an average age of 50. So the quality of service definitely deteriorates. Ultimately, even with all the technology, all the software and computers, the electricity supply needs personal care. To rectify a wrong connection you need someone. The computer cannot do that job. And therefore this aspect is hurting the consumer as well as the employees.

Dr Sunilam is a Member of the Legislative Assembly of Madhya Pradesh with the Janata Dal Party.

Richard Whittell: Does a state like Madhya Pradesh, which has high levels of poverty, need the help of the British Government's Department for International Development (DFID)?

Dr Sunilam: For development projects definitely investment is required but the point is when you are working in a democratic system you need to discuss each and every thing, and these issues have not been discussed in the state assembly. I have been a member of the legislature for the last nine and a half years and there has been no discussion. I have asked many questions about the impact and the conditions attached and I could not get a single reply from the government.

For example?

Recently the agencies have given Rs900 crore (£130 million) for the water reforms and I asked what the conditions attached to it were, whether public taps would be removed, whether the cost of water would be increased, and what would happen to the employees who are working for the water now and so on, but they never replied. They even said there was a draft proposal about the water reforms which had been prepared by the DFID and not by the people's elected representatives. And when I asked for the draft they would not give it to me.

Who did you ask?

The government.

The DFID flags up accountability and the strengthening of democracy as important parts of its work. According to their country plan for India for

example, “across India, decentralisation of responsibilities to the elected government is seen increasingly as a key strategy for improving effectiveness of basic services.”¹⁸

The representatives of the panchayats [local administrative areas] at the village level and the district level were not taken into confidence although they have constitutional rights. They talk about decentralisation so they should have taken the panchayats into confidence. It was also never discussed in the state assembly. I have been a member there for nine and a half years - this is my second term - and the DFID's grants have never been discussed. Any grant you take, its impacts should be discussed.

None of the DFID's reforms were discussed?

No. Even when I asked many questions about the conditions and what the impact would be they never replied. They just rejected the questions. They have to honour the democratic process and they are not ready to honour it. They are not taking people into confidence. They have their own agenda which they want to implement. That is not acceptable to us.

The DFID's India plan says, “the DFID can have most impact through genuine partnerships with central and state governments. DFID's approach is therefore to enter into long-term partnerships with states which are themselves committed to eliminating poverty and are following the kind of policies needed to achieve that goal”. One of its stated priorities is, “strengthening the accountability of government to those it represents.”¹⁹

If they are not even accountable to the representatives then how can they be accountable to the people? They have to talk to the representatives. If you are working at the district level or the village level these representatives must be taken into confidence. At least they should have the right to

know what is happening and what the impact will be of the whole thing. But nobody knows about it. Nobody knows the figures, how much is coming. Studies that were conducted were not discussed and that is the issue.

Firstly, they have to be accountable to the panchayat representatives and the assembly representatives and the parliament. We have the Panchayati Raj system, so at the village, block and district level everything should be discussed. If nothing is discussed the whole thing is very undemocratic.

But they say a scheme like the Madhya Pradesh Rural Livelihoods Project actually strengthens the Panchayati Raj system through its strengthening of democratic decision making at the local level.

That may be their point of view but if they say they are strengthening the system they should come out with all the facts. And these facts should be discussed democratically in the assembly and district panchayat meetings.

Their reason for working with government is given as, “the best way to provide lasting support for poverty elimination is to help governments formulate good policies and strengthen the effectiveness of their service delivery systems”, and “to strengthen and develop a joint understanding of the development challenges and priorities in achieving the Millennium Development Goals.”²⁰ What has your experience been of their work on these issues?

About these Millennium Development Goals: in Madhya Pradesh, more than 1.15 million people’s names were removed from the list of those people who are below the poverty line and this was done when the DFID was helping them to reduce poverty. When I asked the minister responsible he informally told me that ‘the development agencies, those that are funding us like the World Bank and

the DFID, they ask us why our figures were going up. So to reduce the number on papers we cut down the names.' And this is 11.5 lakh people, more than 1 million people! Their names were removed in Madhya Pradesh.

So I would like to know what exactly they have done on these issues. On every single issue we can talk for hours because we work in the field and know that the situation is worsening, particularly the drinking water situation in Madhya Pradesh. At this time if you go around Madhya Pradesh throughout the night you will see people, particularly women, collecting water. It's a big, big problem in Madhya Pradesh. So what [are] the DFID or the Government of Madhya Pradesh doing for the fulfilment of these Millennium Development Goals?

It's a question of the flow of capital. Still the flow continues from South to North - you have many figures to prove that - and whatever resources we have they want to capture them. The ultimate aim is privatisation and to capture the natural resources of India. That is the intention and for that they are lobbying, through the World Bank, through the Asian Development Bank, the International Monetary Fund or through the DFID. It is all the same and that's why we oppose it.

The DFID funding has been consistent through two different governments - of both the Indian National Congress and the Bharatiya Janata Party - in Madhya Pradesh and at the national level it has continued from 1997 through two different governments in the centre. In whose interests is it acting?

They are working in the interests of the companies. They want to privatise the power sector, the health sector and education. The whole idea is to give profits to the companies, particularly the multinational companies.

But we are now seeing a people's uprising against the

liberalisation, privatisation and globalisation process, and such development projects as those of the DFID, which are trying to divide the people and divide the non-governmental organisations that are working with the people. This is not good for the people and is not good for the whole NGO sector because it is being discredited. They are playing into the hands of a few development agencies. Politicians in this country are already discredited, and if this NGO sector or the grassroots movements are also discredited it becomes a big threat to democracy and it will injure it.

Can you give us an example of that?

It is no secret which NGOs are taking money from the DFID. All those NGOs should be accountable to the people but they are not really serving the people at large. They are working against their interests and are working for the companies in the longer run. Because finally in the water sector or power sector, when they say reforms it means that it is being privatised and the profit is going to companies and people will be squeezed.

The DFID is a ministry of the British Government and, in principle, is accountable to British people. What role should the British Parliament be playing in the DFID's actions?

They talk about democracy and they say they have full faith in the democratic norms, so all these things should be discussed at all levels. These things should be placed before the people, particularly if they are saying they are saving lives. The British Parliament should ensure that all the facts and figures are brought before the people before any project is implemented.

The people of the UK have the right to know what is happening with these projects when they say they are working for the well-being of the people. You know, when it was the British Raj, they also said, 'We have come to

enlighten the people of India, we are here for the well being of the people'. Those who rule or those who want to rule through various development projects or schemes always talk about their good intentions but what is the hidden agenda? That must come in front of the people.

Question sent to the Department for International Development:

Why has the DFID given millions of pounds of British taxpayers' money to consultancy companies to give 'technical support' to projects that have led to privatization or commercialization of the supply of electricity, when the poor in the states where this has been implemented have suffered price hikes and disconnections?

The DFID's response:

"In the past, state-owned power companies have incurred huge operating losses, leading to a significant drain on state government budgets, limiting effective development expenditures. DFID technical support was directed at unbundling the various sector functions to create discrete operating entities for distribution, transmission and generation. Specialists have helped the states to introduce these reforms, develop loss reduction strategies, financial restructuring plans and strengthening of state regulator capacities.

At their request, DFID has worked with a number of state government partners to support their efforts to improve operational efficiency to reduce power sector losses with the following results:

- In Andhra Pradesh transmission and distribution losses of 35% in 2001 were reduced to 20% by 2006. In Madhya Pradesh, the T & D [transmission and

distribution] losses have come down from over 44% in 2005 to 37% in 2008.

- The Government of Madhya Pradesh's support to the power sector has gone down from ₹805 million in 2005 to ₹326 million in 2008. The sector is expected to become a net contributor to the state exchequer by 2011 because of these reforms.

Options for tariff reform have formed part of the financial restructuring plans. These have included transparent pro-poor subsidies - in Madhya Pradesh, 50% of the total subsidies went to the agriculture sector and 28% for the domestic purpose consumption of poor SC/ ST [scheduled caste and scheduled tribe] consumers. However tariff setting is a decision of the government."

III. Development of the mind

In its education strategy document, the Department for International Development explains that the British Government “believes that education is both a human right and a route out of poverty. It is an investment in our common future. The achievement of the Millennium Development Goals for Education – ensuring that by



2015 all children are able to complete a full course of primary schooling, and that gender disparities in all levels of education are eliminated – are at the heart of our commitment to eliminate poverty.”

The next three interviews, with Dr Niranjana Aradhya, Professor Anil Sadgopal and Dr Abani Baral, consider education programmes funded by British aid in India, as well as wider questions regarding the role of the DFID in India and whether or not the country needs external assistance.

Dr Aradhya talks about his own primary research on the progress of the Sarva Shiksha Abhiyan [Education for All], the Government of India’s flagship programme, which the British Government will have given more than £350 million to by 2011.

In a wide-ranging interview, Professor Sadgopal discusses the historical context behind the Sarva Shiksha Abhiyan and the values and ambitions of the education system in India, in addition to issues surrounding British aid and the priorities of the Government of India.

Dr Abani Baral discusses the effect of British aid on education in the north-eastern state of Orissa, and the conditions attached to grants and loans by the DFID and the World Bank.

The accompanying film, "A DFID Education", was shot mainly in the southern state of Karnataka in Bangalore. Parents and teachers discuss the quality of their childrens' education, as well as contributions from Professor Sadgopal and Dr Aradhya.

The DFID's response, quoted after the interviews, is to a direct question on data. They were also asked to respond to the wider issues raised in the interviews but, at the time of publication, we have not yet heard from them.

Note: 'government' or 'public' school denotes state school.

Dr Niranjan Aradhya is Programme Head of the Centre for Child and the Law at the National Law School of India. He has extensively researched the impact of the British aid funded Sarva Shiksha Abhiyan.

Richard Whittell: The Department for International Development says the Sarva Shiksha Abhiyan has been a success and is making great strides in getting all children into school. What has your research shown?

Niranjan Aradhya: The first goal of the Sarva Shiksha Abhiyan was to bring all children back into school by the end of 2003. If you take Karnataka as an example, even today they are conducting a child census to identify how many children are outside the school and according to their official figures there are about 70,000 children who are outside the school. But this is only an official figure, whereas the non-governmental organisations, or the people who are working in the field estimate that a minimum of 800,000 children are outside school, and that is in one state alone. India has twenty-five states so one can easily imagine the number.

If you compare what is happening at the practical level and what the reports say, you will find there is a big gap. We should not get carried away by all these figures on enrolment and all. Take for example my own panchayat [local administrative area]. We have our own extension project through the Centre for Child and the Law, where we directly work with people. There are 26 habitations, in which there are 15 schools. Out of these 15 schools, 11 are lower primary, that is from Class 1 to Class 4, and the remaining four are higher primary schools. When the state conducted the child census to identify the children outside school, it said there were only four children outside. But when we did the survey, we found nearly 32 children who were out of school. So, look at the gap: four versus thirty-two!

This is a very clear case from my own panchayat. There are about 5,675 such panchayats and if this is the difference one can easily imagine what the number of children who are outside school will be. But this is not really a numbers game. What is really worrying is that there is absolutely no political will, there is no whole-hearted vision to bring all children back to school. But when you look at the reports – probably the reports sent to all your agencies – they say all children in India are going back to school. It's a myth, it's a lie.

What kind of education has the Sarva Shiksha Abhiyan provided for the children who are going to school?

When we conducted this survey we asked if the children would be willing to go back. Every child and every parent said they would be willing to send back their children if the government ensured quality education for them. So, I think probably the demand part, the aspiration part – the aspirations of both parents and children for quality education – is very much there. There is no truth when people say, “Oh, they are not sending their children because they are not interested.” This is an utter lie. There is a demand that our schools should function. What we need is a functional school, where it can at least ensure quality education to all children.

The second goal of the Sarva Shiksha Abhiyan was to provide quality education, but if you look at the performance of children and the kind of quality that is being imparted in schools, it is in no way very positive. The parents who are sending their children to school are not very happy about the kind of education that is being given. There are many reasons: attitude, infrastructure, teacher performance, for example.

If you look at the government school teachers recruited, at least in my state Karnataka, they are highly meritorious. People with high grades are recruited as government school

teachers. But, if you look at the quality of education there is a mismatch. I think what we need to understand is that we must re-assert our faith in the teachers. Teachers should be empowered, they should be given autonomy. And each school should be given autonomy. The Sarva Shiksha Abhiyan is creating more and more structures, more and more monitoring and supervision. It's like we had in the British Raj, a kind of Inspector Raj. Always authoritarian, suspicious and with no faith; I don't think these kinds of mechanisms will work. We need to believe in the teacher. But when we talk to teachers they tell us they are completely burdened with non-teaching work. We are employing teachers for the census or for work at the election. For all kinds of things they are employing teachers, so naturally teachers are not able to spend enough time in the classrooms.

I've read the project memorandum that the DFID prepared for its funding of the Sarva Shiksha Abhiyan. It talks about providing "better teachers, more motivated teachers and improved instruction."²¹

There are two different things: language and practice. The tendency of these projects now is to co-opt people's language. But that is only on paper. What kind of autonomy is given to teachers? I work with teachers everyday and I don't see it. There is no freedom for a teacher to develop their own syllabus to develop a particular competence. Everything is straight from the textbook, it's like a bible! You can't work in that fashion, it kills creativity.

You must give freedom, you must give creativity. You must give guidelines but let the teachers evolve their own content and decide what's important for their children. And if you want teachers to work creatively, the teacher training being given has to be superior. Whatever training we give today is of very inferior quality. It's not advancing creativity and helping people to teach children.

Paulo Freire talks about the banking concept of education - it kills our creativity. Sarva Shiksha Abhiyan's concept of education is not making people think creatively, it is not developing critical thinking and problem solving; those aspects are not really developed. And when that is the case you are preparing teachers to teach something through rote memorisation. You must look at education as an overall development. It's not just a competency product. It's for the complete personality and at the end of it what we need to create is not just a skilled person for the market economy. These larger questions are not even being talked about and the Sarva Shiksha Abhiyan is not at all a solution to them. It is in fact a multi-layered, fragmented programme with no vision. It is not a programme for building a national system of education. It's not conceived on the principles of social justice and equity.

What do you mean by multi-layered education?

Creating different layers of schooling means the quality of school a child goes to will be determined by his or her social situation. For example, in many of the Sarva Shiksha Abhiyan schools, from Class 1-5 there are only two teachers. Two teachers have to teach around 17 subjects. How can two teachers teach 17 subjects to 5 classes?

Let me give you another example. The education guarantee scheme is a scheme under the Sarva Shiksha Abhiyan that provides access to school education in an 'alternative' approach to education. It says when there are more than ten children in an area you should give them a centre called an 'education guarantee centre'. But they haven't bothered to make sure there is a trained teacher there. More and more poorly paid and poorly trained 'para-teachers' are recruited [see interview with Abani Baral, below]; a local person who has not completed any teacher training is appointed as the teacher. So, how can you expect them to teach and give quality education? The teachers who have done all the training programmes are struggling to

impart quality education, so how can we expect the para-teachers to give education of equal quality? This is a multi-layered structure: this kind of education for poor people and another for the rich.

Beyond the numbers of children enrolled and teachers recruited, the other statistic that is highlighted in DFID publicity for British aid for education is the number of classrooms built and improvements in infrastructure. The British Prime Minister Gordon Brown has said British aid has meant 300,000 new classrooms have been built. Is this the Sarva Shiksha Abhiyan's main positive contribution?

The programme reports say it has improved many things and a lot of infrastructure has been built. But what is lacking is vision. For example, a particular school is built for 30 children in an area, but they are only thinking of these 30 children. They are not thinking of the extra children that may come next year, so what they construct is inadequate. So they then have to build another room 1km away from the school!

You can see some good, white-washed buildings. It's like before you get married; you put whitewash on the house to make it look nice. But if you look at the overall performance of Sarva Shiksha Abhiyan it is very much confined to a superficial level. It is more about building rooms and classrooms and toilets, and things like that. No doubt that is very important, but again, there is no vision in the entire process. Take for example my own panchayat, where I can give some authentic information. Out of these fifteen schools, none of them have very functional toilets. I want to differentiate between showing a toilet on the paper and that toilet being functional. Many children are not able to use these toilets. The Sarva Shiksha Abhiyan is giving money for toilet construction but they cannot provide water so after two months the toilet is useless and the children cannot use it. They think the toilet they have constructed is functional,

but after inauguration, after a week there is no water. At least provide water!

If you look at the Sarva Shiksha Abhiyan from this angle I don't think it has really done anything for quality education. Even today quality is a very big challenge in government schools and if you look at the overall performance of the Sarva Shiksha Abhiyan, both in terms of its mission and in terms of its progress, I personally feel it's been a colossal failure, in the sense that it has failed to achieve not only the targets, but also to bring a visible change in the school education system.

What do you think should have been done?

Above all, where are we going? I think now is the time to think about a common school system, which can ensure quality education, that can ensure social justice and can at least ensure comparable quality for all children. I think we should be moving towards that, to see that all children can get the same quality of education. I think that's the only way we can move forward. The Sarva Shiksha Abhiyan is not even an inch towards this. It's a project as part of a 'projectised' approach, which is not going to help us. We need a long term policy and to implement that we need a time-bound programme. And then gradually we should move towards an education system based on social justice and equity.

My research has suggested that instead of having too many schools in one place, all of different qualities, why not have a neighbourhood school? Take a geographical classification and have a well-equipped school in it, so all children can go to that school. Have one teacher for every class, one teacher for every subject. Look at the UK, the US or the Scandanavian countries. In these countries even today the public education is very strong, though even they may be under threat. If it is possible in all these countries, why is it not possible for India? With the culture, religion and

language in India we need a common education system. There should be an agenda to make the public education system in favour of Indian children; to provide equitable quality for all children. Unless we make those drastic changes we're not going to get anywhere.

Professor Anil Sadgopal is the former Dean of Delhi University's Faculty of Education, a member of various national and state education commissions and committees* and a founder member of the People's Campaign for a Common School System.

Richard Whittell: The British Government's support for the Sarva Shiksha Abhiyan is part of its commitment to the Millenium Development Goals, number two of which is to "ensure that, by 2015, children everywhere, boys and girls alike, will be able to complete a full course of primary schooling."

Professor Anil Sadgopal: With all these things we must be aware of the context in which they are happening. India's constitution is committed to a minimum of eight years of elementary education but in the Jomtien Declaration - the name given to the document released in 1990 by the World Conference for Education for All, held at Jomtien in Thailand, and funded by the World Bank and UN [United Nations] agencies - the principles of education as enshrined in our constitution had already been diluted. The Jomtien Declaration makes no commitment to eight years of schooling. It makes no commitment to the wider goals of education, that is, to make human beings, or citizens of this country.

All these goals of education were reduced to mere literacy and skill formation in the Jomtien Document. And these very ideas are now part of the Millennium Development Goals. The Millennium Development Goals are a big dilution of our own constitutional commitment. And the economic survey of the Government of India in fact referred to the Millennium Development Goals but did not refer to the Indian Constitution as a basis of education planning, and that is a total victory for the external agencies in this country.

Why are the Millennium Development Goals a further dilution?

The Millennium Development Goal for education talks of literacy, while our goal is education. They talk of skills, when our constitution's goal is a democratic, socialist, egalitarian citizen. They talk of only five years of schooling, while our goal is eight years of education. They do not make any commitment to free education and they do not make any commitment to education of equitable quality, which is a very important principle today. The entire Millennium Development Goal for education revolves around literacy and skills. Therefore the Millennium Development Goals cannot be our objective; they cannot be the aim of India's education. Creating a skilled worker who is literate may be all right for your factories, but it's not all right for our country. As someone said, India is a nation, not a corporation.

We are a nation, so our education system has to be an education-building system, not a corporation-building system. And these things are very important. People will say this is only rhetoric but it is not rhetoric. The whole planning is done in this way. The people designing this don't have any right to keep talking about the Millennium Development Goals, which are such a diluted version of our constitution.

The British Government's Department for International Development [DFID] argues that the Sarva Shiksha Abhiyan "is proving to be very effective and remarkable progress is being made."²³ What has your impression of the programme been?

Before we start talking about the Sarva Shiksha Abhiyan we must first talk about the District Primary Education Programme which came before it. This was a programme partly funded by the World Bank that started in 1994 and led to a deterioration in the concept of education and the functioning of the education system. The District Primary

Education Programme was concerned with setting up what they called a 'multi-layered' school programme.

This meant there would be a different educational facility for a different segment of society: children of parents working in factories will get one quality of school; children whose parents are school teachers will get another quality of school. Children whose parents are constables or police officers will get another quality of school, and children whose parents are industrialists or political leaders will get another quality of school. This meant that for the majority of government schools we had to compromise on the quality of teachers, on the quality of school infrastructure, on the pupil-teacher ratios, on the amount of money each teacher was given for creating teaching aids, on the amount of money each disabled child was given to provide for Braille or for other support systems and so by the time the District Primary Education Programme ended we had already diluted all kinds of our norms and standards in school education. In fact, the Government of India was embarrassed to call all these 'layers' schools. In official terminology, even in our union budget, these are now often referred to as education facilities, not as schools.

And the Sarva Shiksha Abhiyan started after this?

Yes, it was on this basis that the Sarva Shiksha Abhiyan was designed, becoming really operative in the Government's 10th Five Year Plan from 2002 onwards. It packaged all the faults of the District Primary Education Programme and created a fresh package, with a lot of fanfare and said again, once again, that we will have gender parity at the end of the project, we will close the social disparity gaps, we will provide education to all Dalits, all tribals, all minorities and we will bring disabled children into our school system.

Nothing of the sort has happened. 52% of India's children do not complete even eight years of education. And these are Government of India statistics [from 2008], which are

not really the reality. The reality is much worse. But even the Government of India's own statistics show that 52% of Indian children drop out before Class 8. 35% of children drop out before Class 5! Among Dalits and tribals, the drop-out rate rises to 70% before Class 8. And it's the same for minorities and for Muslim children. And disabled children? Forget what is going to happen to disabled children. We will stop talking about them. The whole idea in Sarva Shiksha Abhiyan's original document was to bring all disabled children to regular, mainstream schools. But today no-one is talking about it, because that will mean a commitment to provide a well trained teacher who is sensitive to a disabled child, who understands sign language, and who can enable the child to use sign language and help a child with Braille education. This would mean more commitment and more finances. All these objectives are not even mentioned anywhere.

Only 5-8% of Dalits, or tribals, or minority children are able to cross Class 12. And why do I talk of Class 12? Because without having a Class 12 certificate today in our economic and social condition you do not have access to either a job or to any kind of professional, vocational or higher education course. So to keep on talking about primary education, when without a Class 12 certificate you cannot get anywhere in this country is blasphemy. What will a child do with a Class 5 certificate? I keep saying to all the government people who are doing this work: if poor parents ask you why their child should go to school, how will you convince them? He or she is keen to send their child to school but they will ask you why they should do it. So that their child will become literate? After your child becomes literate he or she will become a manual worker, and will not get even minimum wages. For this purpose you want to have five years schooling? The very purpose of schooling is lost and you give no motivation for a poor person to send a child to school. This kind of education leads a child to nowhere.

And in fact the government of India realised this, so the Sarva Shiksha Abhiyan - which is partly funded by your government - the union budget and the 11th Five Year plan, are no more talking of Sarva Shiksha Abhiyan as having an objective of reaching Class 8. They're not even mentioning that. They have said that the objective of Sarva Shiksha Abhiyan will be to merely enrol children in upper primary schools. Enrol, no more complete education. From completing eight years of schooling by 2010, the objective has been diluted and downgraded to merely enrolling children, and I think by the next targets you won't even find this word enrolling.

Eight years of schooling! Not just literacy. Schooling means geography, history, civics, political science, language education in at least two languages - which means the ability to articulate yourself; language education is not literacy, language education is about knowing your literature, knowing your culture, knowing poetry, fiction - this is what you have to know by Class 8. You have to know how to do algebra and geometry, not just be able to count. You begin to deal with ideas of sets in arithmetic. You have to know about the geography of your country, about Europe, about Africa, about Latin America. You have to be aware of the history of India's freedom struggle. You have to know about Dr Ambedkar, the great fighter for Dalits: this is education!

And what is the Sarva Shiksha Abhiyan doing? It is funding NGOs [non-governmental organisations] to measure the ability to read only one sentence. As if it was an adult literacy programme and not a school education programme. In school education, your whole assessment in Class 8 or Class 5 is now reduced to reading one sentence, or doing some simple two digit multiplication. You are paying NGOs to measure this and they are coming out with results that show the situation is very bad, even with respect to these parameters. So, I do not know what your government means when it says, "Sarva Shiksha Abhiyan is proving to be very

effective and remarkable progress is being made”. What criteria do they use to judge progress? I do not know.

We have lost our vision of education which the Kothari Commission of 1966 tried to give. It was a vision of transforming education into a common school system. We lost that vision with the principle of market economics and the unproven assumption that private capital knows how to run schools better than the government (unproven because the majority of the private schools are run very badly; only high fee private schools are “run well”, if you accept their vision of education).

In our country we are now dependent upon short term, temporary schemes and projects like the Sarva Shiksha Abhiyan. We do not have a vision of educational transformation. The United Nations' global monitoring report says that even five years of primary schooling will not be achieved in India by 2015. Forget Sarva Shiksha Abhiyan's talk of 2010. I would say the United Nations are being charitable. Look at their reports carefully and you will find that it won't be possible for the next 30 years under the present set of schemes and projects. The Sarva Shiksha Abhiyan is no different.

As programmes such as the Sarva Shiksha Abhiyan continue it seems more and more parents are sending their children to low-fee charging private schools. We were talking to a group of parents in a fairly low income area [as seen in the accompanying film] and they were sending their children to private schools, although they said in the past everyone went to government schools. How has this trend developed?

When there has been a deterioration in the quality of the vast proportion of the government school system, it is very easy to understand that poor parents, out of desperation, will look for private schooling. And private schooling has

mushroomed in India in the past ten years, precisely because the government school system has declined in quality. Our own administrators, policy makers and political leaders have no problem with it. The Government of India has decided to promote the public-private partnership mode for developing the public education system also. The 11th Five Year plan document of the Planning Commission and the union budget both refer to public-private partnerships being the primary mode of developing school education. This is commodification of school education. One has known earlier of commodification of medical education and management education but commodification of school education is a new phenomenon of the last five to seven years.

And does that also come in the Sarva Shiksha Abhiyan?

No, that does not come directly under the Sarva Shiksha Abhiyan, but that plays a part. See, the Sarva Shiksha Abhiyan is a very circumscribed programme, only to promote inadequate schooling for poor children, producing educational facilities the government is too ashamed to even call schools. But outside the Sarva Shiksha Abhiyan, as the quality deteriorates within it, not only is private schooling coming up, but the government is starting different layers of high quality schooling outside Sarva Shiksha Abhiyan. So Sarva Shiksha Abhiyan remains a system of deterioration and if you want to set up a better quality school, whether you are a private company or a government agency, you do it outside Sarva Shiksha Abhiyan.

The government is now promoting, in partnership with private agencies, school systems of different kinds across the country. The focus examples are these 6,000 model schools that the Prime Minister said would be built throughout the country. 2,500 out of 6,000 model schools are developed in the public private partnership mode, with

the rest to be set up by the government in educationally backward districts. It's very interesting. If you read between the lines, what does this say? It says that in educationally backward districts, where private capital will have no advantage and will not try to go, there the government will take care of the high quality model schools, but in the developed districts, public lands and public assets will be handed over to private capital to make profits out of school education. That's the message coming out; that the public-private partnership mode is a strategy for handing over public assets to private capital.

And with the public-private partnership mode coming into play, there is a loss of the sense of a right to education, or the right to other sectors, such as health or social welfare. As education is commodified you cannot demand it as a right. You are a customer. There is no more entitlement. It is a service, which can be taxed also; you will be charged if you want your children to go to a decent school.

Do I get a better bus service because I pay for it? The bus service in Bhopal is privatised. Look at the state of the buses and the way they work with the passengers. Look at the buses of Delhi [also privatised]. They are probably the world's biggest killers on the road and they get away with every murder they indulge in. Do we get better water, do we get better electricity because they are privatised? The Delhi electricity rates have sky-rocketed. I used to live in Delhi and the quality of service was better before privatisation. When something went wrong I had a political right to go into the electricity office and demand you either do the right thing or I will do a sit-in. But today it is a corporate office; it is no more a public office.

Look at the larger system today. The central board of examination affiliates private schools and government schools which are run for government employees. The performance of these government schools is better than the private fee charging schools. Even today, look at the

statistics and you'll find the top slot will be taken by central government schools run for their employees, not by the private schools. So even today the government is running a better school system. In every state in India there is a small category of model schools, which are run by the government at a very high quality level. It is a fallacy to claim that when schools are public they are run badly. When the government wants to run a good school system it can do it.

The DFID says its work in India “is valued for its expertise and innovation across sectors.”²⁴ I was speaking to a DFID official and he was saying the money it provides allows governments to be creative in ways they otherwise wouldn't. It allows bureaucrats the freedom to innovate, to experiment in ways that can then be up-scaled.

Bureaucrats may have freedom to innovate but this has been lost by academics and educationalists. Why do bureaucrats need the freedom to innovate? Innovation in the education system should be by schoolteachers. How can a bureaucrat understand education? He or she has never studied education as a discipline, has never been trained in this field. Today's bureaucrats will innovate only in the framework of the global market. We have de-motivated the entire teaching community of government schools by giving the false political message that to teach is not a duty. And the government can afford to do this because the children who suffer will be poor children and not the children of the elite or those of the high-profile, upwardly mobile Indian middle-class.

I would be the first to grant that things did not function properly before foreign funding started. I was part of a process in which a large number of voluntary bodies intervened in the government school system in the early 1970s to help improve its quality. I was part of a group which intervened in more than three hundred schools in the Hoshangabad district of Madhya Pradesh in the 1970s to

teach science through the scientific method, and to promote the scientific temper, by getting children to do experiments with their own hands. This was done in government schools in villages: thousands of children were doing experiments with their own hands in Classes 6-8 with virtually no facilities, and taught by teachers who sometimes did not have a science background. And they were teaching well, because they had freedom and had been trained to teach well.

We could create a totally different culture of learning and this was possible in government schools. That was the only programme in the country, before or after independence, before foreign funding or after foreign funding, when government schools taught science as science should be taught - through the method of science - while high charging, private schools in India were making children learn science through rote-learning. So we have evidence in this state of Madhya Pradesh that government schools can perform better.

Many of the DFID's staff in India are Indian and it makes a big thing of working with local experts and civil society. Doesn't that give its work more legitimacy?

But who is it working with? In the 1970s and 80s there was a large body of academics and scientists who felt it was a duty to intervene in school education and bring about improvements. They were doing it free of charge. Now this sense of duty has been transformed into consultancy. The same body of people have become consultants, or they have started an NGO, because by becoming an NGO you will get funding out of assessing Sarva Shiksha Abhiyan or another funded programme. This NGO term was not here in India until 1991. Until then we were known as voluntary bodies. If a group of people felt empowered to do something for society they would decide, register and organise a body. Then they would start working. Whatever they did was their

own mission. Today, almost all NGOs are fund-driven and the sources of funds decide what you will do. I have been in the field of education for the last 35 years and I've seen how this feeling of the right to intervene in education is not there in NGOs any more, or with academics or intellectuals. In Madhya Pradesh a large body of NGOs, which in the year 2000 were doing work for women's empowerment, because they were led by women, in 2001 suddenly got funding for poverty alleviation, under the Poorest Areas Civil Society programme, which is also funded by the DFID. After three or four years they were funded through the programme, then they suddenly become HIV AIDS agencies. They are now fighting AIDS.

The manufacturing of consent takes different shapes. One of the shapes it takes is even before you start your groundwork in India, you take some senior officials of the government and take them on a foreign trip, to Washington DC or to London or to some international conference in Brazil or Nigeria. You start funding research on a large scale. Foreign funded research is today a big thing in Indian social sciences and in education also. Assessing Sarva Shiksha Abhiyan is a big business. Many NGOs have come up just to assess Sarva Shiksha Abhiyan and many have come up to measure literacy. Many will come up to measure skills and there's one more sector opening up: the latest thing is to assess disabled children in order to decide whether they are fit to come into regular schooling or not. So assessment of disability is going to be the new market now and a lot of foreign funds will come in.

This is happening all over India. Intellectuals hold certain views not because they worked them out themselves but because they are being funded by the World Bank or by some other funding agency, and this is truly a disastrous phenomenon. You cannot relate to intellectuals as equals because they are being funded by someone. The whole discourse has fragmented between those larger bodies of people who are funded and those who are not. And this is

very frightening. I've seen this happening in front of my eyes. In Hoshangabad we worked free of cost. We never expected even a penny. We paid for our travel by train and bus out of our pockets. We felt we owed it to the country and the society. When foreign funding started in school education in the 1990s people were offered a daily honorarium, to begin with of Rs1,000 (£15) and within a few years it was upgraded to Rs3,000. By 2002-3, many of them were getting Rs5,000 a day, for just travelling to a place and being around for 2-3 hours with school teachers. The British public may not understand, it will be lost in the conversion rates, but for us, where minimum wages are still Rs 60-80 (£1.20) a day, getting Rs1,000 a day in addition to your salary is a large amount of money.

They do precisely what they are asked to do when they take this consultancy. And I have first hand reports from such friends who have been consultants that they knew that if reports they wrote as part of this were damning to the foreign-funded programme they would not be accepted and so doctoring the report becomes part of the process. The World Bank funded District Primary Education Programme had review missions. Half the people would be from western countries, half from India. They would go on these honorariums to villages but they would come back to the state capital, stay in five-star hotels and write a report that more often than not would be doctored by the organisers. And I asked my friends, who are honest people, who I have known a long time, why did you not object, why did you allow it to be doctored? And they said, "Easy money will not come again and if we keep objecting, our names will be written off the rolls of consultants." It has happened to the best of our people. Lost to our whole civil society, to our whole intellectual world.

The British Government will have spent more than £2 billion in India by 2015, which is a lot of money, but I was surprised to read that all of the aid it gives amounts to less than 0.06% of India's Gross Domestic

Product. Does India need this money?

I'll read out some statistics for you to illustrate this point. I think it's very important to clarify a misunderstanding about the quantum of financial assistance which India has been receiving from all the external funding agencies, not just the DFID. As a percentage of the total central plan - the plan money for new projects, new development initiatives, to be funded by the central government - the total external assistance - that given by all foreign countries plus development agencies like the World Bank - will amount to only 1.3%. That means that when the government gives almost Rs99 it has collected from taxes, customs and so on, external assistance will add only one more. So the question is can the government not also afford to provide one additional Rupee?

So the question which arises from all these figures I have been reading out to you, or which should arise in any thinking person's mind, is: why is India asking for this money? Why do we need to take a begging bowl? Why do we need a full department tasked with dealing with external assistance? Why do we need to sign Memoranda of Understanding (MoU) full of conditions, which are kept secret, more secret than our defence documents? Even the Right to Information Act cannot get you the MoU between the Government of India and another government giving external assistance. What is India's need for this pittance of assistance, and what is the need of the British government, or the British public, to extend this small pittance of assistance? And the only plausible answer is that this small pittance, this minuscule proportion of assistance we receive from foreign countries, gives each of these countries a handle on policy formulation in India. With this small handle they can then manipulate policies, not just in education for which they have given money, but also by sending their experts, their powerful lobbyists and negotiators along with the educationalists to lobby for other fields also, to open doors for the mining industry, sales of land or genetically

modified foods, which are a big issue in India already. All these sectors that are now being opened up for global capital require lobbyists, expertise of various kinds, negotiators, and they'll all come along as a "bonus" with education assistance. And this is only using education as a means of getting into the Indian economy and Indian policy-making. That is why this small minuscule proportion is given by them and precisely for the same reason it is taken by the Indian leadership and officials because they are also going along with the market economy and global capital investment in Indian resources.

But, nevertheless, isn't it a good thing, given the problems in the education system, to give even a little assistance?

But you must consider the financial context in which it is being given. In 1991, when our government announced its new economic policy and decided to open the doors of its economy to the whole world, it asked for more loans and grants from the World Bank and the International Monetary Fund. They placed their conditions. This was called a structural adjustment programme. One of the conditions under this programme was to reduce expenditure on the social sector; education and health and also social welfare. In return for this reduction the government was promised by the World Bank that it would open a programme of social assistance in which some money would be given as loans and grants in compensation for the reduction of resources in this field. And this is precisely what was done from 1991 onwards.

In 1986, when our new policy was approved by the parliament, one of the things that was approved was a commitment to increase expenditure in education at such a pace that it would rise to at least 6% of GDP by 1996. If you look at the graph showing expenditure as a percentage of GDP you will find that after the '86 policy, under new democratic pressure, it started rising rapidly. From 1986 to

1990 it rose from about 3.5% to 4.01%. After 1991 it started falling and continued to fall. It went on falling until it again reached the level of 3.5%, the same level that was achieved in 1986. And all that you hear today about increased funding for school education, one has to analyse it very carefully. It is an increase in the funding of the central government's plan, which is not matched by state government plans. Since the state government provides more than 80% of the funds for education, an increase in a fifth of the sector will not be felt in the other four-fifths.

All in all, we are at 3.5% again of GDP, whereas if we had followed the calculations of the 1986 policy we would have reached 6% in 1996. We rose slightly and again started falling. In the last 20 years there has been a cumulative gap of investment. People do not know or talk about this. Funding agencies probably know but they do not want to talk about it. A cumulative gap has been building up in twenty years that means there are fewer schools than we need, fewer classrooms, fewer laboratories and teaching aids, fewer teachers, fewer teacher training institutions, less of everything we need for the improvement of quality. The cumulative gap translated into resources and infrastructure has been growing. Today even if we somehow rise from 3.5% of GDP to 6%, which is highly unlikely, that is not going to be enough. We have to first fill up the cumulative gap and provide all the things which should have been provided in the last 20 years, and then make it 6% of GDP - and that's a basic maintenance level. And we are nowhere even planning to do that.

So, whether it's the DFID, Canadian aid, US aid, Swiss aid, Australian aid, a UN agency or the World Bank, they all have a common framework which has emerged out of the Jomtien Declaration of 1990 and now the Millennium Development Goals. The DFID doesn't have any other policy but to fall within this framework. It is not asking the right questions. You can try and pose these questions but they will immediately evade them. And they have very intelligent

arguments. I have faced these people. They say let's at least get the literacy first, we'll get the rest later. Let's at least get five years of primary education, we'll get the rest later. For the last fifteen years I have been hearing agencies telling us this! They have decided that free education of equitable quality is not their goal. It was the goal of Dr Ambedkar in our constitution, but it is not the goal that the DFID will support. And they have partners in the government - in the planning commission, in the central government, in the civil service and the political leadership. And today, no political party is interested in these issues. The idea of the fundamental right to education is neither important to the leadership of our various political parties, nor is it important to funding agencies like the DFID.

See, education is about the mind. It's about values. It's about our attitudes to society and to fellow beings. This is probably the most critical sector because by changing our minds and our value system and our attitudes we change our vision of future India. Would you allow such a critical area of your country to be affected by another country? You wouldn't. You'll hold onto British values and the British vision of education strongly. Of course - you should! And if anything else is happening in other countries you'll learn, but that will be your choice, to learn from other countries. Please allow us to build our own vision of education and don't try to manipulate our minds and our values and our attitudes as per your market paradigm or any other paradigm. We'll do our own homework properly. If we can fight our battle to save the Narmada valley from big dams, if we can fight battles to save our cultivable, fertile lands from special economic zones, we can also fight our battles to save our schools from both Indian private capital and foreign private capital and base them on the Indian constitution. We can do this. We were already in the process when this minuscule of foreign funding entered India.

One expects [that] an agency like the DFID, as it comes from Britain has benefited from the great liberal tradition of

Britain, from which we have also learnt. If it has emerged from the British liberal tradition, why is it supporting an inferior quality education programme? Why is it supporting a multi-layered school education programme? Why is it not telling our government, go back to your constitution and follow it? Because the DFID is part of the global market system. Its objective is not education. Its objective is to develop the global market. And for the global market you require private capital in school education and private control of school education. The DFID is there to ensure that all this happens. I think the public in Britain, the ordinary people of Britain, should ask their government, "Why are you funding such a low quality programme in India out of the public exchequer?" And to an extent which is such a miniscule proportion of the total spending, ridiculously miniscule, that even if the DFID is not there, India has got enough resources to continue. I've always argued, getting some small succour from an alien source like this weakens the political resolve of the country.

I'll make an appeal to the British public, by asking a question: would you allow this to be done in your country by the Indian Government? If your answer is no then please use all your resources and all your liberal political traditions to build public pressure on your government to stop DFID, and through the British Government to persuade the US Government, to get out of India from the education sector. Leave us to fight our own battles. We know how to run Indian democracy. We also have people who have studied education as a serious discipline. We have also learned from Ivan Ilych and from several liberal innovative schools of Britain, and we keep reading those books for our inspiration. We have also learned from Gandhi, from Rabindranath Tagore. We know what good education means. Please let us fight our own battles in our own country in our own way. That is my appeal to the British public.

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Richard Whittell: The British government's Department for International Development (DFID) has been active in Orissa for more than a decade now and has put more than £100 million into programmes and projects in a wide range of sectors including education. It notes that, "Orissa has the highest overall poverty ratio of any major Indian State, with almost half of the population living below the Government of India poverty line and with literacy levels below the national average."²⁵ What has the effect of these reforms been on education in Orissa?

Abani Baral: In 2000, the DFID and the World Bank entered Orissa in earnest, in the name of a fiscal relief and structural adjustment programme. The conditions to which the government had to agree to receive their money were set out in an aide memoire they signed with the Government, as part of their mission to the state, in May 2000. I'll read it to you:

The purpose of the mission was to resume discussions with the Government of Orissa about a potential adjustment loan from the World Bank, with possible DFID co-financing, in support of a programme of fiscal adjustment and major structural reform in Orissa.

The main conclusion of the mission is that the severe fiscal crisis facing the Government of Orissa provides an opportunity to undertake a programme to reform the business and direction of government.²⁶

This so-called structural adjustment programme massacred the existing public system in the poor state of Orissa and it has had a very big impact on education. The World Bank and the DFID said they were coming to assist

the development of Orissa. They did not say they were coming to paralyse the entire administrative structure. The Department for International Development of the government of Great Britain, which comes to give aid, in fact penetrated into the socio-economic structure of the administration.

We call it a diktat. What did they say in the rest of this aide memoire? They said: 'rightsize' the civil service. This included the industrial employees, the block employees and also teachers, because teachers are government employees. They said 40% of the employees had to be shed. How? Give them a Voluntary Redundancy Scheme - give them some money and kick them out, fire them.

They came again in September and talked more about education:

In the light of Orissa's fiscal problems it would be extremely important to pay attention to measures to reduce unit costs across all levels of education. The government is considering measures, such as the use of alternative schools (which have lower unit recurrent costs than formal schools) and para-teachers in elementary education ... the Government is considering various options for increasing user fees in education, the rates for which have not been adjusted for over forty years, and constitute a negligible source for financing.²⁷

So the World Bank and the DFID said we should reduce costs for education. Teachers and many other groups of employees, as well as many others, started an agitation saying what is the logic in not paying teachers? How can we expect education without teachers? Then in his budget speech the former Finance Minister said that unless we freeze and cap the grants in aid to the teachers, the assistance that the DFID had promised would not be made available. In order to get the grant from the DFID we had to

cut and cap the salaries of the teachers.

I was one of the members present in the Education for All conference in Jomtien in Thailand. I represented the teachers' community and was a speaker in a seminar. My speech was on the topic of teachers as the central actors implementing education schemes. Without the teacher you can't do anything. And the DFID was saying the teacher size had to be reduced. Don't pay the teachers.

And look at what has happened to the education budget. In 1994 - 1995, the state was spending 17.41% of its revenue on education. This figure went up to 20.67% in 1999-2000, then gradually, under the influence of the World Bank and the DFID in the administration, it started to go down, to 16.06% in 2000-1, then to 10.29% in 2001-2, to 7.49% in 2006-7 then, after a lot of agitation it was increased slightly to 11.31% in 2007-8.

Teachers, employees and others sent a memorandum to the Chief Minister of Orissa in 2001 against this. We had one leaflet written by a Professor of Political Science that said the DFID is the devil in disguise. It said DFID does not stand for Department for International Development, but for Deliberate Funding for India's Destruction; for Destructive Foreigners In Disguise; for Department For Institutional Decay and for Dastardly Face of the International Demon!

There was agitation from the teachers, state employees, trade unions and mass organisations and, of course, the struggle against Posco, Vedanta and the other mining companies now, with the struggle for our water - they are all part of the same.

But these reforms have become government policy?

Yes, and listen to the language. In its white paper on state finances, the government suddenly said education was a single item of expenditure that soaks up revenue:

aided educational institutions and the policy directives concerning establishment of new schools and colleges need an urgent re-look, in view of the huge expenditure in the education sector. Unless the grant-in-aid is frozen at a certain level by a change in policy or by legislation, the expenditure on education will devour the entire state revenues in the coming years ... The expenditure therefore requires to be capped.

In the next white paper, gradually they started saying we have to cap grants to individual schools and colleges at the current nominal level: wherever they are, stop them there. Plus, secondary and tertiary education fees have to be increased. This had been set out in the World Bank and the DFID's aide memoire:

Education is currently provided free of fees for secondary education, while fees for tertiary education are not comprehensive and are set at very low levels. Policy on educational cost recovery should be reviewed and revised with a view towards enhancing partial cost recovery, and to improve targeting of education subsidies towards needy, low income children and students.²⁸

And is it now affordable for most children in Orissa because of the latter stipulations?

No, not at all. Orissa is the poorest state in the country. The United Nations Human Development report said that the poorest people in the world live in Sub-Saharan Africa and in the Kalahandi Balangir Koraput region of Orissa. Not only India's poorest, but the world's poorest. Even if you give free education, even then children will not come to school. So why is there this about paying money to come to school?

And then, if a teacher retired from a tertiary, college or secondary institution his post was not filled with a teacher,

but by a para-teacher, as mentioned in the aide-memoire, as I showed you.

What is a para-teacher?

These are people who before would assist in bringing children to schools, but they are now given teaching jobs. They are trained but they are only paid Rs1,500 (£22) per month, though this recently increased to Rs2,500 (£37) per month. In 45,000 out of 85,000 teaching posts at elementary level, para teachers have been appointed.

How long are their contracts?

Just one year or two years.

Benefits?

Nothing.

How much does a normal teacher get?

A full-time teacher gets between Rs 7,000-8,000 [£110-£115] a month.

So, it's a way to employ teachers on the cheap?

Yes, and gradually the numbers of regular teachers have been receding. I was the principal of a college, but in my place no teacher was appointed. Gradually, they are reducing the number of teachers appointed in all levels. The total number of regular teachers should be 300,000, but presently 50% of positions are reduced. They bring in contract teachers to high schools and para-teachers in primary schools. Plus, they have brought in these schemes through which one teacher has to teach five classes!

Pardon?

One teacher will teach in five classes simultaneously - that is their prescription. How can one teach five classes at the same time? It's humanly not possible. No-one believed that such things could happen.

They have massacred the morale. The morale of teachers is very low now. They feel there is no escape from this octopus. In other states, in Bengal for example, the High Court has said no para-teacher can be appointed when an existing teacher retires. But here, where the DFID and World Bank influence is so great, the existing teacher post has to be filled up by a para-teacher.

Give us a picture of the problems in the education system before the reforms started.

There were problems, of course. People were starting schools in villages, but in the tribal belts and underdeveloped areas schools were not available. The non-availability of schools was a major problem. Even in 1992 our Federation had a "Teachers for Universal Primary Education" campaign that we took round the state. We crossed 7,000km. It was a big event and it helped us. Children and parents were encouraged to send their children to school. But if they want to come to school you have to have schools, and you have to have teachers.

We expected with this foreign aid and with the government providing this money it would get better. But now education has been crippled. Almost half the population is below the poverty line. Large numbers of villages don't have schools or facilities and this is killing education. They can't afford higher fees or more books.

Does Orissa need the funding from the DFID?

The state government, in its bad fiscal condition, requires money, of course. But if you look at Posco and all the other mining companies that are now coming into the state, the

market rate of iron ore is very high but Posco will hardly give the government anything in tax. Vedanta is in a Special Economic Zone, so it will hardly pay any tax. There are other ways the government can raise money but it chooses not to.

India was a colony and the British visitors sucked the blood of the Indians, generation after generation. I can give you the historical calculations of what you have taken, starting from Robert Clive to Mountbatten. Now they say they have come to develop a poor state. Why should they dictate to us? Why should they say minimise the number of teachers or we won't pay, freeze the grants otherwise we won't pay? Who are they?

I am opposed to that. It means the DFID is not for development. It is there to see that diktats are there to gradually and surreptitiously privatise the education system. Orissa is a poor state, development is low. How can they do this?

The DFID is a British Government Department. Its publicity boasts of its achievements, saying many children have been educated with British aid money, and so on. How would you describe its work?

This is exactly what I want to say to you. The DFID is not helping the poor people in Orissa. Orissa is the poorest state in the country. People don't have education or literacy. Their culture is gradually being swallowed by other forces. We are opposed to Orissa losing its integrity. Assistance doesn't mean purchasing my culture. Assistance doesn't mean encroaching upon my rights or the administration. This is what the DFID is doing and this what we are opposed to.

People in Great Britain, those who have sensed, those who understand, should tell the DFID that this is a wrong thing they are doing. They must refrain from doing this. Assist, yes; help people, yes; teach people, yes. Many people from Great Britain have come and helped. Many missionaries

have helped, no doubt. But this is killing the people.

Question sent to the Department for International Development:

Why is the DFID using enrolment and attendance statistics to justify funding for the Sarva Shiksha Abhiyan (SSA) when their veracity has been thrown into serious doubt by a raft of studies?

The DFID's response:

"DFID draws on a range of sources to inform its support for SSA. The main source of data for school-based information on elementary education is the Government's District Information System for Education (DISE) (see <http://www.dise.in>). DISE data is validated in each state through an annual independent 5% sample check. In addition, DFID looks at the State Governments' administrative data on "Out of School Children" - these sources include household surveys carried out by the Departments of Education in each state and, in some states, Child Tracking Systems.

To confirm the veracity of Government reporting, DFID compares these official statistics with independent sources of data, such as the Annual Status of Education Report (ASER) published annually since 2005 by the NGO Pratham and other civil society groups (see <http://www.pratham.org/>); the National Family Health Survey (latest is 2005/6) and the National Sample Survey (latest 2005); plus a range of nationally representative independent studies of out of school children (latest 2005), student and teacher attendance (latest 2007) student and teacher time on task (latest 2007). Taken together, these social surveys, independent reports and data show a high degree of consistency with Government reporting."

IV. A DFID Colony

In its brochure for its India programmes, the Department for International Development explains the British Government “has learnt over several decades that supporting good projects which operate outside government systems rarely has a lasting impact ... the best way to provide lasting support for poverty elimination is to help governments formulate good policies and strengthen the effectiveness of their service delivery systems.”



As Dr Abani Baral mentioned in the previous interview, in the last ten years the British Government has given £200 million in aid to the north-eastern state of Orissa. This aid has been conditional on the Government of Orissa agreeing to undertake, with the DFID and the World Bank, “a program to reform the business and direction of government.”²⁹

In the first of these next two interviews, journalist Sudhir Pattnaik discusses the influence of the DFID in Orissa, especially its role in promoting industrialisation. He is followed by Abhay Sahoo, who explains the campaign against the South Korean steel company POSCO, one of the many multinational mining companies that have come to Orissa following the DFID's reforms.

In the film, ‘Let them come’, people who are refusing to leave their lands to POSCO explain why they are refusing to move and describe their reasons for wanting to stay on their land.

Sudhir Pattnaik is the editor of the Orissa magazine *Samadrushi*, a political fortnightly which has reported and examined the reform programme in Orissa supported by British aid.

Richard Whittell: The DFID says all its policies are developed in tandem with the Government of Orissa and that they, with the World Bank, work in partnership together. Their country plan for India described its support as “providing funding directly to state budgets in support of broad programmes of core budgetary, governance and sectoral reforms within a sustainable fiscal framework.”³⁰ They have funded Government of Orissa projects and programmes in health, education, public sector reform, livelihoods and many other sectors. How influential is the DFID in Orissa?

Sudhir Pattnaik: We call it a DFID colony. The common saying is that the DFID is into everything that concerns the governance of the state of Orissa. In every sector you will find the presence of the DFID. “This comes from the DFID” is the standard response you get from bureaucrats. I even knew someone very high up in the Vigilance Department, at the rank of Inspector General. He was sharing with us, that at the beginning of every week he gets a memo saying the DFID wants this or that. This is not acceptable to anybody who has a sense of democracy. We do not accept a foreign government department coming here and dictating and influencing government departments to do this and to do that.

Do you have any examples of this?

Their support for the whole industrialisation process, for example. The DFID and UNIDO [the United Nations Industrial Development Organisation] together conducted many consultative workshops and prepared a blueprint for the industrialisation of Orissa. They wrote and funded the

Government's Industrial Policy Resolution in 2001 and, with the UNDP [United Nations Development Programme], they wrote the Government's 2006 Resettlement and Rehabilitation Policy.

What have been the consequences of this?

The mineral sector has grown enormously. Vedanta, POSCO, Tata, the Jindals; all such companies have come and people are not accepting them or their promises to rehabilitate and resettle people who have to leave their lands for them. The government and the DFID say it's a very progressive policy. They say they are doing it with good intentions, to help people rehabilitate after displacement. But people want more.

Land [given in return] for land is not part of the policy and the government doesn't have any will to accept a radical rehabilitation policy. This policy doesn't guarantee land for land but focuses on compensation. For people who are not used to money wages, if you give them Rs500,000 it has no meaning compared to their land. Suppose I own land worth Rs500,000. I get that from you when you displace me. That ensures I get exactly the market price for my land. Then I go somewhere else and buy another patch and settle down. But when I go to that place, people know I have that money, so immediately the value of the land doubles. I cannot even buy half of the size of the land I used to own.

But don't people choose to sell their lands voluntarily?

How can it be voluntary? It's never voluntary. Either you are forcing, alluring or misleading people. It does not take into account the socio-economic profile of the area. For example, let's say I'm a landlord. I own five acres of land in an area but I live elsewhere. I decide to dispose of my land because I get a great opportunity when the Tata steel company comes. I wouldn't get such a good price otherwise. So I

decide to sell off my land. But in my five acres of land, five different families live. They've been cultivating there. If I dispose of my land how will they survive?

Are there any stipulations for people who don't own land?

There are some but they're not enough and are not addressing the main issue. The biggest landowner in Orissa is the state. More than 75% of the land in south west Orissa, for example, is government owned. But the real owners are the tribal people who have been working it for centuries. Because they haven't had the land titles settled in their favour, the state claims it is the landowner but in actuality the people have owned the land for centuries. Then the state and the companies take over their land. Their entire livelihood system goes and there is no provision to support that. The DFID's Rehabilitation and Resettlement Policy does not recognise this reality.

And the DFID has funded and provided technical assistance to the expansion of the Hirakud dam. Initially, the plan was to supply water from the dam to farmers. But now what is happening? Farmers are not getting water. In 2004, 20,000 acres of land didn't get water. In 2008, 50,000 acres of land didn't get water. Why is this happening? Because Hirakud water is being taken by the mining companies who have come to the state: by Vedanta for its aluminium plant, by the Jindals and by anyone who has an industry. They have signed a Memorandum of Understanding which says that 478 cusec [cubic feet per second] of water will be taken from the Hirakud to be given to these companies, which will mean another 50,000 acres of farmers' lands will be unwatered. They say that there is enough water from the Hirakud dam to supply to industry and people but people say the reality is they are not getting water. This is a design to privatise water resources and infrastructure so those who are running mostly extractive industries will benefit.

And, if you come to the core point, what is the DFID's understanding of development in Orissa? If you see the kind of development happening in Orissa at the moment, it means developing only industries and mineral-based industries. This is further reduced to four major minerals: coal, aluminium, bauxite and iron. In a state where more than 85% of the population live on agriculture, forestry and fishery resources, do you think only mineral-based industries can be accepted as the model of development? How many people in the state will benefit from this? And all these minerals are water and energy intensive, which is why the DFID and the World Bank wanted the energy, power and water sector reforms.

And one of the DFID's first projects in Orissa was the power sector reform, which saw an American company take over part of the distribution supply?

Yes, it was claimed that people here did not have any knowledge or authority about how to reform the power sector so we needed a company to help us. Who decided which company would help? The DFID.

Orissa had a power sector board before the DFID came. Why was that not up to the task of providing electricity?

There was never any need for help from outside; there was knowledge with engineers and technical people guiding the board. But then the board was dismantled and restructured and the supply line decentralised and all this was designed with consultants engaged by the DFID. Decentralisation and privatisation go together. Decentralisation can mean further democratisation but this didn't happen here. It means giving the power supply to private companies. I have seen the reports on the power sector reform and written about it and I think any commerce graduate in accounting can do better accounting than the experts they sent.

What was the process?

The reforms were pushed by the World Bank and the DFID jointly. They dismantled the state electricity board. They created distribution companies. They also privatised the power generation corporation and invited foreign bidders.

What have been the consequences?

Higher prices, lower returns to the state. The state is paying, people are paying; so who is gaining? The unit cost of electricity is going up and up and these companies are not paying back to the state. Last year, they spent more than Rs100 crore (£14.6 million) from the poverty eradication program coming from the centre to the state to support the power supply distribution. This is ridiculous. People are not gaining, so what is the meaning of these reforms? This is what people are asking: what is the meaning of the development they are proposing and should the World Bank and the DFID patronise this? And for whose interest? Certainly not the interest of the state.

Was there any resistance to this?

People are opposing mega projects at the local level. In certain areas of the state, such as the areas where the multinationals are trying to displace people, we are getting the real picture of the reforms and people are fighting back. And there was a campaign against these destructive reforms in 2002 and for two years we campaigned against the World Bank and the DFID. Many organisations came together: progressives, socialist groups, trade unions, mass organisations. It was called the Campaign against Destructive Economic Reforms. All the privatisation attempts we challenged. We courted arrest. When the DFID and the World Bank were sitting with a group of consultants in the Hotel Crown we were demonstrating outside and there was a huge demonstration in front of the DFID office.

What was the response?

They said they weren't doing anything on their own, that the Orissa State Government had invited them.

But they're still here?

Yes, and each reform is part of a whole plan. They want to minimise the role of government and maximise the role of private players. It's not possible to do that directly so you create a process where gradually government's role is minimised and in come private players.

Where are the politicians and the political parties in this process?

We don't have political parties. They claim to be political but they don't try to understand people's problems. They are not in tune with people. They only come out during election times and there is no difference between the ruling parties and the opposition. They are all the same. Nobody expects them to play a significant role in mainstream politics and you don't find anybody who is opposing this development paradigm. The left is but they don't have a proper base.

In the last sixty years no political party has really thought about how to develop the state. Therefore anyone can come with a bag of dollars and say, 'Do this and we'll help you'. And many NGOs also attended the consultation sessions they had for these reforms.

Which NGOs?

Those NGOs that do not have any record of working with the poor. There are maybe a few NGOs that are critical, but one or two NGOs raising their voices doesn't have any real significance. Ultimately, in the proceedings you don't see any dissenting voices- it looks like they are all in unison. If there are exceptions they don't get a seat at the table. Mostly, the NGOs are with the state. Mostly, they are quite

comfortable with the state and they don't raise any critical questions. Some of them have been kicked out and blacklisted because they raised critical questions. 'If you are not with us, you are with our enemies,' that kind of thing.

So, should the DFID have played such a role in Orissa?

If the DFID hadn't had a role, nothing worse would have happened.

But isn't there an argument that says even if the DFID isn't promoting the best policies, nonetheless money given by the British Government is providing money for things like healthcare that, given the lack of will of the main political parties, wouldn't otherwise exist?

I think if you're putting money in the wrong way it doesn't make a good impact. For example, in health sector development they are often providing for infrastructure that isn't being used, so what is the point in putting money in? It requires a social plan but there isn't one. Health was never a priority sector for this state government. When somebody comes with a big money bag and says 'I will support this', the government will, of course, say, 'Yes'. I'll tell you one example. I was invited by a committee to inspect the city's main hospital. I went there to see and discuss it with the chief medical officer. He took us to see the intensive care unit. It's supposed to be the most active and dynamic unit. When we approached the unit we saw a cat sleeping. We went in and saw six beds and life support units but there was no-one using them. All this equipment was bought because companies had been contracted for it but there was no manpower to operate the machineries. He said the government wasn't thinking about how to run it. And this is happening in all other areas. When the DFID and World Bank come in, the only concern of the state government is to buy equipment.

The Department for International Development is part of the British Government, which presents its foreign aid very positively and it is seen to be doing good.

Similar perceptions exist about our government. We Indians feel very proud that our government gives money to some smaller south Asian countries. The kind of damage they are doing we don't take into account. But if governments and the people are genuinely interested to serve another community, the support must be totally unattached and unconditional. The most important thing is whether that state has a plan to develop itself.

I put this question to a government minister. I said try to recollect any time in the past when you have sat for two days to think about the state and how to develop it. He said they'd never done that. So if you've never thought about it, how can you have a plan? I don't think it's acceptable. In a democracy you have to plan from below and that is not happening.

Would that be possible with foreign aid?

Foreign aid should not be in the picture at all. In certain areas, if you lack resources, maybe you could think about it. But have you explored all the resources at your disposal? Look at these mining companies that are coming in - they will pay a tiny amount of tax to the state on the resources they mine then sell. If any government did that, no funds would be required from outside. They are looking for the easy way out with foreign aid.

Abhay Sahoo is a leader of the people's campaign fighting South Korean steel company POSCO in its attempts to displace people from their lands to mine the iron ore that lies beneath.

Richard Whittell: Why are you fighting to stop POSCO coming here?

Abhay Sahoo: As everyone knows, in the year of 2005, on 22nd June, the Orissa State Government signed a Memorandum of Understanding with the company POSCO, of South Korea, to set up a steel mill, with investment of Rs 52,000 crore [approximately £7 billion].

Since then the people of the proposed area - in the three areas of Dhinkia, Gadkujang and Nuwagaon in the district of Jagatsinghpur - have been conducting this resistance struggle against the POSCO steel mill, and we have formed the POSCO Pratirodh Sangram Samiti [POSCO Resistance Struggle Committee], of which I happen to be the chairman, and have been conducting this battle against POSCO and safeguarding our motherland and fertile soil.

You see, we are not against industrialisation but industrialisation at the cost of a guaranteed agricultural economy. This area is a coastal area with very sweet sand, underground sweet water and it is full of sand dunes. The coast of the Bay of Bengal has a very special kind of sandy soil. People have been growing betel vine there which happens to be a most profitable item of agriculture and is an employment generating agriculture. It gives a very handsome income to the cultivator's family, and provides both direct and indirect employment. So people do not want to part with the betel vine cultivation. In addition, it is producing foreign currency for the state exchequer as it is an item of export. Apart from betel vine, people have cashew nuts which are also profitable items and apart from everything else, people have a very dense forest and a very

beautiful ecology.

So the people of the area have been struggling tooth and nail and heart to safeguard their motherland and fertile soil. It will be a very serious ecological catastrophe. Not only that, if the forest is not there, it will lead to more problems. The thousands of fishermen here depend on the sea mouth, through which the entire surplus water is being drained. They catch fish there. The thousands of agricultural families, their paddy lands will be submerged in water. And once the forest is gone, the sand dunes will be gone. There will be no sand dunes. It is the forest and the natural processes which have made the high sand dunes, not the man.

The other side of the coin is that the company, in connivance with the administration, has imposed violence many times on the peaceful protesters against POSCO. We call this state-sponsored violence.

Do you have any evidence for these allegations of violence?

On 29th November 2007, the anti-POSCO people were on strike at the main entry point to the district. Hundreds of men and women were there, democratically and peacefully protesting against the POSCO officials. But POSCO hired anti-socials. Their officer, who was a senior civil servant, hired the anti-socials who took the help of the little pro-POSCO camp in the area. The district administration also extended its help and together they blasted seven bombs at the peaceful strikers.

Many innocent men and women were injured. Still people are suffering from those injuries in this village. And, as Dinkia has become the bastion of the anti-POSCO struggle, as many as 450 men and women here have been implicated in more than 90 false legal prosecutions. For me, though I am from this block and this is my area of operation, I have been underground and unable to go to my native village and

see my family for three years. Many of the anti-POSCO leaders have been underground for three years. POSCO is trying to sabotage the movement, they are trying to suppress the movement. They have hired goons and anti-socials, they have started beating the anti-POSCO fighters, they have looted the anti-POSCO fighters' houses and they have done many injustices to the anti-POSCO families.

In one thing POSCO has been successful and that has been in creating a pro-POSCO camp. They have politicised the struggle, they have tried to disrupt and they have tried to break the struggle. But the more they have tried to break the struggle, the more people have become united because they have such affection for their own livelihood. There is a historic and dialectical relationship between life and livelihoods and our struggle is based on a scientific analysis of the livelihood aspect of this locality. So apart from everything, our struggle has withstood the situation. The war is young.

Four months later the Orissa Chief Minister and the POSCO chief announced they were to lay down their foundation stone on the 1st April 2008. On that day the patriotic forces from across the country were invited to be united and we broke all barricades erected by the police. The anti-POSCO people have come to the limelight and taken control of every village again. If they [POSCO] come into this area they will face mass obstruction and mass demonstrations. Now the government has suspended many anti-POSCO fighters who have been in government service. In Dhinkia, they have suspended one central government employee who was a postmaster and they have suspended a high school teacher. They have taken revenge on anti-POSCO families and have started an economic blockade. They have stopped supplying commodities, such as kerosene, sugar and rice. So these are the things we are facing. But to achieve our objective and to champion the cause of the people, we must lead this struggle to its logical conclusion until POSCO is forced out.

What is your opinion of the proposals contained in the DFID-funded Rehabilitation and Resettlement Policy?

As you know, the state government has adopted the Rehabilitation and Resettlement Policy 2006, which it claims is the best one, and POSCO has announced some additional packages. The policy means that someone who loses their homestead and agricultural land will be given due compensation for the recorded land as per the value of local area and he will be given, if displaced, three rooms for his family and will be given employment in the company or, if he doesn't have requisite qualifications, will be given compensation.

There are many people living here who do not have formal property rights to the land they are living on and are technically living on government land. What will they get from the policy?

You see one thing. You can come to a very scientific conclusion if you know the structure of the land. POSCO is to acquire 4,004 acres of land. There is a population of 22,000 with 4,000 families. And out of the 4,004 acres, 3,566 acres are government land. The company says the government is the owner, so there is nothing to give the people who are living on the land. To satisfy people POSCO has announced an additional package of Rs 6000 per decimal of land but that is nothing for the betel cultivator and people are not interested.

The 2006 Rehabilitation and Resettlement Policy is an anti-people and anti-development policy. The state government has written it under instruction of the DFID. It is not meeting the demands of the displaced and affected people: the employment aspect, displacement aspect and the compensation for land losers. People are suffering and will suffer more if they accept the Rehabilitation and Resettlement Policy 2006.

One thing is very clear: the DFID is dictating the principles and the rules of the state government. The DFID is putting tremendous pressure on the government to invite the multinational companies and private companies, to go for the private sector, domestic or foreign. And the DFID is very keen on privatising all the government and public sectors.

The company has not yet acquired an inch of land and we have refuted this Rehabilitation and Resettlement Policy, which has been formulated in connivance with the DFID. It is not a welfare policy for the people and our movement is 100% opposed to it.

After this interview one man was killed in clashes with pro-POSCO supporters. Abhay Sahoo was arrested and held for ten months on a variety of charges. He was recently released on bail. At the time of publication, POSCO has not yet been able to start construction.

*The accompanying DVD contains an interview with **Ashok Pradhan** of the Western Orissa Farmers' Coordination Committee. He discusses DFID funding for projects affecting water distribution and management in rural areas of Orissa and the expansion of the Hirakud Dam in the west of the state, to which the DFID also contributed. He describes the mass protests by farmers against the water from the dam being diverted away from agriculture to the mining companies entering the state.*

Question sent to the Department for International Development:

What were the DFID's reasons for helping the government of Orissa write its Industrial Policy Resolution (IPR) and Rehabilitation and Resettlement (R&R) policy, and how can they be said to be helping the poor when they have helped facilitate an influx of mining companies whose introduction will displace people against their will from land they have lived on for generations?

The DFID's response:

"Orissa is one of India's poorest states with 47% of its people below the poverty line. If Orissa is to reduce this very high level of poverty, it needs to achieve much higher economic growth than it has managed for much of the past 60 years. The state has very large reserves of mineral resources: 90% of India's chrome ore and nickel reserves, 70% of bauxite, and 24% of India's coal reserves. Extracting and adding value to these is the best way in which the state can achieve the inclusive growth it needs to reduce poverty. However, poor management could exacerbate environmental degradation, inequality, corruption, and insecurity. DFID's support to the implementation of the Government of Orissa's "Industrial Policy Resolution, 2001" aims to help the Government of Orissa (GoO) make the most out of Orissa's assets.

With support from the IPR project, the GoO has put in place an R&R Policy, adopted formally in 2006 after broad stakeholder consultations. This policy aims to deliver a transparent and equitable process to manage land acquisition in the state. In addition, the GoO seeks to provide direct support to people affected by mining activities: the Orissa Rural Infrastructure and Socio-Economic Act (2004), has levied a tax ranging from 5% to 20% of the land allocated for mineral extraction and it uses the revenue for development in rural and mine-affected

areas. Mineral companies in tribal areas are also legally obliged to allocate 2% of their equity holding to people displaced by mining and 5% of post-tax profits for community development. The revenue collected through these measures has been used to set up a Mineral Periphery Development Fund for the development of the people and areas affected by mineral development."

V. A People to People Dialogue

The head of the Department for International Development's India office stated that its funding for civil society aims "to help Indian civil society organisations assist people in the poorest and most backward districts of India to realise their rights more effectively and in a sustained manner." As part of this approach, the department has given £25 million of British aid to the Poorest Areas Civil Society (PACS) Programme, which it says is partnering with civil society in India to improve the uptake of rights and entitlements by women and socially excluded communities.



The next two interviews, which conclude this book, investigate the DFID's support for civil society organisations. Roma in Uttar Pradesh, who talks about why the people's organisation she is involved with refuse to accept DFID funding and the compromises made by other groups that have accepted it. Madhuri Krishnaswamy in Madhya Pradesh, explains why the movement she is part of cannot be helped by the DFID and discusses the need for international solidarity that is not mediated by the DFID or NGOs.

The accompanying film, 'False Promises', looks at the consequences of the DFID funded 'Business Partners for Development' project in the Sarshatalli area of West Bengal, which convinced people to allow a coal company to mine their lands, with devastating results.

The DFID's response to the issues raised in the film, quoted after the interviews, is followed by their response to the issues raised in the series as a whole.

Roma is a member of the Kaimur Kshetra Mahila Mazdoor Kisan Sangharsh Samiti, formed in 2000 to mobilise Adivasi and Dalit communities in the state of Uttar Pradesh to reclaim their traditional rights to live and work on forest lands. It has been in the forefront of protests and local actions to stop illegal mining, tree-felling and loot of forest resources by upper-caste landowners, private corporations and forest officials.

Richard Whittell: The DFID lists ‘civil society’ among its partners in India and argues that by working with civil society groups it can give poor people a voice and help them in advocating their rights. Do you want the DFID’s money?

Roma: No, we don’t need that funding. Why should we need it? Through the kind of struggle that we are in, women have taken possession of many acres of land, thousands of acres of land, and we didn’t have any funding. They [the women] are coming with their own conviction that the land is theirs and it cannot be traded, it is not a commodity, it cannot go to companies. So they are recapturing their lost political space and they are raising their own resources. They are saying if we have land we can raise everything for ourselves: food security will be there, we can look after our education, our health, our water, sanitation, everything. And for that we don’t need any funding. So why they are coming and funding women’s groups I don’t understand. And groups should not take that kind of funding. It’s really a trap. If we get into that trap we lose our struggle and our political movement also.

It must be very tempting to take the money given by agencies such as the DFID?

Yes, we are always in crisis! But one has to see it in a very long term perspective. What do we want to achieve? If we have come out of our homes, and we have dedicated

ourselves to work for a social cause then we have to leave something. And there are resources within the people. We got our independence, there was no funding agency – there was no DFID! It was all people's struggle. It was a mass upsurge. And this money that is coming in neutralises all these kinds of movements. It's a big trap.

Can you give us an example of how people's movements are neutralised by this type of funding?

For example, there was a big land rights march to Delhi organised by groups funded by the DFID and with the DFID's money. Land is, of course, a very big issue and people are fighting to reclaim their lost land, after displacement by feudalism and by capitalism. Even for building up our public sector units, people are being displaced. They are being reduced to wage labourers.

We were involved in the initial planning for this march but when we came to know of the participation of the DFID we were really not very interested [and did not take part] because the land struggle in our country is of a very different nature and it has a lot of unsolved questions that we need to answer. For example, the question of radical agrarian reform, which not only concerns land but also water and the forests. These areas were totally uncovered. We had a very uncomfortable feeling. Then when it started the organisers had a meeting with the Prime Minister, Dr Manmohan Singh, who himself is a former World Bank guy. Normally movements don't discuss with the government before starting an agitation because the question then comes: who gave you the mandate to talk to the government?

The march happened and was very impressive. People were coming because they really needed land. They were joining in struggles and were craving for land. But after the march it was announced there would be a land commission. We think it's a big hogwash because having a land

commission means you have centralised control and we already have many problems with this. At the same time as this land commission was started we had one quite radical act: the Scheduled Tribes Forest Dwellers Recognition of Rights Act, which was talking about community ownership of land. But the Prime Minister did not talk about that and did not talk about implementing that act. Until now the lands are not being allotted [in accordance with] that act. So not much changed. This creates a lot of questions in our mind and these limits were why funding was coming, why a lot of money was coming. You are talking about a land commission but there is a corporate sector taking huge amounts of land and making them into tax-free Special Economic Zones, and then our act is there but not getting implemented. There is all this complexity and you know we really doubt the intention of the government.

But most of all we will not need funds from the DFID to launch this struggle. The DFID plays a devastating role which is anti-people and anti-poor. We don't need its money. People came to a demonstration today: some 400 people came without a ticket for the train. They had their badges, that was their ticket; and by their rights they came. It is our right to travel because our demands are not met. In a democratic country our rights have not been given so that's why we are travelling. Why would we need the DFID's money?

But wouldn't funding help your organisation do even more than it is doing now?

We need money and all, but we know that funders like the DFID will not let us raise the right questions because it is not in their interest. They will put their conditions and all, and say do this, do that, otherwise they will take away the funding. They make us dependent on the funds so no-one launches any struggle. No-one is tempted to get funds and live in a very comfortable lifestyle. If money comes in we will lose our agenda. We will sit in air-conditioned rooms and

talk big about poverty, hunger and food security. But people come to demonstrate in the scorching heat, they come with their own money, their own resources because they want to bring change to their lives and in the mindset of the ruling class. They get political sensitisation so they go back and start working. They go back with the knowledge that a lot of people are with them. Poverty is a global issue. If you come to talk to anybody you will come to know that they do not feel they are alone. Many people are with them fighting against poverty. So they go back and they fight for political issues and political rights, and whenever people come to Delhi they struggle for their land rights. The women especially, they form groups, they organise themselves and they identify which land is theirs and go and take possession.

People should not take funding. We feel very strongly that people's movements should not go to these funding agencies like the DFID, USAID, and so on. There is a big list [of such funders]! We have to raise our own resources. Definitely in some places we need money, of course, but we will take money according to our conditions. But not from the DFID, otherwise we will end up in air-conditioned rooms talking about the struggles.

The money the DFID is giving is being given in the name of the British people, most of whom agree that Britain should be giving aid. What do you say to them?

We want to convey there is no fight between the people of India and the people of the UK. Neither are they aware of the condition of India and nor are we aware of who is behind the DFID. If ordinary UK citizens are not aware what the DFID is doing then there needs to be a dialogue. The whole of the media, the government are trying to suppress this dialogue. Dialogue from people to people doesn't happen anywhere so there is confusion on both sides. We should have a direct dialogue, a people to people dialogue. Who is

giving the money? Who is using the money? How are they using it and what is our reaction? What is our criticism about that and why don't we want to take it? That needs to be communicated.

Madhuri Krishnaswammy is a member of the Jagrit Adivasi Dalit Sangathan (JADS), a Dalit and Adivasi community organisation based in Madhya Pradesh that she describes in the course of the interview.

Richard Whittell: The DFID says it is assisting “people in the poorest and most backward districts of India to realise their rights more effectively and in a sustained manner”³¹ by funding civil society organisations. What do you think about this?

Madhuri Krishnaswammy: It’s a bad idea. “Poverty and backwardness” are consequences of 200 years of territorial imperialism, followed by 60 years of neo-imperialism and a “development” model that has allowed the west and local elites to continue to control and exploit our resources. Agriculture controlled by the agribusiness corporations, the squeezing of rural resources to subsidise industry, massive displacement and pauperization by industrial/pro-rich infrastructural projects are the main reasons for “poverty and backwardness”. The DFID, along with other “aid” agencies actively promotes this model of “development”, which might be more accurately called a model of expropriation, or - more simply - theft. The DFID is part of the problem and it is outrageous hypocrisy for it to pretend to be part of the solution. They tie you up and burgle your house through the back door and then arrive at the front door with much fanfare to provide a few sops as “relief”!

It’s a mystery to us how the DFID helps people “realize their rights more effectively in a sustained manner”. Every time the people try to realize their rights and protect their livelihood there is a police crackdown. DFID projects like the Madhya Pradesh Rural Livelihoods Project don’t even scratch the surface of poverty. They don’t address any real need and don’t aim at any fundamental change. All they do is throw some money about, most of which is grabbed by project staff and local elites which further fuels a deeply

entrenched nexus of corruption and violence. At the very best, they give a few individuals a little support and send everyone else in the community scrambling and quarrelling for the crumbs. Our members are in constant conflict with the project because there is no transparency or accountability in the implementation. Where there is no conflict, it is because the project is considered irrelevant to people's lives.

Civil society organizations funded by the DFID or any such funding agency become complicit in the continuing exploitation of working people and the plunder of their resources. Imperial plunder is not possible without buying up the ruling class of colonized societies. So, such funds are in essence the price of silence.

Could you give us an idea of what the Jagrit Adivasi Dalit Sangathan is and how it works?

Jagrit Adivasi Dalit Sangathan (JADS) organizes tribal people (marginal farmers and wage workers) to struggle for their livelihood rights and their right to dignity and for social justice. It is something like a trade union and is a membership based organization, though unlike a trade union it does not focus specifically on "trade" or economic issues, but is a community organization that addresses a wide range of issues: wages, land and forest rights, health, education, community control over development programs, alcoholism, violence against adivasis, anti-women customs, reforestation, non-industrial farming etc. In other words, issues arising from the community's interface with the state as well as internal issues of the community. Members in a village elect a village committee. The village committees constitute area committees. The area committees send members to the district committee. The district committee leads the organization. Decisions are taken at weekly meetings of the village and area committees, and monthly meetings of the district committee. At present, one-third to half the committee members are women (hopefully more in

the future). Funding is through membership fees, though we do get occasional contributions from individuals. We do not have any institutional funding. We are able to manage very well with this.

JADS has primarily been a movement for the right to dignity. It has been very successful in curbing the earlier violence against Adivasis by state agencies and local elites. Our people have recovered control over forests that they had lost under British rule and we have made some significant gains on the wage front. Mainly, what the organization has done is allow Adivasis to recover their self confidence as a people, and to run their own lives. However, the question of poverty, of the invisible enemy which is a faceless system is still out there. As the organization matures, there is a growing realization that we need to reach out to other movements and organizations to try and build common struggles.

How would you be affected if you decided to take funding from the DFID?

Not just from the DFID. I think it would be a disaster if we were funded by any funding agency (Oxfam, Action Aid, etc.). The organization would be destroyed. The strength of JADS is that it is controlled by the people themselves. It belongs to the community. Its members own it. The organization is as integral to their identity as their family or kin group. The confidence of its members stems from the knowledge that they need be dependent on nobody, that they can run their organization by themselves. We've seen what happens when funded NGOs try to "run" communities: the community is kept on a leash, it is drawn into all kinds of projects that are not of its own choosing and have nothing to do with its priorities. Projects are started and dropped according to funding exigencies and paid staff can hardly be expected to brave all sorts of state violence to struggle for a just society. As I said, the DFID wants to give us hand outs while they call the shots, but our people want to control and

direct their own lives and that of their community. They don't want charity. They want resources they can claim as a right.

The DFID has said that it wants to “help governments that, like us, want to promote open and fair markets”³² and “make globalisation work for the poor”.³³ Andrew Mitchell, the new Conservative Secretary of State for International Development has said his DFID will take an “unashamedly pro-business approach to development”.³⁴ Through this it is argued that Britain became developed through the same kind of policies the DFID is pushing in India and around the world. What are your thoughts on this?

The prosperity of rich nations and the comparatively comfortable standards of living of the working class are based on imperial plunder. Not on industrial capitalism, which is inherently based on the expropriation and concentration of wealth. But our comprador elites try to sell us the “liberalization-privatization” package saying: ‘look how developed the West has become with this’. They conveniently forget that this prosperity is based on centuries of imperial plunder or that nowhere has capitalism created prosperity without imperialism. Also, industrial capitalism has proved to be ecologically unsustainable, and a cancer that is consuming the planet. Why should we have any more of it?

Our elites also want us to forget that as a result of long struggles of the working class in the industrialized countries they have had fairly sturdy welfare states, with public systems of health, education, strong labour laws, etc. This too has been crucial to the relative prosperity of the working class in these countries. How are poor countries supposed to “develop” without these? The tax to GDP ratio in India (despite the rapidly escalating number of millionaires and very rich) is around 18% which is much lower than the Scandinavian countries at around 45-50% and even the USA

at 25% (I don't know how it stands for Britain). The tax subsidy to the corporate sector over the past two years has been almost five times the social sector spending.

The privatisation of public services, commercialisation of public education, corporate governance and other effects of DFID-funded reforms in India are of an ilk with the policies pushed by its fellow, domestic, departments in the British Government. This has been detrimental to many working people, who are questioning this type of development and promoting alternatives to it. In this context, do you see potential for people in Britain and India to work together in mutual solidarity?

The attack on the welfare state and escalating aggression and theft by big capital is of course a global phenomenon. In India, the DFID, World Bank, Asian Development Bank and their various ramifications are centrally behind the push to completely dismantle public systems of health, education, food security, water, electricity, and throw our people completely to the mercy of markets controlled by big capital. There is a drive to amend labour laws and make them more pro-capital, while 93% of the workforce is in the unorganised sector (that is, they are completely unprotected) and the casualisation of labour is growing. A much trumpeted "Second Green Revolution" which aims to bring agriculture under the complete control of global agribusiness is already underway. Meanwhile, people are losing their land, water sources and forests to industry. When they resist, they are beaten, raped, killed, their homes are razed and their land is forcibly occupied. Very large sections of the country are now in a state of war. Activists and intellectuals who protest this are being arrested for waging war against the state.

So since we are all being beaten by the same stick it not only makes sense for us to come together, but in fact this is an urgent necessity. There should be no question of our

solidarity being mediated by the DFID or NGOs, since these are part of the system that we have to fight.

There are possibly some obstacles. Your people seem to have accepted the premise of industrial capitalism, while many of ours are questioning these premises. This is a problem we face in building solidarity with urban Indian working class organizations as well. And then there is the whole history of imperialism which is still alive and growing stronger. We need to forge links across the imperial divide and to forge links based on a common understanding of how imperialism works and what has been its history. It can and must be done, but requires a lot of sensitivity and hard work.

The other problem is that all of us have to break out of a long history of economism, of our own specific bread-and-butter struggles. Being mired in these hinders our understanding of the big picture, of the commonality of our struggles. We need to develop a much more complex and nuanced common understanding of a shared vision of a just society and how to work towards it, how to deal with conflicting immediate interests.

There is also the problem of lack of information and unfortunately the NGOs control information flows. We really know so little about each other and really need to find more effective ways of transcending cultural and language barriers.

Question sent to the Department for International Development regarding the Sarshatalli mining project in West Bengal, which is investigated in the film 'False Promises':

Why has the DFID not done anything for the communities affected by the Sarshatalli coal mining project in West Bengal, after it funded Business Partners for Development and helped select the NGOs involved, and since when people in the area, among other degradations, have been displaced from their land and are suffering greatly from pollution from the mine?

The DFID's response:

"The project was used as a case study for the Business Partners in Development project (BPD), which involved getting the principles right for tri-sector partnering. This was in support of the key players - government, communities and company - to resolve conflicts and learn to cohabit more effectively. BPD included analysis of several case studies around the world, the idea being to inform the generic guidance through practical experiences- good and bad. It is not DFID's role to get involved in specific community issues. Our focus is on creating an environment where the main responsible players can achieve productive cohabitation.

DFID programmes are developed in response to requests from the national and state governments with which we work. In relation to the Sarshatalli Coal Mining Project, DFID has not been requested by the Government of West Bengal to provide any support for their resettlement or pollution control policies."

Question sent to the Department for International Development regarding the issues raised in the series as a whole:

How does all this fit in with DFID's mandate and promise to the people of the UK to fight poverty in India?

The DFID's response:

"All of our support is directed at fighting poverty in India. The work detailed above is entirely consistent with DFID's mandate to fight poverty in India. Our funds help to increase access for the poor to basic education, health, water and sanitation services, improve governance, promote better management of the natural and physical environment, and promote greater empowerment of the poor, especially women and the marginalised sections of society. All our programmes are designed and managed in close partnership with the Government of India and fully aligned with the Government's own poverty priorities."

Notes

1 Tony Blair, Foreword to 'Eliminating World Poverty: Making Globalisation Work for the Poor', DFID White Paper, December 2000.

2 David Cameron, 'Our aid will hit the spot', *The Guardian*, 3rd June 2010.

3 Douglas Alexander, *DFID India Country Plan 2008-2015*, 2008.

4 Department for International Development, *DFID in India: Factsheet*, [no date].

5 Kojo Prah Annan and Awura Afitsufe Ampofo, e-mail to Kofi Mawuli Klu, 30th June 2010.

6 Kwame Adofo Sampong, phone call with Kofi Mawuli Klu, 2nd July 2010.

7 Frantz Fanon, *The Wretched of the Earth*, 1961.

8 Department for International Development, *DFID in India: Factsheet*, [no date].

9 *ibid.*

10 *ibid.*

11 *ibid.*

12 *ibid.*

13 Since the interview was conducted, Vinay Pandey has stepped down from his post as Convenor.

14 Department for International Development, *Project Memorandum, Support for the Reform of the Power Sector in Madhya Pradesh*, obtained under the Freedom of Information Act, August 2002.

15 "The present tariff for domestic and agricultural (low tension) consumers is more than 3 times that of 2001 (i.e. increase of more than 200%), while that for industrial consumers is only about 1.2% times (increase of 20%)" - Nikit Abhyankar, 'A Decade Lost; What's Next? Looking back at power sector restructuring in Madhya Pradesh', *Economic and Political Weekly*, Vol XL, No 48, November 26, 2005.

16 Department for International Development, *Project Memorandum, Support for the Reform of the Power Sector in Madhya Pradesh*, obtained under the Freedom of Information Act, August 2002.

17 *ibid.*

18 Department for International Development, *DFID in India: Factsheet, [no date]*.

19 *ibid.*

20 *ibid.*

21 Department for International Development, *DFID Project Memorandum, Support to Government of India for Sarya Shiksha Abhiyan II*, obtained under the Freedom of Information Act, 12th February 2008.

23 Department for International Development, *DFID India*, April 2008.

24 Department for International Development, *India Country Plan*, February 2004.

25 Department for International Development, *State Plan for Orissa*, June 2005.

26 World Bank and the Department for International Development, *Technical Economic Mission to Orissa*, Aide Memoire, May 8th - 13th 2000.

27 World Bank and the Department for International Development, *Technical Economic Mission to Orissa*, Aide Memoire, 24th-30th September 2000.

28 World Bank and the Department for International Development, *Technical Economic Mission to Orissa*, Aide Memoire, May 8th - 13th 2000.

29 *ibid.*

30 Department for International Development, *India Country Plan*, February 2004.

31 Department for International Development, *DFID in India: Factsheet, [no date]*.

32 Department for International Development, *Building our common future: Global action by the UK government to help make a fair, safe and sustainable world*, July 2009.

33 Department for International Development, *Eliminating World Poverty: Making Globalisation Work for the Poor*, December 2000.

34 Andrew Mitchell, 'Aid doesn't just save lives: it's good for us too', *The Times*, 18th February 2010.