

South Asia water projects under attack

by Susan Maitra and Ramtanu Maitra

Despite the needs of South Asia's vast population to advance out of its current poverty, the anti-development lobby in the region, feeding the geopolitical interests of major powers, is actively sabotaging projects which would drastically improve the economies of the area. The recent report of collusion among the pro-China Nepali Communist Party (UML), the monarchy of Nepal, and some extreme right-wing Nepali chauvinists to prevent the exploitation of Nepal's vast water resources, is a case in point.

The Nepali Communist Party, which is controlled from the Palace and also from Beijing, is now involved, under the guise of "nationalism," in trying to put a brake on the agreement between India and Nepal to develop the latter's multi-purpose river projects. The 40-year-old controversy has been revived with a strong anti-India slant. The contention of these "nationalists" is that successful harnessing of Nepal's rivers will benefit India more, and Nepal will not get its due share.

Nepal's river systems can produce, if exploited fully, more than 83,000 megawatts of electrical power (see *EIR*, April 20, 1990 "Nepal's White Gold: Will It Be Exploited?"). Nepal has so far harnessed less than 5 MW. If such a large amount of electrical power is generated, India will be the major, if not the only consumer, paying Nepal for the hydroelectric power generated. It is also expected that since India has technical capabilities to build such a hydroelectric power project in a difficult terrain, its financial and physical assistance will be crucial.

Strange allies

The Nepali Communist Party ostensibly does not want "capitalist" India exploiting Nepal's rich water resources and prospering from it.

The Palace in the Nepali capital of Kathmandu, for its part, benefits from keeping the nation poor and illiterate. It promotes divisive forces and entices the totalitarian Beijing regime, while being located close to the heartland of democratic India.

Behind these overtly anti-India postures lies a deep-rooted game. The newly installed G.P. Koirala government of the Nepali Congress Party has been forced to give in to pressures from the Palace and make appointments to appease the royal

household, which is widely acknowledged as a corrupt lot.

Meanwhile, the much-awaited trade and transit treaty between Nepal and India has reached the penultimate state of negotiation and is ready to be signed. If the treaty is not signed before the Nepal Congress Party convenes its annual conference in November, the Koirala government will no doubt be put on the mat to the satisfaction of the Palace, as well as the Nepali Communist Party.

India has already called off the Oct. 27 signing date because of its preoccupation with the Nov. 16 parliamentary and state assembly by-elections. The virulent anti-India campaign being whipped up in Nepal could delay the signing further.

The rise of the Nepali Communist Party (it won 82 out of 207 seats in the Parliament) has helped China to reassert itself in Nepal. If the communists continue to make gains, the water projects will be shelved and neither the World Bank nor the U.S. Agency for International Development will push for the projects.

Meanwhile, Nepal's economy, a shrinking basket, will remain increasingly dependent on foreign grants and loans. The 1991-92 budget, presented last July, shows that its foreign aid component constitutes 12.5% and foreign loans to cover anticipated deficits, constitute another 30%.

Ganga-Brahmaputra link

In addition to the shelving of Nepal's water projects, another major South Asian water project—the linking of the Brahmaputra River with the Ganga—which has been hanging fire for more than a decade, is also being sabotaged.

The Indian proposal in 1978 to build a link canal through Bangladesh territory to connect the Brahmaputra River with the Ganga, for the augmentation of the Ganga waterflow and control of Brahmaputra's floods, has been adamantly rejected by Bangladesh. Ousted Bangladeshi President Ershad had raised the stakes in 1988 by inviting the Chinese to participate in Bangladesh's water management. China's response to Ershad, which made India jittery, was to agree to establish a bilateral working committee and to send a technical advisory team to Bangladesh to help the latter with its flood control measures. China has not commented on the Ganga-Brahmaputra linkage.

Meanwhile, according to India's Central Water Commission, the authority on water distribution, India has worked out a parallel plan which will tap water from large Brahmaputra tributaries, such as Dihang, Subansiri, Dhansiri, at a higher altitude and carry the water through the lower reaches of the Nepal Himalayas and dump it into the Ganga. This plan will also call for Nepal's cooperation, but will not involve any arrangement with Bangladesh. If the Nepali Communist Party and the Palace have their way, the Ganga-Brahmaputra inter-basin water transfer, crucial for controlling the Brahmaputra River's floods and utilizing its huge runoffs, will come to naught.