

Blowing Hot and Cold in Vietnam

Struck by Vietnam's enormous geo-strategic clouts Clinton wanted to explore the potential for greater US-Vietnamese security co-operation...



PERSPECTIVES

by Brig (Rtd) M Abdul Hafiz

The Jan 2 Blackout: Scrap Enron, Reform Power Boards

Praful Bidwai writes from New Delhi

IS there a connection between India's January 2 Northern grid collapse and America's messy Presidential election?

One of the seamiest features of American politics is election financing by Big Business, especially energy corporations.

In 1995, Mr Lay donated \$100,000 to the Democrats too. This was four days before New Delhi approved the super-controversial Enron project.

Washington's involvement with Enron-promoted Dabhol Power Company (DPC) was blatant. In June 1995, the U.S. Energy Secretary publicly warned: 'Failure to honour the agreements... will jeopardise not only... Dabhol... but also most... other private power projects...'

Today's challenge is daunting because the Supreme Court manifestly failed in 1997 to respond to a serious writ petition. It is time the apex Court rectified its historic blunder.

Mr Lay is none other than Enron's chief executive! And the first thing Mr Wisner does after his ambassadorship is become an Enron director.

This is happening just when Enron is bankrupting the Maharashtra State Electricity Board (MSEB) with a tariff of Rs. 7-plus per unit (3 1/2 times the average rate MSEB pays).

MSEB is losing Rs 4,000 crores a year. A horrible future stares it in the face. In 2000, it spent Rs. 1,200 crores buying Enron's gold-plated power. By 2002, with Phase-II on stream, it will spend Rs. 8,000 crores 80 percent of its revenue!

Enron is bullying MSEB to buy Phase-II power. It has already proved a millstone around MSEB's neck. It gives this writer little comfort that he repeatedly warned of this disaster in his column.

'sovereign counter-guarantees'. Numerous proposals are being floated to renegotiate the DPC deal. Embarrassed, Enron is offering to lower tariffs with falling world naphtha prices.

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Enron's contract was signed without competitive bidding and in unseemly secrecy. Dabhol Phase-I was never granted clearance by the Central Electricity Authority.

The real solution lies in having the entire project annulled by the Supreme Court on public interest grounds related to fundamental rights.

MSEB, but that it is irredeemably irrational, bad in law, violative of transparency, and mala fide in procedure.

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Annual payments to Enron will absorb almost one-half of Maharashtra's budget.

Enron's promoters will enjoy a 31 percent-plus rate of return, peaking at an incredible 52 percent against the 16 percent norm.

Enron's guaranteed 90 percent load factor means that cheaper hydroelectricity stations cut their

output, unbearably raising MSEB's costs.

The contract negotiations were so based on cost-padding and anti-market practices that the World Bank washed its hands of the project early on.

Enron's dollar-denominated tariff robs all Indian agencies of control over costs. Historically, the rupee always depreciates against the dollar.

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discriminating against the public in breach of Article 14 of the Constitution.

The deal also violates the right-to-life Article 21 which includes access to public services at a reasonable cost. Under Section 23 of the Indian Contracts Act 1872, all deals that violate morality and public policy are void.

Opening up the Enron deal poses a major legal challenge. We must not duck it like the Bhopal case. Today's challenge is daunting because the Supreme Court manifestly failed in 1997 to respond to a serious writ petition.

It is time the apex Court rectified its historic blunder. It should now annul the Enron contract. Or else, Enron's enormous clout in Washington, coupled with the Vajpayee government's servile pro-globalisation policies, will prevail.

The Enron case shows that gold-plated private generation is no solution to India's power crisis, itself symbolised by 'Black Tuesday', among other things. This crisis derives from mismanagement and the political failure to price the power consumed by vested interests.

This situation must be reformed. But for reform to succeed, Enron must go.

OPINION

Secularism as Viewed by Columnist Kuldip Nayar and Justice Durga Das Basu

Kuldip Nayar (in his article captioned 'Secularism under Pressure' in The Daily Star of 30.11.2000) appears to have given a different impression about secularism in India than what the Indian politicians and jurists think.

First of all the date-line is set right. Indian Constitution of November 6, 1949 did not include the word secularism in the Preamble. It was inserted by 42nd Amendment Act 1976 and applied w.e.f. January 3, 1977.

Tagore Law Professor, Asutosh Memorial Lecturer, Manava Ratna, Acharya Dr. Durga Das Basu, in his 1400 page book SHORTER CONSTITUTION OF INDIA (12th edition) writes, 'the insertion of this word in the Preamble by the Constitution 42nd Amendment Act 1976 has been productive of more mischief than benefit' p-3. Basu clarifies, 'Since the Hindu community is torn asunder into numerous political parties, and the Muslims constitute a single block, united on the foundation of religion, it is the Muslim vote which is decisive for attaining majority.'

Wing Commander (Retd) A M M Enayetullah

p-5. The said amendment involved several Articles of the Constitution. Janata Party brought the Bill because 'a comprehensive amendment of the Constitution would be needed to finally settle all questions arising out of insertion of the word 'Secular' in the Preamble' ibid p-5

Regarding socialism and secularism, Durga Das Basu said, 'These two institutions have been subjected to stress and strain, and vested interests have been trying to promote their selfish ends to the great detriment of public good.'

Kuldip Nayar has suggested to the Indian Muslims 'to put all their weight behind secular forces and they have to work for a society which keeps religion separate from politics'. He has not, however,

progress'. In this context it may be said that Kuldip Nayar seems to be disagreeing with many a great man of Hindu society i.e. Mahatma Gandhi, Rabindranath Thakur, Ram Mohan Roy, Vivekananda, Aurobinda Ghose, Dr. S. Radhakrishnan and many others who contributed to stimulating Indian Renaissance.

'I claim that human mind or human society is not divided into water tight compartments called social, political and religious. All act and react upon one another', said Gandhi. Rabindranath Thakur said, 'It is most certain truth that religion pervades into human being just like his health speaks of the whole physique'.

Some of the ideas brought from the West to Hindustan during the 19th century were the concepts of nationalism, nation-state and secularism. These 'isms' were transfused into the societies, but caused violent convulsions and started to de-stabilize those societies.

particular thing which for years has been at the bottom of India's troubles'. A secular mind like Bertrand Russell says, while comparing with Buddhism, 'Islam on the other hand was from the very beginning a political religion' (Education and Social Order, p-13). Now Kuldip Nayar wants to amputate Islam in India to fit into secularism, as conceived by him instead of helping all religions to follow the concept of co-existence, which is the pillar on which the Constitution of a billion people stands.

The Daily Star of 14-12-2000 published a news report captioned 'Indian Govt. survives censure motion of Mosque furor'. The Lower House score board showing a ratio of 291 to 179 indicated that the vote seekers are divided in that ratio by using religion for politics in their own interest; and that interest was to take action against three Ministers who were alleged to have had their own mosque in the demolition of Babri Mosque.

How true was Justice Basu when he said, '...vested interests have been trying to promote their selfish ends to the great detriment of public good', by using religion for politics.

To the Editor ...

The stranded deportees

Sir, I would like to draw the attention of the government to the news item (with photograph) published on January 3 in the front page of your daily in respect of the fourteen people forced back by India into Bangladesh.

to be a weak nation which could be browbeaten and forced to take any illegal action they wished to impose upon?

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Mini/micro-hydel projects

Sir, It is encouraging to learn (DS front-page, Dec 23 2000) that the RIP (River Identification Project) scheme is going to be revived by the government for initiating mini/macro hydel projects in remote and inaccessible areas of the country.

The government is well aware that big global multinational companies in the power sector

press the UN agencies and their governments to push for huge projects in business interest, which need heavy capital investment, and maintenance is a problem in the LDCs; with the additional risk of unfriendly long-term effect on the local eco-system, as pointed out by international monitoring bodies.

The expansion of the energy and power projects in Bangladesh is going through jerks and starts, and the negotiations take a number of years, with graft playing a prominent background and hidden role. Mega projects look impressive on paper, but the existing infrastructure in the developing countries hardly provide scope for speedy execution of these huge projects.

Now the government is coming back to the concept of small-scale localised electric power generation in local zones, to be hooked up to the national grid, as and when needed. The gas pipelines network

in the country is needed more urgently than the BMRE of the existing electric power high-voltage transmission network, although the former is not expanding fast enough, and the latter need more maintenance.

With so many sources of expertise and consultancy reports for evaluation, it is not difficult for the government to approve a viable master plan which should not be tinkered with by each and every regime. There is something wrong with the speedy execution of political will.

Power projects are wobbly undertakings, whether in the energy or political sector; therefore such exercises should be more objective than subjective. With a dozen mini hydel projects and 500 solar installations, a new picture may begin to emerge at the completion of these pilot projects.

A Mawaz Dhaka

Adulteration of Food

Adulteration of food is not a new phenomenon in our country. Newspaper reports give evidence that a number of deaths occur almost every year not only due to taking unsafe local made liquor/spirit, but also for taking contaminated as well as adulterated food.

As we have a good number of laws (inactive) to protect citizens from so many types of hazards so we have laws against adulteration of food. But evidence shows that punishing the criminals by these laws, too, is not that effective as the criminals as usual slip out through the loopholes of the laws.

Proper implementation of the existing laws is simply not in practice. Often the criminals allegedly in cooperation with the law implementers and the checking authority adopt their illegal ways to make money by adulterating foods for human consumption.

Adulteration of Food

Syed Tariqul Islam

Often the punishment as per law is not discouraged of committing crimes, as the profit margin is much higher than the level of punishment.

It is evident that a very negligible number of criminals sometimes fail to manipulate the law, law enforcing agencies or the checking authorities perhaps because, as the allegations go, they find the 'demand' of the 'saviours' higher than the profit margin and thus we see some reports on punishment of culprits in the media.

So far I understand the bureaucrats are the custodians to protect us from all sorts of hazards and make our life safe and secure by discharging their duties and responsibilities as public service

officials. Laws are there as guidance for them so that they may not cross their limits or may not be deviated from a prescribed standard to be maintained for a civil living condition. Top of that we have our politicians who represent us to oversee the activities of bureaucrats and check the deviations and maintain the standard as per law.

In relation to adulteration of foodstuff may I ask our authorities (bureaucrats) or our politicians (people's representatives) that what are they actually doing? How a restaurant owner dares to sell dog meat instead of mutton, for instance?

We would like to see all the faces

those were involved with criminal acts. We would categorically like to know the state of duties and responsibilities of those who were supposed to check the whole process. What is the role of local police station and what role they played? What is the role of local people's representatives (i.e. the local UP Member/Commissioner, Chairman and also the MP of the constituency)? What is the role of UNO/TNO and what role she/he played?

We still do not know the status of those businessmen and the officials who were involved in import of animal food and sold it in open market as lentils for human consumption.

We wish to put an end to this short of dishonesty. Persons involved in adulteration of food should be treated seriously. We hope that all the machinery concerned of the state will take up the issue very seriously.