

# CUTS IN ACTION

कट्स CUTS  
1984 to 2003  
Twenty Years of Social Change

April-June 2002

## OUR FUTURE, OUR CHILDREN!

In June, I was at a meeting of our networkers at our Centre for Human Development in Chittorgarh. The interaction was fascinating. Even the illiterate farmers know what is good for them and understand the value of having good laws which can be used effectively. When speaking about the new competition law being drafted by the government, they welcomed it and posed innumerable questions.

Price was the most important point in their concerns, to be specific, how one can get the same goods at the lowest cost. Taking the example of cheap Chinese battery cells, it was argued by one: why have they been overcharged by Indian manufacturers for so long? In situations where a battery torch can often make the critical difference in survival, people are desirous of competition and good laws to regulate the same.

I have often argued that the huge common sense, which is manifest in our ordinary people, is often underestimated. With the aid of the Save the Children Fund of UK, we are implementing several projects. These include sending the drop out girl-child back to school and making the society understand the huge value it has. Sustainability is the denominator.

Another interesting experience was to see children's understanding on governance. I was very delighted to hear of some extraordinary tales, which only boosted my self-esteem. Ordinary and poor children from villages were asked to set up 'a local government with a parliament'. The 'ministers' were directly 'elected'.

When the 'water resources minister' was asked what he would do, he said with aplomb that he would ensure that all hand pumps in the village functioned and the dirty water channelled into the fields, rather than be allowed to splash around, creating unhealthy muck pools for breeding of mosquitoes. The 'education minister' responded that she would ensure that the schools run with black boards, chalks and teachers coming on time.

What was very interesting about the elections was that a 12-year-old boy even resorted to false voting, to vote for himself. "I am not very popular, because I used to bully others", he admitted ruefully. He lost, but gained a better understanding. However, this only reflects the type of society in which

we actually live in. All our regular elections are similarly rigged.

That aside, all this gave me a huge sense of pride about the fact that our future generations in the villages too are smart and, if given the opportunities, can do wonders. No wonder our current President, K. R. Narayanan, and the likely future President, A. P. J. Abdul Kalam, have come up from rural areas. They struggled, and succeeded. That is what needs to be the message to the millions of our children in rural India.

### INTERNATIONAL ECONOMIC ISSUES

The issue of our rural children is also an international economic issue. The WTO is being pursued hard by the protagonists of a social clause to allow countries to ban import of goods made using child labour.



The highly contentious issue of labour standards in the WTO dominated the two major events that we participated in during this quarter. First, the international labour body, International Confederation of Free Trade Union, organised a side event at the WTO public symposium at Geneva on the issue. For tactical reasons, we also offered to organise a similar event.

The trade ambassadors of the Like Minded Group of Countries, which include India, Malaysia and Egypt, among others, raised serious objections to the WTO secretariat. They argued that since it has been agreed that labour standards will not be a part of the WTO acquis, it should not be discussed at all at the WTO premises. We argued that the issue is not really dead and unless there is a sustained counter campaign, it will never go away.

The issue dominated the discussions at a World Bank-sponsored civil society workshop held near London. While there were only two NGO representatives from the South, the workshop had no less than five Northern representatives of trade unions. There were many others from the NGO community, but all chose to remain silent when the issue was agreed to be discussed at the workshop. The Bank claims that it is against the bringing in of labour standards into the WTO, but the intentions were not reflected in the choice of participants!

In the arena of international trade, we achieved another milestone in this period. Pursuant to a government level initiative between the European Union and India, we launched a network of Indian and European economists christened EU-India Network on Trade and Development (EINTAD). It is mainly a partnership between CUTS and Sussex University, UK, and the European Institute of Asian Studies, Belgium. Its purpose is to do joint research on trade-policy issues involved at the WTO and build bridges between the two communities.

### 20<sup>th</sup> ANNIVERSARY OF GRAM GADAR

In this period, while hectic preparations are on to celebrate CUTS' 20<sup>th</sup> Anniversary in March 2003, we organised the 20<sup>th</sup> Anniversary of *Gram Gadar* (Village Revolution) at Jaipur as CUTS was born out of this wall news paper. The function was inaugurated by the State Rural Development Minister, C. P. Joshi. He acknowledged his own role in the design and launch of the wall newspaper 20 years ago, when he was a young legislator. When asked about the motivation to launch such a unique periodical, I reiterated that information is power and that the paper has helped a large number of poor people in getting what is due to them. A suggestion that we need to pursue is documentation of the gains which people may have made. The documentation would not only encourage other rural folks to read this wall newspaper but also fight for their rights.

*Pradeep S. Mehta*  
Pradeep S. Mehta, Editor

## EVENTS

### Trade and Social Development

To stimulate an objective and informed debate on linkages between trade and labour, two consecutive events were organised by CUTS. On 1<sup>st</sup> May a session entitled "Trade and Social Development: A Southern Viewpoint" was organised in Geneva, Switzerland.

It was followed by another event organised on 21<sup>st</sup> May in Brussels entitled "Linkages: How do we bridge the gap?" with the support of the European Institute of Asian Studies, Brussels. Participants discussed the issues surrounding trade and labour standards that affect developed and developing countries.

(<http://cuts.org/CITEE.htm#EVENTS>)

### CUTS-NCAER Seminar

CUTS-CITEE organised the second National Seminar on "Competition, Regulation & Investment: Role in Economic Growth" in collaboration with the National Council of Applied Economic Research (NCAER), New Delhi, on 8-9<sup>th</sup> June in Chennai. The first seminar was organised on 11-12<sup>th</sup> January 2002 at Jaipur. The seminar series is aimed at generating and enhancing understanding on competition and regulatory issues and their interface with investment.

(<http://cuts.org/CITEE.htm#EVENTS>)

### Workshop on Leather Sector

CUTS-CITEE, in collaboration with the United Nations Environment Programme (UNEP), Ministry of Environment and Forests (MoEF), India, and Council of Leather Exports organised a "National Multi-stakeholders Workshop on the Leather Sector" on 13<sup>th</sup> June at New Delhi.

Deliberations at the workshop took place on future strategies for the leather industry, followed by country case study done by CUTS entitled "Barriers and Opportunities for Promoting Trade in Environmentally Preferable Products: Focus on Indian Leather Sector".

(<http://cuts.org/CITEE.htm#EVENTS>)

### WTO and India

On 14<sup>th</sup> June, CUTS organised a meeting entitled "WTO & India: Domestic Agenda for Action" in association with the Federation of India Chambers of Commerce (FICCI) at Delhi. The meeting was held against the setting of the post-Doha scenario, which has outlined an agenda for India to be pursued both at the international and the domestic level.

The objective of the meeting was to find out strategies and options to attend the huge agenda before India can reap any perceived gains that the on-going trade negotiations can throw up.

### 20<sup>th</sup> Anniversary Celebrations

To commemorate the completion of 20 years of the rural wall newspaper, 'Gram Gadar' (Village Revolution), CUTS-CART organised a Symposium on the "Role of Communication in Rural Development" on

13<sup>th</sup> April at Jaipur. On the occasion, the Minister for Rural Development, Rajasthan, Dr. C.P. Joshi; the Minister of State for Information and Broadcasting, Rajasthan, Dr. Jitendra Singh; and the noted litterateur and journalist, Ram Sharan Joshi, expressed their views on the importance of print media in raising the awareness of the masses, especially the rural underprivileged.

A souvenir, with messages from the President of India, the Governor of Rajasthan, the Chief Minister of Rajasthan, Rural Development Ministers of the Centre and the State etc., was released.

(<http://cuts.org/CART.htm#GramGadar>)

### IPR in the Context of WTO

To initiate a series of discussions on WTO issues, CUTS-CSPAC organised a panel discussion entitled "Intellectual Property Rights (IPR): An Imperative Engine for Growth" on 25<sup>th</sup> April in Calcutta. The aim of the programme was to bring out the current scenario on IPR in the context of the WTO and the impact on developing countries, like India, by evoking a balanced and fruitful debate on the issues of traditional knowledge, geographical indications, seed monopolisation, etc.

Dr. Prabuddha Ganguli, leading IPR Consultant and a qualified patent attorney, spoke on IPR issues in the context of the WTO and its impact on developing countries like India.

(<http://cuts.org/Discussion-WTO.htm>)

### Theatre for Development

Under the Rural Girl-child Empowerment Programme, CUTS-CHD, in collaboration with Save the Children, UK, organised a two-day workshop entitled "Theatre for Development" for children on 5-6<sup>th</sup> April in Chittorgarh. The participants included 52 children of Gangrar, Nimbahera, Bhaddesar and Chittorgarh *Panchayat Samitis*.

This workshop was an attempt to create awareness amongst the children about their surroundings with the help of familiar and

interesting mediums, increase their creativity and improve their communication skills.

### NRG Meeting of IFD Project

CUTS-ARC conducted the first National Reference Group (NRG) meeting of Investment for Development (IFD) Project at Lusaka on 25<sup>th</sup> April. George Lipimile, Executive Director of the Zambian Competition Commission (ZCC), chaired the meeting.

During the meeting, a draft research paper entitled "Zambia Investment Policy Report" was discussed with the NRG members. The paper describes the investment regime in Zambia under four heads, viz., the macro-economic context, policy trends, investment policy audit and policy making process.

### Save the Environment

On the occasion of the World Environment Day, 5<sup>th</sup> June, CUTS-CSPAC organised a Symposium entitled "Montreal Protocol: Industry Obligation and Response" in Calcutta. The main objective was to sensitise the small scale and medium scale industries in the RAC sector in West Bengal about the ODS (Regulation and Control) Rules, 2000.

Moreover, to commemorate the 32<sup>nd</sup> Earth Day celebrations, CUTS-CSPAC organised a lecture entitled "Kyoto Protocol: Options Before India" on 22<sup>nd</sup> April in Calcutta. The lecture was followed by a panel discussion on the above topic.

(<http://cut.org/cspac-event-earthday.htm>)

### Workshop on Farmers' Rights

CUTS-CSPAC organised the second interactive workshop at Shillong on 9-10<sup>th</sup> April under a project on Farmers Rights to Livelihood. A range of issues such as implication of liberalisation with special reference to Himalayan region, farmers' rights and seed companies, farmers' traditional knowledge base, and agricultural practices in north-east Himalayan region were discussed.

## Network on Trade and Development Launched

A two-day workshop was organised in Brussels on 21-22<sup>nd</sup> May by CUTS-CITEE in association with the European Institute of Asian Studies, Brussels, to mark the launch of the new "European Union (EU)-India Network on Trade and Development" (EINTAD). Initially, this network will address five topics of particular relevance for India and the EU, viz. mobility of labour, anti-dumping, textiles and clothing, investment and competition.

On the occasion, the EU Trade Commissioner, Pascal Lamy, emphasised the increasingly important role of non-governmental organisations in global governance. Professor Alan Winters, noted trade economist from the University of Sussex, UK, pointed out the growing importance of academics and civil society in shaping trade policy. (<http://cuts.org/CITEE.htm#EVENTS>)



L to R: Pradeep S. Mehta, Pascal Lamy and Alan Winters

## REPRESENTATION

### Doha vs. Poverty Reduction

Sandeep Singh of CUTS participated in a strategic policy workshop entitled “Making Doha Work for the Poor: Different Perspectives” organised by the World Bank at Wilton Park, UK, on 7-8<sup>th</sup> May. The workshop was intended to have intensive dialogue of around 20 leading civil society representatives with a senior team from the World Bank to explore opportunities for collective action to make the new trade round a success in terms of poverty reduction.

The meeting provided an open platform for the representatives to discuss the issues related to market access; special and differential treatment provisions; trade policy/liberalisation; labour standards; new issues, etc.

### WTO and New Trade Research



Nitya Nanda represented CUTS in a conference on “Informing the Doha Process: New Trade Research for Developing Countries” organised at Cairo, Egypt, on 20-21<sup>st</sup> May by the World Bank in collaboration with the Egyptian Centre for Economic Studies, Cairo. The objective of the conference was to identify ways in which the WTO rules could better reflect development priorities and identify areas in which research is required in policy matters of relevance to the 2003 Ministerial.

Among the specific issues that were presented on the floor were market access; investment and competition policy; environment and standards; government procurement and trade facilitation; and technical assistance. Nanda expressed his views on “Investment and Competition Issues at the WTO”.

### Productivity in PDS Sector

Archana Saxena of CUTS participated in a workshop on “Mass Communication for Productivity Promotion in Public Distribution System (PDS) Sector” organised by the National Productivity Centre (NPC), Gandhinagar in Ahmedabad on 16-17<sup>th</sup> April. The objective of the workshop was to discuss various problems

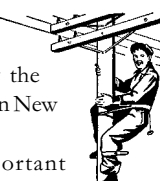
ailing the PDS, means of improving productivity and communicating the same to the masses.

Saxena presented a paper entitled ‘Customer Satisfaction in PDS’. She discussed the status of the Mid Day Meal Scheme in Rajasthan during the session.

### Power Reforms and the Poor

Srinivas Krishnaswamy and Vinayak Pandey of CUTS attended the workshop on “Protecting the Poor in the Power Sector Reforms Process in India” organised by the World Bank on 21<sup>st</sup> May in New Delhi.

Some of the important participants were Ajay Shankar, Joint Secretary, Power, Government of India, and C.S. Rajan, Energy Secretary, Government of Rajasthan. The workshop, divided into three sessions, discussed issues like ‘Rural Access and Subsidy Delivery to the Poor’ and ‘Protecting the Poor in the Power Reforms – Balancing Trade Offs’.



### Advocacy on Budget Analysis

As part of its ongoing project on budget analyses entitled ‘Promoting State Accountability and Citizen’s Empowerment through Budget Analysis’, CUTS-CART team analysed various schemes being implemented by various departments for the welfare of select target groups vis-à-vis women, marginal farmers and landless labourers. The analyses brought up a number of questions in terms of financial allocation, actual expenditure and achievement of the targets set. These questions have been raised on the floor of the Rajasthan Assembly during the budget session 2002-2003.

### MRTN and Private Sector

Mwamba Makasa represented CUTS-ARC in a workshop entitled “Multilateral and Regional Trade Negotiations (MRTN), Private Sector Organisations as Partners of Choice for Governments” on 3-4<sup>th</sup> April in Lusaka, Zambia. It was jointly organised by the Southern African Enterprise Network (SAEN), through its Zambia Chapter; the Zambia Enterprise Network

Association (ZENA), with the help of the EBAS scheme of the European Union; and the World Bank Mission in Zambia.

Some of the aims of the workshop were to evaluate the performance of the private sector’s participation in MRTN and its capacity to participate, create a public/private platform for liaison on Zambia’s participation under the EU-ACP Cotonou Agreement, etc.

### Regional Conference on WTO

K. S. Sajeev represented CUTS-ARC in a regional conference entitled “New WTO Round – A Post Mortem of the WTO Doha Ministerial Conference and Challenges for Southern Africa” at Vumba, Zimbabwe, on 9-10<sup>th</sup> May. The conference was jointly organised by the Trades Centre, Friedrich Ebert Stiftung, Harare, and Institute for Global Dialogue, Johannesburg.

The presentations and discussions in the seminar were mainly focused on issues such as agriculture, services, market access of non-agricultural products, trade, debt and finance, small economies, the new issues at the WTO – investment, trade facilitation, competition policy and government procurement – from the perspective of the Southern African Development Community (SADC) region.

### WSSD PrepCom Meetings

Arjun Dutta represented CUTS at the 3<sup>rd</sup> Preparatory Committee Meeting (PrepCom 3) of the World Summit for Sustainable Development (WSSD) at New York from 25<sup>th</sup> March to 5<sup>th</sup> April. The purpose of the meeting was to arrive at an agreement on the implementation plan of Agenda 21.

Dutta contributed to the NGO papers prepared by the Sustainable Production and Consumption caucus, Energy and Climate Change caucus and Corporate Accountability caucus for inclusion in the Chairman’s paper on implementation of Agenda 21.

On the same lines, Dutta participated in the 4<sup>th</sup> PrepCom meeting from 26<sup>th</sup> May to 7<sup>th</sup> June at Bali, Indonesia. He was elected the Southern focal person of the Energy and Climate Change caucus to work on the issue of “Full Life Cycle Costing by 2005 in all Energy and Pricing Decisions.”

### International Seminar on TK

Mita Dutta of CUTS participated in a seminar on Traditional Knowledge (TK) held on 3-5<sup>th</sup> April in New Delhi organised by Ministry of Commerce, Government of India and United Nations Conference on Trade & Development (UNCTAD). Various perspectives of the TK, starting from agriculture to folklore, etc., were discussed by nearly fifteen participating country delegates and experts.

### Excerpts from the Visitor’s Book

Visitor’s Name	Remarks
Shekhar Anand, India-Canada Co-operation Office, New Delhi	It was a very informative discussion with Mr. Krishnaswamy, Mr. Mathur and Mr. Chatterjee. Possibly some follow-up can be undertaken on policy-related work with CUTS.
Dr. M.S. Jairath, National Institute of Agricultural Marketing, Kota Road, Jaipur	The knowledge gained from CUTS on the recent issues of development is really helpful to serve the farming community of India. Its combined efforts with consumers and producers will yield better results in creating richness in rural India.

## A FEW LETTERS

Thank you very much for sending me "Bill Blowup" brought out by you on the Communications Convergence Bill, 2001.

The comments on the Bill will, I am sure, be useful to us in the Standing Committee.

*Pawan Kumar Bansal  
Member of Parliament  
Lok Sabha*

This is to acknowledge with thanks the receipt of your circular letter... about the proposed Communications Convergence Bill, 2001.

*Suresh P. Prabhu  
Minister of Power, India  
New Delhi*

I am in receipt of your letter, along with a copy of your monograph on "Challenges in Implementing a Competition Policy and Law: an Agenda for Action". The publication is very useful to NGOs like us who are actively connected with challenges of the type, which you have described.

We are also in the process of looking at your other publications mentioned on page 43 annexure-I. We will place our orders along with requisite amount for supply of some more publications, as may be needed by us.

*V.S. Krishna  
Vice Chairman  
National Centre for Human Settlements  
& Environment  
Bhopal, India*

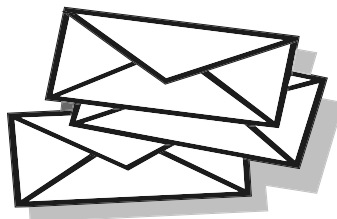
We acknowledge...and we sincerely thank you for sending us your publication "Challenges in Implementing a Competition Policy and Law: an Agenda for Action".

We found your material extremely interesting and useful. Thanks indeed for sharing with us your efforts and news.

*Oscar Lanza V. MD, MPH  
AIS-Bolivia Co-ordinator  
Bolivia*

We have received your publication, State of the Indian Consumer, and will be adding it to the collection of the Library at LSE.

*Steve McIndoe  
Assistant Librarian  
Library  
London School of Economics  
London*



Thank you for sending me ReguLetter which I find very useful for my work as a Member of the Fair Trading Commission.

*F.D.C. Wijesinghe  
MSc. (Economics)  
Sri Lanka*

Your recent gift to The University of Chicago Library is acknowledged with deepest appreciation:

*State of the Indian Consumer: Analyses of the Implementation of the United Nations Guidelines for Consumer Protection, 1985 in India, 2001.*

*Martin Runkle  
Director  
The University of Chicago Library  
Chicago*

A consumer teased by electricity authorities of Hisar came to our organisation and complained that some employees demand bribe for metre reading. He immediately complained to the higher authorities. They took action against the corrupt officials. A chargesheet was given to employee Ramdas for corruption.

This was due to reading the publication "Brashtachar-Ek Nazar" published by CUTS. This publication is inspiring and motivating consumers against corruption. Really, there is special effect in the language of publication, which is catching the mind of consumers and encouraging them to fight against evil practices and not to compromise with any type of corruption. We are highly inspired and motivated by CUTS.

*Ishwar Chandra,  
Secretary  
Gramin Upphokta Sangathan  
Hisar, India*

## PUBLICATIONS

### NEWSLETTERS



The Indian Government started various schemes for the benefit of the labourers, women and poor people. Still, they have not been benefited. What are the causes? What should be done to effectively implement these schemes?

The current issue (No. 1, 2002) deals with some of these questions including, the details of a memorandum given to the Finance Minister of Rajasthan by CUTS. To know more, subscribe now!



Are you aware of the efforts that are being made by the Indian Government to transform the economy into a vibrant and globally competitive one? For this, several public sector units (PSUs) are being de-regularised. It has become essential to analyse the steps that should be taken before this de-regulation takes place.

Among others, the current issue (No.4, 2001) carries a special article on the de-regulation of the oil industry. If you want to keep yourself updated on several other issues related to Indian infrastructural services; trade & economics; reforms; etc. and much more, you must read this newsletter regularly.

CUTS is celebrating its 20<sup>th</sup> Anniversary as a Partnership Conclave with the Theme: "Governance and its Relationship with Poverty Reduction" during 12-15 March, 2003 at New Delhi, India.

For more details, please see: [www.cuts.org/CUTS-Anniversary.htm](http://www.cuts.org/CUTS-Anniversary.htm)

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