

CUTS IN ACTION

 कट्स CUTS
1984 to 2003 Twenty Years of Social Change

January-March 2004

Is It Too Much to Expect Safety?



In the last edition, I had spoken about road safety. In this, I would like to address you on consumer safety as a whole. I am surprised at how we react to incidents which either kill or maim some

person. Our blood refuses to boil.

Mine does! Thus we continue to crusade for a safer world for the consumer. On this World Consumer Rights Day, 15 March, we released a new publication *Is It Really Safe?* a compilation of articles on various aspects of safety in the goods and services available in the marketplace. We do hope that this book will generate some reaction and action.

I still remember that unfortunate evening in 1997, when I was watching *Aaj Tak* news programme anchored by the late S P Singh. (He died early and left behind a huge goodwill among his many admirers, which included me.) Quite unusually, the whole evening's news bulletin carried but just one news. That of the Uphaar Cinema fire tragedy, in New Delhi, where about 59 men, women and children expired in a stampede. It was very unusual that SP decided to focus on just one ghastly incident, but it did leave a deep

impression on me and surely several other viewers. The next-of-kin formed a victims association and launched action for damages at the Delhi High Court since then. Some relief has also been obtained. It came to light in the aftermath that the Delhi Fire Service had warned the cinema owners that the electric transformers, the cause of the fire, should be moved out of the basement.

That was one incident that one can easily recall, or is our memory so short? In 1988, over 1,500 people were victims of an oil adulteration tragedy in Behala, Calcutta. The chief minister remarked that such things happen!

Both the above cases had hit the headlines of newspapers for days. But how many newspapers or magazines go beyond deeper investigation into the cause and effect, leave alone pursue such 'stories' to generate greater consumer awareness about safety issues and concrete government action. How many reporters look at how businesses put profits before human safety knowing that their action will cause harm? Does it take only "big" cases like the Uphaar Cinema fire for editors to give space to human safety issues in their publications?

It is a fact that some of the harm can be long term, but it is only short-term

incidents like the Behala oil tragedy, that have an immediate impact on the consumers, get publicity, as they are often sensational.

The most common causes of death/injury in our time can be seen in adulterated foods, train and road accidents, fires, building collapses, drowning, etc. It is the duty of the businesses to ensure that the consumers, who are paying for the product or service, get it safe.

But, in India, is it "too much" to expect safety from producers of goods and services?

Following the publication of *Is It Really Safe?* as the second in the *Caveat Emptor* series, the next one *Deadly Profits* has been launched to be released on the National Consumers Day, December 24, 2004. This book will document cases where businesses have been *intentionally* negligent, putting profits before human safety. Any inputs that readers can provide will be most welcome.

As in the past, we are once again carrying two excerpts from the *20 Years of CUTS* on this page, with the hope that it will continue to inspire all of us.



Pradeep S. Mehta, Secretary General

Moving Ahead with Spirit and Ideas!



CUTS is one organisation that has succeeded in creating an effective organisation in difficult circumstances. With a highly qualified staff, meagre financial means, but with spirit and ideas, it has pursued strategies for a fair marketplace that the consumers and the economy need.

The consumer is an important part of the economy, the decisive part. The power of consumers is unmistakable. Nevertheless, we must admit that there is a lot more to do to convince governments, trade and industry to take them seriously.

CUTS, and that is the best compliment, makes its presence felt in India, in the region, and in the world bodies. With input, with expertise, really fighting, CUTS can take glory in strong representation, and in an intelligent choice of the forefront issues.

Dick Westendorp

Former Managing Director, Consumentenbond, The Hague, The Netherlands

More Power to CUTS



I first interacted with CUTS in Calcutta when I worked at *The Statesman*. It led me to a story, which became one of the *cause celebres* of civic Calcutta in the mid 1908s – the municipal corporation and the State Government bending all their own rules to convert the public space of Rawdon Square into a commercial complex via a dubious company.

CUTS has helped taking forward the consumer movement, which has got more robust by the year. It is only through a continuous process that we can bring about accountability in public and corporate organisations. More power to the elbow of CUTS and similar organisations.

Bachi Karkaria

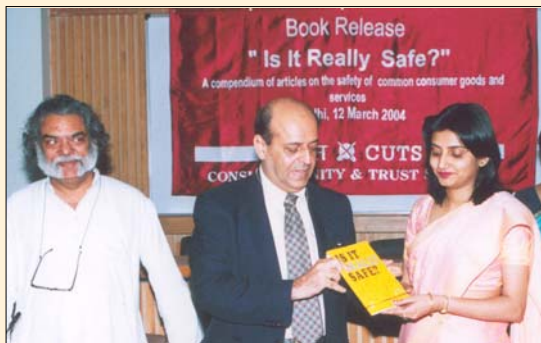
Group Editorial Director, Mid-Day Multimedia Ltd, India

Need for Better Outreach on Consumer Safety

Is it Really Safe?, a compendium of articles on consumer safety issues as part of CUTS-CRC (Calcutta Resource Centre) programme, CUTS Safety Watch, was released by Navin Chawla, Secretary, Ministry of Consumer Affairs, on March 12 at the India International Centre in New Delhi.

Lauding the exemplary role of NGOs in inculcating consumer awareness and proposing to augment the consumer grievance redressal machinery, Chawla emphasised the need for such publications to be translated into the vernacular and made available to states across India as well as every Government school in Delhi.

Hailing the efforts of CUTS in generating awareness on consumer safety issues, noted transport safety expert and Henry Ford Professor for Transportation Safety at IIT, Dinesh Mohan made some excellent points relating to road safety, and praised "CUTS for being the only civil society organisation working on vital safety issues".



Navin Chawla, Secretary, MoCA, releasing the book. Dinesh Mohan, on the left and Soumi Home Roy of CUTS on the right.

(cuts-international.org/news-cuts1.htm#press2004-04)

Public Lecture on WTO

As part of its campaign to create greater awareness on World Trade Organisation (WTO), CUTS organised a Public Lecture on WTO in association with the Harish Chandra Mathur Rajasthan State Institute of Public Administration at Jaipur on February 16, 2004. Speaking on the occasion, Sir Michael Arthur, the British High Commissioner to India, said WTO negotiations should seek to protect the interests of developing countries and promote foreign direct investment (FDI) in accordance with their needs.

"Though the political consensus in the talks remain elusive, flexibility in approach and transparency in policies can lead to a better understanding between economic powers and the developing countries," Sir Michael said. V S Vyas, noted economist and member, Prime Minister's Economic Advisory Council, and B K Zutshi, the former Indian Ambassador to GATT, also voiced their concerns about WTO and globalisation.

(cuts-international.org/news-cuts1.htm#press2004-02)

Healthy Competition Culture

A conference of the International Network of Civil Society Organisations on Competition (INCSOC), "Engaging Civil Society in Promoting a Healthy Competition Culture", was held by CUTS in Geneva on January 30. Over 50 people from Bangladesh, Nepal and Uganda (LDC category); Brazil, Egypt and India (developing countries); and the UK and the USA (developed nations) attended the meeting.

Earlier on 29th January, speaking at the inaugural session of the second general body meeting of INCSOC, Philippe Brusick of UNCTAD stressed the importance of competition to developing countries and the need for civil society to convince people

that competition policy is in their interest. Four keynote addresses enlarged upon the relevance of INCSOC in the era of globalisation.

(www.incsoc.net/press.htm#press2004_01)

Em-Powering Consumers

A two-day workshop, organised by CUTS Centre for Consumer Action, Research & Training (CART) and German political foundation Friedrich Ebert Stiftung (FES), from March 18-19, 2004 at Jaipur, evaluated a two-year programme of increasing consumer participation in power sector reforms. It focussed on issues linked to making power sector reforms more consumer friendly, increasing public participation and accelerating the process.

(cuts-international.org/cart-fes-eventrep04.htm)

Civil Society and FDI

CUTS Centre for Competition Investment and Economic Regulation (CUTS-CCIER) organised a panel discussion on 28th January on "Civil Society Perceptions of Foreign Investment". Pradeep S Mehta, Secretary-General, CUTS, highlighted the results of a survey on civil society perceptions. A project advocacy document, *Strategising Investment for Development*, and a seminal report *Synergising Investment with Development* were also released during the meeting.

The final meeting of the Investment For Development project was held on 30th January at a daylong "International Seminar on FDI Policies and Regulation." Mehta shared the learnings from the project. Karl Sauvart, Director, Division in Investment, Technology and Enterprise Development, UNCTAD, said that it was the first project where UNCTAD worked with an NGO and that the experience was rewarding.

The two events were held in conjunction with the UNCTAD

Commission on Investment, Technology and Related Financial Issues, Eighth Session, from January 26-30 in Geneva.

(cuts-international.org/ifd-final-meeting.htm#finalrep2004-1)

From Cancun to Hong Kong

CUTS London Resource Centre (LRC) hosted the seminar "From Cancun to Hong Kong: Progress Inside or Outside the WTO?" in association with Consumers' Association, UK on January 23, 2004. It discussed the possibility of salvaging the Doha Agenda before the forthcoming Hong Kong Ministerial of WTO in 2005. The participants in the seminar included experts from academia, civil society groups, and other agencies from India and the UK.

The participants also deliberated on the "EU-India Network on Trade and Development", a project taken up jointly by CUTS and the University of Sussex (UK), which completed its first phase just before the Cancun Ministerial, and is now on the verge of launching its second phase.

(cuts-international.org/news-cuts1.htm#press2004-12)

Towards Water Management

Proper management of water resources and community partnerships can solve the water crisis in a desert state like Rajasthan. This and other recommendations for the conservation and supply of water were the outcomes of a workshop organised jointly by CUTS-CART and the World Bank South Asia Water and Sanitation Programme at Jaipur on March 20, 2004.

The main objective of the seminar was to sensitise civil society organisations/consumer groups on issues like water availability, allocation, conservation, management and distribution vis-à-vis their interrelationship; to get first-hand information about the water distribution scenario in the state; and to showcase a few successful case studies pertaining to community participation in water conservation, management and distribution in different parts of Rajasthan.

(cuts-international.org/cart-wsp-eventrep04.htm)

World Forest Day

CUTS Centre for Human Development celebrated the World Forest Day on March 30, 2004 at Pemadiya Khera, Panchayat Samiti Nimbahera, Chittorgarh. The celebrations were part of the project 'Land and Water Management Leading Towards Bio-diversity Conservation' supported by Global Environment Facility, Small Grants Programme of United Nations Development Programme and Centre for Environmental Education.

Attended by the Environmental Action Committee members, women from self-help groups and children, the function was marked by the local community signing a pledge for commitment for the protection and judicious use of the forests.

REPRESENTATION

Meet on Southern Agenda

Pranav Kumar participated in a regional consultation (South/South-East Asia) on "A Southern Agenda on Trade and Environment", held at Colombo from January 13-15, 2004. The purpose of this consultation was to better understand Southern concerns on the forthcoming trade and environment negotiations and to explore the possible shape of an emergent Southern agenda on it.

Kumar raised the issues of market access *vis-à-vis* environmental goods and services, and movement of Indian service personnel under Mode 4, providing environmental support services and multi-functionality versus livelihood concerns of poor countries.

Consumer Rights Day, 2004

Kalyani Ghosh of CUTS-Calcutta Resource Centre (CRC) attended a panel discussion organised by the West Bengal Department of Consumer Affairs to commemorate the World Consumer Rights Day on March 15.



CUTS On MoEF Environment Panel

Rajan R Gandhi of CUTS-Delhi Resource Centre (CUTS-DRC) attended two meetings of the Union Ministry of Environment & Forests constituted Core Group on Sustainable Development on April 7 and 13, 2004. The meetings were held to finalise the draft of the country paper to be presented at the 12th session of the Commission on Sustainable Development (CSD-12) at New York in April.

The Group has been constituted under the chairmanship of Secretary, Environment and Forests to prepare India's positions on CSD-12. CUTS has been invited to the panel for its specialised experience in the area of sustainable consumption.

Partnerships through MoUs

As part of its networking efforts to consolidate research and advocacy activities and to develop better partnership, CUTS has entered into a memorandum of understanding (MoU) with the Indian Merchants' Chamber (IMC), Mumbai.

The areas of cooperation will include:

- doing joint research in promoting better understanding on trade and economic issues, including regulatory policies; and
- conducting courses, training and exchange programmes to enhance capacity.

Besides IMC, CUTS has MoUs with the following institutions:

- Karnataka Council for Technological Upgradation, India
- Federation of Indian Chambers of Commerce & Industry (FICCI), India
- National Law University of Jodhpur, India
- Australia South Asia Research Centre, Australian National University, Canberra
- The Brazilian Institute of Studies on Competition & Consumer Welfare, Rio de Janeiro, Brazil

It will advise the Ministry on:

- preparation of the future roadmap for sustainable development issues,
- developing a long-term perspective on international negotiations on sustainable development,
- developing an analytical framework for future negotiations/inputs related to Global Public Goods (GPGs).

India Policy Forum, 2004

Pradeep S Mehta attended the First India Policy Forum (IPF) Lecture organised by the National Council of Applied Economic Research (NCAER), Delhi in collaboration with The Brookings Institution, Washington DC at Delhi on March 26, 2004. Stanley Fischer, former President of International Monetary Fund (IMF), delivered a lecture on "India in the World Economy" on the occasion.

Focused on the development of India, the discussion witnessed some debate on the relationship between growth, fiscal deficit, public debt, forex balance, etc.

Doha & Poverty Issues

Tamara Lordkipanidze of CUTS-London Resource Centre (LRC) attended an Overseas Development Institute (ODI) seminar on "Assessing the Poverty Impact of the Doha Development

Agenda" in London on February 19, 2004.

The purpose was to improve the understanding of what aspects of the outcome of the Doha Development Agenda might be favourable for achieving the Millennium Development Goals. K S Sajeer also participated in the seminar and made a presentation on the issues.

Strategies for Trade

Nitya Nanda participated in a regional trade consultation in conjunction with the launch of Consumers International's (CI) Consumers in the Global Market 2 (CGM) Programme (2004-2005). Organised by CI Regional Office for Asia & the Pacific in Selangor, Malaysia from March 25-26, 2004. The aim of this meeting was to establish greater links and exchanges among CI member organisations on trade issues in the Asia Pacific Region.

The specific objectives of the meeting were to:

- update members on the critical issues in trade;
- introduce the CGM 2 programme to trade officers;
- prepare members for the upcoming WTO ministerial in Hong Kong; and
- develop strategies to further the trade programme of CI and its members.

SNIPPETS

- On March 22, 2004 Pradeep S Mehta and Bipul Chatterjee participated in a workshop in Delhi on the "New Global Trade Paradigm" jointly hosted by UNCTAD and the London School of Economics to identify policy options available to the Government of India that need to be evaluated.
- Nitya Nanda visited Islamabad, Pakistan from March 15-18, 2004 to attend a two-day regional conference titled, "Governance and Market Processes in South Asia: Issues of Citizenship and Consumer Protection". With Consumer Rights Commission of Pakistan (CRCP) as a partner, CUTS organised a panel discussion on "Wither International Trading System".
- George Cheriyan made a presentation on "Alternatives to the Public vs. Private Debate in Water Management: Role for Citizens" in the one-day seminar on "Water Security: Issues Concerning India" organised by Citizen Consumer & Civic Action Group (CAG) and Federation of Consumer Organisation – Tamilnadu & Pondicherry (FEDCOT) and supported by

Consumers International (CI) in Chennai on March 15 to coincide with the World Consumer Rights Day.

- Mita Dutta attended the State Consumer Protection Council (SCPC) meeting held at Calcutta on March 4. CUTS has been nominated to the membership of the reconstituted prestigious body.
- Pradeep S Mehta took part in the discussion session of the Round Table on India in the WTO Regime in February 2004 jointly organised by ASSOCHAM & World Bank at Delhi on February 19, 2004. The event was organised to discuss a World Bank Study on "India and the WTO".
- Dalia Dey attended the meeting of the Board of Studies of Netaji Subhas Open University (NSOU) on January 15 in Calcutta. The Board has nominated CUTS to its recently introduced diploma course on Consumer Affairs.
- On January 4, 2004, K C Sharma participated in a conference, organised by Action Aid in Jaipur, to identify issues of concern as a run-up to the World Social Forum at Mumbai.

— VISITORS —

Name	Comments
Linda Moffat, Regional Coordinator, South and Central Asia, Save the Children Fund, UK	I very much enjoyed my visits to the CUTS project sites and discussions. For those of us who are not working on a daily basis in communities, it is so very important that we are able to see, hear and feel the front-line situation of projects from time to time, and to listen to the experience and wisdom of Save the Children Fund (SCF), UK partners. Thank you for that. It has helped me to have a better picture of SCF UK's child protection work in India.
Sitesh Bhojani, Australia	I regard CUTS as a wonderful organisation that has a very important role to play in building the bridges of knowledge, understanding and appreciation of competition and consumer policy between official governments and the communities they serve. I would be happy to assist CUTS in that endeavour. I leave with an impression of enthusiastic, committed staff, genuinely concerned to produce professional results for CUTS.
K Kannan, The Hindu New Delhi	I have always regarded CUTS as a knowledge-based organisation trying to work on a whole lot of sustainable issues, and it is encouraging to see that it is now diversifying into media education, and educating school children. <i>Gram Gadar</i> is a very powerful idea that has taken off really well. I wish CUTS much more success in future.
Rajesh Darang, Space Specialist New Delhi	The work and activities of CUTS are the need of the hour, specially when the growing number of foreign companies and Indian holdings are not following good business practices. In this scenario, CUTS can enlighten the consumers at large about their rights and entitlements.
Afriza Melis, Eurostat, Luxembourg	I have been so happy to visit CUTS. I congratulate you for your work, and wish you all success in your projects.
Michel Gressot, SDC, Federal Department of External Affairs, Switzerland	Let's have a deal to support your great endeavours! We appreciate the leadership of CUTS and welcome its contribution to a more balanced multilateral trading system.

— MOVING ON —

An Enriching Experience

Working for CUTS for more than two years was an enriching experience for me. There was a lot to learn in the organisation about the issues I had been working on as well as the work process itself. The ability of CUTS to organise, be it a monograph for publishing or a seminar for organising, is commendable. The procedure is so well established that it is not difficult for a newcomer to pick up the 'tricks of the trade'. There is also a free flow of information, which is intellectually stimulating. I wish everyone in the organisation all the best and hope to keep in touch!



*Sanchita Chatterjee
Researcher, CCIER*

Reach is CUTS' Biggest Asset



My overall experience with CUTS was wonderful. My colleagues were very helpful and supportive. The infrastructure at CUTS attracted me the most on my first visit here. The

management of the database is one of the biggest assets of this organisation. I enjoyed my involvement in process-related work, but would have relished more involvement in content work. I wish CUTS much more success in future.

*Garima Joshi
Research Assistant, CITEE*

— PUBLICATIONS —

Buyers Beware!



Do you know that brightly coloured PVC toy your child is playing with is potentially fatal? Do you know it may contain toxic chemicals like lead and cadmium? Stop! Before you buy that lipstick have you checked its ingredients? Do you know that mosquito repellent mats can cause asthma, corneal damage and even liver damage in the long run?

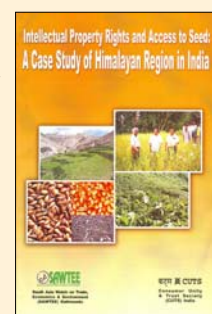
Safety is a consumer right and one of the most important features of the right to safety is the right to be protected against the marketing of goods and services, which are hazardous to life and property.

In an attempt to inform and educate consumers about their safety-related rights, CUTS has brought out a compendium of articles, written over the years, with the aim of increasing consumer awareness on safety aspects of products and services. It also contains valuable comments and suggestions received from different consumer organisations. The book is divided into five sections: product safety; services safety; health care safety; food safety; and transport safety. Written in reader-friendly language, it also provides a reckoner of Indian rules and regulations on safety issues.

(Price: Rs. 100/US\$15)

Intellectual Property Rights and Access to Seed: A Case Study of the Himalayan Region in India

This research report is the outcome of an extensive survey, carried out under the Farmers' Rights project in seven Garhwal districts, to study the impact of WTO agreement on farmers' livelihood in the Hindukush Himalayan region of India. It highlights how exchange of seeds between farmers is important for the development of new and improved varieties, which is particularly important to retain the rich agro-biodiversity in mountainous regions, as also to sustain the livelihood of farmers in these regions.



(Price: Rs. 200/US\$20)