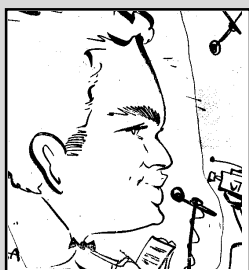


CUTS IN ACTION

April-June 1999

FROM THE SECRETARY GENERAL



This is the second edition of the "CUTS-in-Action". We will be very grateful for your responses after you have had the opportunity to view it. We are earnestly looking forward to it, so that we could plan for the third edition, which will be in your hands in February 2000. Our editorial team also feels that this compressed version of our newsletter will help all our readers to gather at a glance the wide range of our activities: from the grassroot to the international levels. As someone commented, while people like Renato Ruggiero, the Director General of the World Trade Organisation at Geneva knows CUTS, even the village headman of Madhopur near Chittorgarh, Manohar Singh, knows about CUTS. So this newsletter/report starts at the grassroot level.

Pradip S. Mehta

GRASSROOT

Mark Robinson of The Ford Foundation, New Delhi visited us to discuss and negotiate a new project: "Promoting State Accountability and Citizen Empowerment Through Budget Analysis". This followed the publication of a small study that we had done on analysing the budgets of the Rajasthan state over the last many years, where we found that the actual (real) expenditure on social sectors had declined.

Ford would like us to continue doing such an analysis with some specific aspects such as looking at the gender aspects of various departmental budget heads. Not only that but to demystify the same and take it to the people so that a broad mass movement could be organised.

The budget analysis study that we did also lead to the visit of two officers of the World Bank who had detailed discussions with us on how we can increase transparency and accountability in the state budgetary systems.

At the Centre for Human Development, a workshop was held on April 7 on the occasion of the World Health Day. The theme of the workshop was "Healthy Girl, Robust Society". On May 2, a one-day Prerak Dal Sammelan (motivators' meeting) was held at the Centre. More than 400 motivators (actively taking part in the Rural Women's Empowerment Programme) from 225 villages took part in the meeting.

REGULATORY REFORMS

For sometime, we have been considering entering into the virgin area of regulatory reforms, which would involve setting up independent regulatory bodies for various utility sectors. Sometime ago, we had proposed the insertion of a chapter in the Consumer Protection Act, which would have provided an umbrella legislation for the concerned department to use to establish the regulatory commission.

However the government had taken the view that the individual department should proceed with their own legislation, if and when required. Our goal was to see that consumer representation is wrought into the framework. These have now started in India with the Telecom Regulatory Authority of India.

The next sector is electricity, where a legislation has been adopted at the central level, providing for establishment of a Central Electricity Regulatory Commission. States can also set up a state electricity regulatory body. Orissa has taken the lead in this.

SUSTAINABLE CONSUMPTION

This year CUTS participated in the United Nations Commission on Sustainable Development's seventh session in April, which included participating in the Consumers International's workshop on the amended UN Guidelines on Consumer Protection, which have now been accepted.

We also organised a workshop on "How to Operationalise the Guidelines" by

publishing a Toolkit. This is now on the UN's Department of Sustainable Development's website. My colleague: Rajat Chaudhuri, who represented CUTS at CSD-7, was also elected as the Southern Coordinator on Energy.

On the information campaign on Ecofrig, we published new communication materials and organised further outreach activities including lobbying manufacturers in India. I also participated in a workshop organised by INFRAS, the Ecofrig Project consultants, on Alternatives to HFCs/HCFs at Geneva on June 13th.

TRADE

The work on the Trade and Poverty Project kept us quite busy during this period, in organising review meetings with several distinguished economists and experts.

We are doing this project in collaboration with the Indira Gandhi Institute for Development Research, Bombay; the Sustainable Development Policy Institute, Islamabad and the Centre for Policy Research, Dhaka. The UK's Department for International Development (DFID) is funding the project.

Our preliminary finding has been that on its own trade and investment liberalisation cannot lead to reduction in poverty. It is one of the necessary conditions but not the only one. More about it in the next newsletter.

HIVOS came forward with a liberal grant to ensure that the South Asia Watch on Trade, Economics and Environment (SAWTEE) continues to function. An office will be established at Kathmandu while part of the secretariat will continue to function out of Jaipur, until the secretariat at Kathmandu is fully operational.

The first South-South training seminar on international trade, investment and competition policy was planned for July. We are expecting many participants from the COMESA region of Africa. A brief report will be presented in the next edition. Plans were also launched to organise a parallel civil society event at the proposed G-15 trade ministers meeting to be held in August, which will consider positions for the forthcoming Seattle Ministerial Conference of the WTO, where a new trade round is expected to be launched.

Happy reading and responding! □□

PROGRAMMES

The CUTS Centre for International Trade, Economics & Environment organised two meetings of National Reference Group of the project titled, "Field Study Research in South Asia: Conditions Necessary for the Liberalisation of Trade and Investment to Reduce Poverty". These meetings were held on 10th April and 1st May respectively at Jaipur and New Delhi.

The meetings were held to discuss the draft report prepared by a team of researchers associated with the project awarded by the Department for International Development, Government of the United Kingdom.

An important aim of the project is to provide new research guidelines and lessons on the necessary conditions for trade and economic liberalisation to contribute to development targets in south Asia, with an emphasis on India, Pakistan and Bangladesh.

Subir Gokarn, Chief Economist of National Council for Applied Economic Research, New Delhi made a presentation on the methodology of core research, while Diganta Mukherjee of Jawaharlal Nehru University presented the findings of literature survey. Mustafizur Rahman of the Centre for Policy Dialogue, Dhaka presented the Bangladesh country study.

National Reference Group Meetings



Unfortunately there was no participants from Pakistan, and therefore, Raghav Narsalay of CUTS presented the Pakistan country study as well as the field study in India.

Participants observed that there has been a positive trend in economic growth in India after the liberalisation measures were taken. A policy handbook is required to look at the whole economy and other factors to use this positive trend to filter around. They were also of the opinion that as a result of liberalisation some sectors

may respond immediately whereas other sectors may take time. They recommended that the focus should be on the impact of trade liberalisation via investment on employment in labour intensive sectors.

Among the distinguished participants there were Muchkund Dubey, former Foreign Secretary of India, Kirit Parikh, Director of Indira Gandhi Institute for Development Research, Mumbai, Prof. V. S. Vyas, Emeritus Professor of Institute for Development Studies, Jaipur.

World Environment Day

On the eve of the World Environment Day, i.e. June 5, CUTS organised a Citizen's Meet in Jaipur. People from diverse walks of life participated in the meeting, which focussed on the ongoing CUTS programme on popularising environment-

friendly refrigerators in India and other developing countries. Representatives from various consumer and environmental groups and government officials participated.

Speaking on the occasion, Pradeep S. Mehta, Secretary General of CUTS expressed pleasure in the fact that the relentless efforts of this organisation to promote ozone and climate-friendly Ecofrig technology was at last bearing fruit. A representative from the Earth Care shared his concerns on increasing concentration of gases, which are ozone depleting and have the potential of global warming.

Rajat Chaudhuri, Coordinator of CUTS mentioned that since HFCs (hydro-fluoro-carbons) are greenhouse gases, which cause global warming and climate change, it will be better to leapfrog to HC or any other technology, which is both ozone and climate friendly. For the last one-year CUTS has been working on the 'Ecofrig' project, which aimed to educate the public about environment friendly refrigerators.



World Health Day

The CUTS Centre for Human Development, Chittorgarh organised a Seminar on the occasion of the World Health Day, i.e. April 7. The participants in the Seminar had a discussion on the topic, "Healthy Girl Child, Healthy Society".

Catherine Sils, Professor of the Portland Community College, USA graced the occasion as Chief Guest. In her speech, she argued that for safeguarding the health of girl child, gender discrimination should be completely banned, and men-folk must be sensitised accordingly. Chandra Mohan Saxena, Health Teacher of District Health Training Centre, Chittorgarh spoke about the role of health workers in reproductive and child health care.

Dhanna Singh Rawat, Programme Officer of CUTS, shared the present situation of health status of girl child in India. He added that there was a continuous fall in the allocation of government funds for health care services, which is a serious matter.

The Centre is currently implementing a programme titled, "Rural Women's Empowerment Project" with the support from the John D. and Catherine T. MacArthur Foundation and The Summit



Foundation, USA in five blocks of Chittorgarh district. Among other participants there were animators and motivators associated with the project.

Skill Development Workshops

The CUTS Centre for Consumer Action, Research & Training, Jaipur conducted two skill development workshops for block level networkers associated with the project, "Consumer Action in Rajasthan". These workshops were held at Nagaur and Bhilwara respectively on April 24-25 and May 1-2, 1999.

Awareness generation activities on consumer rights were undertaken in all the 11 blocks of these districts. Before the workshops, preliminary strategy meetings were held with the district coordinators and block level networkers responsible for forming social action groups in their respective blocks. The meetings were followed by a rally at the district level.

In both the workshops, participants were informed about consumer rights, consumer laws in brief, four steps of taking action on behalf of ordinary consumer as well as organisational matters like the formation of the vision and mission statements etc.

The trainers were resource persons from CUTS, experts from social action groups, government officials and advocates.

PEOPLE

Representation at the CSD-7

Rajat Chaudhuri, Coordinator of CUTS Calcutta Chapter participated in the Seventh of the United Nations Commission on Sustainable Development (CSD-7) held in New York, USA in April. The discussions focussed on the following issues: Oceans, Small Island Development States, Tourism, the United Nations Guidelines for Consumer Protection, 1985, and Changing Consumption and Production Patterns, the cross-section theme for the Session.



CSD-7 discussed the necessity to change unsustainable consumption and production patterns, especially in developed countries. A highlight at the CSD was the passing of the new text of the UN Guidelines for Consumer Protection (1985), which include the added elements on sustainable consumption.

The event was also unique as it involved over 800 non-governmental organisations, which was a record for any regular Session of the Commission. CUTS was involved in various activities. It organised a side event on the Operationalisation of the UN Guidelines for Consumer Protection (1985), involving discussions and presentation of case studies. A toolkit for implementation of the Guidelines was also presented at this side event.

Chaudhuri was also involved in the work of various caucuses and made presentations at the Consumers International's side event on the UN Guidelines as well as side events of other NGOs, like ANPED, the Netherlands.

The meeting also discussed the agenda for the CSD-8 to be held in New York in April 2000. CSD-8 will be focussing on Integrated Planning and Management of Land Resources, Sustainable Agriculture, Forests, Financial Resources, and Trade, Investment and Economic Growth.

Trade and Food Security

Bipul Chatterjee, Assistant Director of CUTS was invited by Dutch Inter Church Aid, Zeist, the Netherlands to participate in a "Conference on Food security, Agriculture and Trade" held at Woudschoten in April. The Conference was organised by the Food Security Working Group of APRODEV, Belgium.

The objective of the conference was to enable NGOs to play effective roles vis-à-vis the issue of food security in the decision making process of the World Trade Organisation and other international organisations.

There were more than 50 participants

from Africa, Latin America, Asia and Europe. The participants exchanged their experiences and points of view on the effects of trade and economic liberalisation on food security of poor people in rural and urban areas at the community as well as household levels.

Chatterjee prepared a paper titled, "Food Security As A Consumer Right: A Case Study of India" for distribution at the Conference.

Alternatives to HCFCs

Pradeep S. Mehta, Secretary General of CUTS participated in a one-day workshop on alternatives to hydro-chloro-fluro-carbons (HCFCs) organised by the Swiss Government and the European Commission in Geneva, Switzerland in June. The workshop, facilitated by INFRAS, a Swiss consulting firm, looked at the cross-cutting issues of the phasing out of CFCs (Chloro-fluro-carbons) and HFCs (Hydro-fluro-carbons) under the Montreal Protocol on the Protection of Ozone Layer and the Kyoto Protocol on Climate Change, respectively.

In response to a question put up by him, whether any accidents have taken place in Europe with the hydro-carbon technology in refrigeration, the assembled experts reported in the negative. One would be glad to note that CUTS at present is doing

a campaign on popularising environment and climate friendly refrigerator in India and other developing countries.

The prevalent view of the workshop was that instead of going through the HFCs route it would be advisable to 'leapfrog', i.e. opt for refrigerator that are 'environment' as well 'climate' friendly.

Trade and the Poor

Pradeep S. Mehta and Subir Gokarn, Executive Committee Member of CUTS, participated in a workshop organised by the Institute for Development Studies, Sussex, UK in June. The meeting discussed the theme of the World Bank's World Development Report 2000-01, i.e. "Effects of Changes in Technology and Trade on the Poor".

Gokarn presented a case study of India on the effects of trade liberation on poor. The study was a part of a research conducted by a CUTS-led consortium on "Field Study Research in South Asia: Conditions Necessary for the Liberalisation of Trade and Investment to Reduce Poverty". The research findings will form a part of the WDR, 2000-01.

Pradeep S. Mehta and Raghav Narsalay, Policy Analyst of CUTS, presented the findings of this project at a meeting held in Kuala Lumpur, Malaysia, and organised by the World Bank.

Distinguished Visitors

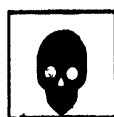
Mustafizur Reahman Professor, Centre for Policy Dialogue, Dhaka, Bangladesh	The agenda pursued by CUTS is a shared agenda for all of us. I am truly glad now that I have an opportunity to be a part of this. I do hope that CUTS will succeed and we all shall benefit from that success.
Rajendra Vohra Special Correspondent, Press Trust of India, Jaipur	Interesting and fruitful talks which will keep me in appreciating things in different light.
Govind Chaturvedi Special Correspondent, United News Agency of India, Jaipur	I think no other organisation has the range of information that CUTS has on consumer movement, and on issues pertaining to economic liberalisation and globalisation.
Vinod Sahgal Consultant, The World Bank, Washington DC, USA	I appreciate your candid discussion on financial accountability.
Ariane Waldvogel Junior Programme Officer, Swiss Agency for Development and Cooperation, New Delhi	At last I have come to CUTS office in Jaipur and enjoyed very fruitful discussion. Looking forward to the next steps of the Ecofrig project and thanks for cooperation.
Indu Capoor, Veena Dwivedi Director and Coordinator, CHETNA, Ahmedabad	It was wonderful to finally see the new CUTS office at Jaipur and interact with the staff, who very generously updated me with what's happening these days. We wish CUTS all the best for future progress.

Heed My Initiative for the 2000 And Beyond



I require fulfillment of my **BASIC NEEDS** to not only survive, but to lead a dignified life: food, clothing, shelter, energy, transportation, health care, education and sanitation.

Charity I want not, but **OPPORTUNITIES** to acquire my basic needs to enable me to work and to earn my living without exploitation.



My basic needs be available in the system, but they should be safe, for without **SAFETY** I run a risk to my life and property.

But the system can be confusing and condescending. I require complete **INFORMATION** on the available goods and services, and policies, so that I am not deprived, cheated or exploited.



And I also need alternatives of reasonable quality and prices to make a **CHOICE** from.

And you must hear me my **REPRESENTATION** and my voice on issues which will ultimately affect me. You must protect me from bureaucratic indifference and restore my sovereignty.



I do also require a **HEALTHY ENVIRONMENT** to live and work in without threats to my life or future. You must restore a harmonious balance between life, development and nature.

To know about all this, I must get **CONSUMER EDUCATION** otherwise my ignorance will be exploited and my rights trampled.



Yet, if my interest is harmed and I suffer any loss or injury, I must get **REDRESSAL** through equitable and speedy justice.

Ultimately - If what I have asked for is not done, I shall not hesitate to resist and **BOYCOTT** any person or goods or services which are in conflict with my above Charter.

