

NOTE

## Of Hydropower and Tourism

**B J writes :**

The state governments of Himachal, Sikkim and Uttarakhand want to tap their rivers for generation of hydropower while promoting tourism at the same time. The two may not go together, however. This writer has done a survey of 65 families living near the Chila, Maneri and Tehri dams of Uttarakhand. 51 percent of the people said that water was less fresh after making of the dam. 54 percent said that river water was no longer fit for drinking. 20 percent said that biodiversity was less. 40 percent said that worship of the river by local people had reduced. 35 percent said that mosquitoes bred on the hydropower reservoirs.

This writer has done another survey of 238 pilgrims at Dev Prayag, Rishikesh and Haridwar. 73 percent said that quality of the water of the river had deteriorated after construction of the Tehri dam. On average, they said they would be willing to pay Rs 1,500 per year to remove the Tehri dam and restore the free flow of the Ganga. This is understandable. Free flow of the rivers is a major attraction among tourists. Arti of Ganga is performed at various locations at present. This would scarcely be done after Ganga flows through tunnels.

Other countries have explicitly recognized the loss of tourism from development of hydropower. A report by the diocese of Kandy says that the Upper Kotmale hydropower project would lead to loss of forests, increased landslides and dry up the water falls that are a major tourist attraction. At the Don Sahong hydropower project in Laos the Dolphins are threatened and water is to be diverted from water falls that are a major tourist attraction. Similar impacts would certainly take place in India but these are blissfully ignored by the policy makers. The Ministry of Tourism has told this writer in a RTI query that it has got no study done of the impact of hydropower dams on tourism.

The hill states will have to choose either hydropower or tourism given their mutual contradiction. They have de facto chosen hydropower which they are promoting with a gusto while giving lip service to tourism.

One Chief Minister promised this writer to establish a commission to go into the matter but failed to honour his words. Clearly there is more happening than what is visible to the eye.

Presently special tax concessions are available to the hill states. New industries are allowed exemption from excise duty for 10 years and from income tax for 5 years. Industries are being established in these states mainly to avail benefit of these concessions. The state governments are eager to tap their hydropower potential to provide cheap electricity to these industries. This concession-based industrialization does not appear to be beneficial for the country. New industries that do not pay taxes flourish at the cost of older industries that are paying taxes. Moreover, many industries are closed down after the concessions come to an end. A report in the *Indian Express* says: "Typically, small units are set up in such areas attracted by fiscal sops for a few years. Upon expiry of the tax holiday, the companies close the facility or just pack up the machines and move on." This writer knows industrialists who had established industries in Goa to avail of such concession. They moved back to Bangalore once the concessions came to an end.

It is doubtful whether this policy will lead to long term industrialization of the hill states. But the hill states would have permanently destroyed their rivers and their tourist potential in order to support this short-run industrialization. The state governments are behaving like the farmer who cuts the fruit bearing mango tree to avail of high price of timber. Such a policy is not in the interests of the nation or the hill states in the long run.

Local people do get jobs in these industries, however. Baddi in Himachal, for example, had attracted investment of Rs 18,000 crores till 2006. But local people mostly get Class 4 jobs. Similarly, large numbers of jobs are obtained in the construction of hydropower projects. Alas! These are for only four or five years. Only a handful of jobs are created in the operation stage of these projects. But local people suffer the brunt of long term environmental costs of these projects.□