

Anticipating Displacement: Impacts of Involuntary Displacement on Locals Likely to be Displaced from Large-Scale Hydropower Project

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Abstract

One of the most contested areas of public policy throughout Asia relates to how infrastructure development takes place and in what ways affected people should be compensated. Ample of literature on involuntary displacement and resettlement explains the impacts that have occurred or might occur for the local communities during and after involuntary displacement induced by development projects. However, very limited research explains the impacts that local communities experience during the project pre-implementation phase. In contrast to this previous work, my research attempts to highlight the impacts caused by long gestation period of large-scale projects and to explain the factors that further intensify these impacts on affected communities. It does so through a case-study based analysis of the West Seti Hydropower Project (WSHP), a proposed dam in far western Nepal, where I have carried out extensive field research. I argue that an adequate understanding of the pre-implementation dynamics of large-scale development projects is crucial to address various problems related to displacement and resettlement. Since most of the problems of involuntary displacement begin during the pre-implementation phase, if this phase is not properly understood and issues addressed, it will create long-term impacts on people, community, and overall development processes.

1. Introduction

Development induced displacement has been a long-term phenomena and has occurred for centuries in the process of developing cities (Penz, Drydyk, and Bose 2011). The massive trend of displacement took place after Second World War, mostly in 1960's, 1970's and 1980's as the construction of infrastructure increased tremendously all around the world (Dwivedi 2002). Involuntary displacement continues in present days throughout the world, including Asia, to achieve the development goals and meet the endless necessities and desires of people. In the present context, this tendency is further intensified by neoliberal development policies adopted by the countries to accelerate development. As a result, millions of people have been forced to move from their

habitat and encounter different types of risks that eventually worsen their living standards (Cernea 2000). In addition, anticipation of such a disastrous event is horrifying to economically and politically marginalized people who have spent most of their life in rural areas, and have close economic, cultural, and religious ties to their habitat. In this context, this paper attempts to explore the kind of impacts that occurs during the pre-implementation phase of a hydropower project in far western Nepal among those likely to be affected.

Ample literature on involuntary displacement and resettlement explains the impacts that might occur to local people during or after displacement (Cernea 2000, Eriksen 1999, Gutman 1994, Rai 2005). For instance, a whole set of Environment Impact Assessment (EIA) reports, and Social Impact Assessment (SIA) reports predict the likely impact of the project on local people and environment (Sadler, Verocai, and Vanclay 2000). In addition, most of the literature on involuntary displacement concentrates on the impacts that have occurred or might occur during the post displacement phase i.e. the resettlement phase (Cernea 1996, Scudder 1993, Sims 2001). However, very limited research examines the impacts that local communities experience during the pre-implementation phase¹ (Elkreem 2010, Qigang 1998). Likewise, there is negligible research conducted on communities that are affected by the longer gestation period of project.

In this backdrop, this paper attempts to explore the experiences of locals during the pre-implementation phase of a hydropower project that will induce involuntary displacement. Furthermore, the paper highlights the impacts caused by long gestation period of the project and explains the factors that have further intensified these impacts on affected people living in the West Seti Hydropower Project (WSHP) area in the far western region of Nepal. Drawing on the case of the WSHP, I illustrate the impacts of the project in the life of people inhabiting the project area during the 17 year gestation period of the project.

I argue that an adequate understanding of the pre-implementation dynamics of large-scale development projects is crucial to address various problems related to displacement and resettlement of people likely to be affected by these projects. Since

¹ In this paper pre-implementation phase is defined as the phase in between the period of project announcement and actual construction work begins in the project area.

most of the problems of involuntary displacement begin during the pre-implementation phase, if the problems occurring during this period are not properly understood and addressed, it will create long-term impact on people, community, and overall development processes in the country.

Illustrating the experience of likely-to-be displaced people of WSHP area, this research aims to draw the attention of academics, policy makers, large scale project constructors, civil society actors to the pre-implementing phase of large scale project that induce displacement. In addition, this research aims to contribute in building knowledge and enriching the policy arena in the field of involuntary displacement induced by development projects.

This paper is divided into seven sections. The second section outlines the existing literature on development induced displacement. The third section introduces the case selected for this study and the fourth section explains the methodology applied to investigate the experience of the locals. The fifth section of the paper provide empirical discussion of the case, where the first part of this section focuses on the impact that occurs during pre-implementation phase of the project, and the second part of this section analyses the factors that intensify the impacts on likely-to-be displaced people. The sixth section of the paper provides an analysis of the findings. This final section concludes by urging policy makers to come up with policy to overcome the impacts occurring at the pre-implementation stage of the project.

2. Review of Literature and Theoretical Framework

The existing literature on impact assessment is concentrated towards the impact that occurs during the implementation and post implementation phases of the project (Goldsmith and Hildyard 1986, Sadler, Verocai, and Vanclay 2000). However, researchers have not thoroughly investigated the impact that occurs on the local community during the pre-implementation phase of the project. For instance, Scudder and Colson have briefly examined the impact locals may face during the period prior to displacement (Scudder 2006). In the five stage framework proposed by them for successful resettlement practices, the first two stages describe the phase prior to displacement. However, as focus of their study is on the resettlement process hence they do not spend much time analysing the effect displacees experience during these initial stages. Further, the case they have investigated had a very short pre-

implementation phase, hence it cannot reflect the impact that occurs when a project has a long gestation period (Scudder 1993). Apart from this, the literature is silent on the impact during the pre-implementation phase.

The work of Michael Cernea, a renowned sociologist has been influential in shaping policies on involuntary displacement both within and outside World Bank (Dwivedi 2002, Scudder 2006). He has come-up with a popular framework, Impoverishment Risks and Reconstruction (IRR) model, which illustrates the kinds of impacts that Displacement Induced Development (DID) projects have on affectees. This model focuses on measures that lead to impoverishment during involuntary displacement, as well as factors that help to overcome the impacts (Cernea 2000). However, even this model fails to explore the factors that may arise during the pre-implementation phase that can further contribute in impoverishing affectees.

Perhaps the closest that a major report has come to fully incorporating an analysis of the pre-implementation phase is the World Commission on Dams (WCD) report, which suggested measures to be incorporated during the planning phase of the project. However, the focus of WCD is more on incorporating the affectees in the planning phases and involving them as an important stakeholder during the entire process of project implementation (WCD 2000). Thus, arguably WCD report is also insufficient in its consideration of the impacts that may arise during the pre-implementation phase, especially on those projects that go through a long gestation period. Nevertheless, there is some literature in health science that has attempted to examine the health impact on local communities that may occur during pre-implementation phase of the project (Cao, Hwang, and Xi 2012, Hwang et al. 2007). This literature measures how psychological impact affects the health of potential displacees prior to their displacement.

The above-mentioned review of literature demonstrates that the impacts on local communities during the pre-implementation phase of large-scale project, which has a long gestation period, are not studied from a broader perspective. This research is an attempt to address the gap to most extent by outlining a set of impacts on the local communities due to long gestation of the project. The part below reviews the provisions relevant to hydropower construction and involuntary displacement in Nepal; and explores the provisions offered to the project affectees by Government of Nepal (GON)

to accommodate themselves with the situation prior to displacement and after displacement.

Involuntary displacement of people affected by hydro power project began in Nepal in 1977 with the construction of Kulekhani hydropower project. Same year, the Land Acquisition Act, 1977 was formulated for acquiring land and compensating the affectees. According to the Act, the GON may acquire any land at any place if it considers the land necessary for any public purpose by giving cash compensation to the property owner (HMG 1977). Since the act is entirely focused on land acquisition and compensation, the act lacks to consider the social, economic, cultural, and environmental implications that may arise to the affectees prior to displacement, during displacement, and after displacement.

After the restoration of multi-party democracy in Nepal in 1990 GON came up different policies, acts, and strategies to effectively manage water resource and produce hydro energy (Sovacool et al. 2011). These provisions include Electricity Act 1992, Hydropower Development Policy 1992, and Water Resource Act 1992. All these provision have endorsed Land Acquisition Act 1977 to address the problem pertinent to involuntary displacement. Later in 1997, the government introduced Environment Protection Rules and reformulated Hydropower Development Policy in early 2000. Likewise, government came up with Water Resources Strategy 2002 and National Water Plan 2005. The policy, plan, and strategies formulated later were better than the provision formulated in early 1990's. For instance, environmental impacts assessment was introduced as a mandatory tool to be carried by the project that may create adverse environment and social impact (Bhattarai 2001) . Likewise, the Water Resource Strategy 2002 for the first time mentioned that “Project induced resettlement should be avoided or minimized; if resettlement is required, adequate and timely compensation and rehabilitation measures should be provided to fully offset social and economic losses and enable affected people share in overall project benefit” (HMG 2002, vii). However, apart from this brief statement, both documents are silent about the project induced displacement, resettlement, and other adverse effects that may arise due to the construction of large scale hydropower project.

Realizing the adverse impacts of DID projects, the government had drafted land acquisition, compensation, and resettlement policy in 2008, but it is still not approved

by the cabinet; instead it has sent back to the drafting committee for further revision. The proposed draft policy on land acquisition, compensation and resettlement has also not paid attention to the impacts that may arise during pre-implementation phase. The government is currently in the process of reformulating the policy. Thus, it's early to say what this policy will offers to the affectees in different stages of project implementation.

3. The Case

This paper is based on the West Seti Hydro Power Project which is situated in far-western region of Nepal. The Government of Nepal (GoN) signed a Memorandum of Understanding with Snowy Mountains Engineering Corporation (SMEC) in July 1994 and handed WSHP to the company. The government took a hasty decision and did not consult the parliament before signing the agreement. However, the Australian company never managed to begin the project work and its license was finally revoked in June 2011, before the government of Nepal handed the responsibility for West Seti to the Three Gorges Corporation (Thapa 2012). Considering its long pre-implementation phase, I found WSHP to be the most appropriate case for my study to investigate the impact that occurs due to long gestation period of the project.

The WSHP is a storage project designed to generate 750 MW of electricity all year round. The dam site is situated 82 kilometers upstream of the conjunction of the Seti and Karnai rivers. The project reservoir is located in Baitadi, Bajhang, and Doti districts (WSHL 2007). It is estimated that 1,190 households will be displaced by the construction of the reservoir. Beside this the construction of other infrastructure, such as the transmission line will displace more people. The people displaced from the project activities were planned to be relocated in Terai region, the plain area in the southern part of Nepal (WSHL 2008).

Not long after SMEC was given the go ahead it was trapped in the controversies and was opposed for ignoring the constitutional provision, ignoring downstream benefit sharing provisions, unfavourable electricity-sharing deal, low export revenue and social and environmental impacts of the project. The proposed 750 MW project was aimed to generate and export electrical energy to India (Rai 2012). As per the MOU, Nepal would export electricity and gain revenue from the sale of power through energy and capacity royalties. In this context, Nepal would obtain 10 percent free electricity out of

total production. The ownership of the project would transferred to Nepal after 30 years (Thapa 2009).

The initial funding for the study of WSHP dam was allocated by China Exim Bank. Later, Asian Development Bank had approved the EIA and decided to provide private-sector loans. The project was consistently opposed by local, national, and international civil society. In addition, SMEC was not able to finalize the power purchasing deal with Indian company (Rai 2012). Hence, in 2010 ADB withdrew from the project, as did the China National Machinery and Equipment Export and Import Corporation (CMEC).

In July 2011, the government cancelled the license of the SMEC and handed the project to CTGC with new terms and conditions (Thapa 2012). Now, the project will be built for internal consumption. The Nepal Electricity Authority (NEA) will invest 25 percent of share, CTGC will finance 75 percent of the shares, and local communities will be entitled to 2-5 percent of the shares (Rai 2012). CTGC was supposed to start its construction work in 2014 and was expected to complete it by 2019 (Thapa 2012). However, the work has not begun. CTGC is conducting its preliminary research and has not yet come in direct contact to the locals. The project dynamics has changed after the entry of CTGC. Currently, there isn't much opposition from the national and local civil society actors. The local and national actors are eagerly waiting to find out what CTGC will offer them. However, the gestation period of the project is lengthened again for some years, which again suggests the need for study on how these delays have affected local people.

4. Methodological Details

I have adopted a single case study method to thoroughly explore the experience and the impact of the project on the residents of project area that is likely to be inundated in the future. In order to understand the perspective of people residing in market area and remote settlement, I have selected Deura, small market centre of Rayal VDC which lies in Bajhang district, and Babina, a remote settlement of Girichauka VDC which is located in Doti district of Nepal. Beside these areas, in-depth interviews were carried with key informants residing in districts headquarters of Kailali, Kanchanpur, Dadeldhura, Doti and Bajhang district.

Primary data from WSHP area was collected during a month field visit that started from 23rd May 2013 to 21st June 2013. During this period of time, members of 50 households from each of Deura and Babina were interviewed. In addition, local leaders, government officers, teachers, local political leaders, woman groups, and district level federations were also interviewed. In additions, national civil society leaders, activists, government employees, and donor agencies representatives residing in Kathmandu were interviewed from 1st July 2013 to 31st of August 2013. Semi-structured questionnaire was used to get the data from the participants. Snow ball sampling method was applied to select the key informants. Purposive sampling method was used to select the potential displacees of the project. In order to cover divergent perspectives *dalit*², female, and elderly aged participants were also included for the interview.

The paper is based on qualitative research method and employs interpretive approach to analyse the primary and secondary data collected during the field visit.

5. Findings

This section is divided into two parts. In the first part, I outline the impacts that have occurred during the pre-implementation phase of WSHP. Then, in the second part, I highlight the factors that are responsible for further heightening these impacts.

5.1. Impact on the Locals

Division of Local Community

Division of local begins from the initial phase of most of the displacement induced projects. Locals are mostly divided on the basis of their acceptance and resistance to the project implementation. The acceptance or resistance to the project largely depends on the positive and negative impacts the project that may foster in the life of people dwelling in the area. However, currently locals are not visibly divided based on their acceptance or resistance to the project. Nevertheless, the division of locals could be clearly seen on degrees of willingness to move to new places, and on the basis of their residential status.

Willingness to move to a new place can be determined by push and pull factors (Lee 1966). Apart from being attached to their ancestral land, there are several push and pull

² According to the Hindu caste stratification, *dalits* are ranked as the lowest caste group. They are regarded as an unclean caste and are not touched by the upper caste groups.

factors that have shaped the perception of locals in Deura and Babina of Rayal and Girichauka VDCs respectively. The potential displacees of Deura and Babina can be divided into three groups as shown in the table 1 as per their state of mind to move to new place.

Table 1: Locals' state of mind about moving to a new place if compensation is given as per their expectations

State of Mind	Deura, Rayal VDC		Babina, Girichauka VDC	
	Female	Male	Female	Male
Happy	4	4	15	8
Sad	9	26	9	6
Mixed	4	0	4	2
No Response	2	1	3	3
Total	19	31	31	19

The table above reveals the presence of significant differences in the feelings of people inhabiting Deura and Babina regarding their willingness to move to another place. Most of the locals of Deura would prefer to remain in the district rather than to move to a new place even if they get good compensation. The locals of Deura are residing either in the market centre or nearby, with easy access to motorable roads, health centre, schools with higher secondary level education, arable land, rivers, and forests nearby. Most of the people living in Deura earn money either by selling their agricultural products or through their small businesses. Hence, moving from the market centre to general areas of Terai or other places is not a good deal for locals dwelling in Deura. During the interview, some of the shopkeepers conveyed that moving to new place is not only about getting a better place to live in but also about sustaining the lifestyle and business in a new locality. For instance one of the shopkeepers expressed the following;

Even if they allocate the place with all kind of facilities we will have problems. We do not spend lots of money here. Lots of public services we use without paying money such as schools, forests, rivers etc. In new place we might not get all these facilities and might have to spend lots of money....Business can be done anywhere. However, if we shift to the city we have to face a lot of competition and have to invest a lot (Local resident, Deura, Rayal VDC, Interviewed 14th June, 2013).

In contrast to the negative sentiments of people in Deura, the majority of people from Babina are happy to move to new place. The reason for this is Babina is a remote area

and locals residing there are deprived of basic facilities. It takes 2-3 hours to walk to the nearest motarable road and market centre. There are schools and a health centre in the VDC, but for some inhabitants it takes hours to reach these service centres. As a result, the locals of Babina have gradually made up their mind to move to new places with better facilities. For example here is a statement conveyed by a woman of Babina;

I am happy to leave hills. Children will be happier in new place. It takes two hours to reach school...There is no road in the area. People have to walk through fragile trail to come to this place. Stones fall from that hill when it's windy and raining. People and livestock have lost their life due to this. We want land in the area which has motorable road and electricity (Local resident, Babina, Girichauka VDC, Interviewed 14th June 2013).

Likewise, some of the locals from both Deura and Babina are sad to move. One common reason behind it is their attachment with their birthplace. Likewise, Table 1 also reflects that some locals hold mixed feelings about moving to new places. This group of locals are very much attached to their area; however, they are ready to move due to various reasons, such as their concern for their children's future, fear of being left out, and the sense of sacrifice for country's development.

Another division seen among the potential displaces is on the basis of residential status. The feeling of outsider and insider was predominant among residents of Deura. The migration to Deura increased from nearby villages and districts after the construction of Dadeldhura- Chainpur road. During the conversations with the migrant shopkeepers they revealed that they feel like outsiders and are reluctant to share their views with locals during meetings. For instance, some of the shopkeepers stated that they did not attend most of the meetings held by project concern committees in previous years. This indicates the poor inclusion of migrants during the consultation meetings. Nonetheless, during the interviews, some of them stated that they should be given adequate compensation when the WSHP is constructed and treated equally as other shopkeepers of the area.

Likewise, the feeling of differences among permanent and dual residents was found in the reservoir area. Some locals have migrated to other cities but they hold ancestral property in the area. This group of people is comparatively less affected by displacement. Hence, their views differ from those who are permanently resettling in the reservoir area. As per the conversations with some respondents from reservoir area,

the migrant locals prefer to have cash compensation or land in good areas and are not concerned about other issues of displacement.

Psychological Impact

Unlike other kinds of forced displacement, development induced displacement is planned in advance. Therefore the stress of migrating to other place begins long before the actual relocation begins (Scudder 2006). The locals of WSHP area are going through years of stress of being displaced. The section below describes these two aspects of psychological impacts observed in the potential displacees of the project.

a) Feeling of Uncertainty

Long gestation period of project has prompted an immense feeling of uncertainty among locals of both Deura and Babina. As a result, locals have a dilemma to decide on even basic household matters such as the construction of toilet and bathroom in their house, or whether or not to plant trees or crops. A local from Babina expressed how the feeling of uncertainty is affecting him to take even a minor decision. He conveyed sadly that;

It's time to re-build the wall of my house. It has been old and it will fall down soon. But I have not done maintenance work due to the dilemma (Local resident, Babina, Girichauka VDC, Interviewed 15th June 2013).

The feeling of uncertainty is not only affecting locals to take personal decisions but also to take village level decisions. In most parts of Nepal, villagers work together to solve their communal problems. For instance, locals manage the forest areas and construct and maintain village roads, micro hydropower plants, and embank riversides. The locals of the WSHP area stated that they are interested in solving their present day problems, but they are in a dilemma to initiate community development activities, as such initiatives will be worthless if the project construction begins and they have to leave that place. The impact of locals' hesitance to conserve forests in both Deura and Babina is one of the examples that can be clearly seen. There is high level of deforestation in both areas and no one is paying attention to re-afforest them. Furthermore, the locals of Babina revealed that they are affected by river erosion, as it is taking away their land each year. However, they are in dilemma about whether to construct embankments or ignore the problem.

b) Feeling of Fear

Just as with the citizens of whole country, the potential displaces of WSHP are also concerned about the change that may occur after the decision is taken by the Constituent Assembly on state restructuring. The end of civil war and the elections of Nepal's first Constituent Assembly on 10 April 2008 brought revolutionary change in Nepal's political structure. In the aftermath of this change, Nepal was declared as a Federal Democratic Republic. The first Constituent Assembly was unable to take the decision on the standards of state restructuring. The major debate during this period centred on whether to restructure Nepal on the basis of ethnicity or on other criteria (Töpperwien 2009). Now the responsibility of restructuring Nepal is the responsibility of the leaders of the second Constituent Assembly.

Deep inside, many potential displacees have a fear that the state might be restructured on the basis of ethnicity and as a result, the places they are most likely to be resettled to i.e. Kailali, Kanchanpur, and Bardiya district of Terai region, will be declared a Tharuwan state. These districts are home to Tharus, one of the indigenous groups of Terai. The locals fear that this might change the power dynamics within the area and Tharus will become powerful and dominate them.

Furthermore, the past experience of locals also makes them sceptical. During the tenure of SMEC, it was decided that WSHP displacees would be resettled in Terai. At that time, Tharus living in Kailai and Kanchanpur revolted against this decision. They argued the fertile lands of Terai, which is home to Tharus, are turning into a concrete jungle due to migration of hill people. They stated that the relocation of WSHP displacees in Terai will further increase this tendency. Hence, they suggested that instead of resettling displacees of WSHP to Terai, hill areas should be developed and displacees should be resettled there. On the contrary, the non-Tharus residing in Terai claim that the reason behind Tharus' revolt is their fear of being minority in their own land. Some locals of the WSHP area are aware of the revolt of Tharus, thus they fear that they might not be accepted by Tharus in their areas.

In addition to this, the residents of WSHP have a fear that they may have cultural and economic clashes with the host communities residing in Terai. They know that the language, culture, and living style of people inhabiting in Terai is different from their

life style. Further they have a fear that, the host community may restrict them from using public resources as they have been using in their own places.

Moving to a place with different weather and environmental condition is another concern of the potential displacees. The WSHP area lies in the hill region with the altitude that lies in between 700 to 4,000 meters, whereas Terai, the potential place to be resettled, lies below 700 meters and is mostly a plain area. As a result, weather and environment condition in both areas vary drastically. Hence, most of the people of reservoir area have fear that they might not be able to adjust in the tropical climate of Terai region. Additionally, they were also concerned about mosquitoes and different kind of diseases that are rampant in Terai region due to hot temperature.

The other fear that locals of WSHP area have is the fear of being apart from their relatives and communities. Relatives and friends are the biggest assets to the people living in the WSHP area. They not only live together but also share shoulders with each other during difficulties. Almost all respondents from both communities said that among all kind of fears they possess regarding displacement, the most frightening one is being apart from relatives and friends. For instance, one of the respondents from Babina stated the following;

We are a small community. We know everyone here. We celebrate all festivals together no matter we are relatives or not. We help each other in difficulties. We need each other during birth, marriage and death (Local resident, Babina, Girchauka VDC, Interviewed 15th June 2013).

In addition, locals have strong economic ties with each other. The agriculture system in Nepal is dominated by co-operative labour ex-change system in which farmers exchange labour instead of money to cultivate crops (Schroeder 1985). For instance, some locals conveyed that everyone in the community helps each other in farming, constructing trails and building houses³. They further stated that they do not pay each other for such activities. Thus, it is very disheartening and frightening for locals even to imagine being apart. Hence, some locals stated that even if they are not personally willing to leave their place, if most of the community members decide to move to a new place they will also leave with them. Furthermore, most of the respondents stated that they will agree to move to new place only on the condition that the whole community will be resettled in the same area.

³ Field interview: local residents WSHP area .

The dwellers of WSHP area use forest and water resources for different purposes. Forest is a source of wood, food, fodder, and medicinal herbs to most of the dwellers of WSHP area. Similarly, the West Seti river is used either as a primary or secondary source of drinking water, sanitation, and fishing. Hence, potential displacees are not only worried about not getting to use these resources but are also concerned with rising expenses to purchase these products. For instance one of the women from Babina expressed the following;

We do not pay for water and forest here. If we want to build houses, stones and woods are free here. ...We only buy soaps, clothes, slippers, salt, and sugar. Other than these things everything is available without paying (Local resident, Babina, Girichauka VDC, Interviewed June 13th 2013).

Beside the fear of losing off-farm income sources and access to the common properties and services, locals have fear of getting poor quality land. Land being the most important mode of production, farmers of both areas are concerned about its quality. In addition, locals are also doubtful about not getting land in desirable areas. They are worried that they might be given land near India's border. Residents living near the Indian border have been suffering from land encroachment by Indians (THT 2012, ekantipur 2009). The potential displacees do not want to be trapped in such problems residing in border areas.

Slow Development Initiatives

The development initiatives in Deura and Babina have been discontinued for a long time. One can easily blame the 10 years long Maoist armed conflict as one of the crucial reasons for slow development. However, with regard to the WSHP area, political instability was not the sole reason. Handing the area to WSHP was the major factor that led towards slow development of the project areas. The concerned authorities such as the Government, NGOs, and private sectors were reluctant to invest in areas that are likely to be submerged. For instance, one of the respondents from Deura with lots of frustration stated the following;

No one wants to start a bank here. Village Development Committee building is also not built. It is working from rented house. Even police station is on rented house. No one wants to invest here (Local resident, Deura, Rayal VDC, Interviewed 3rd June 2013).

Furthermore, the development budget allocated for these regions were minimal. For example, local leaders and key informants of both areas stated that the areas received comparatively less budget allocation than other VDCs during the tenure of SMEC.

Furthermore, they claimed that the District Development Committee (DDC) allocated less amount of budget to the affected VDCs during that period. The only major development infrastructure that was initiated in the area during the entire period was the road from Dadeldhura to Chainpur. However, apart from Deura, none of the other areas that are likely to be drowned are connected by road.

In addition, locals could have themselves initiated some development works in communities without relying on other organizations. In this regards one of the respondents of Babina stated the following;

If the area was not handed to WSHP, we would have expanded this small irrigation canal. We would have constructed micro-hydropower to light our houses. All these works have been halted for years (Local resident, Babina, Girichauka VDC, Interviewed 15th June 2013).

This reveals that locals are themselves reluctant to invest on business, personal matters and on community development. Locals are so much in dilemma to invest their time and money even for their own benefits. For instance, locals and businessmen in the area are reluctant to start new venture or expand the business. Additionally, some locals started temporarily migrating to cities and investing there instead of their own areas.

Sense of Vulnerability on Various Groups

Large scale hydropower projects affect both human lives and ecosystem, however, among humans, impacts are comparatively high on vulnerable groups of the communities such as indigenous residents, women, children, and elderly people (WCD 2000). Here in my study, I have incorporated the impact WSHP currently has on women, *dalits*⁴, and elderly groups.

The existing literature on involuntary displacement explains about the impact of women during and after displacement (Rai 2005, Parasuraman 1993, Thukral 1996). However, there isn't much literature on the circumstances that women go through during the pre-implementation phase of displacement process. During pre-implementation phase, the women of the WSHP area were found to be suffering from fear, anxiety, and uncertainty of moving to another area. This phenomenon of the suffering is comparatively higher in women compared to men. The reason for this is that women are less exposed to other places beyond their parental home and their in-laws home.

⁴ According to the Hindu caste stratification, *dalits* are ranked as the lowest caste group. They are regarded as an unclean caste and are not touched by the upper caste groups.

Indeed, some women respondents stated that they have never been to places other than the surrounding villages. They further stated that they are completely unaware of the life style of Terai or of other cities. Due to this lack of exposure to other places they fear to leave their homes and move elsewhere. They further stated that even if they will be displaced they should be resettled with same communities.

The fear of leaving the place is much more among the women heading the household in the absence of their husband. The tendency of seasonal and long-term migration to India and other countries is common in far-western districts of Nepal. As a result, women headed households are common in this area. Apart from women heading households due to this circumstance, there are also a few households headed by women because their husband is deceased. Both categories of women feel that they are more vulnerable than others and are suffering from mental pressure. The level of anxiety is high in these categories of people. One of the female respondents heading the household stated the following;

All my relatives are here. There is no male member in the house now. So, I fear more. Here, even though I do not have males living with me, I have relatives around. In new place what will happen, who will help us if we will be resettled in different places? Who will be my neighbours? My husband comes home in 2-3 years and stays few days. I have to live on my own with my small children (Local resident, Deura, Rayal VDC, Interviewed, 1st June 2013).

This statement above shows the feeling of vulnerability among women even at the stage of anticipating displacement.

Dalits in Babina and Deura hold less land in comparison with other caste group living in the area. Furthermore, some of them are landless. In recent years they have worked as labourers in construction and agriculture tasks to sustain their living. However, most of the *dalits* are dependent on traditional caste-based occupation relationship. In this type of relationship, upper caste groups rely on lower caste groups for specialist production such as clothes, metal works, and shoe works etc. Similarly, lower caste groups get the payment of their work in the form of kinds (Rai 2005). Deura and Babina being rural settlements such practices exist there. Hence, they have a fear of losing their patrons, as they are their main source of economic earnings. Further, they have emotional attachment with the patrons since they are living together in same community from years. Hence, they also fear of being apart from them.

Beside this, *dalits* have a fear of not being well compensated. For instance, there are fewer *dalits* living in Deura and they have a great deal of fear on the types of compensation they will be allocated. For instance, one of the landless *dalit* women from Deura conveyed the following;

We are landless people. We work for others. We work on other's agricultural land. If we go to new place what will we do...Here we stay with Bista, Thakuri [patrons]. They have provided us land to stay here. In new place we might not get to stay with them (Local resident, Deura, Rayal VDC, Interviewed 3rd June 2013).

The feeling of attachment is mutual between upper caste group and *dalits* residing in the area. For example, one of the upper caste groups from Babina stated that;

We have good relationship. We discuss and keep forward our demands as a community. If even one of us will be cheated by the project we all will take revenge of that...We won't let any of our community members suffer (Local resident, Babina, Girichauka VDC, Interviewed 15th June 2013).

This reveals that even in the presence of caste based discrimination in the area, so called upper and lower caste group all are united. There are two reasons for this harmony between these two groups; firstly, both groups are dependent on each other. Secondly, all locals in the area are going through common problem. As a result, their relationship has strengthened.

In addition to women and *dalits*, the sense of vulnerability among is immense in elderly people living in WSHP area. The anticipation of moving to a new place is very distressing to old people (Danermark and Ekstrom 1990, Ponzetti 2003). Furthermore, place attachment among the elderly people is very strong as they have lived in one place their entire life or at least for many years. In addition, imagining the place they love the most will be drowned is disheartening. The elderly people in the WSHP area are also going through this emotion. For instance, during the conversation one of the elderly women of Babina expressed the following;

I don't feel good about moving to new place. I love Seti. How can we leave Seti and go? I have been to Terai but I did not like it. I don't like the water of Terai. There are lots of mosquitoes. I want to go to Seti when I die. I wish the project will be constructed after I die. I don't want to leave this place and go to Terai (Local resident, Babina, Girichauka VDC, interviewed 14th June 2013).

The above statement illustrates the religious-cultural and geographical attachment of elderly people with the place they have inhabited. As per Hindu religion, a departed body is burnt in the bank of holy-river. Elderly people residing in the bank of Seti river

have the desire to conduct their death rituals in this river. Thus, they fear that they might have to leave the place before they die and are reluctant to leave the area.

Other Impacts

In this section, I briefly describe the socio-economic and environmental impacts that have occurred in the WSHP area over the last 17 years of time. Dam projects trigger socio-economic impacts on the life of people dwelling by the river basin of the projects. Socio-economic and environmental impact rises once the construction of the dam begins (WCD 2000). Thus, during the pre-implementation phase, socio-economic and environmental impacts are minimal. However, in the WSHP area a few socio-economic and environmental impacts were observed. Firstly, the price of the land in the area has increased after the announcement of the project. Locals have increased the price of the land so that they will get higher compensation. In case of Deura, the price of the land has further increased after the construction of Dadeldhura- Chainpur road.

Secondly, locals of the area have been exposed to outsiders. Initially, locals, especially the disadvantaged groups such as women, *dalit*, and indigenous people did not interact with outsiders. In these years, eventually they have started attending meetings, rallies, and protesting for their rights. The initiation of the WSHP in the area has prompted this change however; the entire credit cannot be given to it. The gradual empowerment of marginal groups began throughout the country in the last two decades. Nevertheless, the WSHP is one of the contributors of this change in the project area.

Thirdly, as mentioned above the forest area of the WSHP has been highly deforested. However, not much attention has been given to conserving the forest or to reforesting it. This may cause major environmental impacts in the area in the future. Apart from this, no other environmental impacts were observed during the research period.

5.2. Factors that has Heightened These Impacts

In this section, I explain the factors responsible for further triggering these impacts. There may be many direct and indirect factors responsible for heightening the impacts depending on the project and places it is being constructed. However, in case of the WSHP, I found following factors to be the most responsible ones.

Flow of Information

Giving adequate information about the project in local language prior to its implementation is one of the essential factors for equitable and sustainable development of any project (WCD 2000). However, limited information causes locals to be sceptical about the project from very beginning of the project (Forbes 1999). In the case of the WSHP, limited information has further intensified dilemma in locals.

During the tenure of SMEC, the flow of information was not as per the standards of the ADB. Ratan Bhandari, one of the hydro-activists from the area states that most of the local villagers didn't know about the project until SMEC came there for a survey. He further states that, initially, they were only given few sheets of paper explaining about the project⁵. Later, SMEC established information centres in affected areas to overcome the allegation and gain public trust. However, it could not gain public trust.

Even today, most of the locals have limited information about what is happening with the project. For instance, most of the locals do not know the reason behind SMEC's departure. They innocently perceive that SMEC could not fulfil their demand hence it ran away. Likewise, locals as well as local leaders do not have information on the implementation process of the WSHP. Apart from this, locals have a fear that they may easily be misguided by the government and project investors due to the lack of adequate information on issues related to project and displacement. According to a few respondents, during SMEC tenure, many groups tried to influence them as per their perception and this may occur in the future too.

Lack of Meaningful Participation of Locals during Pre-Implementation Phase

Nepal's Local Self Governance Act 1999, and Water Resource Strategy 2001 stresses the participation of men, women, indigenous groups, down-trodden as well as socially and economically backward groups in all stage of development projects. However, the locals of the WSHP area expressed that they were not well consulted during the EIA surveys of the WSHP project. Indeed, Ratan Bhandari reveals that project staff mostly consulted with the VDC representatives, ward president, ward members, rather than general people⁶. During my conversations with general locals regarding their participation in the project matters during SMEC tenure, they stated that they mostly

⁵ Field interview : Ratan Bhandari, 24th August, 2013.

⁶ Field interview: Ratan Bhandari, 24th August, 2013.

listened to the talks and speeches of project staffs, VDC representatives, and local leaders but they never gave views in the meeting. They further stated that a few times project staff, government employees, and political leaders came to their area and gave speeches and left. However, such a tendency has made general locals feel that their fate is in other's decisions and acts.

Uncertainty of Project Construction

Neither the locals nor the concerned authorities are confident about the project construction. Locals feel that their life has been trapped in the vicious circle of uncertainty. Due to this they are frustrated even to talk about the project with outsiders. They have many grievances with the concerned authorities and are eagerly waiting for the answers to questions such as: Will the project be built? When will it be built? Where will we be resettled? What will be our future like?

Absence of Concerned Government Authority in the Project Sites

The locals of the WSHP area have an impression that they have been overlooked by the government. According to the locals, during the last 17 years, the employees of Department of Electricity and Ministry of Electricity were present in the area only twice or thrice. They have a bitter experience of how they have once protested, demanding that the government employees come to the area and inform them about the happenings in the WSHP. For instance, one of the respondents conveys his experience following way;

We revolted and demanded for government authority to come to the area and give us assurance about our future. Till then, all that we have been hearing and interacting was with the employees of foreign private company. Who can rely on them? (Local resident, Deura, Rayal VDC, Interviewed, 29th May 2013)

As a result of the protest, consultation program with government authority was held in Deura. However, the feeling of negligence is still present in the mind of locals.

Political Condition of Country

Nepal political situation is still unstable and unpredictable. The failure of the first Constituent Assembly has further lengthened the country's transition. In the last two decades, Nepal has been through lots of political upheavals. No doubt like other citizens of the country, the political condition of the country has also affected the locals of the WSHP area. During the Maoist armed conflict as well as at present stage, political instability has affected the progress of the project and lengthened the gestation

period. This has ultimately lengthened the period of uncertainty in locals residing in the area and has further intensified the dilemma in their lives.

6. Discussion and Analysis

The research reveals that potential displacees of the WSHP start bearing the adverse impacts of the project prior to its implementation. As discussed in the previous section, the long gestation period of the WSHP has created multiple impacts on the local communities. The table 2 presented below summarizes the types, level of adversity, and outcome of each impacts on the locals.

Table 2: Pre-implementation impact observed in project area

Impact	Level of Adversity	Outcome
Development Impact (advancement in the facilities or service system offered in the that leads to wellbeing of the people residing in the area)	High	<ul style="list-style-type: none"> Limited budget allocated by the government to the WSHP areas Government, NGO's, private organization and locals are hesitant to invest even for basic development purposes such as schools, banks, paved roads, and micro-hydropower projects Locals are hesitant to invest in for personal as well as communal well being
Psychological Impact (Mental status)	High	Feeling of uncertainty, fear, dilemma, frustration, and suspicions
Economic Impact (change in price of land, employment situation, living standard of people)	Low	<ul style="list-style-type: none"> Price of land has increased Employment opportunities were increased during SMEC tenure Economic opportunity in Deura has increased due to the construction of road
Social Impact (changes in relationship patterns, marriage system, decision-making pattern, gender relationships)	Low	Some of the women in the area have started to attend meetings, rallies, and protest programs
Environmental Impact	Moderate	Unsustainable way of extracting forest resources

The existing literature pinpoints that during and after project construction the occurrence of social, environmental, and economic impacts of large-scale hydropower project remains high (WCD 2000). However, this research reveals that social, economic, and environmental impacts are less significant during the pre-implementation phase of the project; whereas the developmental and psychological impacts are found to be much higher in this phase. Feelings of uncertainty have affected the day-to-day decision-making processes of households as well as the entire

community residing in the project area. Likewise, the fear of being displaced was found to be higher among vulnerable groups like women, *dalits*, and elderly people.

Consequently, the inadequate flow of information, lack of meaningful participation of locals, absence of concerned government authority, and uncertainty of project construction reveal the negligence of concerned authorities in addressing the problem of the potential displacees. This demonstrates that the locals are excluded from project related decision-making processes even before the project is implemented. WDC states that equity, efficiency, participatory decision-making, sustainability, and accountability are the five core values to be considered for most favourable development outcomes (WCD, 2000). However, in case of the WSHP all these core principles of ethical development practices are violated by the concerned authority in the implementation phase of the project.

The assessment of the WSHP also demonstrates that the project has worsened the life of people even prior to its implementation. The allocation of limited budget and negligence to understand and cater the need of potential displacees reveals that concern authorities were unjust in their treatment of potential displacees. The feeling of being discriminated and neglected is very profound among the potential displacees which may foster conflict between the locals and the concerned authorities during the actual implementation of the project.

My research on WSHP also indicates that the government and project developers should give attention to the likely impact that arise after the project is announced and be prepared with the plans to minimize the impacts that may occur at this stage. Furthermore, government as a responsible body should come up with interim development plans for areas affected by long gestation period of the project. In addition, measures to minimize the impact that may occur during pre-implementation phase should be incorporated in involuntary displacement policy.

7. Conclusion

The actual construction of large scale hydro-power project may begin years after the project is announced. If the project is trapped in controversies, the commencement of project is dragged towards uncertainty. Under this condition, the locals residing in the project areas have to bear the cost of development endeavours even prior to its

construction. The mechanisms applied to compensate the affectees of development initiatives, such as compensation, resettlement, and benefit sharing packages get started only when the project is actually going to be implemented. However, the potential displacees start bearing its costs much prior to their displacement. The story of the WSHP construction clearly justifies this argument.

The exclusion of the potential displacees from development initiatives in the name of benefiting certain section of people reveals how unethically and irresponsibly development intervention are being carried out. Hence, in order to come up with worthwhile development, policy makers have to pay attention to the impact that development intervention may foster in the life of people from the conception of the project. The potential displacees should be compensated even for the psychological suffering they go through prior to the construction of the project. Further, policy makers should come up with special development packages for development affectees trapped because of the long gestation period of the project.

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