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# **FIGHTING COCACOLANISATION IN PLACHIMADA:**

Water, soft drinks and a tragedy of the commons  
in an Indian village

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## ABSTRACT

Plachimada is a small village in the South Indian state of Kerala suffering from severe *water shortage* since the global soft drink manufacturer *Coca-Cola* started their operations there four years ago. The factory is located in a *rural residential area* several miles from the nearest town. Groundwater is a common pool resource vital to us all but especially important to a poor agricultural community consisting primarily of *indigenous people*. The thesis puts Garrett Hardin's theory of *privatisation* as a solution to *The Tragedy of the Commons* to a test by setting his views up against the ideas of Vandana Shiva who instead advocates *local community control*.

The villagers of Plachimada have been protesting against the Coca-Cola unit for more than two years. A continuous *dharna* or sit-down strike is held every day and night opposite the factory gates. The local government, the Perumatty *panchayat*, is fighting for the closure of the plant in courtrooms and government buildings and have so far obtained a temporary shut down of the bottling unit. This conflict is also about the *panchayat's* constitutional right to self-govern. The decentralisation process in Kerala seem to be losing its momentum; the state government is promoting *industrialisation* in the name of *development*. *Keywords: water shortage, Coca-Cola, rural residential area, indigenous people, privatisation, The Tragedy of the Commons, local community control, ecologically unequal exchange, dharna, panchayat, industrialisation, development.*

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## 1. INTRODUCTION

My interest in Kerala goes back five or six years to when I read about this Southern Indian state in the Swedish traveller's magazine *Vagabond*. They arranged trips to Kerala and I participated in the first one, in February 1999. What attracted me to Kerala was, apart from the to a northerner agreeable climate, the fact that it seemed to stand out so clearly against the rest of India and other so-called developing countries. Almost full literacy, good healthcare and educational systems in which women and girls were not discriminated against.

As for water I believe it is a basic necessity that should not be utilised for reasons of making a profit. My father sometimes said, being a farmer himself and thus possessing land, that he found it strange that people could actually own land. The concept of private ownership to land is not contested, at least not in the modern Westernised world, but the right to use the land as the holder see fit can have dire consequences for people living around. Reading the Swedish translation of *Water Wars* (2002) by Indian environmentalist Vandana Shiva gave me the connection between water issues and Kerala. She mentions in her book the poor people struggling against the Coca-Cola factory and the depletion of groundwater, just a few lines but enough to catch my eye.

What happens in a situation where a natural resource of such vital importance as water becomes scarce, what conflicts emerge from the situation? How can problems of water shortages be dealt with? Is privatisation a solution or disaster? My purpose and intention with this work is to analyse the events and the antagonisms in Kerala - where rural, local people depending on their water for subsistence stands against the urban, global giant Coca-Cola mainly seeking corporate profits - from a human ecology perspective. The situation holds clashes between environment and development, development and culture and perhaps also brings environment against culture. It also sets local against global, poor against rich and to some extent poor against poor.

### **Water on Earth**

The Blue Planet - Earth has sometimes been called the Blue Planet ever since the time we first saw the photos taken from outer space. Because of its large amount of water the main colour of our globe is blue. John McNeill, Professor of History, in his book *Something New Under the Sun - An Environmental History of the Twentieth Century* (2000) points out that the Earth's hydrosphere actually contains a tremendous quantity of water, 1.4 billion cubic kilometres. Although, approximately 97% of this enormous amount consists of salt water in

the oceans. Furthermore, something like 69% of the world's fresh water is locked up in glaciers and ice caps and 98% is stored in underground aquifers. This leaves 0,25% to rivers and lakes where it is easily accessible to humans. Of this remaining volume one quarter is found in Lake Baikal in Siberia, a fact that illustrates the reality that water is not spread evenly over the globe (McNeill 2000:119).

People have dug wells for millennia in order to provide for drinking water and irrigation of their crops. Despite a considerable ingenuity and effort put into well digging and pumping it wasn't until the twentieth century groundwater pumping increased to be performed on a more massive scale. Cheap energy like coal and oil erased the limits muscle and wind power put to the quantities brought up to the surface. Combined with well digging techniques improved by the oil industry this made it possible to tap groundwater at a pace that could threaten the supplies in the long run (ibid. 2000:151).

### **Environmentalism – North and South**

Protecting the environment and natural resources from over exploitation is important to people in both North and South, but the direct motives and methods often differ. Professors Ramachandra Guha at the University of California and Juan Martinez-Alier at the Autonomous University of Barcelona have analysed the contrasts in their book *Varieties of Environmentalism - Essays North and South* (1997). In more affluent countries environmentalism tends to be about protecting wild species and natural habitats whereas poor people in poor countries seek to stop environmental degradation because it directly affects their subsistence. Nature must be saved and conserved, not for its own sake but because natural resources are needed for the daily survival. At the extreme one could say that Northern preservation of wilderness contrasts against Southern conservation for survival. Another way to put it – there is sometimes a wide distinction between what professors Guha and Martinez-Alier calls the 'full-stomach' environmentalism of the North and the 'empty-belly' environmentalism of the South (Guha & Martinez-Alier 1997:Introduction).

The way Guha sees it the environmentalism of the more affluent can, unlike the poor, 'afford' to protect wilderness areas, natural habitats and ecosystems. Nature serves as a breathing space for these mostly urban people who also have the time for leisure, not worrying around the clock about immediate survival. Environmental movements in the North can be said to function outside the production system, or at least they have done so in the past, not questioning the state or the core of the socio-economic system they live in. They have often been single-issue movements calling for a change in attitude towards nature like saving

whales or forests, not realising or dealing with the enormous effects their high consumerist society have on lands, people and natural resources in other parts of the world.

Northern environmentalists in most cases have used methods and protest techniques like court cases, lobbying of legislators and politicians and exposure in television and other media as their main strategies. In general they have not been using direct action although this has changed over the past decades when movements like for instance Greenpeace has entered the scene. Another new arena for Northern environmentalists to perform in is party politics; no longer are environmentalism engaging only social movements outside parliamentary work. Green parties have emerged in many countries; some of them have enough voter support to take seats in national parliaments (Guha & Martinez-Alier 1997:16ff).

Contrary to the rich, poor people who depend directly on natural resources for daily survival can't afford the luxury of keeping their surroundings pristine and intact. The perhaps most well known environmental movement in India, the Chipko movement, didn't hug their trees because they wanted to leave them untouched. They hugged the trees to keep them from logging for export. The reason for this was that people needed the fuel and fodder the trees provided them with, not a wish to protect the tree in its own right. However, their unconventional protest technique has inspired other movements in their defence of a community's right to natural resources. Over all, the environmental degradation in India is increasing at an alarming pace. More than 100 million hectares of what used to be forest and farmland has been destroyed by logging and erosion or salinisation and is now classified as unproductive wasteland. Uncontrolled exploitation of groundwater has led to a disturbing drop in the water table, in certain regions as much as five meters or even more. Clean and safe water for drinking and household purposes are scarce in many areas. This deterioration of natural resources has caused a flow of impoverished 'ecological refugees' to urban areas where they, often unsuccessfully, search for employment. These people are adding to an urban population already suffering from shortages in basic necessities like water, power and construction material (ibid. 1997:3f)

These shortages come as a result of a rapid exhaustion of the natural resource base, giving it no time to replenish, and they make the root of many conflicts between groups of people in need of these resources. Confrontations often pit poor against poor, neighbouring villages might compete for a patch of forest or slum dwellers could be fighting over water supplies. Sometimes rich are pitted against rich, wealthy farmers may be quarrelling over river water. However, most of these conflicts pit rich against poor; logging companies against villagers, dam builders against tribal people or large corporations deploying enormous

trawlers against traditional fishing communities using small boats. Protests opposing what is sometimes called a LULU (Locally Unacceptable Land Use) – this could be a mine or other polluting or resource guzzling units – are often suppressed with methods resembling ‘environmental blackmail’. Either you accept the environmental degradation or you end up without a job (Guha & Martinez-Alier 1997:4f, 44).

Unfortunately the agents of intensive and destructive use of natural resources are often treated favourably by the state giving small local communities no choice but to use a variety of protesting strategies and methods to resist injustices. These struggles could perhaps also be viewed as a new kind of class conflicts, fought outside factory walls and landlord’s estates. This is about gifts of nature like forest and water, desired by everybody but to an increasing extent monopolised by a few (ibid. 1997:5).

Smitu Kothari is one of India’s leading intellectual-activists working for *Lokayan*, a Delhi-based NGO doing surveys and research on displacement and rights of displaced people. In an article called “Social Movements, Ecology and Justice”, his contribution to the anthology *Earthly Goods – Environmental Change and Social Justice* (1996), he states that these new actors and movements involving indigenous people, slum dwellers, displaced persons, rural women etc. have no commonly accepted ideology or political agenda. The matter is not about revolution and taking over the state – it is first and foremost about local democracy and social and environmental justice. In Kothari’s view, problems of ecological inequities are not primarily caused by the fact that natural resources are finite, they evolve because economic development exploits the resources in an unsustainable way and rarely or never puts limits to human consumption (Kothari 1996:158).

To sum up all these conflicts – rich vs. poor, urban vs. rural, nature for profit vs. nature for subsistence, the state vs. the people – and express them in ecological terms one could say that it is all about ‘ecosystem people’ against ‘omnivores’. ‘Ecosystem people’ depend to a very large extent on natural resources in their immediate surroundings, the local ecosystem, whereas ‘omnivores’ have the power to draw on resources from a wide, sometimes even global, catchment area. A third category consists of the small peasants and land-less labourers who flee from rural hardship only to find themselves instead caught in urban poverty in the slum, ‘ecological refugees’ (Guha & Martinez-Alier 1997:12).

### **Ecologically unequal exchange**

Further theorising on these ecological conflict situations shows a resemblance to some parts of Marxist theory. The expression ‘unequal exchange’ is familiar to us in association with

Karl Marx and his work on unequal exchange of labour value, but we can redefine or extend the term to mean unequal exchange or uneven distribution of natural resources. Juan Martinez-Alier in a paper called *Marxism, Social Metabolism and Ecological Distribution Conflicts* reflects on the idea that Marx in fact could have been 'green'. Ecological distribution conflicts are not a new phenomenon, they have occurred throughout human history. Unfortunately however, attempts by contemporary scientists to persuade Marx to integrate ecological energetic principals with his economic analysis failed. Ukrainian scholar Sergei Podolinsky had been studying the laws of thermodynamics and the economic process, one could say he was the first ecological economist, and although he wasn't a Marxist himself he saw his work as a contribution to Marxist theory. Contrary to Podolinsky, Friedrich Engels in his letters to Marx rejected the idea totally. Engels thought of the second law of thermodynamics as some religious mumbo-jumbo, and Marx himself died only a few years later (Martinez-Alier 2003:6f).

Smitu Kothari argues that economic development and strategies for obtaining economic growth to a very high extent involves the extraction and utilisation of natural resources at a pace that by far exceeds their capacity to regenerate. The benefits and gains from this exploitation are controlled by a privileged few at the expense of millions who are dependent on nature for their subsistence. It's not just a question of immediate survival, for many people affected by environmental degradation it's also a matter of identity, threatening their way of life. In India among the worst victims of this uneven development are the indigenous communities; most of the large-scale mining, dam building and industrial projects are being implemented on their land. This displaced tribal population lose not only their source of subsistence but also their identity and their culture (Kothari 1996:154f).

### **The tragedy of the commons**

A somewhat different theoretical approach to distribution problems is a well-known article called *The Tragedy of the Commons* written in 1968 where Garrett Hardin addresses the problem of Earth's constantly growing population and the threats this poses to a finite world of natural resources. Unlike some modern day politicians and scientists Hardin emphasises that there is no technical solution to our predicament. A technical solution he defines as "... one that requires a change only in the techniques of the natural sciences, demanding little or nothing in the way of change in human values or ideas of morality." (Hardin 1968:1243).

Hardin puts the notion of Adam Smith's 'invisible hand' into question. Smith in his *The Wealth of Nations*, published in 1776, introduced the idea that individuals who seek their own

gain is led by an invisible hand so that their actions tend to at the same time serve the public good. To illustrate his opposing thoughts Hardin use a pasture open to grazing cattle, free for all. Each herdsman can be expected to keep as many animals as possible on this common. Adding one more sheep or cow to the herd means increasing benefits to the individual herdsman until the day comes when the pasture is overgrazed and no longer can be used. This eventually affects all the herdsmen as no one can use the land for feeding their cattle anymore. Thus, Hardin claims, freedom in a commons eventually brings ruin to all. Therein lies the tragedy (Hardin 1968:1244).

Hardin analyses the impacts of voluntary concepts and human qualities like education, temperance and conscience but rejects them all as means to deal with resource shortages. He argues that the freedom to breed must be relinquished and calls for coercive regulations, mutually agreed upon by the majority of the people affected. To save the commons there is a need for either privatisation, which he believes prevents exhausting of natural resources, or other ways of posing limits to a free-for-all access to commons (ibid. 1968:1245ff).

30 years later Garrett Hardin wrote a follow-up article called *Extensions of 'The Tragedy of the Commons'* (1998) where he emphasises the importance of interdisciplinary studies; philosophers and scientists must work together. He maintains his standings but regrets the omission of one word, *unmanaged*. With an unmanaged common overuse of resources and ruin is inevitable. "A 'managed common' describes either socialism or the privatism of free enterprise. Either one may work; either one may fail." What matters is restricted access and regulation of use (Hardin 1998: 682ff).

Another more critical comment to Hardin's concept of thought also made thirty years later comes from an editorial in the journal *Environment* (1998) titled "Two cheers for the commons" written by William C. Clark, professor of International Science, Public Policy and Human Development. Hardin has been proved right, Clark admits, on the over exploitation of common resources, fisheries mined to depletion, air-and watersheds have been overburdened by pollution and so forth. But the proposed solutions are concentrating too much on the individual forgetting about what local communities can achieve. The first cheer from Clark is for a steady progress in understanding this complex issue. Under appropriate social and political conditions, conditions which must be fostered and protected, local communities can and do co-operate in a sustainable way in using common-pool resources. A second cheer goes to contemporary efforts applying this growing understanding of sustainable local commons to the design of management regimes for larger, even global, resources. Commitment to emphasising bottom-up learning over top-down schemes must be encouraged. The third cheer

will have to wait until we remember that open access to resources in a common has long been vital to the livelihood of many poor people, enclosures can have devastating effects on their prospects of survival. Efforts to protect the commons must be integrated with efforts to protect the commoners (Clark 1998: 1f).

Indian environmentalist Vandana Shiva too, in her *Water Wars* (2002), argues against Hardin and agrees with Clark in that she also strongly questions that individual control should be preferred over local community management. Shiva claims that Hardin's definition of management assumes that only private individuals can handle an asset successfully, that's why he makes the mistake of saying that commons are unmanaged and open to everyone. On the contrary, commons are not open-access resources according to Shiva. They do have owners, not individuals but groups or communities. "And groups do set rules and restrictions regarding use. Regulations of utility are what protect pastures from overgrazing, forests from disappearing, and water resources from vanishing." Instead of competition between individuals, Shiva points out that in many rural societies in the so-called Third World the principle of co-operation among members of the community still prevails. The question for a production based on needs rather than gains is whether the common can support these needs. If not, there is a tragedy regardless of the mode of management (Shiva 2002: 26f).

### **Globalisation and privatisation**

Globalisation is a phenomenon defined and interpreted differently in many ways. In his book *Globalization and its Discontents* (2002) ex World Bank economist Joseph Stiglitz defines it as the removal of barriers to free trade and the closer integration of national economies. Stiglitz believes that globalisation can be a good thing but his career in one of the global institutions has also shown him first hand the devastating effects these institutions' policies can have on poor people in developing countries (2002:IX).

Is privatisation a solution or a threat to the welfare of poor people? Or could it be that the answer is not the same in all situations and everywhere? In essence the critique Stiglitz directs at the advocates of the Washington Consensus policies – fiscal austerity, privatisation and market liberalisation - IMF (International Monetary Fund) in particular, is that they simplify a complex world. Providing a 'one-size-fits-all' formula to every circumstance in every country alike has often been proved destructive instead of promoting progress. According to Stiglitz a good reason for privatisation is when governments are spending too much energy on running businesses and industries that they often don't do very well and where private competition can be expected to be more efficient. Important in this

transformation process however, is the way and the pace things are carried out. Too fast and too early can be disastrous, government enterprises and activities can't be abandoned before markets arise providing the same functions and services (Stiglitz 2002: 55ff).

Another part of the Washington Consensus' view of globalisation is the role of foreign investment. According to this belief 'freeing up' markets promotes economic growth by attracting international investors. Foreign businesses are assumed to bring with them technical expertise and access to foreign markets and sources of finance, thus creating new employment opportunities. There is however a serious downside to this, large global corporations often destroy local competition and homegrown industries. Coca-Cola and Pepsi have wiped out many local soft drink manufacturers all over the world and the same goes for the ice cream market due to Unilever's rampaging (ibid. 2002:67f).

Sequencing and pacing are extremely important for a successful implementation of privatisation and liberalisation policies. Not forcing liberalisation before safety nets are introduced, not forcing privatisation before there is adequate competition and a regulatory framework put in place. Add to that an understanding of the social context in which they are to be performed. Like Garrett Hardin, Stiglitz too questions Adam Smith's 'invisible hand'. The conditions under which this market force model works are highly restrictive.

Indeed, more recent advances in economic theory – ironically occurring precisely during the period of the most relentless pursuit of the Washington Consensus policies – have shown that whenever information is imperfect and markets incomplete, which is to say always, *and especially in developing countries*, the invisible hand works most imperfectly (Stiglitz 2002:73).

Government interventions and activities as responses to these market failures are both wise and preferable (Stiglitz 2002:73).

Returning for a while to Vandana Shiva, we find that she has a lot to say about globalisation and privatisation. Unlike the World Bank, IMF and their cronies, Shiva does not see privatisation as a viable solution to come to terms with shortages of natural resources. As for technical solutions, or rather technology *not* being the solution, she more or less agrees with Garrett Hardin on that issue. Just the reverse, during the 1970s and 1980s the global institutions focus on large-scale development project involving technologies using more power and digging deeper wells as means for providing water has proved to be disastrous to the water situation. The Green Revolution meant that more water was needed for the high-yielding but water-intense crop varieties. Some cash crops encouraged by the World Bank like sugarcane and cotton also increased the demand for water and led to water mining on a large scale totally insensitive to ecological limits (Shiva 2002:9ff).

In the wake of the failures of the energy intensive, fossil fuel driven, groundwater-depleting technologies the World Bank in the 1990s started to push for privatisation and market-based distribution of water. Water should, in their view, be treated as a commodity and Shiva thinks this is going to be just as much of a catastrophe to the environment and to poor people as the technology-intensive water systems turned out to be. “Market assumptions are blind to the ecological limits set by the water cycle and the economic limits set by poverty. Over-exploitation of water and disruption of the water cycle create absolute scarcity that markets cannot substitute with other commodities”. Shiva instead calls for an ecological democracy to end the water crisis. She points out that traditional collective water management with rules and limits to water use, set by the community involving the people, ensured both sustainability and equity (Shiva 2002:12f).

### **My approach to the subject and procedure in research**

After choosing to write my thesis on the Coca-Cola factory in Kerala I started to collect as much information about what was happening there as I could, mainly through the Internet. I also decided I wanted to go to Plachimada and see the area, the people and the factory, even when I found out that the plant would be closed when I got there. My plan originally was to beforehand find somebody in Kerala to guide and interpret for me. I didn't fully succeed but with the help of Swedish scholars Anna Lindberg and Monica Erwér, who both have done their dissertations in Kerala, I came into contact with a NGO called *Sakhi* in Thiruvananthapuram. In Kerala I went to see them and thanks to *Sakhi* I got to see a documentary film called *Stolen Water* about Coca-Cola in Plachimada. I also paid a visit to *Kerala Shastra Sahitya Parishad (Kerala People's Science Movement)* in Thrissur and had a talk with one of their staff working with the Plachimada case. During my stay in Palakkad I attempted to interview someone at the Communist Party Marxists' District Office to get an insight, biased as it may be, into the political complications. But to my disappointment nobody spoke English. On my visit to Plachimada I was luckier, there I met an English-speaking member of the Anti Coca-Cola Committee who showed me around the village and functioned as an interpreter. Almost every day of my three-week stay I read the morning newspapers rather thoroughly to get a glimpse of Indian debate and everyday life. Probably an urban view though since I could only read those in English, the small local papers where, of course, in Malayalam.

For both the theoretical and practical backgrounds I searched the library, bookshops and my own bookcase. As we humans live in varying circumstances in different parts of the

world, we don't always have the same reasons for protecting the environment. My main guides to these differences and ecological inequities have been Ramachandra Guha and Juan Martinez-Alier. Their book *Varieties of Environmentalism – Essays North and South* (1997) has been my central source on this. Having read only excerpts from Garret Hardin's *Tragedy of the Commons* (1968) it was now time to read the whole article. Vandana Shiva provided me with an opposing theory to Hardin's and critical thoughts about privatisation. Along with John McNeill's facts about water on Earth and Joseph Stiglitz views on globalisation and privatisation they form the theoretical part of my work presented in the introduction. The second chapter consist of background facts on Kerala, general, social, political and historical. Govindan Parayil's anthology *Kerala – The Developing Experience. Reflections on Sustainability and Replicability* (2000) proved to be most useful. So were the Government's Web Site and the, in 1999 newly published, book I bought when I came home from Kerala the first time – Mats Wingborg's *Kerala – alternativ väg till välfärd (Kerala – An Alternative Route to Welfare)*. In chapter three we reach the conflict situation – the David and Goliath battle of Plachimada villagers against Coca-Cola - and, as it turned out, the local community's battle against the state. The latter conflict I wasn't really aware of when I started on the subject. Facts come from newspapers, magazines – *Frontline* and *Down to Earth* being the core sources – web sites, the documentary film *Stolen Water* and of course my own visit to Kerala. The conflicts are then analysed in the fourth chapter before I end up with a concluding discussion.

## **2. KERALA – ‘GOD’S OWN COUNTRY’**

The phrase ‘God’s own country’ is often used as a slogan to attract visitors to India’s most southern state; the expression is a way to declare that Kerala is very special. Kerala’s Official Web Portal informs us of a legend that says the land was created when Parasurama, an incarnation of Lord Vishnu, suddenly felt remorseful at causing so much sorrow and destruction from a constant waging of war that he decided to cease the warfare. From the mountaintop he threw his heavy axes into the ocean where the waves foamed and frothed and a prawn-shaped land surfaced from the depths and formed the state of Kerala (The Official Web Site of Government of Kerala).

Whatever the origin of the phrase ‘God’s own country’ is, it’s taken very seriously by the Kerala tourist industry. *The Hindu Business Line* reveals that Kerala Tourism, itself a registered brand, has registered the expression ‘Kerala – God’s Own Country’ with India’s Trade Mark Registry. The reason for doing this is to prevent “poor quality offerings” from ruining Kerala’s good reputation as a tropical paradise giving visiting guests a friendly welcome (The Hindu Business Line Internet Edition).

In some respects Kerala does differ from the other Indian states, maybe not God given but still. Despite a low average income the State Government on their web site boast of being the first Indian State to achieve total literacy and the first to implement land reforms. It is the state with the highest life expectancy in India and Kerala also has the lowest birth rate and the lowest infant mortality. Further they also declare it to be the only Indian state with hospital facility in every village and the state in which the communication infrastructure is most highly developed (The Official Web Site of Government of Kerala).

### **Nature and climate**

We also find information about the general features of Kerala at the Government Web Portal. The Western Ghats in the eastern part of the state forms an almost continuous mountain wall although there is one exception. Near Palakkad there is a natural mountain pass known as the Palakkad Gap where Kerala opens up to neighbouring state Tamil Nadu and the rest of India. The average elevation of the Western Ghats is about 1500 meters above sea level, occasionally soaring to peaks of 2000-2500 m. From the mountain range, the land slopes to west on to the plains, into an 590 km long unbroken coastline by the Arabian Sea. Close to the Western Ghats the landscape is hilly with steep mountains and deep valleys covered in dense forest. Tea and coffee plantations are frequent and 41 out of the 44 rivers in the state originate

here and flow westwards into the ocean. In the midland plains the valleys are wide with numerous paddy fields and cash crops like rubber, fruit trees, pepper, etc. are grown on the hill slopes. Finally the strip by the coast consists of more extensive paddy fields, thick groves of coconut trees and the, for Kerala so special, backwaters. The backwaters interconnected with canals and lakes form an uninterrupted inland water communication system of 450 km, from Thiruvananthapuram to Vadaکارa. The climate is tropical and benefits from both the South East and the North West monsoon with an annual rainfall ranging from 1250 to 5000 mm a year. Even though the received quantities of rain are fairly high it varies considerably in time and space. Maximum temperature shifts from 20°C to 37°C, colder in mountainous regions and in the plains and lowlands it's generally warm and humid (The Official Web Site of Government of Kerala).



Location of Kerala in India (Maps of India Web Site).

My own impressions of nature in Kerala, and the remaining images in my mind, are dominated by the coconut palm. There seem to be coconut trees absolutely all over the place, massive forests of them. Visits to the backwater area can likewise easily lead you to believe there's water everywhere. When I was here on holiday five years ago we cruised along the small winding watercourses of the backwater area, feeling like we were drifting through a tropical jungle. Now and again we were reminded that this was indeed tropical but definitely no wilderness, on the contrary, there were people living everywhere. A cockerel could be crowing nearby, the vegetation suddenly open up for a house with a satellite dish or there could be a church, a temple or a mosque. This in addition to the fact that much of the lush greenery was a crop planted by humans, like for instance the coconut palms, reminded us of the fact that even if it was different from home it was no pristine tropical rain forest.

### **A brief glance at history**

Swedish author and journalist Mats Wingborg has written several books on Asia during the 1990s. In *Kerala – alternativ väg till välfärd (Kerala – An Alternative Route to Welfare)* from 1999 he reports from Kerala how this state differs from the rest of India and other developing countries, also giving background facts and history. The history of Kerala is in principle a past with two different faces, one of being closed to the outside world and the other showing a cosmopolitan openness. Geography being as it is has played a major role in the historical development. The Western Ghats with its mountains provided the region with a protection against Indian invasion armies who never succeeded in occupying or dominating Kerala. The seclusion also favoured the development of a culture of its own as well as a separate language, Malayalam. Open sea westwards facilitated influences from trade, colonisers, missionaries and political ideologies. Arabian merchants more or less controlled the business around the 11<sup>th</sup> century and evidence from that time tells us about good relations between Moslems and Hindus. Religious antagonisms has never really got rooted in Kerala and nowadays the religious compound is a blend of approximately 50% Hindus, 25% Moslems and 25% Christians (Wingborg 1999:75, 114).

First European to arrive in Kerala was Vasco da Gama in 1498 and a few years later the Portuguese were the first to colonise Kerala by military force. The, not so trustworthy, excuse for this coercion was to spread Christianity. In fact there were already several churches founded earlier by the Vatican and their missionaries. Even before that, the Apostle St. Thomas is said to have arrived in the year of 52 and eight years later founded the very first Christian church. A more probable reason for the Portuguese colonisation would be to make

profits from spice trade and other lucrative businesses. Controlling the spice trade – not land or religion - was openly the main motive for the Dutch when they turned up in 1604. Later in the 17<sup>th</sup> century the French entered and it was eventually the British who managed to govern the longest, until the middle of the 20<sup>th</sup> century. The first revolt in Kerala against British colonial rule took place in Pazhassi 1797, 60 years before the Seapoy rebellion in Northern India, more uprising followed but it wasn't until 1947 India became independent (Wingborg 1999:75ff).

Professor K. P. Kannan, director of the Centre for Development Studies in Thiruvananthapuram explains to us in the book *Kerala – the Development Experience* (2000) that in 1956 the Indian states were reorganised along linguistic lines and Kerala as a Malayalam state then took its present-day shape. This was done by uniting the princely states of Travancore in the south, Cochin in the centre and in the north the province of Malabar, formerly a district in the Madras presidency of British India (Kannan 2000:58).

Returning to Wingborg again, the communist labour movement in Kerala claims a lot of credit for their part of the resistance struggle and the fighting for land reforms. Throughout World War II though, the central Communist Party took a position not without controversy. The communists chose, directed from Moscow, to lay down their arms in India thus supporting, or at least not counteracting, the English war against Nazi Germany. For this stance they were 'rewarded' by the British, in 1942 the Communist Party was declared legal. Far from all Indians agreed on this strategy, many thought of it as treachery, and in most of the Indian states the communists now have very little influence and power, Kerala and West Bengal being exceptions. The communists won Kerala's initial election in 1957, first time ever a Communist Party gained power by democratic and peaceful means.

During the nineteen sixties poor farmers raised increasingly loud demands for a land reform. Violent clashes between farmers and peasants against government and landowners led to enormous blood shed in many villages all over India. In Kerala the fighting was less violent and the communists, who favoured reform before revolution, kept their impact on the social movements working for a land reform. The federal state of Kerala then decided upon a land reform in 1969 but in connection with a restructuring of the state government the communists lost their position. To make sure the reform was carried through and not smuggled out of the way they called peasants and farm labourers to demonstrations and mass meetings. Confrontation with the police, some anticipated the reform and occupied land, led to many deaths and ruined homes. Eventually the reform came true and the land-less third of the rural population was guaranteed land. Farm labourers were given the option to buy the small plots

they rented paying a third of the current market price. 'Unused land' was transferred from landlords to poor peasants and every house was granted an area of minimum 400 square meters (Wingborg 1999:83ff).

### **Local Self Government**

Professor of anthropology Richard W. Franke together with sociology professor Barbara H. Chasin have studied a more recent reform, the decentralised planning system or Participatory Planning, which started in 1996. The People's Campaign for Decentralised Planning was formally inaugurated 17<sup>th</sup> of August and was carried out in six phases. Campaigning was based on five basic ideas. First of all, locals often understand their communities needs better than outside bureaucrats or experts. Using a mass campaign mode would probably engage more people to participate than the case of a more bureaucratically structured reform. It would also make it easier to ensure transparency and accountability; hopefully it could prevent corruption and reduce cynicism among people towards government. Furthermore there were hopes of creating a greater sense of community and optimism, "don't leave development to politicians only". Local planning and participation moreover puts forward the best way to take the environmental aspects of development into consideration, to create a sustainability of the resource base (Franke&Chasin 2000:33).

Kerala's Official Web Portal informs us of the implementation of the planning program. It was put into practise in six phases all having clearly defined objectives. Kerala is divided into 14 District *Panchayats*, 152 Block *Panchayats* and 991 *Grama Panchayats*, the most local unit. The first step in the campaigning process was to hold mass meetings, *Grama Sabhas*, where approximately 2,5 million people participated. 100 000 resource persons were then trained to lead smaller groups of 25-50 participants to discuss various matters. The outcomes of these meetings were mainly two – a list of the felt needs, priorities and development perceptions of the local people and a general awareness regarding the decentralisation programme (The Official Web Site of Government of Kerala).

The second stage of the planning process included making an objective assessment of the natural and human resources of the locality. Secondary data was collected, ongoing schemes were reviewed and local history was surveyed. Eco-zones were identified from landform, soil, water and vegetation characteristics, many *panchayats* (local governments) also tried to make an environmental appraisal of each eco-zone. Finally the reports were consolidated for each development sector in the *panchayat* (ibid.).

Phase three saw the constitution of, on average, 10 task forces in each local body to cover different development sectors. The task of project preparation now demanded participation of more officials and technically qualified people. To ensure uniformity the project reports should consist of a specified set of components. It must explain necessity and relevance of the project and define objectives in well defined, if possible quantitative, terms. Criteria for selecting beneficiaries or benefiting areas should be included together with technical analysis and a time frame of all project activities plus cost-benefit as well as investment analysis. Finally the report should contain an organisational scheme and proposals for monitoring mechanisms. A major flaw at this stage was that not enough experts and officials participated in these local task forces. When the prepared projects also revealed several weaknesses, particularly with respect to technical details and financial analysis, a number of rectification measures like project clinics, re-orientation conferences etc. were also organised (The Official Web Site of Government of Kerala).

In stage four the plan funds were devolved between urban and rural local bodies on the basis of population and certain other criteria, rural distribution giving the *grama panchayats* 70%. Allotment based on principle of population drew some criticism since some units were lagging in development or covered larger geographical areas but was chosen assuming that this way accusation of political manipulations could be avoided. Broad guidelines were drawn up saying that for rural local bodies 40-50% of the plan allocation was to be invested in productive sectors, 30-40% in the social sectors and 10-30% may be spent on infrastructure and energy (ibid.)

Annual plans of higher tiers had to await the reports from lower levels to make sure that planning was integrated and that no plans were duplicated. A matrix was made of all projects and priorities from the *grama panchayats* showing at a glance the problems and solutions identified by the lower level. Block *panchayats* could then take up projects to fill the gaps or complement activities of the *grama panchayats*. The same goes for district *panchayats* who also had to integrate these projects with centrally sponsored programmes being implemented through community development (The Official Web Site of Government of Kerala).

A sixth phase was added when it became clear that many of the project plans made by local units lacked technical soundness and viability to be implemented. More than 100,000 projects must be evaluated each year within a time span of 3-4 months, evidently the official machinery would not be able to do this. Instead retired technical experts and professionals were encouraged to enrol into technical support committees. Their task was to appraise plans and projects and to give advice and technical assistance to the local bodies, they had no right

whatsoever to change the priorities made. Moreover they helped out in the process of implementing the projects. The participants in the planning process have received education and training, to their aid handbooks and videos have been produced. Information was spread through lectures and group discussions together with case studies and experience sharing by the participants (The Official Web Site of Government of Kerala).

Professors Franke and Chasin reports that despite numerous difficulties, delays and disappointments the campaign's achievements were substantial. First of all, 14.147 initial *grama sabhas* took place without any violence occurring. However delayed in some places, plans *did* emerge from the local level and the planning process made evident progress, people were learning by doing. Public monitoring and government accountability increased and mechanisms were enforced to reduce corruption. More funds than before were made available to scheduled castes and tribal communities. Both bureaucrats and citizens see the value of working together developing their community (Franke&Chasin 2000:37).

In my mind this reform at its best could mean the empowerment of people at grassroots level to make decisions about their own lives. Local people would be able to make their own definition of development. What does development mean to us? Which projects stand for progress in our view, letting us keep our identity and culture? True decentralisation and bottom to top planning by engaged and involved citizens may also promote a sustainable resource use and contribute to the ecological democracy that Vandana Shiva talks about.

### **Low income but high quality-of-life indicators – the Kerala model**

Among development scholars Kerala has long been at the centre of attention for its achievements in social welfare systems, this without the economic status found in other countries with a corresponding level of development. Professor Govindan Parayil, teacher of environmental studies at the Hong Kong University of Science and Technology, decided to assemble articles from some of the scholars writing about Kerala and its development. The results were presented in the book *Kerala – The Development Experience. Reflections on Sustainability and Replicability* (2000).

One of the contributors is professor V. K. Ramachandran of the Indira Gandhi Institute of Development Research in Mumbai. Despite a sluggish economic growth Kerala has achieved impressive results in areas like literacy, schooling, life expectancy and mortality rates. Health and demographic conditions does not show the characteristics of a so-called less developed society at all. Kerala shows more resemblance to developed countries than to the Indian Union as a whole. A man in Kerala can expect to outlive his Indian neighbour by ten

years; a woman can expect to live fifteen years longer than the average Indian woman. The men to women ratio in the population, women outnumber men in Kerala, bear no sign of any systematic neglect of girl children and women. Birth rates are lower associated with a relatively high rate of birth control in Kerala, women get married when they are on average three years older than Indian women and they are older when they have their first child. Improved child health care, parental education and a general acceptance of small families also contributes to the declining birth and fertility rates (Ramachandran 2000:88ff).

Death rates and infant mortality rates has dropped at a steady pace, more rapidly than in India and many other parts of the world. The infant mortality rate in 1994 was 14 per 1000 in urban areas and 16 per 1000 in rural areas, lower than the UNDP (United Nations Development Program) average of 29 per 1000 in 1996 for what they call “developing countries with high human development” - of which one example is Thailand with a per capita income in US\$ around six times higher than Kerala - and much lower than India’s 74 per 1000. Improvements in both pre- and post-natal health care combined with higher levels of institutional child birth offers some explanation to this – births attended by trained health personnel were 94% (Thailand’s rate was 71%) - together with the fact that more children were vaccinated in Kerala than in all India. Studies also show that income did not in a major way determine the immunisation of children. What’s more, boys and girls are treated equally in respect of health care; there are no signs of discrimination against girls. Regarding the mortality rate of children under five the difference between Kerala and India is apart from health care also influenced by better child nutrition in Kerala. The public food-distribution system in Kerala, the best of all Indian states, provides its citizens with certain essential commodities. Households are entitled to buy subsidised rice, wheat, sugar, cooking oil and kerosene. In 1991 the average Keralite family bought for instance 69,6 kg rice from ration shops (Kannan 2000:43, 49, Ramachandran 2000:90f, 93).

Looking at the proportions of literate persons in the population, you could say that Kerala and India compete in different leagues. Data on age-specific literacy (1986-87) show very high rates, over 97%, in the younger age groups between 6 and 24, male and female, urban and rural. Literacy rates in the population over 7 years (1997) reveal that rural female literacy in Kerala (90%) is higher than urban male literacy in India (88%). Median number of years of schooling is higher in Kerala than in India (1992-93), especially for women. Dropout rates from school are considerably lower in Kerala, in class 1-10 it was one third of the boys and one fourth of the girls in 1992-93, in India two thirds of the boys and three fourths of the girls dropped out without finishing their schooling. The rate of child labour is low, working

children as a proportion of all children (1991) were 0,43% in Kerala compared to 4,33% in all India (Kannan 2000:54, Ramachandran 2000:94ff).

Important social, economic and political changes, both with roots in Kerala's history and more recent development post-1957, can help us explain why Kerala is so special. Agrarian relations were transformed, mass literacy and education were given priority for both men and women, social movements against caste oppression were successful and government performed the right public policy interventions (Ramachandran 2000:97).

The land reform involved three major components. Firstly, tenancy legislation was modified to provide better security to tenants and give land to the tiller. Evictions were prohibited and land restored to tenants who lost their holdings after the formation of the state of Kerala. Also, the debts of rent were cancelled and the rights of landlords and intermediaries over tenanted land were taken over by the government. Secondly, rural poor occupying homestead land were given ownership rights to their land, government subsidised half the purchase price and the rest was due in instalments. The third component of the land reform concerned land ceiling, limits on land ownership was imposed on household land-holdings varying with the size of the household. Contrary to tenancy regulation and homestead ownership this part of the land reform wasn't very successful. Land reform didn't end capitalist landlordism, it wasn't followed by substantial increase in crop productivity or rural employment but the reform reduced the concentration of land ownership, gave better protection to tenants and provided house sites to tens of thousands of families. Rural daily wages were overall raised and social security schemes for agricultural labourers were introduced (Ramachandran 2000:99f).

Among the growing social reform movements of the late nineteenth century and early twentieth century many were struggling against the caste-system, especially the worst practices of untouchability. Outcasts didn't have access to public places, temples, bathing tanks, public roads or educational institutions, employment was restricted and they were cut out from civil rights granted to people of upper-castes. The Ezhava social reform movement was one of the most important caste-based movements in India. This widespread mass movement for democracy and human rights organised and inspired scores of peasants and land-less in Kerala. Social and economic divisions within the Ezhavas in the 1930s and 1940s led to a division into a conservative and a more radical form of movement. Large numbers of Ezhava peasants and agricultural labourers as well as coir workers joined the Communist Party or Communist led mass organisations (ibid. 2000:100ff).

The importance of education was emphasised early in Kerala mainly due to three historical processes. Links between mass education and mass schooling were recognised early, social movements valued education and worked against class, caste and gender discrimination and efforts to build schools were supported by the state. Christian missionaries focused on the schooling for children of the poor and the oppressed castes and encouraged the education of girls. This influenced rulers of the Travancore state early in the nineteenth century; in 1817 a Royal Rescript was issued saying that:

The state should defray the entire cost of the education of its people in order that there might be no backwardness in the spread of enlightenment among them, that by diffusion of education they might become better subjects and public servants and that the reputation of the state might be enhanced thereby (Ramachandran 2000:102f).

This declaration was announced by Rani Laxmi Parvathi Bai; the 15-year-old female ruler at that time. Although the official policy in Travancore and Cochin, to a far lesser extent in Malabar, was to support the idea of mass education it wasn't until the creation of Kerala in 1956 that total literacy was beginning to be realised. Land reform and the struggling of social movements helped the empowering of the rural poor and facilitated their access to schooling and education, now including the former province of Malabar (Ramachandran 2000:102ff).

Communists and the Communist Party have played a major role in Kerala's development since the 1930s as they assimilated the progressive features of various socio-political movements – freedom movements, radical and anti-caste social movements, movements against landlordism, movements of peasants, workers and radical intellectuals – and gave them a new political direction. The left also to a great extent organised the women in Kerala and they formed a leading part in the campaigning for libraries in every village. Communist teachers and writers were also active in the popular science movement in the 1970s and 1980s led by the *Kerala Shastra Sahitya Parishad* or Kerala People's Science Movement (Ramachandran 2000:106). This movement worked for popularising knowledge about nature, the world and immediate society among children and rural people through classes, meetings and popular books (Kannan 2000:61). They were later, in 1996, honoured with the Right Livelihood Award, often known as the 'alternative Nobel Prize'. A press release presented on the OneWorld News Service web site cites the motivation as "for its major contribution to a model of development which, unlike the dominant contemporary process of free market globalisation, is rooted in social justice and popular participation, and has made dramatic achievements in health and education". Strengthening the system of public distribution of food and other essentials can be recognised as a communist project as well as the more recent decentralised planning system (Ramachandran 2000:107).

Women in Kerala has made substantial gains and are more equal to men in the fields of health and education achievements than in any other part of India. Both society and state support female literacy, there has never been any organised opposition to girls and women's schooling and education. The same thing can be said about health care; men and women, boys and girls have equal access to health care facilities. Further, female literacy and education are considered crucial determinants of child survival, general health and hygiene, which in turn improves other demographic indicators like life expectancy at birth, infant mortality rate and general morbidity. Literate mothers are also more likely to have literate children. Moreover, women have been important participants in the trade-union movement as well as the land reform movement and agricultural labour movements (Ramachandran 2000:108).

The areas of state government intervention that have been most significant to the people of Kerala are land reform, health and education and the public distribution system. Social security systems have been extended to protect people outside the 'organised' sector and government policies have also aimed at reducing the disparities in development between the north and the south. These measures all have come as a response to political actions by parties and mass organisations of the people (ibid. 2000:108f).

So there are no problems then? Yes, according to Olle Törnqvist who is a professor of Politics and Development at the University of Oslo, there are. Kerala is not without its difficulties; one of the biggest is the high unemployment rate. On this topic Kerala is actually far worse off than India as a whole with about 20% of the educated labour force unemployed. At the same time there is a flow of manual workers coming from neighbouring states taking jobs that young educated Keralites reject. This puts a heavy burden on the well fare system, taxation incomes are not very high and the fact that state authorities are subordinate to New Delhi in tax questions doesn't make the subject any easier (Törnqvist 2000:119).

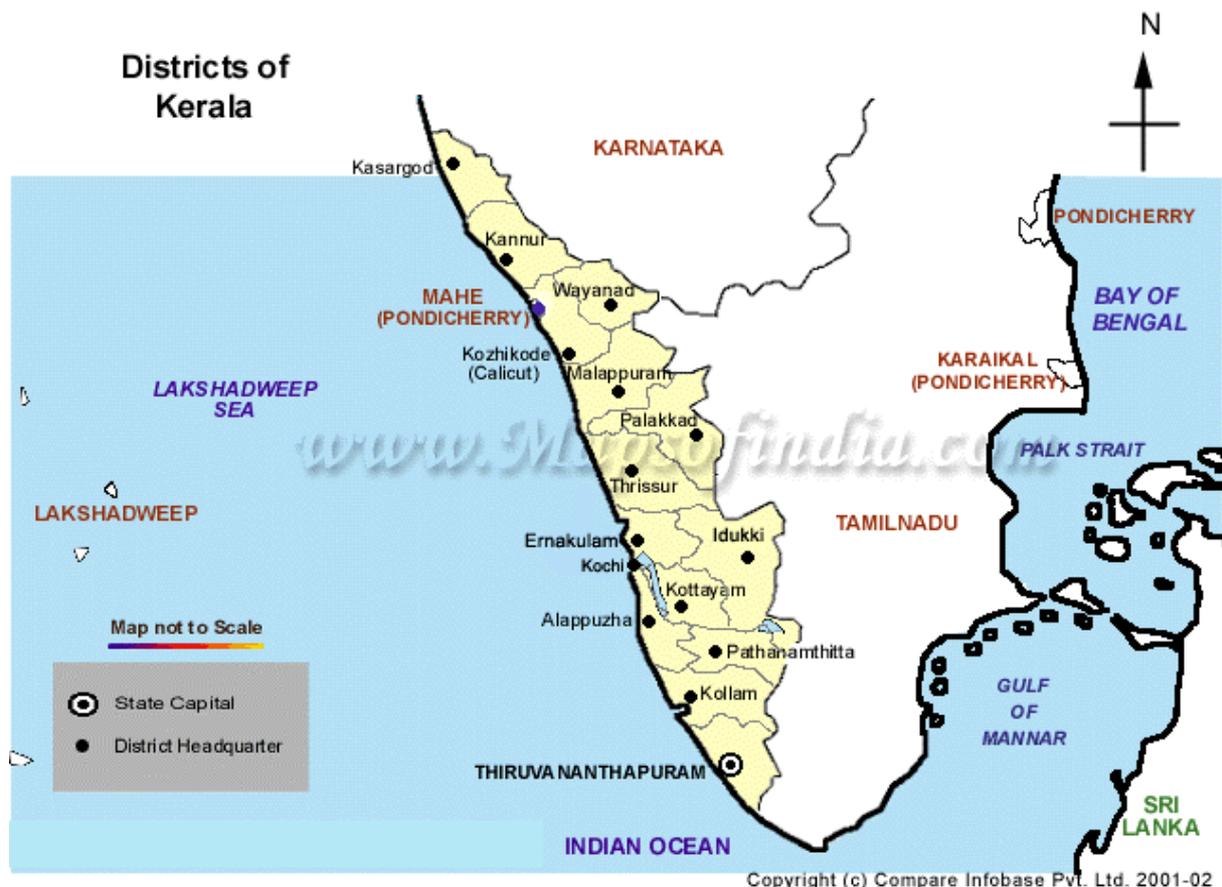
Moreover, inequalities and poverty persist for some groups of people in Kerala. The previously mentioned migrant workers, mainly from Tamil Nadu, are one of three social categories that lag substantially behind the Kerala average in terms of education and other development achievements. Others less well off are the traditional fishing communities by the coast and the scheduled tribes of the highlands (Ramachandran 2000:113).

Arriving in Kerala and Thiruvananthapuram from a prosperous European country does not bring about the terrible culture shock one could expect. It's different of course and not by any means rich but poverty doesn't hit you like a blow to your mind. Kerala is my only personal experience of India but I have read about and heard of many travellers' stories on their feelings when they first set foot in Delhi or Mumbai. The total shock of being swarmed

by beggars dressed in rags just doesn't happen in Thiruvananthapuram. There are beggars, yes, and I've seen homeless people sleeping in the street but they are few.

## Palakkad district

Coming to Palakkad I was forced to modify my image of Kerala as a region rich in water. Unfortunately this is not an area we visited in 1999 so I can't make my own comparison but what I saw now was dry fields and all water vanished from rivers and canals. Also, I realised that Kerala as a welfare state is obviously not homogenous. In addition to statistics and facts showing this is a relatively poor district it seemed like other Keralites look upon Palakkad as an unfortunate and undeveloped region. On my way back to Kochi I met a young man who, when he heard I had been to Palakkad, made a remark – “Oh, how was that, isn't there a lot of poor people up there?” – in a “them and us” sort of way. No statistical significance whatsoever, just one voice in the crowd, but my mind went to the Government's Web Site and the way they brag of Kerala's welfare achievements. Does the government treat these inequalities in the same casual manner?



District map of Kerala (Maps of India Web Site).

Kerala's Department for Information & Public Relations has published a handbook for each of the state's district. In the Palakkad handbook we learn that the district is often called 'the granary of Kerala' because of its fertile land and agricultural profile. Located in the centre of Kerala bordering neighbour state Tamil Nadu it holds the eastern natural opening in the mountain range, the Palakkad Gap through which the road and rail links between Kerala and Tamil Nadu passes. Historically Palakkad became a part of the Malabar district under the Madras Presidency when the East India Company defeated the former ruler Tippu Sulthan in 1792 (Santhosh Kumar 2003:5ff).

The district has two types of climate, in the western parts the conditions are like the rest of Kerala but the East is dry and more similar to the climate in Tamil Nadu. Most rainfall, about 75 %, is received during the South West Monsoon which comes from beginning of June until September. In the months of December to March the region is almost completely dry. Temperature ranges from 20°C to the maximum of 43°C recorded at Palakkad. Originating in the Western Ghats the river Bharathapuzha and her tributaries flow through the entire district. Bharathapuzha is 374,4 km long and has a catchment area of 6186 square km. Dams have been built over most of its tributaries to provide irrigation facilities to the farmlands of the district (Santhosh Kumar 2003:8f).

The population of Palakkad is 2,6 million and the population density is 584 per square km, lower than all Kerala with 819, and the literacy rate is approximately 84% (2001), slightly lower than the all Kerala rate of almost 91%. Most people are Hindus, 76%, and the second largest community are the Muslims. Agriculture is the primary way of providing, 64% of the geographical area is cultivated. Most of this land is utilised for growing food crops, around 80%, out of which 60% is paddy land. Cash crops grown are coconut, groundnut, cotton, sugarcane, pepper, banana and cashew nut (ibid. 2003:8, 18).

Failed monsoons for the past three or four years however, have caused acute water shortage in all the South Indian states and threatens the livelihood of its inhabitants. In the Indian magazine *Frontline* of March 26<sup>th</sup> 2004 reporters use words like calamity, woes, plight and despair in their articles on the drought situation. In Kerala the district that suffers the most is Palakkad, facing one of its worst droughts in its history. Kerala's largest irrigation dam, the Malampuzha reservoir, has not been able to provide water to the second crop in Palakkad, Chittur and Alathur *taluks* (administrative divisions) of the district. This has never happened before since the barrage was built in 1955. Even in a normal year the Palakkad district is a region with poor rainfall due to its location in the Palakkad Gap, but in the last ten years the area has experienced an alarming decrease in rainfall. The water flow to the Malampuzha

River's catchment area is estimated to have gone down by approximately 60% over the last decade (Krishnakumar 2004:41).

Private farms in the catchment area and industries downstream use water in substantial quantities. One of the main sources of water for the Malampuzha is said to be diverted by Tamil Nadu for storage at a check dam. There is an agreement between Kerala and Tamil Nadu to share the waters from the west flowing rivers of the Bharathapuzha, Chalakkudy and Periyar basins through a system of dams interconnected by tunnels and canals. Some of them are in Kerala but under the control of Tamil Nadu. Farmers now complain about the fact that Tamil Nadu has not released the agreed upon amount of water this season, and that the Kerala government has done nothing to help them. Although six other districts in Kerala are facing severe drought this year, the water scarcity in Palakkad causes the most worries. The economy is sustained mainly by agriculture and by the Bharathapuzha River with its tributaries; almost 90% of the population is rural. People here now maintain that the greenery and the natural beauty that used to attract film makers to the area is now found on the other side of the Western Ghats, in the once arid parts of Tamil Nadu (Krishnakumar 2004c:41f).



Picture of the Bharathapuzha seen from Shoranur (Photo by author).

Nevertheless, the demise of the Bharathapuzha is not only to be blamed on the low rainfall in recent years. Extensive deforestation in the catchment area along with sand mining and changes in land use patterns on the banks have contributed to a very large extent. Other abuses like damming along its course, agricultural and industrial pollution, clay mining and salt-water intrusion are also parts of the degradation of the river (Krishnakumar 2004c:44).

### 3. PLACHIMADA AND ‘COCACOLANISATION’

What’s happening in Plachimada? First of all the people protesting against the water-guzzling Coca-Cola plant see themselves as victims of a new kind of colonisation. They are not colonised by foreign national states this time, the threat comes from huge transnational corporations. Instead of the British ruled by Queen Victoria as in the past it’s now global giants like Coca-Cola ruled by Mammon that tries to conquer India. The people of Plachimada demand what they consider to be rightfully theirs. Like the text on the signs and posters say: “Fresh Air. Fresh Water. Our Birthright.”



Anti Coca-Cola *dharna* held opposite the factory with a clear view of the gates (Photo by author)

#### **Plachimada and Coca-Cola**

Jananeethi, a Human Rights NGO based in Thrissur, sent a team to visit the Coca-Cola factory in Plachimada a first time in July 2002, then a second time in February 2003. The report includes an account of the location and background. Plachimada of the Perumatty *panchayat* is a small hamlet situated 5 km from the Tamil Nadu border and 30 km east of Palakkad town in eastern Palakkad district. The river Chitoorpuzha runs about 2 km from here and the irrigation canal Molanthodu from the Meenkara dam 3 km to the south also

surrounds Plachimada. According to Government of India records and satellite photos this area is marked as arable land. Most of the villagers are land-less *Adivasis* (indigenous people), classified as scheduled tribes, or *Dalits* (outcasts), scheduled castes. Some 1000 families of the Malasar community and 17 to 19 Eravalar families are facing acute water shortage. Generally they are not farmers but agricultural wage labourers, 80% of them earn their living as farm labourers and 20% subsist on other labour activities. They get around 100-120 workdays per year; educational and health status of these people are well below the Kerala average (Jananeethi Report 2003:3).

India Resource Center, formerly CorpWatch India, gives us the history of Coca-Cola in India. Coca-Cola Company abandoned its business in India in the late 1970s when the Foreign Exchange Regulations Act of 1973 made it mandatory for non-Indian corporations to limit their share holdings to 40%, i.e. they had to establish a partnership with a domestic company. During the 1990s the Indian Government liberalised and deregulated the financial laws and business rules hoping to attract foreign investments. In 1997 the Cabinet Committee of Foreign Investments granted an approval to Coca-Cola to set up two wholly owned subsidiaries as holding companies that could set up downstream ventures such as bottling operations. Attached to the approval some important conditions were imposed on the company. The downstream ventures could operate initially as 100% subsidiaries but the ventures would have to off load 49% of their equity capital to Indian shareholders within a period of three to five years.

So, Coca-Cola sets up two holding companies, Hindustan Coca-Cola Holdings Private Limited and Bharat Coca-Cola Holdings Private Limited; each holding company then sets up two downstream subsidiaries for bottling operation. Thereafter, in February 2000, the government granted permission for the two holding companies to be merged into one corporate entity called Hindustan Coca-Cola Holdings Pvt Ltd. And the four downstream subsidiaries were united into a single company called Hindustan Coca-Cola Beverages Pvt Ltd. Despite various legal efforts India has not yet (June 2003) succeeded in making Hindustan Cola abide to the conditions stated in the contract of 1997 when it comes to diluting its share holdings (India Resource Center Web Site).

Indian environmental magazine *Down to Earth* reports the start of the affair in Kerala to be late 1999. On October 8<sup>th</sup> 1999 Hindustan Coca-Cola Beverages Pvt. Ltd. Applied to Perumatty *panchayat* for permission to set up a bottling plant in Plachimada. Early the following year, on January 27<sup>th</sup>, the *panchayat* granted a license to Coca-Cola for setting up and running the factory (Vijayalakshmi 2003:Down to Earth).

Jananeethi gives us a description of the bottling unit in their report. The Coca-Cola plant was built on a 15-hectare plot of what used to be multi cropped paddy land. It has a working capacity of 1.500.000 litres water-based product; around 85 truckloads of soft drinks and mineral water leave the compound every day carrying approximately 600 cases each containing 24 bottles sized 300 ml. Something like 60 bore wells and two open ponds are used to extract water for the soft drinks and mineral water production. The factory employs 70 permanent workers and approximately 150-250 casual labourers (Jananeethi Report 2003:4).



The Coca-Cola factory in Plachimada, left in the picture is the pro-Cola workers shed. (Photo by author)

It is run on power from generators and not from the common electricity network. A circumstance that a 'corpwatcher-NGO' called *Transnational Corporations Observatory* claims as being a consequence of the fact that the bottling unit is in fact illegal. According to the *Land Utilisation Act* permission must be granted before any conversion of agricultural land to non-agricultural use is made. Coca-Cola has not shown any signs of having obtained such a permit (Transnational Corporations Observatory Web Site).

One of the front-page stories of *Down to Earth* in August 2002 was titled "Now, Cola-water war" and reported on the Plachimada vs. Coca-Cola conflict. As stated by the magazine no environmental impact assessment was made before establishing the unit. It's simply not

mandatory to do that so why should the company bother. There are hardly any laws governing groundwater extraction in India, and no mechanisms to regulate the amount of water being used. The Central Ground Water Board and the Central Ground Water Authority handle all issues related to groundwater, both fall under the Union Ministry of Water Resources, but they are by and large advisory only. The Central Ground Water Authority has the right to ban groundwater withdrawal in areas where the water table is very low but they have done so in no more than 11 spots in the whole of India.

Producers of beverages like Coca-Cola just have to specify how much water they will be using at the production site so they can be charged for that amount. They then pay what is called a water cess at prescribed rates, a rate that differs from state to state and on the purpose of use. Science and environmental magazine *Down to Earth* have compared the rates paid in Kerala to those in Delhi and found that the capital's residents pay more than 10 times more for their water. The conclusion they draw from that is that Kerala must be a favourable location for a soft drink company to establish. There is also absolutely no economic incentive for use water sparingly when it comes so cheap (Down to Earth 15 August 2002).

What really puzzled me when I started to look into this story was why Coke chose such a dry region, a well known rain shadow area, as the location of a soft-drink factory. It could hardly come as a surprise that the unit needed large amounts of water. The explanation given to me by the *Kerala Shastra Sahitya Parishad* (KSSP or Kerala People's Science Movement) was that Coca-Cola wanted to use water from the irrigation dams nearby. Fortunately, as the KSSP version labels it, the authorities did not give in on the matter and granted a permit for the usage of this water intended for agricultural purposes. KSSP also believe that the location was picked for infrastructure reasons, through the Palakkad Gap it's easy to reach markets in the rest of India. In the Coca-Cola version, the company on their web site regret the same fact that they were not given permission to build a pipeline and use the dam water. KSSP also told me that Coke transports water in tanker lorries from six different locations along the Periyar River to their unit in Plachimada. The reason for this they understood to be that the groundwater just isn't enough for the company's needs if producing at full capacity. Bearing that, and the recent drought, in mind it certainly was fortunate Coca-Cola were not allowed to drain the irrigation dams as well as the Plachimada wells.

### **A vocabulary of protest**

Apart from different reason for being green Ramachandra Guha also talks of varieties in ways of protesting. People in the Southern communities suffering from environmental degradation

often join forces with social activists having experience and education to negotiate the politics of protest. Various means of direct grassroots actions in themselves hold an ideological stance even if it's not a written policy; people are defending their own best interests but they also express a criticism of the present state of social arrangements. It's a question of right or wrong. Doing something is in itself a manifesto; the actions taken are statements of purpose and belief. The techniques stem from the Indian struggle against British colonisation where Mahatma Gandhi developed resistance-fighting methods merging Western theories of civil disobedience with traditional Indian peasant protest (Guha & Martinez-Alier 1997:13, 15).

In India there are basically four strategies of direct action and protest. Mobilising as many people as possible in demonstrations in towns and cities, *pradarshan*, is a way of showing the movements collective strength. The protesters are marching through the town calling out slogans and singing songs, all ending with a public meeting marking the procession's culmination. This is to announce their presence in the city where the local, provincial or national power resides, to tell the rulers: "We want justice" (ibid. 1997:13f).

Another kind of direct protest action, a more militant one, is the *hartal* or shut down strike. The aim here is to disturb economic activities throughout the area, to put pressure on the state or other parts of the public by saying "It's going to be costly if we don't get what we want". Shops can be forced to close and buses made to pull off the road, sometimes roads or highways are totally blocked by squatting protesters. Contrary to the *hartal*, where the target concerns a wide area, the intention of a *dharna* or sit-down strike is to focus on a specific subject. This tactic is used to stop work on a production site like a mine, dam or a factory. It could also be an action against a high public official, a group of people surrounds this person who will not be allowed to move until he/she has listened to their complaints or grievances and promised to do something about it (Guha & Martinez-Alier 1997:14).

A fourth strategy aims at putting moral pressure at the state as a whole. A *bhook hartal* or indefinite hunger strike is an action undertaken by a well-known and well-liked leader of a popular movement. The fast is normally carried out in a public place where media and the public can follow the course of events day by day. As the leader's health declines, perhaps to a life-threatening level, the state in most cases give in and offers some kind of submissive gesture even if it's often just a promise to set up a new committee to review the case in question. Related to this technique, another more collective way of 'shaming the state' is the *jail bhara andolan*, which translated means 'movement to fill the jails'. Protesters peacefully and deliberately break a law hoping that the government will be embarrassed about putting large numbers of its ordinary citizens in prison (ibid. 1997:14).

## **People's struggle for clean water**

CorpWatch India reports that just about six months after the Coca-Cola factory in Plachimada was set up in early 2000, villagers and farmers living nearby the bottling unit started to notice changes in both the quantity and the quality of the well water. The water turned brackish and milky white and no longer fit for drinking, cooking and bathing. Those who are able to walk the distance to a neighbouring well to collect potable water do so; those who are not continue to use the contaminated water. Nearly 100 people complained of stomachaches that they relate to the water. Farmers reported of decreasing yields and wells drying up after significantly less time than before. Coca-Cola has tried to placate the angry villagers by providing a truckload of water every day but the gesture is in vain. People want the long-term water supply and the groundwater restored.

CorpWatch India also sent samples of water from Plachimada wells to a Government-approved laboratory in Chennai for testing. The test results classified the water as very hard, using it could cause severe nuisance and the taste would be unpleasant because of high levels of calcium and magnesium. Excessive calcium and magnesium in ground water usually is the result of the dissolution of limestone from the groundwater deposit. Rapid extraction of the aquifer would increase the rate at which the water is flowing through the limestone or clay. This faster flowing water break apart some of it, resulting in addition of limestone or clay particles to the water supply (Jayaraman 2002:CorpWatch India Web Site).

Several other organisations have by now engaged themselves in reporting from Plachimada, besides CorpWatch India, now India Resource Center, e.g. Transnational corporations Observatory, People's Union for Civil Liberties (PUCL) and All India People's Resistance Forum (AIPRF). AIPRF states that not only are Coca-Cola over-exploiting the groundwater, they are also contaminating it. Bottle washing involves the use of chemicals and the wastewater is released without treatment. An odious smelling dry slurry waste was in the beginning sold to adjacent farmers claiming it was a fertiliser and soil conditioner. After protests and objections the sludge was later dumped by the roadside at night or taken to areas further away (All India People's Resistance Forum).

The struggle against the soft-drink giant and its excessive use of ground water really got a start in spring 2002. In January the *Adivasi Samkrashana Sangham* (Adivasi Protection Front) led a symbolic protest-march against the plant (Transnational Corporations Observatory Web Site). Two months later, on 22 April, a campaign was launched that has continued ever since that day. It was inaugurated by Ms. C. K. Janu – *'the Black Pearl of*

*Kerala* – the leader who has long been struggling for *Adivasi* land rights (All India People's Resistance Forum). More than 2000 angry demonstrators, the majority of them *Adivasis* and *Dalits*, gathered at the factory gate forming a blockade and at least 50 villagers have maintained a picket outside the plant every day. Police arrested several protesters on the first day and also posted a contingent outside the factory to keep irate villagers from damaging the unit (Jayaraman 2002:CorpWatch India Web Site). For a list of involved organisations see Appendix 1.

*The Paper – Independent News and Opinion* writes about intense campaigning during the following weeks. Street corner meetings, postering, issuing notices and fund raising were undertaken, public support rapidly increased. On the second day campaign leaders were arrested accused of using a campaigning vehicle without the necessary permits. Others were arrested and forcibly removed from the blockade huts without any reason at all. 100 people later carried out a torch-lit procession through the village as a protest against the police actions (The Paper Web Site). Coca-Cola claims there are no real water issue in Plachimada and no change in the water situation. According to them the question instead is highly politicised. On the other hand, the villagers accuse the political parties of colluding with Coca-Cola. None of the active politicians in the village have taken a stand at supporting the people's struggle (Jayaraman 2002:CorpWatch India Web Site).

On June 7<sup>th</sup> 500 people carried out another protest march, police and company security personnel surrounded the Coca-Cola plant. About 50 sacks of cow dung were thrown at the factory walls, later it was swept away in a symbolic cleansing ceremony. June 8<sup>th</sup>, representatives from all the major political parties made a statement that the Coca-Cola factory generates employment and hence it should be protected, not opposed. The politicians also denied any allegations that water was contaminated by the company's operations (The Paper Web Site). As stated by People's Union for Civil Liberties this meeting opposing the Anti-Coca-Cola-Struggle was arranged by workers and day labourers of the *Thozil Samrakshana Samithy*, Job Protection Committee (PUCL Web Site).

All India People's Resistance Forum continues to report. The agitation against Coca-Cola in Plachimada entered the 49<sup>th</sup> day on June 9<sup>th</sup>, *dharna* and picketing by people belonging to the Eravalar and Malasar communities had been going on without pausing. In the evening a protest rally took place but the police refused to permit the use of a microphone, instead they acted provocative making rude remarks about the protesters. Another meeting began nearby where activists from across Kerala and adjacent parts of Tamil Nadu had gathered outside the factory walls. As the meeting continued the police went from verbal to

physical abuse when a protester was beaten. During the following dispute the police decided to arrest the protesters. Around 130 people were arrested, some of them children and babies, including those who have joined in from elsewhere to proclaim their solidarity with the people of Plachimada like environmental activists and groups fighting industrial pollution in other parts of Kerala (All India People's Resistance Forum).

Later that summer, on August 4<sup>th</sup> 2002, the Anti Coca-Cola Struggle committee organised a mass rally and a public meeting marking the 105<sup>th</sup> day of the campaigning against what they called the Coca-Cola monster. Over a 1000 people participated, starting the protest march about 6 km away in the village of Pallimukku, walking and shouting slogans all the way until they reached Plachimada in the late afternoon where they held a mass meeting. All the time the *pradarshan* was closely watched by a massive police force. At the following meeting speeches were held that encouraged the workers, predominately temporary labourers, to join the struggle and fight Coca-Cola for the long-term benefit of themselves and society. The campaigning also involves a battle for using the factory premises for an ecologically safe production centre generating employment and giving jobs to more people than before. Speakers here called for the government to take its responsibility in this matter. Moreover they reminded the people that they are not alone, similar struggles against large transnational companies and their exploiting enterprises take place all over the country (ibid.).

By April 14<sup>th</sup> 2003 both American soft drink giants Coca-Cola and Pepsi Cola had almost disappeared from the shelves of grocery stores all over Kerala. This was not due to the water scarcity issue but the result of a successful boycott of goods associated with the perpetrators of the war on Iraq. The Anti-War Forum, consisting of more than 250 NGOs, in Kerala had set April 13<sup>th</sup> as the last date for retailers to dealing with Coke and Pepsi, giving them a chance to exhaust their stock before that day. Vice chancellor of Kerala University, also a medical scientist, Dr. B. Ekbal active as one of the leaders of the national anti-war movement stated that: "Our aim is to make Kerala a 'Pepsi-Coke-Free' zone from this week onwards". The Communist Party and several left wing youth federations, as well as activists of Manushi, a women's welfare co-operative, supported the campaign. A more unlikely bedmate for the communists in the anti-war movement was the conservative *Muslim Jamaath*, in districts dominated by the Muslim community such as Malappuram and Kozhikode, the boycott registered an early and complete success. In Plachimada the villagers were hoping the campaign could help them in their struggle for closing the Coca-Cola factory and give them their water back (Rajeev 2003a:IPS News Web Site).

In the middle of summer the next ‘Cola-scandal’ was revealed. Environment correspondent Paul Brown of British newspaper *The Guardian* accounts for the revelations on *BBC Radio 4’s Face the Facts* programme on July 25<sup>th</sup>. A chemical analysis of the sludge Coca-Cola presented as fertiliser, where a laboratory at Exeter University examined samples collected from India, showed that it contained high levels of the heavy metals lead and cadmium. Both these substances have been proved damaging to the health, particularly to children. The presence of lead and cadmium makes the sludge completely unsuitable for use as a fertiliser. A build-up of these toxic metals in agricultural soil could be transferred to plants and thereby into the food chain (Brown 2003:The Guardian Web Site).

Only a little more than a week later the news came out that the *Centre for Science and Environment* had found residues of pesticides in 12 brands of soft drinks manufactured by Coca-Cola and Pepsi Cola – ‘colanisations dirty dozen’ – D. Rajeev reports for the *Asian Times*. In Palakkad the Kerala Pollution Control Board has ordered an investigation into the presence of heavy metals lead and cadmium in the sludge from the bottling unit in Plachimada. They further instructed Coca-Cola to stop spreading the waste and to keep it in safe tanks so that the contents don’t seep into the ground contaminating soil and water. The company has decided to comply with the order and store the refuse in watertight compartments inside the premises (Rajeev 2003b:Asia Times On Line).



Tank for storing the solid waste inside the Coca-Cola premises (Photo by author).

In Palakkad City, 13 activists were arrested on August 30<sup>th</sup> when they were holding a demonstration outside the office of the Kerala Ground Water Board. The protesters accused the Board of inefficiency in dealing with the ground water problem in Plachimada. Several government departments have confirmed the existence of ground water related problems but so far done nothing about it (PUCL Web Site).

R. Krishnakumar reports from Plachimada in the Indian National fortnightly magazine *Frontline* – “Resistance in Kerala” (2004). Protests against Coca-Cola and Pepsi Cola had been going on in many other places in India, a large number of NGOs and other groups of people and individuals have engaged themselves in actions opposing these transnational giants. The Perumatty *panchayat* together with several voluntary organisations decided in late 2003 to hold a three-day water conference, discussing the world’s diminishing water resources, in Plachimada in January 2004. One of the organisers from the National Front for Tribal Self Rule said, “We decided to organise this unique conference at Plachimada because the village is the finest example of exploitation of Indian villages by multinational companies like Coca-Cola”. The conference dates were set so that delegates from the World Social Forum in Mumbai would be able to participate. Topics to be debated were privatisation of water, climatic changes and environment, corporate control of water and dam implementation in India. The *dharna* outside the factory gates had now been going on continuously for two years. At the water conference activists and environmentalists from all corners of the world now joined the villagers in their patient resistance. Among the leading speakers at the conference were Jose Bové, leader of the Confederation Paysanne, a farmers’ organisation in France, Maude Barlow, chairperson of the Canada-based Council of Canadian Public Advocacy Organisations and India’s well known environmental activist Vandana Shiva who also were one of the organisers of the conference. The president of the Perumatty *panchayat* said that it was the first time in India that a small village like Plachimada had attracted so much international attention because of severe water shortage (Krishnakumar 2004b).

*The Hindu* the day after the end of the summit published the outcome from the three days. At the end of the conference on January 23<sup>rd</sup> the contents and results of the event was summarised in what was called The Plachimada Declaration saying that:

Water is the basis of life; it is the gift of nature; it belongs to all living beings on earth. It is not a private property but a common resource for the sustenance of all. It is our fundamental obligation to prevent water scarcity and pollution and to preserve it for generations. Water is not a commodity. We should resist all criminal attempts to marketise, privatise and corporatise water. Only through these means we can ensure the fundamental and inalienable right to water for the people all over the world. The Water Policy should be formulated on the basis of this outlook. Any attempt to reduce or deny this right is a crime... (Online Edition of The Hindu).

The declaration was read out at the concluding sessions of the conference where also Coca-Cola and Pepsi Cola were called upon to quit India (Online Edition of The Hindu).

Meanwhile, the seesaw legal battle goes on, Perumatty Grama Panchayat fights the government institutions on the licence matter. License will not be granted by the panchayat unless the company agrees not to use any groundwater and show proof that the products and the solid wastes are not toxic. However, the Government did order Coke not to draw any groundwater until June 15<sup>th</sup> when the monsoon can be expected to bring rain to the area, so India Resource Center tells us. On March 12<sup>th</sup> Coca-Cola complied with the order and suspended its production in Plachimada. This has in no way stopped the agitation and the protests; the Plachimada People’s battle is not won yet. The dharna outside the factory goes on and is now countered by the factory workers setting up their makeshift shed on the opposite side with banners demanding the plant to reopen (Surendranath 2004:India Resource Center Web Site). For a summary of the events see Appendix 2.



Coca-Cola workers wanting the factory to reopen (Photo by author).

On my visit to Plachimada everything seemed to be quiet and, at least on the surface, almost peaceful. As an outsider however, it’s probable that I didn’t feel the tensions that

naturally existed. There are, or were, Plachimada villagers employed at the factory - a few my guide said, at *Sakhi* they mentioned the figure 15 - who needless to say see the situation from a different angle of approach. Demonstrations, mass meetings and other actions involving large numbers of people are not held every day; most of the time the *dharna* is the predominant way of protesting. The patience and the persistence these people show I find remarkable. When we protest against something in the North it's usually through a specific action, a demonstration maybe, afterwards everyone goes back to his or her normal life. Of course it's not the same people sitting outside the Coca-Cola factory 24 hours a day, 7 days a week but there is always somebody there, the chain is never broken. What we see here fits Guha's description of a Southern vocabulary of protest.

The struggle goes on, the villagers are not going to give up the resistance until the factory is permanently closed. A few days after I'd left Palakkad a tanker lorry with water heading for the factory was hi-jacked by protesters and the water distributed among people in Plachimada and neighbouring villages. One other truck was forced to spread the water on the fields nearby. Coke says the water was for the few remaining staff at the plant but the distrust of the company is deep. Neither the people I met in Plachimada nor at KSSP nor *Sakhi* trusts Coca-Cola to have shut down all operations completely. I must say though, I find it hard to believe that it's possible to hide an ongoing production. There were no smell, no signs of emissions, and no sounds from the factory site. One would also have expected more people and trucks coming and going through the gates – over which the *dharna* activists have a perfect view - morning and evening if that was the case.

### **Coca-Cola's response to the accusations**

How does Coca-Cola look upon all these allegations? Not surprisingly company officials deny them all. Coke even has a special page on their web site called "Frequently Asked Questions on Kerala" where they counter every issue having been held against them. On the question of water shortage Coca-Cola replies:

We conducted an environmental due diligence study as per our international corporate policy of good environmental practice before setting up the plant and conducted scientific tests before we located our plant in this part of Kerala. These included a satellite imagery study to determine the extent and nature of the aquifer and a pumping test to establish the sustainable yield of water from the bore wells. The plant has consistently operated the bore wells below these safe limits (Coca-Cola Web Site).

Further they claim to have a rainwater harvesting system going that provides them with 50% of the annual water usage. They have requested permission to build a pipeline from the nearby irrigation dam but the authorities have denied the request. According to Coke the poor rainfall in recent years explains the water scarcity of the area. At the same time they refer to the

rainwater harvesting technology when asked why they chose to establish in a well-known rain shadow region. As for the water quality the company states that their operations have not adversely affected the groundwater and the levels of heavy metal traces in the solid wastes are within the norms for classification as non-hazardous. The BBC's evidence of pollution in the sludge is scientifically questionable and the reason for now storing them in tanks is the pending agreement with the local authorities on their disposal. On the business ownership issue the statement reads:

Hindustan Coca-Cola Bottling Private Limited is a company operated from top to bottom by Indians. There is only one foreign national on its pay-roll of approx. 6,000 and its strategic direction is managed by an Indian. In addition to the direct employment of approx 6,000 Indians, The Coca-Cola Company's system creates an enormous multiplier effect in India. The Company insists that all ingredients and packaging are sourced locally providing valuable income and job creation for local industry. In addition, the Company provides a product that is sold by over one million retailers throughout the country generating profit and further jobs for small businesses throughout the country (Coca-Cola Web Site).

Moreover there is no truth to the stories that the soft drinks manufactured by Coca-Cola contain dangerous levels of pesticides (Coca-Cola Web Site).

All this looks impeccable doesn't it? How come then is Coca-Cola so reluctant to show proof and documentation of the alleged environmental surveys and scientific test pumping? Why is it so difficult for NGOs and media like Jananeethi and the BBC to get inside the factory? For what reasons aren't they allowed bringing cameras when they are eventually let in if there is nothing to hide? I also think Coke turns a logical somersault when they talk about rainwater harvesting. If the drought and water scarcity in the area is due to poor rainfall, how can there be any rain to harvest? As for the argument that all employees are Indian, that may be so but the profit doesn't stay in India, the shareholders are all non-Indian. Does Coca-Cola generate employment? Yes, but it's no wild guess to assume that their entrance on the market destroyed far more jobs with local manufacturers forced to shut down than was later created. When pesticide residues were said to be found in Coke's mineral water sold in London the whole batch was withdrawn from market instantly. Alarms on pesticides in Indian soft drinks causes no action at all, except for the company's cry demanding evidence. No wonder Indian consumers are upset, including the urban elite, and talk about double standards.

### **The judicial battle**

*Down to Earth* in the December 15<sup>th</sup> 2003 issue analyse the situation so far in the article "Calling the shots - Cola major gets a taste of panchayat power in Kerala". The resistance against Coca-Cola using the administrative and the legal system started with the Perumatty *panchayat* revoking the company's license. The licence expired on March 31<sup>st</sup> and the

*panchayat* on April 7<sup>th</sup> decided that the licence should not be renewed on the grounds of over-exploitation of water resources. On April 9<sup>th</sup> the *panchayat* issued a notice to Hindustan Coca-Cola Beverages Pvt. Ltd (HCBPL). The HCBPL response was to file an objection petition to the Kerala High Court, April 22<sup>nd</sup>. Two weeks later, on May 6<sup>th</sup>, HCBPL representatives appear for a hearing at the *panchayat* office. However, the *panchayat* sticks to its earlier decision. We have now reached May 15<sup>th</sup>. On May 16<sup>th</sup> the High Court directs Coke to file an appeal petition in front of an appropriate authority, meaning the state's Local Self Government Department (LSGD). Coca-Cola do so on May 22<sup>nd</sup> contending it had not been violating any of the conditions laid down by the *panchayat*, also claiming that the village body had not based its decision on any independent scientific investigation conducted by competent authorities. LSGD holds a hearing on June 11<sup>th</sup> with both HCBPL and Perumatty *panchayat* attending (Vijayalakshmi 2003:Down to Earth).

The disagreement continues, on September 18<sup>th</sup> the Perumatty *panchayat* issues a second notice to the company where they e.g. note that the company had not been granted permission to convert paddy land into an industrial area and that an on site inspection had them convinced that the factory's excessive water extraction was the cause of the shortage of potable water in the village. On October 6<sup>th</sup> Coke files a second petition to the High Court who tells them to reply to the show-cause notice from the *panchayat*, which they do on October 8<sup>th</sup>. The LSGD again hears both parties and on October 13<sup>th</sup> passed an order in favour of HCBPL saying that the *panchayat* had not conducted any scientific enquiry before they revoked the company's licence and that there was no conclusive evidence proving that the water had deteriorated due to the factory. The department also asked the *panchayat* to form an expert committee to conduct a detailed investigation into the matter. Comments made by the state minister for local self-government shows the Government's stance. "The views of Palakkad's inhabitants do not reflect those of the entire state. We need industries and employment for the prosperity of the whole society" he said. This provoked a strong reaction from the *panchayat* whose next move was to file a writ petition to the High Court on October 29<sup>th</sup> raising questions about the legality of the Kerala Government's interference with the functions of the *panchayat*. The *panchayat* also on November 3<sup>rd</sup> sent a list of 16 questions to HCBPL and asked representatives for the company to appear in front of the board on November 17<sup>th</sup> with all supporting documents and reports. Coke on November 13<sup>th</sup> requested the *panchayat* not to hold the hearing but the High Court on November 14<sup>th</sup> dismissed the company's second petition and asked them to appear before the *panchayat*. Coca-Cola did

turn up at the meeting but without any of the requested documents, instead they made inquiries about the *panchayat*'s findings (Vijayalakshmi 2003:Down to Earth).

Fortnightly magazine *Frontline* also follows the controversy. On December 16<sup>th</sup> 2003 the Single Bench of the Kerala High Court, as a response to a writ petition filed by the Perumatty *panchayat*, ruled that as for the licence matter the *panchayat* should not interfere with the functioning of the Coca-Cola unit if they found alternative sources of water supply to meet their needs. But, in practice equally important, the court also stated that groundwater is public property held in trust by a government and that the court had no right to allow a private party to overexploit a resource in a way that hurt the people. According to HCBPL officials the company draws 510 000 litres of water per day for their production processes. Protesters claim they are using two to three times more than that. The Single Bench said that the company should from now on be allowed to use only a quantity of groundwater equal to that used by a resident owning an equivalent area of land. Half a million litres a day was held illegal, the court observed that if every villager were allowed to draw such a huge quantity of water the area would surely be barren (Krishnakumar 2004a:Frontline).

HCBPL then filed an appeal against the ruling and the Division Bench of the High Court set up an expert committee to investigate whether the current level of exploitation of groundwater by the company is in fact the reason for the scarcity of water experienced in the region. Coca-Cola has all the time argued that the situation is caused by poor rainfall over the previous years. On January 8<sup>th</sup> 2004, the Division Bench allowed Coca-Cola to go on using water until February 12<sup>th</sup>, when the next hearing was scheduled, but on condition that it should install water meters at all its wells and to allow the inquiry committee to monitor the readings (ibid. 2004a:Frontline).

Daily newspaper *The Hindu* further reports on the issue. A Government order issued on February 21<sup>st</sup> banned Coca-Cola from drawing ground water until June 15<sup>th</sup> when the monsoon could be expected to bring rainfall relieving the drought. The company who questioned the authority of the Government to taking such action challenged the order on grounds that the expert committee set up by the court had not yet presented results from their investigation (Online Edition of The Hindu). Online news site *www.rediff.com* tells us that Coke also argued that the corporation was subjected to hostile discrimination as no actions were taken against similar factories in the region. The Division Bench declared that there were no reasons not to trust the Government's legitimacy when stating that the order was issued to protect the people's right to water for basic human needs. As for the discrimination allegations, the court marked that if there was any substance in these accusations the

Government could, instead of lifting the ban, take similar actions against those other production units (www.rediff.com).

Is it possible for Perumatty *Panchayat* ever to win the license battle? Well, there is at least one example where the Supreme Court recognised a *panchayat*'s right to self-govern. In Kerala's Kottayam district the Poovathode *Grama Panchayat* refused to give license to a metal crusher unit based on an assessment by a *panchayat* sub-committee. The *panchayat* feared that as there was scarcity of water in the area, adequate dust pollution control measures would not be adopted. It was argued that the unit would adversely affect agricultural lands as well as the livelihoods of tribal populations in the neighbourhood. First a single bench and later also a division bench of the Kerala High Court ruled in favour of the metal industry owner. However the *panchayat* appealed against the verdict once again, this time in the Supreme Court – and they won. (Vijayalakshmi 2003:Down to Earth).

### **On Coca-Cola's possible defeat**

If the struggle is successful and Coca-Cola quits their production, what happens then? The factory is built. Bringing the site back to agricultural land is probably not a realistic alternative. Could it be used for some less water-intensive production offering employment to the workers left without a job? Maybe there is a possibility for other drinks, local in both culture and produce?

As stated by the Coconut Development Board under the Ministry of Agriculture – a body promoting integrated development of coconut cultivation and industry - there is more than ten ways to make use of a coconut tree. Nothing is wasted; everything from the palm leaves and the wood to the flesh, the oil and the fibre of the coconut is useful. Tender coconut water is one of these means of utilising the tree. According to both the old Indian health care system Ayurveda – meaning 'the science of life' - and the United Nation's FAO (Food and Agricultural Organisation) it is 'the fluid of life' (Coconut Development Board Web Site).

An article in *Down to Earth* (2004) informs us on tender coconut water. Unfortunately tender coconut water doesn't keep fresh, at least has not so far, for more than a week after the coconuts are harvested. This means that it has not been possible to market and sell the drink on a large scale. However there is now a new technology developed by a company called Miracle Food Processing in Malappuram district. They are making a concentrate of the water, thus increasing the shelf life of the product to 18 months. With this new method the coconut water extract is prepared at room temperature, which means that all the valuable minerals are retained. Even when the water is served and the concentrate is diluted in 10-12 times more

water there is no loss of colour, flavour, aroma or any original ingredients of the coconut water (Jayan 2004:21).

During the process of concentration the sugar level is increased to a very high degree. Harmful microorganisms are unable to function under such conditions, thus the quality of the coconut water can be kept. Some scientists doubt whether the expected long shelf life really can be achieved without any added preservatives, especially in hot and humid parts of the country. At Miracle they say that this problem can be solved by adding potassium-by-sulphate, a preservative considered to be harmless and is approved under the Fruit Products Order. For the moment the main problem of Miracle Food processing is the procurement of coconuts, which for making the extract should be eight months old (Jayan 2004:21).

If this could be a solution for Plachimada is not so easy to tell. Most of the need for water with this drink comes when diluting the concentrate but the production could hardly be completely dry. One of the leaders of the Anti-Coca-Cola movement that I met in Plachimada was a tribal woman called Mylamma who earned her living working as a farm labourer. She said the only production she could accept was one not using any water at all. Her motto was: No water – No waste – No smell. Mylamma moreover said that she and the other members of the committee believes that it is the government's duty to help finding an alternative production when Coca-Cola has been thrown out of Plachimada. Not that they are very optimistic about government help, nobody trusts politicians around here.

Krishnan is one of the farmers I met in Plachimada living closest to the factory; actually he complains that a part of the wall around the factory was built on his land. He grows coconut palms both for toddy making and for miscellaneous use of coconuts. If the price was right he could easily sell his entire crop for producing tender coconut water. But there is a problem, the coconuts don't taste the same anymore, the coconut water has become salty since the Coca-Cola factory came Krishnan says. If this is due to the increased hardness of the water or other changes to the water quality it could very well be that some time has to pass before his coconuts are suitable for using the tender coconut water.

### **Conclusive reflections**

Coming from a rich country without water shortages to Plachimada is a true IRL (In Real Life) experience. Even if I had read about the village understanding intellectually their situation, getting there was a rewarding experience. It created a better awareness of how precious water really is and that it's not spread in an even way over the globe. The people of the villages in this part of the world don't just turn on a tap in the kitchen when they want

water. Simply because there is no tap, there is no water pipes connected to their houses. If you have your own well it may be nearby but if you have not you have to walk to the public well and carry the water back to your house. In both cases it's your own muscle power that winds it up or pumps it up from the well. This means using water sparingly makes common sense.



Public well in Plachimada. The horizontal bars are used to make it easier to wind up of the water pot by pulling the rope drawn over the bar. (Photo by author).

This is water for household purposes but many of the farmers have small electric pumps helping them with water for irrigation. These pumps make it possible to draw larger quantities than from mere muscle power but are nowhere near the capacity of the Coca-Cola equipment. Neither of these small-scale techniques of bringing up water would lead to a depletion of the groundwater at the same rapid pace as large-scale industrial technology. Local knowledge and being more close to the source in space and mind must the way I see it give a better understanding of the ecological limits than an industry mainly seeking profits and where the chief policy makers are very distant from the production site.

When we talked about the drought and how dry periods in past years have affected the crops and the produce both farmers I met with were unanimous in their opinion that this situation was different. Monsoon rain has failed before but never have they lost a whole

harvest until “the Coca-Cola monster” came to Plachimada they say. Of course the drought makes things worse for everybody in the region. The holy water in the temple is drying up and elephants are coming down from the hillsides in search for water and have at some places destroyed water pipelines from the irrigation dams. But never before have the people of Plachimada lacked drinking water, the groundwater wells have provided them with that. Harvests have been reduced to half but never before have crops failed completely in the way they are doing now. This means the farmers are not able to employ anybody for working in the fields; instead they have to borrow money and end up in debt.

Almost everybody I met and spoke with about Coca-Cola in Plachimada mentioned bribes and corruption. They were - not surprisingly - never really specific though, when they talked about corrupt politicians colluding with the company. However, an educated guess would be that they at any rate have no confidence in the state government since government institutions like the LSGD (Local Self Government Department) are even now siding with Coke on the license issue. Krishnan accused some of the other farmers of taking bribes when they accepted compensation from Coca-Cola in exchange for not joining the protests. My feeling was that both Krishnan and Mylamma were disappointed that the resistance against the company was not a hundred percent unanimous. In their minds all the farmers and farm labourers ought to be loyal to the struggle. It’s not like if the Coca-Cola workers have good well-paid jobs, they are not unemployed perhaps but they are still poor. Thus this conflicts also to some degree pits poor against poor in Plachimada. The poor factory workers are giving in to the environmental blackmail – to accept the ecological degradation instead of being without a job.

## 4. CONFLICT ANALYSIS

One thing strikes me when I ponder upon what's happening in Plachimada. This is more than just one conflict. The struggle against Coca-Cola is fought in two battlegrounds. First, there is the immediate local resistance against the global giant corporation from the people of Plachimada and their supporters. This battle is fought using a traditional Indian vocabulary of protest, primarily the *dharna* outside the factory but also demonstrations or *pardarshan*. Secondly there is another battle that takes place in the courts and government buildings. The encounters are both about the same subject matter, which is the water resources in Plachimada, but the judicial confrontation holds another dimension added to it. The issue here includes a question of how much Kerala State's commitment to local people's empowerment is worth when it comes to a showdown? Taking the struggle to the legal arena also extends the vocabulary of protest to include a tool that, at least in the past, has been more common in the North. In a broader sense Plachimada and the Perumatty *panchayat* also suffers from the effects of globalisation, Washington Consensus policies of market liberalisation are what brought Coca-Cola back to India when the Indian Government opened up for foreign investment by deregulating financial laws and business rules.

### **Hardin vs. Shiva**

First a short summary of *The Tragedy of the Commons* and Garret Hardin's view of dealing with shortages in common pool resources. Hardin's metaphor is one of a free-for-all pasture open to grazing cattle. Each herdsman utilising this land can be expected to keep as many animals as possible. Adding one more sheep or cow to the herd means increasing benefits to the individual herdsman until the pasture is overgrazed and no longer can be used. This eventually affects all the herdsmen as no one can use the land for feeding their cattle anymore. The solution to the problem is, Hardin claims, restricted access and regulation of use. Hardin believes this can be achieved either through socialism or privatisation.

The privatisation of the common in the case in this study is not as straightforward as I believe Garret Hardin meant when he wrote his article. Coca-Cola doesn't own the groundwater even though they act as if they did. They own a piece of land and thereby get access to the water beneath it. Through the land ownership and the use of industrial technology they deprive others of their share in the common. Private ownership has definitely not led to any regulation of use in this case - Coca-Cola even refused to comply with court orders and install water meters to control the volumes. The individual control by a private

company has led to an overuse of water instead of economising with it. Hardin's idea was to put limits to free-for-all access to the common-pool resources. However I don't believe the solution is to create a managed common through the privatism of free enterprise as he suggests as one way to go, at least not in a case like this. Water is a flowing resource that doesn't follow boundaries put up by humans. Thus the question of ownership can't be treated in the same manner as ownership of land. Groundwater must be protected from over exploitation but it should be managed through a system that includes considering social justice.

What we see in Plachimada is more like a free-for-all-who-can-pay access where the private enterprise that indirectly has paid for the access is not using the resource in a sustainable way. If I may continue to use Garret Hardin's metaphor, Coca-Cola's arrival in Plachimada is as if one herdsman suddenly adds not one but a thousand new sheep to the grazing land. It's not like the herdsmen are equal competitors each seeking individual gain but still having a long-term sustainability in mind.

Vandana Shiva disagrees with Hardin when he assumes that commons are unmanaged and without ownership. Not being owned by private individuals doesn't necessarily mean open access to a resource. Shiva believes that groups can manage themselves and that communities are able to set regulations of utility. Principles of co-operation rather than competition among individuals still dominates in less developed countries, Shiva argues.

Tribal communities like those in the Plachimada area are still in close contact with nature in a way that urban people often have lost. To co-operate on common resources comes more natural to these villagers than individual competition. Water is not a commodity to be bought and sold but a birthright for everybody. Small-scale use of water for household and irrigation purposes by people living with close ties to the land allows the users be more sensitive to ecological limits than a society built on principles of individual contest where large-scale operations have an advantage.

The gap between a small rural community like Plachimada and a giant global corporation is huge. Nature for subsistence stands against nature for profit. A production based on the fulfilment of needs must be preferred in a situation where the scarcity is absolute – it's not an issue of wanting to have more than the neighbour - to one of competing for individual gains. Water is not a commodity that can be substituted and the people in Plachimada can't afford to buy it from outside. Efforts to protect the commons integrated with the protection of the commoners, like William C. Clark seeks, are nowhere to be seen here.

Poor people in Plachimada are shut out from the common - I call this a *tragedy of the enclosure*.

### **State vs. local community**

When markets fail and private competition lead to negative effects on poor people a government could and should intervene to protect those affected. In my interpretation that's what Joseph Stiglitz is claiming when he scrutinises the conditions under which Adam Smith's market force model works, "...whenever information is imperfect and markets incomplete, which is to say always, *and especially in developing countries*, the invisible hand works most imperfectly" (Stiglitz 2002:73). The market in this case is more of a non-market since the price Coca-Cola pays, the water cess, is close to zero. It does not function as a regulatory measure creating incentives to use water sparingly. Instead of siding with the scheduled tribes of Plachimada the Kerala Government seem to be blinded by the foreign investment coupled with an urge to promote development - development in the meaning of industrialisation. - and favour Coca-Cola in the conflict. By only temporarily posing a ban on drawing groundwater until the monsoon brings rain the government put the blame on Nature instead of holding the company responsible. Nature and the failing rain is the culprit causing the water shortage - not excessive usage of groundwater by Coca-Cola. The courts have so far, at least in practise, given support to the corporation in that they don't allow the Perumattay *Panchayat* to revoke the company's license. That is, to permanently close down the factory until measures are taken to ensure the protection of both the environment and the people. On the other hand the courts have also stated that groundwater belongs to the public with the state as the trustee.

By refusing to endorse the withdrawal of the license they don't fully recognise the *panchayat's* right to self-government as stated in the Indian constitution, which sustains the *panchayat's* power to develop its policy and to take all necessary steps to implement it. The responsibility of a local government is to protect the public good, to see to the well-being of its society and ward off excessive exploitation. To support the management of local natural resources in a sustainable way must be a crucial part of good governance. The *panchayat* in this case holds the Coca-Cola factory responsible for depleting groundwater in the area under its jurisdiction, a circumstance that has affected local agriculture and people. One of the main reasons for the decentralisation and local empowerment reform in Kerala was the notion that local people are the best judges of what's good for their environment.

The state government worry so much about the high unemployment, which of course is a problem, that it's willing to sacrifice other criterion of a welfare state than that of development. Kerala has a reputation of strong trade unions and other groups defending the rights of the common man and woman. As these organisations are believed to scare off investors the government seems to applaud deregulation and liberalisation in order to pave the way for foreign investment and industrial development. Even if this deprives communities of the right to self-govern and protect their environment and the employment offered by agriculture. Thus Perumatty *panchayat* can be said to fight not only the state but also the negative sides of globalisation.

## 5. CONCLUDING DISCUSSION

My starting point for writing about Plachimada and Coca-Cola was an interest in water and privatisation issues combined with a fascination with Garret Hardin and his article *The Tragedy of the Commons* (1968). I thought of his analysis as clear and logical but I doubted his proposed solutions were the best way to deal with a situation of resource shortages in a common. When reading Vandana Shiva's *Water Wars* (2002) I found a different angle of approach that suited my own ideas better. Shiva advocates co-operation and community control as the best means of managing common resources. In her book she mentions the conflict in Kerala, where Coca-Cola is overexploiting the groundwater, and as I have been interested in Kerala ever since my visit five years ago I decided to look deeper into the issue. It looked like a case of privatising water 'through the backdoor'. Privatisation and globalisation are also issues discussed by Joseph Stiglitz in his *Globalization and its Discontents* (2002) where he calls for caution when pursuing the Washington Consensus' policies.

Further, I knew that environmentalists are to be found all over the globe but the motives are not the same everywhere, and not all people protecting their local environment call themselves environmentalists. In *Varieties of Environmentalism* (1997) Ramachandra Guha and Juan Martinez-Alier examines differences in environmental engagement between rich and poor, North and South. I think it's important to bear in mind that poor people may have more down-to-earth grounds for fighting environmental degradation whereas many of us in the North take a more ideological stance. Guha also gave me a background and deeper knowledge of Indian protest culture. The theoretical background I have presented in the introduction.

Before I went to India I entered more deeply into studying Kerala and collected all the information I could get on what was happening in Plachimada. Information on Coca-Cola and Plachimada I found mainly through the Internet. I also reread Mats Wingborg's book *Kerala – alternativ väg till välfärd* (1999) (*Kerala – An Alternative Route to Welfare*) and bought Govindan Parayil's anthology *Kerala – The Developing Experience. Reflections on Sustainability and Replicability* (2000). The most interesting facts about Kerala are their high quality of life achievements while still being poor speaking in financial terms. A problem however is unemployment, the reason I believe for accepting Coca-Cola's establishment in the first place. In the beginning all political parties were in favour of the company setting up business in Plachimada. Now they all seem to have changed side locally but not at state level.

More generally speaking the government treats the establishment of Coca-Cola like a solution to a problem – the unemployment issue - the company is part of having created when small-scale soft drink companies throughout India have been forced to shut down. As Joseph Stiglitz also points out, large transnational companies often wipe out local competition when they enter the market in a poor country.

Facts about Kerala depicting it as ‘poor but still a welfare state’ and a presentation of the decentralised planning reform are to be found in the second chapter along with some of my own impressions from the field. Chapter three deals with the case study - Coca-Cola and the people, circumstances and events in Plachimada where the Coke factory overexploits the groundwater to the detriment of the local tribal population. I realised that there was in fact two major conflicts. One that I call Hardin vs. Shiva – differing views of how to deal with shortages in common pool resources. In this case, Hardin’s idea of private ownership has certainly not led to any regulation of use. On the contrary, individual control by a private company has instead resulted in an overuse of water. Shiva believes that groups and communities are able to set regulations of utility and that principles of co-operation on common resources still dominates in less developed countries. My view is that the tribal communities in Plachimada share that value of co-operation contrary to competition. It’s also a matter of nature for subsistence vs. nature for profit.

The other clash is one of state vs. local community, the Perumatty *panchayat* fighting for its right to self-govern. When markets fail and private competition lead to negative effects on poor people a government could and should, according to Joseph Stiglitz, intervene to protect those affected. The market in this case is more of a non-market since Coca-Cola pays practically nothing for the water, thus market forces does *not* function as a regulatory measure controlling the water use. Perumatty *Panchayat* has taken the role of protecting the people of Plachimada when they refuse to renew Coca-Cola’s license until measures are taken to ensure the protection of both the environment and the people. Kerala is renowned for its decentralised planning program giving more power to the local governments. In this case the courts and the state government have not fully recognised the *panchayat*’s right to self-govern. The High Court has made a statement saying that groundwater belongs to the public and the Kerala Government has issued a temporary ban on Coca-Cola drawing groundwater but they are still supporting the company on the licence matter. The factory offers employment, but more jobs are lost in the agricultural sector in the region. I would say it seems like the government are promoting industrialisation in the name of development in their pursuit of economic growth.

These conflicts I analysed in chapter four before ending with a concluding discussion in chapter five.

While in Kerala I also tried to get some insight into the common attitude towards Coca-Cola by picking up comments whenever the subject was brought up. Several times I heard remarks like “Coca-Cola is for the rich”. Some shops and restaurants had signs saying “Sorry, we don’t serve Coke or Pepsi”. When I met with NGOs like *Sakhi* and *Kerala Shastra Sahitya Parishad* (KSSP or Kerala People’s Science Movement) I of course discussed the matter of Coca-Cola in Plachimada but also opinions on Coca-Cola in general. In urban areas anti-Coca-Cola sentiments primary stem from the fact that Coke is American and the commonly held view that the US are fighting an unjust war on Iraq.

Around 250 NGOs were encouraging a boycott of Coca-Cola and Pepsi last spring. My informant at the KSSP told me that on many occasions soft drinks are exchanged for tea or coffee and that students have thrown out the vending machines selling Coke and Pepsi from the campuses. He also said however, that there is no total boycott – when it comes to alcoholic drinks people still buy Coca-Cola to mix with the liquor! In towns and cities the exposure of pesticide residuals in soft drinks drove off even more potential buyers. Newspapers reported on a similar case in London some time ago where a whole batch of Coca-Cola’s mineral water was withdrawn after an alarm report saying it contained heavy metals. When the same situation occurs in India, nothing happens. The double standard in this adds to the public rage against Coca-Cola.

Globalisation at its best means interconnecting people of different cultures, to enable them to learn from each other without eradicating the distinctions. However, the tribal people of Plachimada are not attracted to the modernity of Coca-Cola, Pepsi and other soft drinks like many urban Indians may be. Still I don’t feel that they are opposing the drink as such or the American origin. What these people object to is the consequences of the large-scale industrial production, that’s what the protests are about. By depriving the Plachimada citizens of their natural resources Coca-Cola interferes with their way of life and their locally bound culture. They want to protect the water and the environment in this particular place on Earth. If they were forced to move it would mean an exchange from a living a life of ‘ecosystem people’ to one as ‘ecological refugees’. ‘Omnivores’ like Cola-Cola are in no way bound by culture to the specific place of Plachimada; all the company risks is a loss in profit if the water disappears and they are forced to move their business elsewhere. I think one explanation for Pepsi Cola not creating the same level of anger and despair is the choice of locality. The Pepsi

plant is situated in an industrial zone with no farmers or indigenous people living close to the factory walls like in Plachimada.

Development in a poor country or region often involves industrialisation as a means to promote economic growth. The urban Kerala, at least to some extent, and the political leadership seem to agree with this point of view. However, introducing industry in a province completely dominated by small-scale farming must have a far better chance of succeeding if it's carried out with consideration taken to social and environmental justice. To avoid conflicts, the kind of production likely to be accepted is one sensitive to local perceptions of sustainability and equity. In Plachimada the villagers against Coca-Cola put it like this: "If development means destroying the environment we don't want it". The *Dalits* and *Adivasis* in Palakkad can never afford to buy Coke; these soft drinks are undoubtedly manufactured for consumption in more prosperous urban areas of India. Not only are the economic relations uneven, when the making of the product include the degradation of a natural resource like water it must also be viewed as a remarkable example of an ecologically unequal exchange.

There is no need to call for preserving a natural resource like groundwater, keeping it untouched, since it's an asset able to replenish itself naturally. It's a matter of conservation, of not using more water than can be recharged to the aquifer. Using an 'economistic' figure of speech, it's a question of living on the interest from your bank account and not on the capital. Rainwater harvesting might be a good help but the fact still remains – using more groundwater than the quantity refilled exhausts the resource base. Another fact is that there is no substitute for water, neither for humans nor animals nor plants.

Groundwater as a common-pool resource in Plachimada and the surrounding area has been the subject of a conflict holding several dimensions. There is what I call a tragedy of the enclosure as the Coca-Cola factory by its large-scale consumption of water deprives other users of their fair share. The villagers are struggling for their subsistence and livelihood with the traditional Indian tool kit or vocabulary of protest. Perumatty *panchayat*, representing the local community, have chosen the legal battleground to fight for the right to self-govern and thus protect the people and the environment in this genuinely agricultural area. The way it looks Kerala State Government has chosen to put an equal sign between development and industrialisation. Remembering Ferdinand Tönnies' sociological theory I would say that state and global corporation stands opposed to local people and community like *Gesellschaft* against *Gemeinschaft* as illustrated in Figure 1.

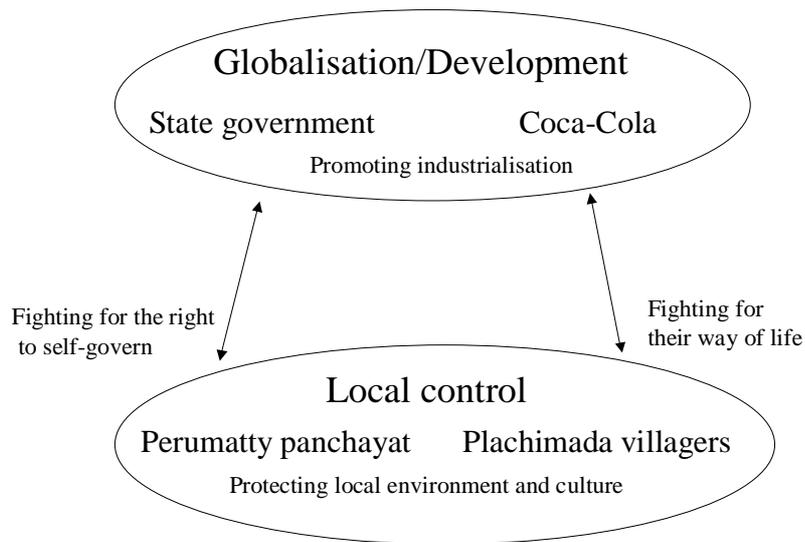


Figure 1. Panchayat and villagers fights Coca-Cola and government on different battlegrounds and from different angles.

The concept of water as a public good stands in contrast to the view that water can be bought and sold like any other commodity on the market. But surely, not even the most devoted supporter of privatisation could find arguments in Plachimada? This is by no means fair competition; poor farmers and land-less labourers have no chance on a free market against a giant transnational corporation with all its power and money. Common-pool resources like water must be managed and regulated, but to ensure social and environmental justice the community of local and committed people have a far better prospect to succeed. My visit to Plachimada and study of the Coca-Cola conflict has definitely strengthened my disbelief in Hardin's theory that privatisation of a common is a possible solution.

To end up the discussion I would like to summarise the outcome of my thesis and the conclusions to be drawn from the case study. I feel confident to say I have proved 'beyond reasonable doubt' that when the common is groundwater, Garret Hardin is wrong when he argues that privatisation can be a solution to prevent resource shortage. Given the circumstances in Plachimada I further agree with Vandana Shiva and state that my case study has verified that local community control show the best qualifications for protecting the groundwater supply in the area. I would also like to point out that the situation - a global corporation produces for an urban market at the cost of environment and further impoverishment of poor rural people - is a striking example of ecologically unequal exchange.

## GLOSSARY

<i>Adivasis</i>	Indigenous people, scheduled tribes
<i>Bhook hartal</i>	Hunger strike
<i>Dalits</i>	Outcasts, scheduled casts
<i>Dharna</i>	Sit-down strike
<i>Grama Panchayat</i>	Lowest level of government, add up to Block <i>Panchayats</i> and District <i>Panchayats</i>
<i>Grama Sabhas</i>	Ward assemblies at <i>panchayat</i> level
<i>Hartal</i>	Shut down strike
<i>Jail bharo andolan</i>	'Movement to fill the jails'
<i>Pradarshan</i>	Demonstration
<i>Panchayat</i>	Local government
<i>Taluk</i>	Administrative division

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## **APPENDIX 1**

The following should be seen as examples, not a complete list, of the NGOs, committees and groups of people that have been in some way or another involved in the struggle against Coca-Cola in Plachimada.

### **Organisations against Coca-Cola**

*Adivasi Samkrashana Sangham (Adivasi Protection Front)*

*Adivasi Struggle Committee*

*All India Coordinating Forum of Adivasis*

*All India Peoples Resistance Forum of Karnataka*

*All India Students Association*

*Coca Cola Virudha Samara Samithy (Anti Coca Cola Struggle Committee)*

*Dalit Liberation Party of Tamil Nadu*

*Jaayachandran (Tamil Nadu Green Movement)*

*Janakeeya Cheruthunilpu Vedi (local All India Peoples Resistance Forum)*

*Jananeethi*

*Kerala Shastra Sahitya Parishad (Kerala People's Science Movement)*

*National Alliance of Peoples Movement*

*National Front for Tribal Self Rule*

*Palanimalai Adivasikal Viduthalai Iyakkam of Tamil Nadu*

*Peoples' Union for Civil Liberties of Kerala*

*Peoples' Union for Civil Liberties of Tamil Nadu*

*Philip Morris Carbon Plant activists*

*Telangana Jana Sabha of Andhra Pradesh*

*Vyavasayikal Thozhilalar Munnetra Sangam of Tamil Nadu*

## APPENDIX 2

Events related to the conflicts in Kerala, up until the temporary closure of the factory, in chronological order.

### Table of events

1999	October 8	Hindustan Coca-Cola Beverages pvt. Ltd. applies to Perumatty <i>panchayat</i> for a license to set up a bottling plant at Plachimada.
2000	January 27	Perumatty <i>panchayat</i> gives permission to build the factory.
2000/2001		Villagers around the factory start to notice changes in water quality.
2002	January	Symbolic protest march against the Coca-Cola factory in Plachimada.
	April 22	Campaign was launched, 2000 demonstrators outside the plant. Several arrests. <i>Dharna</i> outside factory walls started.
	June 7	Protest march ending with throwing cow dung at the factory, which was later cleansed by broomsticks.
	June 8	Politicians defending the factory, saying it creates employment.
	June 9	Protest rally in Plachimada, 130 people arrested.
	August 4	Protest march by 1000 people started 6 km away in Pallimukku ending with a public meeting in Plachimada.
2003	April 7	Perumatty <i>panchayat</i> decides not to renew Coca-Cola's license due to over exploitation of water resources.
	April 9	<i>Panchayat</i> issues notice to HCBPL.
	April 13	Last day of sale before Coca-Cola and Pepsi boycott due to the US war on Iraq.
	April 22	HCBPL files objection petition to Kerala High Court.
	May 6	Coke's representatives appear for hearing at the <i>panchayat</i> office.
	May 15	<i>Panchayat</i> sticks to its decision to revoke the licens.
	May 16	High Court directs Coke to file an appeal petition in front of an appropriate authority.
	May 22	Coke approaches the state's Local Self Government Department (LSGD).
	June 11	LSGD holds hearing. <i>Panchayat</i> and Coke representatives attend.
	July 25	British Radio 4 reports on toxins in sludge.
	August 5	CSE finds pesticides in 12 soft drinks by Coke and Pepsi.
	August 9	Kerala Pollution Control Board order investigation on heavy metals in sludge from Coca-Cola factory.
	August 30	Demonstrations outside the Kerala Ground Water Board in Palakkad City with accusations of inefficiency. 13 people arrested.
	September 18	Perumatty <i>panchayat</i> issues a second notice to the Coke.
	October 6	Coke files a second petition to the High Court.
	October 8	Coca-Cola replies to the show-cause notice from the <i>panchayat</i> .

2003	October 13	LSGD passes interim order, questioning the <i>panchayat</i> 's action of cancelling Coke's licence and asks the <i>panchayat</i> to form a committee of experts.
	October 29	<i>Panchayat</i> files a writ petition to the High Court.
	November 3	<i>Panchayat</i> asks a set of 16 questions from HCBPL and tells the company's representatives to appear before it with all supporting documents and reports.
	November 13	Coke requests the <i>panchayat</i> not to hold the hearing.
	November 14	HC dismisses Coke's second petition and asks it to appear before the <i>panchayat</i> on November 17.
	November 17	HCBPL representatives turn up without documents at the <i>panchayat</i> 's office, instead asks questions about the <i>panchayat</i> 's findings.
	December 16	A Single Bench of the High Court says license should be given if Coke finds other sources of water than groundwater. Only the amount of groundwater corresponding to the normal use of an equivalent land area could be used.
2004	January 8	Division Bench allowed Coca-Cola to go on using water until the next hearing was scheduled, but on condition that it should install water meters at all its wells and to allow the inquiry committee to monitor the readings
	January 21-23	World Water Conference at Plachimada.
	February 21	Government order ban Coke from drawing groundwater until June 15.
	March 12	HCBPL suspends its operations in Plachimada.