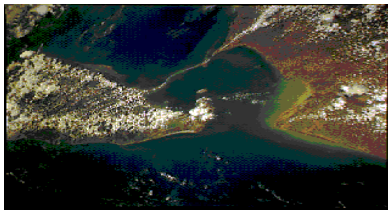


SETUSAMUDRAM PROJECT : THE ECONOMIC PERSPECTIVE

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Since the publication of the aerial photograph of the Ram Setu in the far southern end of the Indian peninsula by the American Space Agency NASA, the issue has come up on the socio-economic and politico-religious stages of the Indian society. As soon as it came to light that there is a structure under the waters of Menar gulf between India and Sri Lanka, the interest has been aroused in various circles.

What is the Structure?-The American Space Agency NASA revealed that there is a structure under the water between India and Sri Lanka. This structure in the form of an approach bridge, according to the Hindus was constructed by Lord Ram for entering Sri Lanka with his army to invade on Sri Lanka's ruler *Ravana*. This fact is mentioned in Valmiki's Ramayan and the *Ramcharit Manas* by Saint Tulsī Das. In a survey report by the then British Surveyer James Rennell, this structure was named as Adam's Bridge in 1804. It is this structure that is the bone of contention in the present context of this Paper.



The Setusamudram Project-The idea of Setusamudra Project is not new. This project aims at creating a shorter route for crossing the Gulf of Mennar. First of all the idea of creating a naval passage between India and Sri Lanka, crept into the mind of British Commander A.D. Taylor in 1860, but it could be materialised. In 1955 The Government of India set up a Setusamidram Project Committee to look into the feasibility of the Project, and five routes were discussed till 2001 but nothing tangible could come up. The NDA Government sanctioned a few crores of rupees to study the project, but the Government lost power before arriving at any decision.

The present Government took some hasty and active measures for the implementation of the Project which are said to be for two specific reasons - first, there is pressure from the the U.S. Government, and second, the Navigation Minister, T.R. Balu has his

own personal interest as his own ships will be benefited by this project. And the argument advanced in its favour is that all the commercial navigation would be at a lower cost and in shorter time as the entire round of Sri Lanka would be cut short.

The Project and its Estimates-The project involves the cutting of the bridge reef at some suitable place and digging a canal to provide the necessary depth for the ships to pass through easily between Palk Bay and the Gulf of Mannar. Or the ships to pass through the canal from Mumbai to Chennai directly without covering the circuitous route through Colombo and the entire round of Sri Lanka.

The Cost of the Project

1. Primary cost-The estimated cost of the project is Rs. 2427 crores. To this may be added 20% per year as the escalation in costs. This estimate refers to the year 2001, and since then 7 years have passed. Thus this estimate would touch the figure of 5000 crores, and by the time the Project is completed, it would perhaps touch the figure of 10000 crores.

2. Maintenance Cost- The canal will have to be maintained for clearance of sediment that may be deposited at the bottom. This would involve a huge amount as recurring expenditure.

3. Expenditure on Coastal Guards- For prevention of infiltration of terrorists and other *persona non grata* elements, additional security measures would be necessary otherwise when even the entry from Mumbai Port is possible, this remote end of the Indian peninsula would be more unsafe. Chances of sea piracy like that of the Bay of Eden are also there.

4. Employment of Toll Tax Staff-The realization of toll tax from the ships which is likely to be very nominal for this reduced journey of a short distance, would need deployment of adequate staff for this purpose.

5. Loss of Present Trade of Acqua Products-Local fishermen, both Hindus and Muslims say that present channels would destroy marine life and corals. It would damage the trade in *Shankhas* (shells) which has a turnover in excess of Rs. 150 crores a year.

6. Loss of Thorium Deposits- in the sea bottom would be washed/swept away or destroyed by this project. In the absence of Uranium, thorium is an important alternative element for our energy sources.

