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THE PRACTICE OF WATER REFORMS

PARTICIPATORY APPROACHES IN BRAZIL AND INDIA

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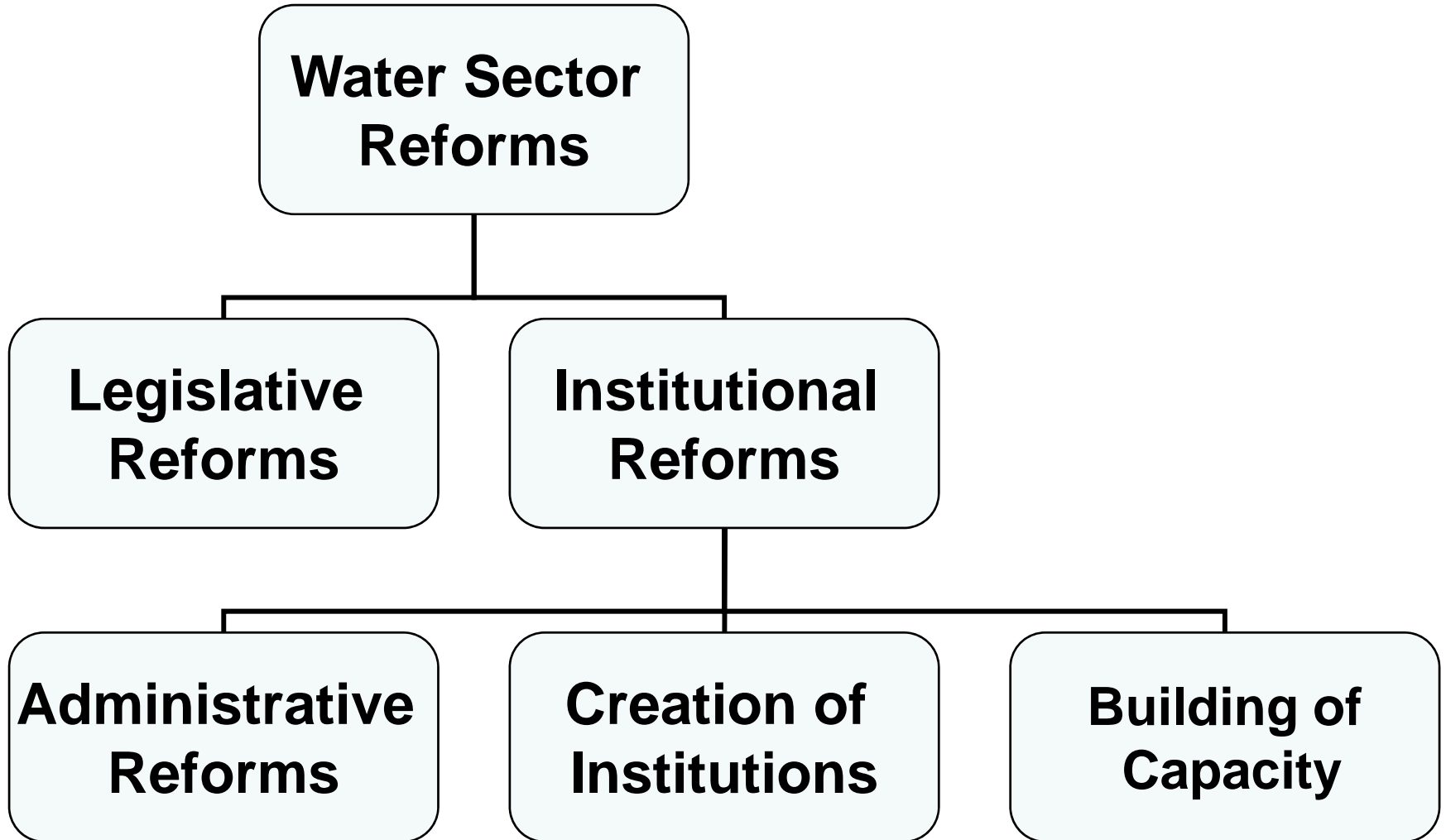
A study in similarities and contrasts:

- Similarities:
 - Continental scale.
 - Federal system.
 - Administrative and political corruption and fragmentation (Brazil 80th and India 85th in TI's 2008 rankings).
- Differences:
 - Brazil is water-rich (~30k m³ per capita), India is water-poor (~1.2k m³ per capita).
 - Brazil is middle-income (\$ 6,850 – 53rd), India is poor (\$ 1,042 – 122nd).

Methodology

- 2 states: Rio de Janeiro (RJ) in Brazil, Uttar Pradesh (UP) in India.
- Convenience sampling.
- Focus group sessions with users and bureaucrats.
- Interviews with key resource persons and informants.
- Observation of practice.
- Archival research.

Facets of Water Sector Reforms



Outline of Presentation:

- Part I: Legislative reforms comparing India and Brazil
- Part II: Institutional reforms: the practice.
- Part III: Analysis and recommendations.

PART I

LEGISLATIVE REFORMS

Legislative Approaches - Brazil

- Adopts new Water Law in 1997, replacing 1934 Water Code.
- Establishes independent water regulatory agency (ANA).
- Requires establishment of River Basin Committees.
- Greater emphasis (lip service?) on economic approaches to water management.

Legislative Approaches - India

- Adopts new Water Policy in 1987, re-adopts it in 2002.
- Recommends increased water-use charges.
- Emphasizes participation through Water Users Associations.

Similarities in Legislative Approaches

- Decentralization.
- Participation.
- Increased use of economic instruments and water use charges.
- Integrated approaches to water resources management.

Differences in Legislative Approaches

BRAZIL

- Hydro-politics.
- National control to basin control.
- Driven by local epistemic communities.
- Detailed instructions regarding River Basin Committees.

INDIA

- Administrative and financial reforms.
- Combat populism and rent-seeking.
- Continued state control
- International aid agencies driving agenda.
- General policy guidelines on Water Users Associations.

PART II

INSTITUTIONAL REFORMS

...as Administrative Reforms

- Absence of a concurrent and successful program of administrative reforms handicaps all other reforms.
- Brazil: NPM
 - Independent regulatory agencies.
 - Cascading chains of principal-agent relationships difficult to implement.
 - Limited utility for most developing countries
- India: RTI
 - Promising but limited by supply of social entrepreneurs.
 - The cost-benefit equation works in limited cases.

...as the Creation of Institutions

- Invited, not popular spaces:
 - BRAZIL: River Basin Committees: over 100 already established.
 - INDIA: Water Users Associations: over 50,000 estd. on 12m ha.
- The role of nodal agencies:
 - Participation involves costs “users” are often unwilling to pay.
 - Create supply as well as demand.
- Factors driving nodal agency behavior:
 - Belief
 - Professionalization
 - Careerism
 - Pragmatism

...as the Building of Capacity

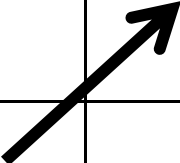
- There is a marked **lack of capacity in civil society** for assuming responsibilities implied by decentralized and participatory management.
 - The task is huge...one minor (an irrigation canal whose discharge is less than 20 cusec) in Uttar Pradesh requires about 20 person-months of community organizing.
 - Needs are technical as well as organizational.
- Capacity is also needed in nodal agencies
 - RJ: flexible civil service rules for hiring consultants to work within the state water agency.
 - UP: outsource to NGOs.
 - Participation and capacity building is often considered organizational ghetto.

PART III

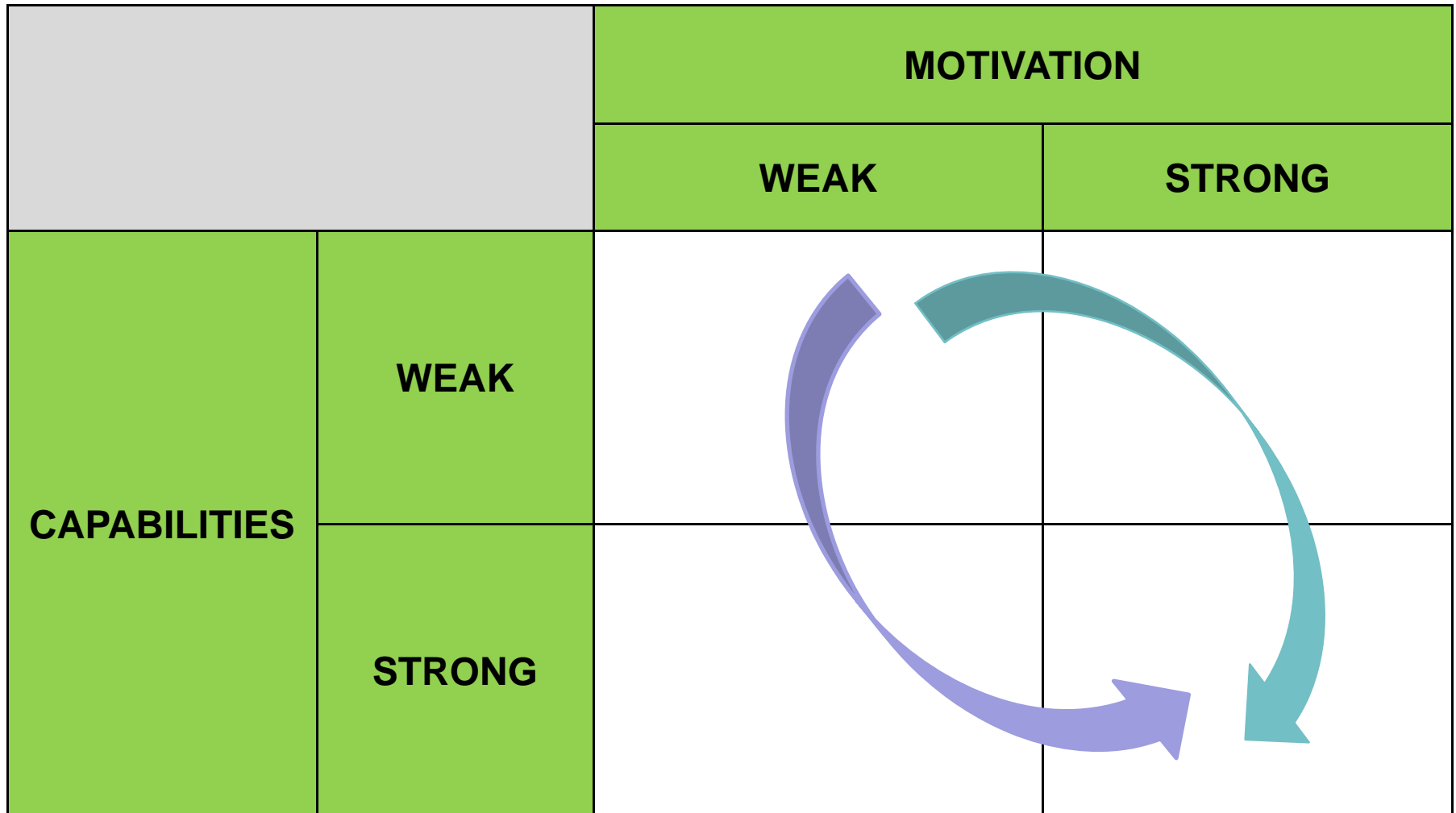
ANALYZING REFORMS AND THE WAY FORWARD

The Politics of Reform

		BENEFITS	
		CONCENTRATED	DISPERSED
COSTS	CONCENTRATED	INTEREST GROUP POLITICS	ENTREPRENEURIAL POLITICS
	DISPERSED	CLIENT POLITICS	MAJORITARIAN POLITICS



Dynamics of Reform: The Bureaucratic and the Entrepreneurial Path



Pushing the Agenda Forwards

- Re-emphasize public sector reforms.
- Increase supply of social and bureaucratic entrepreneurs
 - Increase points of access.
 - Use of flexible institutional boundaries.
 - Reduce transactions costs?
- Increase demand for participation and accountability.

Conclusions

- Legislative mandates are pushing often-reluctant nodal agencies to create a supply of participation opportunities.
- Thus far, progress is mostly in terms of process rather than outcomes.
- Three strands of institutional reforms are apparent:
 - Administrative reforms are creating opportunities.
 - Creation of institutions is providing spaces, but these are under-utilized.
 - Capacity building is trying to address utilization.
- More attention needs to be paid to administrative reforms and capacity building. It is here that the bottlenecks are arising.