

May 6, 2005

That Drop in the Bucket Will Cost You

India's Bloody Water Wars

By P. SAINETH

Water, its status as a public resource as against a private asset, is one of the most explosive issues facing India in the coming years, even as the neoliberal model comes under increasing fire as a catastrophic failure for the vast majority of India's population. across the last decade. Privatization of water will destroy countless small farmers. It will hand over agriculture to the rich and corporations. Undeterred, the World Bank is pressing forward with its local accomplices in India's government and corporate sectors. A few weeks ago we described the battle in northern Kerala over Coca Cola's bottling plant at Plachimada. Here P. Sainath reports on the water pirates and their raids in Maharashtra. AC/JSC

It has been happening for some time. Maharashtra is not the first State. It won't be the last. The drive towards privatisation of water in this country was planned by the World Bank in the 1990s. The just-passed Maharashtra Water Resources Regulatory Authority Bill reeks of Bank edicts already promulgated in 1998. In that year, the "The Irrigation Sector" report of the Bank (teamed up with the Indian Government) laid down the line. [Maharashtra (in western India) is a state of close to 100 million people. Mumbai with 17 million people is its capital. A lot of wealth is concentrated in this state particularly in Mumbai. Editors' note.]

It listed things that "need to be urgently put into practice." Among them: "drastically increasing and rationalising the current water rates." The rest of its "urgent needs" were the standard Bank rules for the capture of a country's farming by corporations. In pushing brutal hikes, the Bank was frank. Its report opposed gradual hikes. "The more recent experience is that `a big bang' approach may be better." Laughably, it cites Andhra Pradesh and Mexico as among the success stories of that approach.

The Latin American experience

Latin America is strewn with the corpses of economies and governments that went for the `big bang' approach. Water, especially, has been a giant factor in the rage of peoples there against regimes. This year, *The New York Times* ran a front-page piece on the collapse of privatised water services across Latin America. Being the *Times*, it coyly sidestepped any criticism of corporations. Or even of the basic concepts themselves. But it did measure the Big Bang. In Andhra Pradesh, the voters threw in a bang of their own last May . You'd think we'd learn something from all this. [Editors' note: Andhra Pradesh is a southern Indian state close to 80 million people, which the NYT correctly described (at that time) as the darling of western governments and corporations. A year ago the voters there threw out the World

Bank's posterboy chief minister, Naidu, entirely against the fervent predictions of Naidu's innumerable choristers in the Indian and US press.]

Yet the new Maharashtra bill does not stray from the righteous path. It too, regurgitates the same jargon and ideas imposed by the Bank and its pet politicians and paid-for bureaucrats on the people of Andhra Pradesh and Orissa.

Never mind that both States saw giant disasters in that sector. Orissa's sham (Bank-made) 'pani panchayats' shattered poor farmers in Angul district. They also handed over irrigation to a small bunch of rich landlords. ('Little pani, less panchayats' *The Hindu* Sunday Magazine September 15 and 22, 2002.) In Andhra Pradesh, Chandrababu Naidu's regime passed an order that aimed for much of what the Maharashtra bill now does. [Editors' note: Panchayat: local village council elected by direct voting. Earlier, simply village council for one village, now can comprise more than one village, not too many though. Orissa (in eastern India) is a state with fabulous mineral wealth that the multinational corporations are lusting for. Its also a state with the highest concentration of poor people, especially the regions where the MNCs are going.]

'Water users'

In Andhra Pradesh, too, a farce of 'Water Users Associations' was set up to the applause of the Bank. Indeed, "The Irrigation Sector" report lavishly praises the Andhra Pradesh 'example'. The term 'water users' itself is intriguing. Are the rest of us non-users? Some kind of dry-land bacilli? The cheers for Mr. Naidu's good example came even as his Government sold cleaned and treated water to soft drinks companies at 25 paise a litre in Hyderabad. That, at a time, when most colonies of the city were getting water for half an hour once every two days.

Meanwhile the 'users' groups proved user-friendly. They sidelined elected panchayats. The rich have always found democracy tiresome. So favoured were these groups that James Wolfensohn came all the way to Andhra Pradesh for them. To inaugurate a confederation of water users associations in 2000. He was to do this at the Koil Sagar Dam in Mahbubnagar. Alas, large mobs of angry 'non-users', furious at the loss of their water, blocked the highway.

The 'users,' far fewer in number, were given a run for their money and their limbs. Mr. Wolfensohn could not reach the site.

But if Muhammad can't go to the mountain, the mountain must go to Muhammad. The Naidu Government, famed for its efficiency in these matters, shifted the dam. In name, anyway. It took down the dam's plaque and flew it to a safe venue. Away from the ugly baying of non-users. There it had a sham of an inaugural in hiding. All this happened under the 'liberal' Wolfensohn.

As against the 'hardliner' Paul Wolfowitz coming in now. It doesn't really matter, though, which Wolf is at the door, *canis lupis* or *canis rufus*. The family *Canidae* are predatory by nature.

How did the Bank view the mess in Andhra Pradesh? As the "remarkable strength of government commitment in Andhra Pradesh to irrigation sector reform."

Identical jargon

Maharashtra seems set to outdo that level of commitment. This bill parrots all the pet phrases of the Bank. It dittos the ideas, rules and structures that the Bank's own vision lays out. In parts, the jargon is near identical. But it breaks some new ground. 'Entitlement' in this bill is not defined as the right or claim of a citizen or community. Here it means 'any authorisation by any river basin agency to use the water for the purposes of this act.' In short, the entitlements of authority, not of society, are what drive the bill. The bill also equates private companies with citizens. The section on State Water Planning is clear on this. "The expression 'person' shall include individual, group of individuals, all local authorities, association, societies, companies etc.," In short, petty officials and giant corporates will have the same rights as citizens and farmers.

Huge costs involved

It warns that in some regions, "Water shall not be made available from the canal ... " Not "unless the cultivator adopts drip irrigation or sprinkler irrigation ..." Or whatever the authority orders. This could add Rs. 15-20,000 per acre to the farmers' costs for just installation. Running costs would be a further burden. This is a rip-off. Well-known private companies close to the ruling outfit will strike gold. The State might even buy this equipment from them in the name of subsidies to the farmer. Even if the farmer cannot cope with running costs.

The new Maharashtra Water Resources Regulatory Authority "shall consist of a chairperson and two other members." The chair will be of Chief Secretary rank. Of the other two, one "shall be an expert from the field of water resources engineering." The other, likewise, "in the field of water resources economy." There's another open door for the private sector - right on the top floor.

This body will ensure that "water charges shall reflect the full recovery of the cost of irrigation management, administration, operation and maintenance of water resources project." Also hidden in the deal is a clause that sailed through when the bill was first passed by the Legislative Council. That talks of partial "recovery of capital investment."

These levels of cost recovery are aimed at clearing the way for private investors. The Maharashtra bill, as economist and former State Planning Board member H.M. Desarda points out, could make costs unbearable. Perhaps as much as Rs. 8,000 an acre. That would simply evict hundreds of thousands of small holders from farming.

Some of those who back the bill, like MLC B.T. Deshmukh, point out that it gives priority to backward regions. That new projects must come first to hard-hit Vidharbha and Marathwada. True, the terms of the bill do imply this. And so? It's like if the Bombay Gymkhana were to give first preference in membership to those living in the slums of Dharavi. Sure, they'd get priority. Could they afford an 'nth' of the

charges? [Editors' note: Bombay Gymkhana is the elite club of the city. Dharavi slum could be the world's biggest, at least second biggest, with over one million people.

Two-child norm

The uproar on the bill centred around the obnoxious two-child norm. But that is just the tip of the iceberg. On April 28, M.P. Veerendrakumar drew the Lok Sabha's attention to *The Hindu*'s reports on the subject during a discussion on the Finance Bill. "Marginalised farmers and those who take agriculture as a livelihood will be driven out. The field will be entirely open for big tycoons and MNCs..." "Whenever agriculture issues are raised in the House," he argued "the reply is that it is a State subject." But he points out, "the moment some bureaucrat goes to some country, he signs an international agreement." With whose authority, he demanded to know. He believes a constitutional amendment is needed to root out the secrecy, intrigue and plain old corruption that are tied with such legislation. [Editors' note: Lok Sabha (of which Veerendrakumar is a member) is the People's House (or directly elected house) of what people in the US would call the federal parliament. The word MLC used for BT Deshmukh refers to Member of Legislative Council of the state of Maharashtra.

The distribution of water already stands privatised in parts of several towns across the country. But applied to farming, will it work? Can such massive rates be recovered? Absolutely not. No one can pay. So why bother, then?

Because it will destroy countless small farmers. It will establish, yet again, water as a private good not as a human right. (What impact the costs will have on food prices has not even been looked at.)

It will hand over agriculture to the rich and corporations. It will worsen the terrible situation of poor farmers in the State - amongst whom there have been hundreds of suicides. And it will doubtless be touted as a national and global 'model.' Watch out for that big bang.

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