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Final Draft

March 10, 2006

Can the World Bank Learn?

Factors Determining Success and Failure in India

I. Development in India

This past year, I spent a semester abroad learning about development in India. To this end, I talked with all manner of people, from experts to local people, trying to understand the breadth of what development means, especially to those in Rajasthan—one of the poorest, most “backwards” states in India and where the program semester was spent. The people I talked to pointed to deficiencies in the Indian political system, corruption, exploitation of class, caste and religion for electoral results which results in communal strife, and many other factors to try to account for why, more than 50 years after Independence Rajasthan and other less-developed states in India continue to do badly on essential development indicators like literacy, infant and maternal mortality, basic nutrition, etc.

One thing that most agreed on, though, was that a glaring failure was on the part of “Western” development organizations like the World Bank. After 50 years of involvement in India, the Bank had precious little to show for it. All around I saw projects that were bungled or abandoned by the Bank, from natural dams that were so weak they simply washed away to a system of wells that was not adequately thought out and ran dry within a year or two. In many of these cases, when I talked to the people these projects were supposed to help, they said that they knew that the projects were doomed to failure: the funding was allocated to corrupt officials;

there was inadequate research and planning before building began, etc. It seemed to me that the Bank simply was not listening to the very people it was supposed to be helping.

After all this, I was forced to ask a simple, but essential question: is the Bank able to adapt its practices to the needs of its recipients, or is it hopelessly rigid and inert in its knowledge and practices. If the former is true, then there is a role for the Bank in the future of development and the failures of the past can be forestall future errors. If the latter is true, then the Bank does not have a legitimate place in developing countries like India. If it is not able to successfully acclimatize its processes to try to create the conditions for success, then the Bank is not sincerely a positive force for development, it is simply a waste of much-needed, scarce development resources. There are those in India who believe that the Bank is doomed to failure and for success, it must be dismantled completely and rebuilt from the ground up. I think before aiming for such drastic action, one must query the Bank's ability to respond to the needs of its recipient nations and learn from past mistakes. If indeed it can, it must be worth saving.

To that end, this paper identifies three key factors that seem essential for the successful completion of large development projects in India. These three factors are specific to the political and social realities of India. There are two main types of development projects, those that build infrastructure and those that implement social agendas. The paper then analyzes whether two development projects- one techno-industrial (a dam) and the other a social program (an education initiative) to see whether these factors' presence or absence predicted the projects' outcome of success or failure. Signals of the Bank's attention to the factors display its ability to adapt to the needs of the recipient country. Moreover, since these projects are spread out in time (one is from the 1980's and the other went online shortly before the turn of the Millenium), they can also test whether the Bank learns over time.

I suggest that the three most important factors that determine a World Bank project's success or failure are whether they consult local authorities and figures—through the local branch of Indian governance known as the panchayats, the degree to which the Bank attempts to anticipate, measure and mitigate the impact of the project, and finally, how correctly and exhaustively they measure the relationship between who and how many bear the costs and who and how many receive the benefits and the associated feasibility or need for appropriate compensation.

II. The Importance of Local Consultation and World Bank Communication

In his seminal book *Logic of Collective Action*, Mancur Olson outlines a framework for when collective action does or does not result. It is not simply enough to have a large group of individuals with a common interest. In such large groups whose only common interest is the provision of a non-excludable public good, the desire to “free ride” will cripple the possibilities for collective action (Olson 1965). This problem can be seen as a mismatch between costs and benefits. If a program's benefits are diffuse and the costs are concentrated, then the group bearing the costs is much more likely and able to organize to defeat the program. If, on the other hand, the benefits are concentrated and the costs are diffuse, the benefiting group would be more able and likely to organize in support of the program. The best situation, of course, would be when the group that benefits and the group that bears the cost are one and the same. But the presence of either of the latter two conditions helps a project's eventual success because organized resistance is unlikely. The presence of the first condition makes it more likely for the project to face opposition and risk failure. Some development projects may find that an unfavorable distribution of cost and benefit is unavoidable, but this only adds greater weight to

the need for the Bank to take an active role in investigating what appropriate levels of compensation would be and making sure that governments make such compensation available.

Along with offering appropriate compensation, another avenue to ensure the cooperation of those people most affected by a development project is local consultation. Say, for example, an irrigation initiative calls for the construction of a series of canals to provide water to a large region. Though its benefits for the population at large may be clear, the people who actually live where the canals will be built must be brought on board for it to be completed peacefully. In India especially, the distinction between the federal government and local authorities is very important. As the rise in number and power of region-, ethnic- and caste-based parties illustrates, there is an incredible heterogeneity of the Indian political, social and economic landscape. Any realistic plan to mount a large development project must pay appropriate attention to the disunion between federal, state and local governments and power structures.

While the national government is, by necessity, governed by somewhat like-minded party coalitions, state and local governments are far more chaotic. It is simply not possible to gauge local support based solely on the approval of the national government. Even the political structure reflects this fact. The system of local governance known as the *Panchayat Raj* not only decentralizes power to local governments but also includes a system of reservations for women and historically downtrodden castes and tribe—which seeks to address the disjoint between national, state and local power structures and conventions. Thus World Bank projects need to be sensitive to this disjoint as well and consult local people. Panchayats have been around in India, in one form or another, since the 1950's and it is necessary for the Bank to recognize their importance and special role as the most decentralized form of governance in India. As Crane and Finkle point out, institutionally, the Bank has had the closest relationship with the Finance

ministry of the recipient state. One of the facets of the Bank's commitment is "its special relationship with its clients, the finance and planning ministries of developing countries that borrow from the Bank" (Crane & Finkle: 518). This bias is institutionalized in the Articles of Agreement, the framework upon which the Bank was first based.

Working with the Union government reduces costs and impediments to consensus-building (due to the long-term nature of the relationship between the Bank and the Union government). Moreover, it is easier to evaluate progress and manage the project when the Bank can deal almost exclusively with Union ministries since corruption in the dispersal of funds increases as one descends levels of government and effective oversight decreases. Thus to work well with local authorities the Bank would have to have better tools to ensure compliance with the terms of the loans to make sure the loan money is actually going to its intended purpose. The Bank needs to institutionalize local consultation into the planning process of development projects since this will lead to decreased resistance to the project, which ultimately makes up for the increase in cost. Further, consulting with local authorities like the *panchayat* strengthens their institutional power as well and makes the discourse between the Bank and local peoples easier in the long-run.

Though the reception from the world community has been mixed, the World Bank has actually been evolving its definition of and policy towards environmental protection since the 1970's. Throughout the 1980's the Bank encouraged Environmental Impact Assessments on an ad hoc basis, but maintained "mandatory EIA's would be too costly, result in project delays and would be meaningless in countries without adequate scientific, technical, legal and administrative capacities" (Kurian 1999: 62). The Bank reversed its position in 1989 and has required a mandatory Environmental Impact Assessment (EIA) since. These EIA's are meant to

follow a strict protocol that is laid out in a three-volume Sourcebook with exhaustive detailed descriptions of operational directives and relevant guidelines and evaluations. But as Priya Kurian points out, framing impact assessments without placing a special emphasis on the gendered implications of the project may make those assessments can fatally undercut a project's prospect of success. Thus not only an environmental impact assessment contributes to a project's success, but a contextualized, gendered understanding is necessary. Paying appropriate attention to the needs of other weaker groups like indigenous or tribal peoples is also a part of this factor. Moreover, as Jonathan Fox and David Brown point out in *The Struggle for Accountability*, these measures to sensitively assess impact must be incorporated into the planning and conceptualization of projects, not just tacked on at the end to adhere to formal guidelines.

III. The World Bank in Perspective

In terms of the puzzle being studied here, there are two main schools-of-thought. One school maintains that the Bank is not able to evolve and adapt effectively. The other school envisions a much more two-way interaction between the Bank and its recipient countries.

Some scholars believe that the Bank is an institution that has become inert and inflexible to the changing needs of development. Barbara Crane and Steven Finkle argue in their paper regarding population control that the World Bank has over the years become a “committed polity—an institution embodying key values and possessing a distinctive identity.” Such an organization “resists changes that threaten to alter its unique character...It often seeks to maintain these [essential] commitments even when they interfere with the achievement of its organizational objectives” (Crane & Finkle 1981: 518). In his institutional analysis of the Bank's willingness to change, William Ascher also observes the Bank's hesitation to change and adapt.

“It is clear that there has been significant resistance on the part of the World Bank to changing its priorities and to adopting the practices required to pursue new strategies” (Ascher 1983: 420). One possible explanation for this is hypothesized by Glenn Jenkins. He shows how the project analysis institutionalized within the Bank tends to underplay the ultimate economic viability of the project or the real-world effects of the projects on the area (Jenkins 1997: 40-1). This view of the World Bank shows a monolithic institution that cannot or will not evolve to reflect the changing needs of its intended beneficiaries.

A second approach, while admitting the faults of the World Bank system, sees a more cooperative relationship between the Bank and its recipient countries. Claudio DeMura Castro points out that “thinking in the Bank is far from being monolithic and compliance with the ideological impositions is more formal than real.” Moreover, Bank project managers have to balance the ideological rigidity demanded by the Bank leadership with the need to sell the loan to the recipient country which mandates that the project adapt to the realities within the nation (2002: 391-2). The Bank, learning from the fiascos of the past, has started to make the environmental consultant for the project a full member of the planning committee in some cases. The Bank has also taken steps to inform the consultancy firms that do the bulk of project preparation of the importance of environmental assessments in the feasibility stage of project-planning (Goodland 1990: 150-1). Paul Nelson shows how the Bank has been compelled to change practices through the publicity and advocacy work done by NGO’s (1997: 468). Finally, as one of the World Bank’s biggest recipient nations and with its own sizable “intellectual resources,” India’s relationship with the World Bank is exceptionally (though not uniformly) cooperative. So the government of India actually enjoys much latitude in planning projects and resisting the demands of the Bank (Nelson 1978: 475). Thus this conception of the Bank allows

for change, adaptability to the realities of the recipient countries and the ability to learn from mistakes.

This paper's approach is situated within the second school of thought in that it emphasizes the need for policy to be sensitive to the needs of the locality in which it is situated. The project's aims should be squared upon helping its intended beneficiaries. This paper posits two key dimensions that projects should account for to ensure this: consultation with local peoples and authority, impact assessments that address the environment, women and indigenous peoples. These factors help assure that the needs of the local people will be addressed. By adding Mancur Olson's work on collective action, the paper addresses whether the project will face opposition or resistance. Thus, the third and final factor is targeting costs and benefits. All these factors together represent conditions for successful development projects that are tailored to the specific needs of India. The Bank's ability to respond to them would be a positive indicator of its ability to adapt its practices appropriately.

IV. Case Selection Logic

Success and failure are rather hard to quantify in this situation, so this paper will impose its own standard. The standard for failure will be that projects that face significant opposition from social groups, those that either never become operational or are abandoned before an appreciable amount of time has passed from its inauguration or which causes such damage that it has to be discontinued. The absence of these factors and the peaceful implementation of the project will count as success.

The two cases that this paper will analyze are the Sardar Sarovar Project, which includes the controversial Narmada dam. Initially the Bank was one of the main donors to the damming

project. After an unexpected and powerful grassroots resistance movement mobilized to block the construction of the dam, the Indian government asked the World Bank to bow out. Pointing out the incredible environmental costs (which would be concentrated on the mostly impoverished tribal populations that lived in that area of the Narmada valley) the Narmada Bachao Andolon has been agitating to varying degrees of success for the past two decades. As such, the dam is still not fully functional today. This case will then be considered the failure.

The success case is an education program in Rajasthan co-funded by the World Bank. The first initiative was titled the Rajasthan District Primary Education Project (DPEP). The Project was extended into Rajasthan DPEPII, which is in operation today. Though the program has many varied aims but it essentially boils down to partnering with the Indian government to provide quality primary education for all primary-age children, especially those from disadvantaged groups. One aspect of the program is targeting transient, homeless and slum children to try to instill basic literacy and numeracy in what are called *janshala* schools. In my work with an NGO in Jaipur, India I personally witnessed and participated in a portion of this program. This program has been an unprecedented success not only in numbers. I have personally seen the positive impacts upon some of the most disadvantaged people in Jaipur. Based on the one-success and one-failure cases, this paper will explore whether there is a difference in whether the two cases accounted for the three factors in my hypothesis that determined the outcome. Finally, the paper evaluates what the results show in the puzzle of whether the Bank can adapt to its recipient countries or whether it learns over time.

V. About the Sources

The factors outlined in this paper are admittedly difficult to measure. Reliable, exhaustive information about these and, really, all large development projects are difficult if not impossible to find. As such, this paper proposes using the most credible sources of information to try to discern the presence or absence of the three factors. In the case of the Narmada dam, there is very little literature that can be found from the World Bank, but there has been a steady stream of scholarly research. In the case of the Rajasthan District Primary Education Project the opposite is true. There is very little scholarly research on this project, possibly because the project is still ongoing. The World Bank, though, has a breadth of information about the project. So for the Narmada case the main sources will be scholarly research and for the Rajasthan DPEP the main sources will be World Bank documents. These sources will then be coded as follows.

Demonstration of consultation with local authorities or interest groups will be considered as the presence of the first factor. And references to an EIA and the impact upon women and sensitive populations like indigenous peoples will be regarded as the presence of the second factor.

Assessments that show that the planners of the project looked to appropriately balance those bearing the burden of costs and those receiving the benefit will be counted as the presence of the third factor.

The best possible case study analysis may rely on working from comparable documents about the two cases. As mentioned before the availability of information made this impossible. Nonetheless, there are some important concerns that must be considered about the different sources of information. Each source, scholarly articles and World Bank documents, has strengths and weaknesses that the other lacks. The scholarly articles are more likely to be able to contextualize the time frame and relationships essential to the planning of World Bank projects.

Internal documents, as would be expected, tend to portray a rather straightforward, Bank-centric plan of development projects. Perhaps because they are freed from the institutional concerns of internal documents or because they are done after some time has passed, scholarly articles are more likely to show the process of decision-making and the partnerships involved (between the Bank and national, state and local governments). On the other hand, these scholarly articles tend to have a strong intention which can severely skew their scope. One could argue, of course, that the authors of internal World Bank documents are very concerned with portraying the project in the best possible light. Regardless the internal documents tend to be exhaustive in their breadth. Since they are not interpretations of events from an ideological standpoint they tend to present a wide overview of the facts and considerations in a way that keeps the project strictly in focus. As mentioned before, the paper uses the best sources available. Both types of sources have their strengths and weaknesses and whatever value is lost in the difference is hopefully made up in the insights offered by using the combination of both.

VI. Overview of Case Study 1 Narmada Dam: A Study in Errors

For the purposes of this paper, the distinction between the actual Sardar Sarovar Dam and the general Narmada damming project will be collapsed. The scholarly articles used for this analysis tend to address them together and so will this paper.

A. Factor 1: Consultation with local authorities/populations

As a federalist system, different powers are conferred to either the Union (or Federal) government, while others are reserved for state governments. As John Wood points out in “India’s Narmada River Dams,” the particularities of the Indian governance structure heavily

mediated the plans that were formulated for the Narmada damming project. “According to India’s Constitution, water development falls under the jurisdiction of the states. [Since the Narmada flows through multiple states], the Constitution provides that the Union government controls regulation and development of the rivers and valleys if Parliament by law declares it to be in the public interest” (969). The Inter-State Water Disputes Act set up the structure for the adjudication of disagreements about inter-state rivers. If negotiation between the states comes to no avail, they can appeal to the Union government to appoint a tribunal. The tribunal’s decision is final and cannot be challenged in any court. The project to harness the water and electricity-production capabilities of the Narmada was spearheaded by the state of Gujarat. After long drawn-out battles between the involved states (Madhya Pradesh, Rajasthan, Maharashtra and Gujarat) the Union government was pushed to create the Narmada Water Disputes Tribunal (NWDT). The recommendations from this panel, released in 1978, were used to formulate the final plan for the damming of the Narmada River.

This is the decision-making process that the Bank accepted when it became a party to the project in 1985—first with a \$450 million start-up loan later supplemented by another \$450 million for canal construction and environmental protection (Wood 1993: 970-6). In reaction to the loud outcry from NGO’s in the affected areas and pressure from donor countries, in 1991 the World Bank authorized the “first ever independent review [IR] of a Bank-supported project under implementation” (OED 1995: 1-2). The findings of the IR were that neither the Indian government nor the World Bank had consulted with the people who were actually going to be affected by the dams (Wood 1993: 979, OED 1995: 2). Thus the World Bank’s trust of and dependence on the findings of the NWDT made it a victim to the confused federalist political structure of Indian government. In taking these recommendations at face value, the Bank missed

its opportunity to make up for the lack of input from affected populations. Since the point of contention was the heavily underestimated appraisal of the number of people that would be displaced and the inadequacy of the compensation that was distributed, actually consulting with the people that live near the river could have yielded a much better thought-out project. Since it ultimately comes down to a matter of compensation, local consultation on the amount of compensation and the avenues of dispersal might have avoided the morass the governments found themselves in. Hundreds of thousands of people were displaced and living as near-refugees due to the lack of compensation. This made it easier for NGO's to incite sympathy and create alliances compelling the failure of the project. As can be seen from the next factor, the impact assessments, this lack of consultation doomed the project from the start.

B. Factor 2: Impact Assessments: Environment, Gender, Disadvantaged Groups

In a country like India, where social stratification has left certain groups like women, tribals, untouchables and other groups consistently underserved politically and legally, the onus is upon international organizations, like the Bank, to actively combat and not perpetuate such injustice. In "Banking on Gender," Priya Kurian points out that though the Bank is making an effort to better address environmental concerns, it still fails to take important factors like gender into consideration. Kurian shows that despite specific guidelines built into the operational codes for creating environmental assessments for indigenous people or ethnic groups, there is no such guide for the issue of gender. Starting from this flawed base, it is not surprising that Kurian finds that the Environmental Impact Assessment (EIA) done for the Narmada Dam to be woefully lacking in terms of gender sensitivity. In terms of resettlement and rehabilitation, men over the age of eighteen are eligible to receive land or money in compensation, which completely ignores

the special plight of women. “These policies were not challenged by the World Bank in the 10 years of its involvement with the [Narmada damming project]. This is in line with the Bank’s general assumption, evident in its EIA policy, that women’s interests can be subsumed within the general requirements for dealing with development impacts” (Kurian 1999: 74). The women in the area who were affected were especially vulnerable for a list of reasons. First, women, especially tribal women, have a particularly close relationship with and dependence of natural resources like forests and rivers. In many cases it is the females of the family that are in charge of gathering wood for domestic cooking and heating. The women may also be in charge of the non-commercial fishing that provides the food for the family (instead of being sold). Thus the health of and accessibility to natural resources like forests and rivers is very important. Moreover, in indigent populations where men cannot find work (or lose work as happened in the Narmada case and do not receive adequate compensation), the women bear the brunt of their frustration. These populations have elevated rates of alcoholism and domestic abuse. So when the impact on women is not studied and compensated, the women suffer much undue harm.

Another strong criticism that Kurian and others lob against the Bank’s EIA policy is timing. They highlight the fact that the EIA, flawed as it was, was done not in the planning stages, but after the actual building of the dam was underway. The World Bank approved the loan to the Indian government in 1985 “well before its EIA policy was in place” (Kurian 1999: 74, Karan 1994: 38). In fact, Wood points out that the project had failed to meet Indian environmental standards, well before the World Bank even got involved. Construction was still authorized and the “Narmada Control Authority agreed to meet these and other conditions on a *pari passu* basis” (976).

Another important consideration in the case of the Narmada Dam was the disproportionate effect of displacement upon tribal populations. The EIA guidelines may have included protocols regarding indigenous populations, but it does not mean they were followed. Estimates of the percentage of tribals among the displaced range from 55% to almost two-thirds to 90 percent (Judge 1997: 841, Wade 1999: 975, Kurian 1999: 72). As Judge explains the implications for displacement are far from simple. It is not just an exchange of land and home in one location for another.

Another common characteristic is that the oustees are from hilly areas, the terrain in which dams are always constructed. The oustees' lifestyle and culture thus reflect the impact of centuries of habitation in such geographic surroundings. In India, the hilly areas have been relatively isolated from mainstream economic and political life. As a result, both tribals and non-tribals have developed a way of life separate from that of mainstream society to which most of the decisionmakers and administrators belonged. (Judge 1997: 841).

As the OED report points out, the Bank broke its own rules about indigenous populations since only the state of Gujarat had studies "and no acceptable proposals for resettlement or training" (OED 1995: 4). Though the EIA did try to address some portion of the environmental costs of the project, it was fatally flawed from its ignorance of the special needs of women and indigenous populations, and it was done after building was already underway. The project design did not reflect the necessary protection and planning and the EIA became merely a formality (one that was not strictly adhered to even in that conception).

C. Factor 3: Evaluation of Cost-Benefit Concentration/Diffusion

The benefits of the dam(s) were decidedly diffuse, increasing access to certain resources for tens of millions of people, but the harshest costs were to be borne by a small, already-

disadvantaged portion of the population. This adheres to the negative distribution of costs and benefits. Each of the articles about the Narmada Dam addresses the issue of relative costs and benefits of the scheme. Judge points out that the “benefits of a dam are generally projected to reach all strata of the society, at least in terms of regional employment generation and improved agricultural productivity... [but oustees and resisters] are insisting that not only the benefits but also the costs be considered before a dam project is implemented” (842). More concretely, there are a number of figures estimating the real costs of the dam. Ashok Swain estimates that the project will “submerge a total of 248 villages with a population of 66,593...if all the parts of the Narmada Project are completed, it may displace more than two million people” (827). Other figures put the displaced at 200,000 but says that the dam would create employment for 700,000 people during construction and 600,000 afterwards. It would also irrigate nearly 2 million hectares of land and supply 30 million people with drinking water (Kurian 1999: 72). Moreover, due to the replacement of a portion of the energy production from coal to hydroelectric, 3.2 million tons of carbon dioxide emissions are avoided per year (OED 1995: 2). Woods takes a slightly different approach in his cost-benefit measurements in that he uses states as the unit-of-analysis. Gujarat, the most vocal advocate of the Narmada Project, stood to gain the most and lose the least. For that privilege, Gujarat paid a larger share of the monetary costs of the project. In addition, based on the presumption that it would lead to displaced people emigrating from the other affected states to Gujarat, the state of Gujarat offered far better terms of resettlement and rehabilitation (Wood 1993: 973-5). The Bank should have done its own independent appraisal of the costs and benefits of the project and verified that an appropriate amount of compensation was being offered.

This may seem simply an extension of one of the earlier variables: local consultation. Ultimately though it does not fit neatly into the variable. The failure to gather this information was not (as investigated by the Independent Commission) attributed to the disjoint between local, state and Union governments. It was more that few states or the Union government bothered to exhaustively analyze the concentration of costs and diffusion of benefits and neither did the Bank.

D. What the Bank Should Learn From the Narmada Dam Project?

Ultimately, the case of the Narmada Dam conforms to the model proposed by the paper. There seems to have been minimal to no consultation with local populations and governance structures. An environmental impact assessment was eventually done for the project. But the fact that it was done after the project was already in construction shows that mitigating negative effects were not considered in the actual planning of the project. Also the impact assessment ignored important factors like the specialized effects on women and indigenous populations. Finally, the cost-benefit estimations show that the benefits were going to be diffuse while the costs were meant to be very concentrated on already vulnerable sections of society. It is possible that this configuration may be endemic to dam projects, but the Bank could have taken a more active role in helping to provide adequate compensation to those affected.

VII. Overview Case Study 2 Rajasthan DPEP I and II: Signs of Learning

This paper will address both the first and second Rajasthan DPEP's. Since DPEPII simply extends the programs instituted in DPEP to an additional ten underserved districts, combining the programs seems prudent. There are two documents authored by the World Bank

in 2001, one is the Project Appraisal for Rajasthan DPEPII and the other is an EIA dealing with tribal populations for the same program. To avoid confusion, the Project Appraisal will be cited as (World Bank 2001) and the EIA will be cited as (World Bank EIA 2001).

A. Factor 1: Consultation with local authorities/populations

Analysis of the Project Appraisals and EIA's for DPEP and DPEPII shows numerous examples of the deep engagement planned between the Bank's plan and local populations and authorities. One of the measures of the programs is to create district-level Block Resource Centers (BRC's) and sub-district Cluster Resource Centers (CRC's). These centers will be brought under the control of the Panchayati Raj Institutions (PRI's) which will strengthen and enhance the capabilities of the panchayats. Moreover these BRC's and CRC's are there to "facilitate community mobilization" (World Bank 1999: 8, World Bank 2001: 9). The matter of community involvement is especially prominent in the EIA regarding tribal populations for DPEPII. The responsibilities placed upon the community range from building awareness of formal schools to requesting funds for new schools. This EIA also takes the very positive step of explicitly mentioning non-formal local authorities (World Bank EIA 2001: 4-8). Moreover, through ongoing interactions in the Social Assessment Surveys, community members can "express their views towards education, barriers to education and appropriate interventions" (World Bank 1999: 18). By stressing community ownership of educational programs and resources, the program is helping to ensure both that they reflect the social realities of the area and the long-term viability of the schools is secure.

B. Factor 2: Impact Assessments: Environment, Gender, Disadvantaged Groups

The World Bank documents relating to these two projects deal specifically with each of the three dimensions of impact assessments. The issue of gender is central to the very purpose and planning of the programs. Though the emphasis is more pronounced in the Project Appraisal of DPEP than DPEPII, both highlight the inequality of access for girls. The proposals to create Early Childhood Education centers can be seen as a mechanism to facilitate girls' access to education. Since cultural norms tend to compel girls to forego formal education to stay home and take care of siblings, these centers can mitigate that responsibility, allowing the girls to get the education they deserve. Additionally, the proposal for alternative schooling should also enhance girls' ability to attend school. If her duties at home cannot be avoided or if other cultural norms that mandate that females do not travel alone bar her from school, these alternative schools which are located close to remote areas and have non-traditional hours may represent a workable solution.

Both Project Appraisals specifically mention an EIA. Both agree that there should be minimal to no harmful effects to the environment from this program. The new schools should be located in Panchayat-owned land or in buildings volunteered by members of the community. I found this to be a realistic assessment since many of the slum schools I saw in Jaipur were quartered in buildings donated by the inhabitants. Moreover, this fostered a tangible sense of ownership that resulted in the people of the slum (not just the children who attended school there) took a great interest in the cleanliness and upkeep of the premises. Also both mention the institution of a comprehensive Best Environmental Practices manuals to guide "design and construction/expansion of schools and water supply and sanitation facilities, including environmental standards for safety, waste disposal, use of hazardous materials, esthetics and other aspects of the school construction program" (World Bank 1999: 18, World Bank 2001: 23).

Finally, as was stated before, there is actually an EIA that deals specifically with the implications of this program for tribal populations. They point out the additional barriers to access for remote tribal communities that cause tribal populations to have extraordinarily low levels of literacy. “The reluctance of [Scheduled Tribe] families to educate their children [may be because]...they may not value the education available, particularly in relation to its opportunity costs. Children are crucial family workers in the tribal economy which includes agriculture as a main occupation, cattle herding, labor on work sites, and home-based work such as rolling indigenous cigarettes (*bidis*), collecting firewood or other minor forest produce, stone quarrying, mining, etc” (World Bank EIA 2001: 3). In addition to conducting in-depth research into non-schoolgoing children in tribal areas, the document recommends encouraging teachers to create classroom atmospheres that are conducive to the education of tribal youth (though it is not exactly clear what that would entail), prioritizing the building of alternative schools in tribal areas, hiring Girl Child Motivators and Escorts to encourage tribal girls to go to school and ensure they can do so safely. Though the recommendations can seem a little bizarre (one might wonder how one trains to be a “Girl Child Motivator”) but it is a positive step that the specialized needs of tribal or indigenous populations are considered by the Bank.

C. Factor 3: Evaluation of Cost-Benefit Concentration/Diffusion

Since this project does not require any displacement there is very little in terms of concentrated costs. The project is funded by the Government and the World Bank, so there does not seem to be much in terms of direct costs. The benefits, on the other hand, are quantified numerous times in the Project Appraisals and EIA and they seem relatively diffuse. Figures of beneficiaries include “600,000 children in the age group between six and ten year olds (out of

which about two-thirds are expected to be girls and one-third [Scheduled Caste] and [Schedule Tribe] children,” “50,000 tribal children will be benefited [due to the expansion of schools into tribal areas],” “[the opening of Alternative Schools will] benefit approximately 8000 tribal children,” etc (World Bank 1999: 10, World Bank EIA 2001: 4-5). In a state as large as Rajasthan, these benefits may not be completely diffuse, but since the costs do not seem concentrated on any section of society, this still fits with a suitable assessment of cost and benefit.

D. The Bank Seems to Have Learned

Unlike the Narmada Dam case, this paper finds that all three factors are present in the Rajasthan DPEP & DPEPII case. The Project Appraisals and EIA mentions each of the three factors. The planning and implementation of the program incorporates local populations and authorities. The impact of the program on the environment, women and indigenous populations was also considered. Finally, the costs and benefits were balanced in such a way that there was no cause for widespread resistance. No wonder this program continues to go strong.

VIII. Regarding the Variety of Test Cases

One might argue that the vastly different natures of the projects make evaluation along the same lines ineffective, especially in relation to the assessment of the distribution of costs and benefits. Of course it is easier to analyze cost and benefit in an education program that is funded by the Bank and the government—little of the costs are borne by the programs’ recipients making the number of beneficiaries versus the concentration of costs very positive. But this paper maintains that this evaluation can be extended into larger projects like the Narmada Dam,

even though they involve far more people. Since the costs of planning a project do not multiply in pace with the size of the project (the specialists and experts hired by the government to plan potential projects do not charge based on the allocation of funding), it is worth the ultimate viability of the project to spend the extra money to get good data about the diffusion or concentration of costs and benefits. Ultimately the paper does not argue that the Narmada Dam should not have been built under any circumstances. Instead it theorizes that if compensation was properly designed—through local consultation and sound assessments of costs and benefits, the project could have proceeded with less resistance and the funds that the World Bank wanted to provide better and cleaner electricity to the area could have done just that.

Another note concerns the relative ease with which gender-sensitivity and social equality can be institutionalized into an education program versus a large techno-industrial project. To be fair to women in the second case may require deep cultural changes like making female land ownership viable. This could lead to even more resistance in the sense that it could anger local groups by sidestepping important cultural mores. This paper advocates the view similar to the one set forth by Amartya Sen in *Development as Freedom*. Sen relates the case of Kerala, a lone success story in India in terms of female education and population control. As Sen points out, it was through changing cultural mores like female education that success in the unrelated area of population control was gained. Also this was gained in a decidedly female-centric way as opposed to set forth from on high by the government. Ultimately, development is a two-fold process. Building infrastructure like roads and dams can help in the first stage, increasing the economic well-being of the nation. But to ensure the fair and equitable distributions of these fruits of development, social programs that counter social, cultural and political inequality is necessary. It is through changing these mores that the deeper and more lasting change can be

attained, like female land ownership and viable compensation solutions that directly benefit women and other vulnerable groups.

IX. What the Bank Should Do Now?

Analysis of the two cases studies seems to show that the three factors (at least in this limited scope) do seem to correlate to success and failure. There could be many implications to this. As Fox and Brown point out, the World Bank is an institution that is being pulled in a variety of directions from NGO's in the North and South, donor countries, recipient countries and changing global norms. If the mission of the Bank is truly sincere, then this learning and feedback process must become a more entrenched part of the Bank. Hopefully the Bank learned its lessons from fiascos like the Narmada Dam Project. To look at it one way, if the Bank had better ensured that the correct processes were being followed, the international outcry would not have resulted. If the international outcry had not resulted, the Bank may not have been asked to withdraw from the project, leaving the Indian government to do as it pleased (which seems to be alternately pandering to the resisters and harassing them). One of the Bank's greatest powers could be to learn from the past and help mitigate the growing pains of development. Ultimately, the Bank is either able to respond to the challenges of development and appropriately adapt its practices to its recipient nations or it is ineffective as an institution. This case study analysis shows that though it has failed in the past, the Bank may actually be able to learn from its mistakes and create the conditions for success for its development projects in India.

Tables of Findings

	Consultation with Local Authorities or Populations	Impact Assessment			Positive Cost- Benefit Concentration or Diffusion Distribution
		Environment	Gender	Indigenous or Tribal Populations	
Narmada Dam	N	Y	N	N	N
Rajasthan DPEP & DPEPII	Y	Y	Y	Y	Y

	Adapting to Country	Learning from Mistakes
Narmada Dam	N	
Rajasthan DPEP & DPEPII	Y	Y

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