

## **Book review: Irrigation Reforms in India**

### **Why do academics neglect issues of political economy?**

Ashok Gulati, Ruth Meinzen-Dick, K.V. Raju, *Institutional Reforms in Indian Irrigation*, Sage Publications India Pvt. Ltd., New Delhi, 2005, (322 pp., Hard back (US \$ 14.00 [outside India, Bhutan and Nepal, where the price is INR 595.00])), ISBN 0-7619-3311-5.

Water resources in India are becoming increasingly scarce under the combined impact of unsuitable policies and programmes, and increasing population, consumption, and urbanization. As well, the deteriorating state of the irrigation infrastructure and increasing pollution are putting significant stress on existing water resources. Investments in the irrigation sector in India are declining, as is the output per unit investment. The increasing incidence of conflicts and disagreements is a clear indicator of the increasing stress. These conflicts come in many forms and are between various parties and interest groups and include people versus the state, inter-state conflicts, centre-state conflicts, urban–rural conflicts, industry–agriculture conflicts, and urban versus agriculture areas, among others.

India has the world's largest irrigation infrastructure and that infrastructure is in bad shape and performing far below its optimum level. This book is about the institutional reforms in major- and medium-size irrigation projects in India, with specific emphasis on the financial aspects. To suggest reforms in India's rather complex irrigation sector, it is important to first understand the context and the political economy of that sector. Without that understanding any suggestions are likely to be ineffective at best.

The authors begin with their description of the problems in the first chapter interestingly entitled "Introduction: The Political Economy of Indian Canal Irrigation". This description however, leaves out some very important problems associated with India's irrigation sector. Such problems include those associated with the planning- and decision-making process and the lack of assessment to arrive at a least-cost option. As well as there is no discussion about transparency, accountability, participation, equity and sustainability as fundamental core values in the irrigation sector. These important issues should be at the heart of any discussion on political economy. Their exclusion from the authors' description of the problem does not help to reach any useful recommendations. The absence of such a critical outlook in the book leads to the use of some common assumptions that do not have a foundation of credible assessment. Moreover, any exercise in a critical evaluation of the irrigation sector in India cannot ignore the seminal report of the World Commission on Dams (WCD) that was made public in November 2000. The 15-page list of references has no mention of either the WCD report or any of the numerous excellent studies that are part of the WCD knowledge base, including some on India's irrigation sector.

The book is not without its merits. The book goes from a macro-picture in Chapters 2 and 3 and gives some specific information about the states of Rajasthan and Karnataka and an analysis of the projects there, with information on some local experience within the project areas. This indeed is the book's strong point and provides a unique perspective linking national policies and practices to the local experience. The authors have selected Indira Gandhi Nahar Pariyojana and Chambal projects in Rajasthan. In Karnataka the Krishna Raja Sagar and Upper Krishna projects are selected for detailed analysis. Maps of the area and schematic presentations of the irrigation schemes being discussed would have helped the reader and enriched the assessment of these projects.

The book seeks to examine the potential (Chapters 4 and 7) and actual performance (Chapters 6 and 8) of various reforms that are underway, including Participatory Irrigation Management (PIM), Water Users Associations (WUAs), and other institutional reforms occurring, such as the introduction of specific "autonomous" organizations like that in the Upper Krishna Project in

Karnataka (Chapter 5). From this analysis, the authors draw up recommendations in the final chapter entitled “Conclusions and Policy Recommendations”.

The book stresses the need for greater accountability to govern the development and management of the irrigation systems in India. The authors hope that the study will contribute to the process of improving the physical and financial sustainability of irrigation sector. Unfortunately it does not seem likely that that hope will be realized. The final chapter has some interesting economic analysis of irrigation sector. The authors conclude that “Indian peasants have been paying a net implicit tax of nearly one-third the value of their agricultural produce, even after accounting for various subsidies on inputs, including irrigation. . . Indian agriculture emerges as a heavily taxed sector”. In spite of this revelation, the authors go on to recommend the abolition of subsidies like those currently in place in the irrigation sector. Their argument is two-fold.

Firstly, the authors suggest that the current implicit taxation is not “economically efficient” for providing incentives for farmers to use water efficiently or for the irrigation agency to improve performance. This argument has limited merit because there are other important reasons for the low water use efficiency and poor performance of irrigation agencies. Lack of transparency, accountability and well-defined norms of transparency and sustainability are more dominant reasons for this state of affairs. Secondly, they argue that, the abolition of all export restrictions under the liberalization of trade driven by the World Trade Organization “would improve the returns to farmers”. Such sweeping statements clearly ignore one of the most important aspects of irrigation in India—that of equity. It is possible that some of the bigger farmers, and in particular the contract farming companies, would benefit from such liberalization, but it is almost certain that most small farmers would not.

The recommendation made in the book that taking water pricing out of political corridors and putting it into the realm of professional non-governmental organizations has a counter argument. It is often the case that non-governmental organizations can be as prone to corruption as politicians but yet be less accountable than politicians. The book would have benefited from a detailed discussion on these fundamental issues.

The “participation” of farmers in PIM and WUAs is in name only, and these reforms have not shown any extraordinary results. These reforms talk about “participation” only after all the important decisions about the projects and their implementation and operation have been taken by someone other than the farmers themselves. It is amazing that even as the book discusses the experience with the Krishna Project (Chapters 5 and 9) and future projects (page 287), the authors do not recommend any participatory planning or decision-making process for determining the best option for water resources development in a given area. One would have thought that a book on Irrigation Sector Reform in India published in 2004–05 would also have discussed the implications of water-saving farming techniques like the System of Rice Intensification (SRI). As field experiments in several states by Agricultural Universities and others have shown, the SRI can increase yields by more than 50%, reduce water requirement by 50% or more, and has several other advantages. Consider the implications that adopting such a system would have in even half of the 24 million ha of irrigated paddy farms of India. Since paddy farming has the largest irrigated area of all crops planted in India the beneficial effects of adopting the SRI would be enormous. Unfortunately the book does not discuss such implications.

This book will be useful to those who are interested in getting an initial, general picture of India’s irrigation sector and trying to understand the mainstream institutional reforms that are being suggested. India’s irrigation sector surely needs far-reaching and effective reforms and it will need more critical literature to achieve beneficial results.

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