

**Political Economy Study of the
WASH Sector in Bangladesh:
Summary and Recommendations**

30 March, 2016

Submitted to
WaterAid Bangladesh

Submitted by



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A Political Economy Study of WASH Sector in Bangladesh: Summary and Recommendations

Background to the Study

When Economic Research Group (ERG) was commissioned by the WaterAid Bangladesh (WAB) for the study, there was more than one view on what constitutes Political Economy (PE) and what the scope of WASH may be. With good intents prevailing on both ends, some of the issues were left to the process of consultation. Thus, agreements on some of the basics evolved over the early months of the assignment, June – August 2015. To cite few examples, the title of the study changed from “The Political Economy of WASH in Bangladesh” to “A Political Economy Study of the WASH Sector in Bangladesh”, a common agreement was reached on the scope of WASH at operational level and to view PE beyond its current branding as a set of tools. Moreover, the subjects of case studies got more precisely defined along the journey. The journey that spanned over little less than a year, took the researchers too many fields, exposed them to several knowledge disciplines and expertise in those areas, and brought increased social awareness about the importance of the subject called WASH. Given the exploratory nature of the study, it is primarily based on qualitative analysis -- several FGDs were conducted with various groups of stakeholders, mixed with in-depth interviews and KIIs. Where needed, unit level data from secondary sources have also been analyzed, questionnaire surveys have been administered, and quantitative findings from the data analyses have been presented in the reports.

Brief outlines of the reports

The report has three major parts, and the present one is the last of those three (C) which summarizes all other reports and proposes recommendations (Report # 5). The first part (A) addresses concepts, definitions, institutional canvass and aggregate resource allocations for WASH at national and household levels. All of these are presented in a single report, titled, “A Political Economy Study of the WASH Sector in Bangladesh” (Report # 1). The second part (B) presents three case studies, each in a separate report, and deals with the followings¹: (i) fecal sludge management in fringes of Dhaka city (Report # 2), (ii) FSM in a small town (Report # 3), and (iii) groundwater dependent water supply system in Khulna city (Report # 4).

The first two reports in Part B (# 2 and # 3) primarily focus on an important component of sanitation, but goes beyond household-level sanitary practices that have preoccupied many NGOs in Bangladesh. Those may be viewed within the broader umbrella of fecal sludge management (FSM). The study on the fringes of Dhaka city reveals the harsh truth that those areas are recipients of the huge amount of human wastes that the city population generates every moment. It presents empirical findings to show how macro environment and infrastructure influence household choices of on-site provisions for sanitation and fecal sludge containment. The report also identifies actors that sustain the process, and the concluding section generalizes a number of observations and proposes several recommendations.

¹ Initially, two broad themes were expected to be addressed under Part B, (i) WASA-supplied drinking water in Dhaka City, and (ii) WASH in a Rural Bangladesh: a case study of human fecal management. Upon requests from WAB, the first was dropped, and it was agreed that water issues of Khulna city would be included. Independently, ERG offered a third report on FSM in the fringes of Dhaka city since it provided great deal of insights into the FSM.

In contrast, Sakhipur is an emerging small town, and Report # 3 investigates social relations in conjunction with the town's experiences with population growth, mobility, economic pressures and urbanization. A typology of sanitation systems is identified to find entry points for understanding political economy of sanitation. The study compiles details of sanitation accounts, resource allocations, and identifies stakeholders with interests, their respective and overlapping roles, relationships, and how those shape the making of choice and prevalence of particular sanitation system(s) in the study area. The report also looks into the newly introduced vacutug and co-compost plants launched by the WaterAid Bangladesh (WAB) to modernize transportation and recycling of fecal sludge. Because of the overwhelming presence of the ruling party, political partisanship is found to influence resource allocation and distribution while shares and rents are distributed as per party loyalty. There is also a lack of clarity over institutional authority at the national level, which can be reproduced and magnified at sub-national level. As the study reveals, relevant agencies do not have clear understanding of their respective roles and coordination. The study findings also suggest that neither the DPHE nor does the LGED implement any sanitation related activities within the Pourashava. Nor is the municipality found to have any plan in near future to upgrade the local sanitation system or develop a centralized sewerage system. However, the study rather recognizes much potential in DeWATS project in Rakibnagar slum, which could be considered to be a model of replication.

The report on Khulna City (# 4) has water for urban use as the central focus because of the increasing difficulties in sourcing safe water in Bangladesh as well as in other countries. Beside a long narrative on the gradual increases in our dependence on groundwater and its consequences, the study attempts to identify actors in the society, economy and politics who may resist or support changes to a new regime based on surface water. The questions could be more precisely posed since there is a long history on civic movement for sourcing surface water from nearby *Mayur* river. The study combines empirical survey-based searches with market-level probing and consultations, and connects those with institutional dynamics associated with mea projects.

In spite of extensive engagement and brain-picking, the research team found it difficult to include the third component of WASH, that is, hygiene, for a stand-alone case study. It is however recognized that hygiene overlaps with concerns for safe water as well as sanitation; and therefore, it is included in the conceptual discussion as well as under market trends in sanitary products in Report # 1. The subject also surfaces in several case studies.

The rest of this report recasts the general findings from the various component studies with a view to suggest recommendations for actions deemed relevant for improving WASH status in the Bangladesh. It is hoped that some of those will have relevance beyond regional or national boundaries.

Fumbling with WASH and PE

WASH is an acronym standing for water, sanitation and hygiene. It generally refers to a group of interrelated activities in these three areas, which are deemed to have implications for public health, and are of particular interest to development practitioners and sponsors of development programs. The literature search did not lead to any unique abstract definition of WASH, though development organizations list a number of activities linked with purposes to illustrate the scope

of their WASH programs. In the course of the ERG study, it was evident that the concept is not commonly perceived by practitioners either, suggesting of inadequacy in owning the concept. The study discussed four different perspectives and upheld the importance of the interlinked concept at a practical level of impacts on individuals and households within a community. At the same time, the discord of an WASH-like concept with institutional space and with the traditionally reproduced perception among the very practitioners (deemed to be first set of ‘change agents’) deserve serious reflections.

The term ‘political economy’ has been used to mean different things by different people. At times, it is used to imply a knowledge discipline (subject), while many other exercises define it as an analytical approach. Amidst various strands and their collective dynamics, ‘political economy’ acquired a new meaning and importance during last decade or two, largely driven by sponsorship from lending and aid agencies. The latter raises contradiction in the intellectual discourse, particularly because the tool is suitable only when a solution is known, and a prescription that lacks the details on how it will be administered, falls short of an adequate solution. Thus, comprehending the various aspects of a PE study of the WASH sector demands extra effort since two amorphous analytical categories are being addressed.

The discourse raised in the ERG report, despite all its limitations, may provide a basis to WAB and other development practitioners in WASH, to engage intellectually. A process to build wider consensus on both, preferably along independent routes, may lead to effective ownership and greater clarity on desired institutional reconfiguration at every tiers of governance.

Prior to Finding an entry point – need for soul searching

One issue clarified through review of PE literature is the need to have specific ‘desire list’ if one wants to derive action plans by meaningfully applying the PE analysis of recent vintage, be it the first or the fourth generation. Differently posed, one can talk about entry points for change specific to a particular context where the desired change is well-articulated. The ERG study for WAB dealt with a wider canvass, and entry points for changes could be discussed only in a limited set of contexts. The study was designed around two central research questions: (i) what are the factors (economic, political and cultural/social) that explain the current (equilibrium) state of WASH in Bangladesh?, and (ii) what are the ‘effective’ ways (or, entry points) to change that state, that is, to move from the current state of equilibrium to a desired state of equilibrium? The term ‘state’ refers to the ‘subject’ element in the usage of the term ‘political economy’; whose canvass is defined over currently conceived multi-disciplinary subjects. The latter is perceived by some as interactions between economics and politics, with an added element of culture. The subject of query can be differently phrased — as a study of how a society allocates its resources to produce goods and services, how the resource-output mapping is determined, and how the output gets distributed (across communities and households). It is important to bear the above perspective during rest of the presentation in this report.

The review in Report # 1 further revealed a noticeable trend towards a fourth version of WASH that appears to shift the focus (and potentially, resources) away from the path followed so far. While UNICEF and USAID had worked in alliance to protect public health since the 1950s, they appear to differ, particularly under the SDGs. While UNICEF continues to advocate for promot-

ing behavioral change, and supports enabling policy and institutional environment, USAID adds managing water for agriculture to improve food security under WASH and appears to downplay the hygiene part (InterAction, 2014, Aid Works). Similar move towards food security issues and from projects to sustainable programs may also be observed among some of the German development agencies. It is therefore urgent for agencies, such as WAB to reflect on the trends, comprehend the implications, and where necessary, reposition their programs.

Need for more precise WASH data

Data for advocacy, such as on share of budgetary resources allocated to WASH related activities, and data required for research for evidence-based policy formulation that needs advocacy are two different items. While efforts are put on the former, marginal efforts towards designing relevant questions for national surveys (such as, by BBS), as well as for all surveys sponsored under WASH projects, are likely to facilitate the discourse suggested earlier. The need is particularly important since changes in institutional space need to be preceded by intensive evidence-based campaign in the ‘ideological’ space.

Case studies on FSM in fringes of Dhaka city had also revealed sharing of public resources for private benefits, where the beneficiaries of government’s regular works were paying out of their pockets. The particular example suggests that the government services are under-priced making way for rent-collection by powerful individuals, be they in party in power, or in administration. There is clearly a need for autonomous and financially accountable role of local governments, and a need to recognize the importance of markets for services. As a development agency, WAB may initiate the process of supporting evidence generation with the intent of bringing about change in the structure of local governance.

Standardization and targeting thresholds

There appears to be at least three broad groups whose interests and actions shape the discourse and practices in WASH related activities observed in Bangladesh and elsewhere. Report # 1 dealt at length on the reflections of the differences one observes in such definitions as ‘safe’ and ‘unsafe’, and ‘sanitary’ and ‘not sanitary’. Fund providers, often represented by their consultants, are keen on designing tractable projects/programs where the output and activities are clearly defined in terms of observables, for ease in monitoring. Thus, standardized definitions and target-setting in terms of common thresholds is the norm among them. In contrast, implementing agencies, particularly in the government, prefer to remain vague lest they get embroiled in legal obligation. Standing apart, the local scientists recognize the need to specify indicators and targets specific to country context. For tangible achievements, it is necessary for the funding agencies to take a step back and reassess the benefits of walking along two lanes simultaneously – promote ideal standards at the level of consciousness, and pursue to achieve locally set standards within finite time.

It may also be worthwhile to revisit the linkages between urgency to disburse loans among funding agencies, definitions and standardizations proposed by consultants, and the PE method being widely promoted under the sponsorship of development/funding agencies.

Institutional coordination - Can WASH find a home?

The organizational mapping exercise revealed the following patterns:

1. There is a functional division of responsibilities and interests across vertical lines. Thus, lending organizations are more into policy, large-scale infrastructures, and extending credit and technical supports downward to NGOs and departments/directorates within the government. At the bottom most tier in that vertical line are the local NGOs who implement designs developed elsewhere.
2. There is a division along the horizontal lines as well. The lending agencies (WB and ADB) are more involved in large scale infrastructure projects and in providing technical assistance. Agencies within the UN, meant to provide specialized services (such as, UNICEF and WHO) have wider and extended interests to work in various spheres of WASH-related activities, though WHO's involvement appears narrow because of the scientific rigor in the work. As one moves down the links, awareness building occupies a larger space.
3. There appears to be a lack of specialization across agencies, though segmentation across policymaking (or, policy-shaping), design and implementation of mega infrastructures, and running awareness-raising programs is quite visible.

Upon consulting with various stakeholders and reviewing the changes in institutional responsibilities with the transition from MDG to SDG era, two reasons could be identified. First, the funding sources are beyond those visible in the development sector, and each of the visible players tends to diversify their portfolios of activities in order to maximize fund receipts. Second, given the importance of synergies across segments within WASH, organizations may not find it worth specializing. In reality, however, organizations have not emerged with exclusive focus on WASH, and past legacies have dictated the coordination (or, lack of it) across agencies within the government as well as in the NGO sector. There is clearly a need to revisit the organizational philosophy and find ways to reduce the cost arising out of a dilemma – to avail the guise of multi-agency coordination to realize WASH outcomes while retaining control of the historically bestowed individual domain (say, water, FSM, health, etc.), or, to create new ownership in the name of WASH.

WASH remains largely confined to lip-servicing at higher levels within the government, as well as, within the lender/funding agency bureaucracy. Its relevance is more prominently felt at the community levels, where the combinations of various factors affect the outcome variables within a given population. With strengthened local governance, and WASH embedded in the administration at that level, projects originating from any line ministry may be customized at the local level. There is also the danger of resources getting dissipated due to rent sharing in the name of inter-ministerial coordination! A worthwhile initiative may be to institutionalize WASH cell/executives in municipalities and city corporations, to be widened to include rural areas as well.

A new rationale for CLTS and coordination for township development

The potential of DeWATS may not have been fully harnessed. The two reports on FSM clearly indicated the need for “internalizing the negative externality” of human actions, to the extent permissible by existing technology. Given the constraints set by technology, best possible solution to the problems of FSM lie in internalizing the externality of actions at each tiers, from individuals, households, communities to nation and possibly, regions. For example,, if a community is compelled (say, by law) to treat human wastes within its vicinity before passing it to a distant place for further treatment and disposal, people in the community will have to come to terms with the negative fallouts of (sanitary-wise) wrong behavior. This will encourage them to account for those negatives while making decisions and act. DeWATS is one such project, where human wastes at the community level go through first phase of treatment. One may design ‘water extraction and water sharing projects’ along similar philosophy. Unfortunately, this faces the onslaught of mega projects that have often, in the past, led to disastrous consequences due to eventual decline in maintenance with drying out of project resources.

An alternative to DeWATS, but having potential to be operated at (larger) community levels, particularly in small towns or in segments of cities, is the transportation of sludge by vacutug, tied to composting for recycling. The obstacles due to absence of appropriate institutional design and process technology for financial sustainability are enormous. While infrastructure in some of the large cities may dominate the pathway in FSM development, the experiment with CLTS, tying in intermediate structures along the proposed philosophy, is worth pursuing. It fits in well with the township development program. Sakhipur study also recommends that coordination across NGOs may allow more effective use of the money spent.

Building codes, procurement policies, etc.

Issues on building codes, septic tanks, and lack of accountability due to unregulated market for real estate had been discussed at length. The housing boom that Dhaka experienced will eventually spill over to other cities and towns. For better future with reduced burden on mitigating, there is a need to revisit the NBC as preventive measures. In this regard, SNV’s focus on vacutug and frequent removal of sludge appear too narrow. Moreover, without addressing the regulations and accountability in real estate market, very little may be achieved in developing a clean city.

Agenda for water: surface water and beyond

Clearly, the call of the day is for harnessing surface water and reducing our dependence on groundwater extraction. The survey on the banks of Mayur River revealed that the obstacles are often exaggerated. Ideally, simple cost-benefit analyses may be undertaken for all such potential interventions, along with civic campaigns for change. WAB, with its interest in water, can contribute immensely, linking it with movement for citizenship.

Finding an entry point

At the cost of being repetitive,
Generally speaking, ‘donor bureaucracy’ is keen on project designs that allow tangible output for monitoring of observables. Thus, there is an inherent bias in favor of associating ‘safe’, ‘sani-

tized’ and ‘hygienic’ with specific assets – such as, sanitary toilets, type of instrument/infrastructure to get drinking water, and products whose usage are viewed to improve hygiene. The project-based approach to development, financially sustained under the current global aid regime, finds willing partnerships in NGOs (and few government agencies and elected bodies in local governments) when the focus is on delivery at household or community levels, and in financially powerful government agencies (and autonomous bodies) when the financial resources flow towards mega infrastructure projects. The micro-level improvements, captured by asset-specific connotations, are possibly constrained by the depleted macro environment, be that in infrastructure or in ground water. Thus, new dynamics appear to be under way, with greater focus on those macro infrastructure issues.

The earlier alliance between ‘donor consultants’, NGOs and ‘civil society’ failed to concretize ideas on hygiene, largely because, unlike (safe) water and (improved) sanitation, improved hygiene products are in commercial hands.

There is a need to revisit the prospect of promoting WASH at an institutional level. While it holds great prospects, at least in the form of a cell, within agencies in local government and community-based organizations, inter-ministerial rivalry in resource controls may hinder institutionalizing WASH at higher levels. In this regard, two alternative processes of promoting WASH demand attention. Elaborate inter-agency collaboration to promote a cross-cutting theme is widely observed these days, which, many allege, only rationalizes extensive rent-sharing. The alternative is to make a single agency accountable for all the work and ensure that all WASH-related concerns are addressed.

Finally, there are dangers in translating concepts into operational cut-offs (to define ‘safe’, ‘sanitized’ and ‘hygienic’) irrespective of the social and economic development of a constituency, and independent of availability of other resources (water and other infrastructure) that allow realization of WASH objectives. Unfortunately, there is a lack of adequate understanding on the subject among those who control resources, and the change possibly needs to be initiated at points of origin of resources for WASH. A potential agency for alliance within the local society is at its infancy, and is likely to emerge in future in the form of community-based organizations and citizenship. The latter, however, will trigger new conflicts over resources across population segments!

Pre-empting failures in mega structures

Finally, the development dynamics in Bangladesh is currently biased towards heavy infrastructure, which will have bearings on the overall WASH environment in the cities. Clearly, there is a mix of aesthetic needs of burgeoning urban elites, increasing pressure of sludge generated and improving the surface water, in most such designs. An important role for development agencies, such as, WAB, may be to monitor the implementation and look for intermediate solutions in governance and technology design that will ensure space and sustenance of community-based technology and institutions.