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**WDP423**  
May 2001

# Participation in Project Preparation

*Lessons from World Bank-assisted  
Projects in India*

*Trond Vedeld*

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(Continued on the inside back cover)

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*Lessons from World Bank-assisted  
Projects in India*

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*Trond Vedeld*

*The World Bank  
Washington, D.C.*

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First printing May 2001  
1 2 3 4 04 03 02 01

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ISBN: 0-8213-4932-5  
ISSN: 0259-210X

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#### **Library of Congress Cataloging-in-Publication Data**

Vedeld, Trond.

Participation in project preparation : lessons from World Bank-assisted projects in India / Trond Vedeld.

p. cm. -- (World Bank discussion paper ; no. 423)

Includes bibliographical references.

ISBN 0-8213-4932-5

1. World Bank. 2. Economic development projects--Citizen participation--Case studies.  
3. Strategic planning--Case studies. I Title. II World Bank discussion papers ; no. 423.

HG3881.5.W57 V43 2001  
338.954'0068'4--dc21

2001026283

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# Foreword

This study examines participation and its implications for the planning and design of World Bank–assisted programs. It will be of value to all development professionals interested in processes of participatory development, including front-line workers, practitioners, researchers, and policymakers. Bringing together a broad range of case studies from a variety of sectors, including health, education, forestry, agriculture, and water resources management, the study explores how participatory approaches are used and are gradually being mainstreamed in India. It identifies the factors and relationships that have supported and hindered participation.

*Participation in project planning increased during the 1990s, reflecting changes in the ways of thinking of both government officials and World Bank staff. Several good practice cases are presented in which participation successfully contributed to a focus on poverty reduction, decentralization, and community-based organizations. As these cases show, social and institutional analysis were important tools for creating more extensive and systematic participatory frameworks, as well as for developing*

more informed approaches to reorienting government institutions and encouraging adoption of enabling policies.

The study claims that a shift in attention is required—from primary beneficiaries to a broader range of secondary stakeholders and to building partnerships as participation is scaled up. Governments should start to institutionalize participation by consulting and listening to government employees, unions, farmers, industrialists, civil society groups, and the “voices of the poor.” Both primary and secondary stakeholders have important interests in project and policy formulation—and a right to be heard.

Participation is about creating good and responsive government and developing inclusive and effective institutions at all levels of society. The challenge for the World Bank is to find ways to foster government commitment to participation and greater accountability and transparency in government relationships with stakeholders and civil society.



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# Acknowledgments

To a large degree, this study is a result of document reviews, fieldwork, and help rendered by project managers who were willing to share information on participatory aspects of the project preparation process. The work was carried out under the general guidance of David Marsden of the World Bank's South Asia Sector, Social Development Unit (SASSD) in Washington. The request for the work was made jointly by David Marsden and Ellen Schaengold, Team Leader, Social Development Unit, New Delhi Office.

Constructive and valuable comments on the draft were made by David Marsden, Ellen Schaengold, Hamdi Issa, Parmesh Shah, and Warren A. Van Wicklin III. Special

thanks are due to David Marsden and Malay Neerav for thorough reviews and for desktop editing by Jennifer Prochnow. Comments on particular sections were also made by Julia Falconer, I. Khan, N. K. Bandyopadhyay, N. K. Jangira, Tawhid Nawaz, and Lars Lund.

The study was initially presented at a regional Social Assessment Workshop held by the Social Sector Unit, South Asia Region in New Delhi, February 8–10, 1999. Comments and viewpoints from the participants, in particular those of the staff of the Social Development Unit in New Delhi, were incorporated and greatly contributed to the final product.



# Abbreviations

DANIDA	Danish International Development Agency
DFID	Department for International Development
IPDP	Indigenous Peoples Development Plan
NGO	Non-governmental organization
O&M	Operation and Maintenance
UNICEF	United Nations Children's Fund
WHO	World Health Organization



# Executive Summary

This study assesses the extent to which the India program is meeting the Bank's objective of mainstreaming participatory approaches in project preparation and design. Ten projects, in which participation was an overall project objective, were selected from a portfolio of about 80 projects appraised between 1990 and 1998. The projects were assumed to provide "good practice" lessons from a variety of social and natural resource management sectors. The assessment was done through interviews and content analysis of project appraisal documents and related documents from the project preparation process. Fieldwork was carried out in two of the projects in Andhra Pradesh, India.

## Key Findings

Beneficiary participation was successful and contributed to participatory designs in many projects. Social assessments were used more often and involvement of primary beneficiaries improved during the 1990s, reflecting a change in the ways of thinking of both Bank staff and government officials. There was a significant improvement in the work on participation, with a move from a focus on social mitigation of potentially adverse impacts to proactive work with broader operational frameworks for participation in project planning.

Within the Bank this trend was manifested in the establishment of the Social Development Unit in New Delhi in 1995 and dissemination of a strategy paper by the Bank-wide Participatory Development Learning Group in 1994/95 (OED 1999; Van Wicklin III forthcoming). Direct beneficiary participation was less common in strategy and policy formulation and more common in formulating local-level project approaches. Even so, in none of the project preparations did the level of primary beneficiary participation really go beyond information sharing and consultation (except in pilot operations). Other shortcom-

ings were also evident, including the weak quality of participation, the lack of gender sensitivity, the limited private sector and NGO/civil society involvement, and the insufficient attention given to institutional analysis and systematic organizational capacity strengthening.

Increased collaboration with primary stakeholders, capacity building, and empowerment did take place, however, and it proved critical to project progress, as village operations were planned and local-level implementation proceeded with the formation of community-based groups. Surprisingly, even in cases in which project planning did not involve primary beneficiaries directly to any large degree, project design turned out to be relatively participatory. This reflected the existence of a variety of indirect mechanisms (lessons from other projects or donors, results from social analysis, concerted efforts by informed project planners) that ensured a participatory design.

The ultimate benefits from primary stakeholder participation are difficult to assess at this stage, but there are many indications of more responsive approaches, more effective local resource management and capacity, and new client orientation of government organizations. In all ten projects studied, there was extensive consultation between the Bank preparation teams and secondary (institutional) stakeholders. Consultation workshops and public hearings are now used more frequently in project preparation. (Consultation processes with secondary stakeholders and their impacts were documented and analyzed only to a limited extent, however.)

## Key Operational Implications

Several important lessons emerge from this study. Government commitment and ownership were found to be critical. Commitment by Bank teams was also found to matter.

And the potential of beneficiaries was found to be underutilized, as the experience in Andhra Pradesh shows.

### **Government commitment and ownership is critical**

Lack of sufficient commitment by the government and project agencies emerged as the single greatest constraint to mainstreaming and institutionalizing participation in the preparation process. The importance of commitment and ownership for empowering a wide variety of social groups is illustrated by the property rights and institutional reforms of the irrigation and forestry sectors in Andhra Pradesh. Assessments of these reform processes revealed the inefficiencies of government departments and proved that farmers possessed large underutilized potentials in local resource management. As success in terms of improved forest protection and irrigation management became obvious, attitudes and institutional cultures started to change.

Through a politically inspired “big bang” approach—and against the advice provided in the literature on participation—more than 10,000 water user associations were created in a single election; 6,000 forest protection committees were formed more gradually. In the irrigation sector, this meant devolution of rights and responsibilities for canal maintenance and water distribution from an inefficient Irrigation Department to newly created water user associations in a 4.8 million hectare area. The immediate effects of this transfer of rights to farmers were significant improvements in canal maintenance, more equitable water distribution, a substantial increase in area irrigated, and the resolution of water distribution problems with fewer disputes.

The two projects in the forestry and irrigation sectors of Andhra Pradesh provide important lessons:

- In India, which is dominated by hierarchy and command systems, decentralization and empowerment of primary beneficiaries can fruitfully start from top-down initiatives and commitments among high-level political and bureaucratic leaders. In fact, the resistance reform proposals met from sector agencies in Andhra Pradesh could be overcome only through strong commitment by the state leadership. Strategic efforts were required to gain wide political support for the reforms. Individual leadership mattered.
- Both projects were scaled up from a pilot phase. This feature, which enhanced ownership among service staff

and confirmed that widespread consultation and empowerment of beneficiary farmers was effective, was central to the projects’ success. Social analysis of these pilot phases proved that past failures could be explained largely by extremely inefficient government agencies and property rights institutions.

- The lack of widespread participation of primary beneficiaries in the preparation process was not crucial for their participation and empowerment in later stages. It was the involvement of primary beneficiaries in the pilot phase and early phases of implementation that convinced high-level politicians and bureaucrats of the need for institutional reform. At that stage, the executing agencies, backed by the Bank, took command over the process and made it their own.

- The farmers organizations needed usufruct rights that were recognized in practice, not necessarily in formal law, as shown by the achievements of the forest protection committees, which still operate without full legal recognition. Formal legislation of usufruct rights to resources may in itself mean little for practical changes at the local level, where usufruct rights were needed that were easy to comprehend and adhered to in practice. The process of creating a formal legal act for the water user associations did, however, provide the broad political commitment necessary for transitions to begin. This process also increased the legitimacy of the water user associations in the eyes of government officials and the public. In the longer term, formal legal recognition is likely to ensure higher commitment and investments, both from below and from above.

The achievements in Andhra Pradesh over a short period have gained political recognition throughout India, partly because the positive results are so visible and partly because so many people have been reached. Evidence from several projects and states shows that the major threat to sustained participatory reforms often comes from mid-level bureaucracies and service organizations of state employees. This underscores the importance of consulting with secondary stakeholders and the need to create awareness and ownership among broader stakeholder groups, within as well as outside government.

### **Commitment by Bank teams matters**

Positive participatory processes started with committed Bank teams developing close relationships with individual

government staff and relevant project departments, often on a personal basis. News about successful adoption of participatory approaches spread rapidly and led to internal discussion that convinced Bank teams of the usefulness of such approaches. In several successful cases, the “footprints” of committed Bank staff were visible—in project documents, results of consultation workshops, and discussions with government staff. Frequently, the Bank preparation team used its knowledge and influence to convince the government to accept reform agendas and new participatory approaches in the projects. Such influence typically led to more participatory approaches to education, health, forestry, and irrigation policies and programs. Reform processes were gradually reinforced or readapted by the relevant government departments as ownership to the approaches gained wider acceptance among mid-level staff. Several Bank-internal factors affected the quality and institutionalization of participation such as variation in Bank team members’ capacity and commitment, time and resource constraints, weakness in application of participatory methods, procedural rigidity and inflexible planning systems.

#### **The potential of beneficiaries is underutilized**

Despite constraints (in the form of bureaucratic mindsets and practices), farmers organizations in Andhra Pradesh have significantly increased the efficiency of forest and irrigation management. Large-scale, visible benefits are being realized in terms of expansion of irrigated areas, increases in crop yields, growth of forests, and increased sale of forest products (bamboo, teak, bidi leaves). In the process, farmers have revealed substantial managerial capacity and awareness.

These organizations share several characteristics:

- They form around economic activities with great potential.
- A majority of the management committees have been elected unanimously, appointed by village elders in a general assembly.
- The management committees are fairly representative; according to local surveys, they have not been captured by wealthy farmers (although most of the presidents are from high castes).
- Elections have led to a new rural leadership—younger, more democratic in structure, and more geared toward development; women play important roles in the forest protection committees.

- Many of the management committees have taken responsibility for broader village affairs, and new informal links have been built with the local government (*panchayats*).
- Innovative monitoring systems ensure greater transparency and accountability in operations and limit the diversion of funds to rent-seeking officials and office bearers in the management committees.

Farmers have proved to possess underutilized potential in resource management, which was released only through strong political commitments to legal and property rights reforms. The broad-based consultation and participatory approach, in turn, built constituencies for reform and mobilized important voter banks during the 1999 elections. If successfully followed up, these reform processes may well have major implications for raising incomes among the poor and the urban middle class, through more effective supply of goods and services and savings from more rational government operations. Major obstacles will need to be overcome, however, to make the reforms effective and sustainable at the local level.

#### **Challenges for Improving Management of Participation**

The study found that participation and social assessments are increasingly recognized as important for the planning process. But management of these processes faces several challenges:

- Government clients as well as Bank staff need to become further convinced of the value of participation and social analysis.
- Participatory methods and processes need to be refined and adapted to the social and institutional context. Specifically, these processes need to be made simpler, less time consuming, and more cost-effective without compromising quality. More focus should be placed on the negotiation process between planners and people through consultation.
- Time and budget constraints related to participation need to be addressed by both government planners and Bank staff.
- Social targets need to become a focus of monitoring and evaluation systems, which tend to be preoccupied with financial and physical targets.
- Local constraints that limit the capacity of local com-

munities to seize new opportunities provided by participatory programs need to receive greater attention in planning and implementation.

- Participation needs to be considered within a broader framework of creating local capacity and empowerment, and it needs to be placed within a national institutional context.

- Management of the social assessment process needs to become more effective and operationally focused. Too often, social assessments are carried out mechani-

cally, as a requirement for the Bank, with weak analysis of stakeholder interests and institutional arrangements.

More effective management of the social assessment processes within the Bank requires greater focus on critical self-analysis, awareness and adoption of values, and methods and behavior that would give a fillip to participation. Efforts are needed to institutionalize good quality participation in project operations by tightening the focus on organizational learning, participatory monitoring, and professional skills.

# 1. Scope of the Study

This study assesses the extent to which the India program is meeting the World Bank's objective of mainstreaming participatory approaches in project preparation and design. The Bank defines *participation* as "a process through which stakeholders influence and share control over development initiatives, decisions, and resources that affect them" (World Bank 1996). Participation so defined is not a static input or component but an ongoing and dynamic process.

Participation is often a confused and contradictory process, in which different factors and relationships may work in different directions and with different outcomes for diverse social groups. It is not an easily measurable process. Despite a lack of quantitative evidence, however, it is widely held, both within and outside the Bank, that participation of primary stakeholders (beneficiaries) can help increase the relevance and quality of project design, foster ownership and commitment, and build consensus about project operations. The assumption is that involving beneficiaries at an early stage, projects will better ensure that goals and strategies respond to their priorities and interests (Colletta and Perkins 1995; Norton and Stephens 1995; Chambers 1997; Cernea and Kudat 1997b; Blackburn 1998; Holland 1998; Salmen 1998a, 1998b; Aycrigg 1998; Robb 1998).

## Selection of Projects

The study analyzes beneficiary participation in ten projects in the India portfolio in order to assess the extent of participation in preparation of Bank-assisted projects there. Specifically, it seeks to identify:

- Achievements in ensuring that primary stakeholders have participated in the preparatory stages and the impact of such participation on the preparation and design process.
- Shortcomings and failures in attempting to include primary stakeholders and ensure their effective participation.

- Factors and relationships that have supported or constrained participation by primary stakeholders.
- Issues and opportunities to consider for the future and recommendations to ensure more effective primary beneficiary participation.
- The role of the World Bank.

Ten projects for which participation was included as an overall project objective (not just for resettlement or environmental objectives) were selected out of a portfolio of about 80 projects appraised between 1990 and 1998. (An overview of each project is included in annex A). The selected projects included the following:

- Integrated Watershed Development I (1990)
- Karnataka Rural Water and Sanitation (1993)
- Andhra Pradesh Forestry (1994)
- Cataract Blindness Control (1994)
- Orissa Water Resources Development (1995)
- District Primary Education II (1996)
- Andhra Pradesh Irrigation III (1997)
- Uttar Pradesh Diversified Agricultural Support (1997)
- Women and Child Development (1998)
- Uttar Pradesh Sodic Lands Reclamation II (1998)

The projects were supposed to provide "good practice" lessons and insight into the ways in which participation has been addressed, not necessarily "best practices." The aim was to develop an informed and valid assessment, not to establish precise causal relationships between beneficiary participation and project preparation. The sample is not representative for each of the sectors, but it provides sufficient coverage across sectors to allow assessment of participation in the India program. The idea was to learn from these experiences rather than provide an overall evaluation of project or sector performance.

The preparation period is typically defined as the period up to the finalization of the Project Appraisal Document. In reality, the project preparation period is often not clearly defined. Sometimes it starts toward the end of the previous project; often it continues into the implementation phase. This has become a common practice, as readjustments are made during the life of the project, particularly at mid-term review.

With participation as an overall project objective, one would expect that the level of participation should involve at least collaborative decisionmaking and some degree of shared control over the development initiative, not just information sharing and consultation. As the project moves into the implementation phase, a gradual transfer of more control over decisionmaking and resources (empowerment) is one key requirement for approaches to be considered as participatory in the context of this study.

### Definition of Terms

Several terms are used in this study:

- *Beneficiaries* represent the government's immediate clients and the Bank's ultimate clients.
- *Stakeholders* are the individuals or groups who affect or are affected by the development interventions.
- *Primary stakeholders* (also known as *primary beneficiaries*) are the men and women, communities, or community-based organizations expected to benefit from the project. Primary stakeholders can also include people adversely affected by the project.
- *Secondary, or institutional, stakeholders* involved in the implementation of the project include the central government (the borrower), the line ministries and agencies,

the local government, NGOs, academic institutions, other donors, and organizations and individuals with varied interests in the project (private sector and civil society groups).

- *Institutions* are rule systems, norms, and regularized patterns of behavior (practice, habits, routines).
- *Organizations* are groups of actors with common objectives that are conditioned by or conform to institutions.<sup>1</sup>
- *Property rights or property rights institutions or regimes* are legitimate systems of rules, norms, and regularized practices that affect who has access and control of benefit streams from resources, goods, or services.<sup>2</sup>

### Notes

1. Institutions and organizations can be formal or informal; they can enable or constrain participation. They exist at various levels of social organization, from local to international. They are interpreted differently by diverse actors and at different levels of society. Institutions and organizations are conditioned by history (path dependent) and the socialization of the actors involved (identity and status). They are formed through interactions of bottom-up and top-down processes. Bottom-up processes relate to innovation; demand (for new land or secure rights, for example); bargaining; exchange in the market; and adoption of new technology. Demand may or may not be met by supply processes set in motion by authority structures; provision or imposition of new policies, laws, or administrative rules and regulations; enforcement through legitimate authority or power; facilitation of information; and diffusion of new ideas and values.

2. Property rights determine the allocation of wealth, power, and status in a society. They can facilitate or constrain (participatory) action. Property is not to be understood as an object but rather as a social relation, a benefit stream. A property right is a claim to a benefit stream that some higher body—a local committee or the state—agrees to protect through the assignment of duty to others to observe the claim.

## 2. Methodology

This study is based on systematic qualitative analysis of data across projects, mainly through analysis of Project Appraisal Documents and related documents from the project preparation process (social assessments, reports from meetings and workshops, supervision reports, articles). Interviews were conducted with key players and project managers involved in project preparation, especially the Bank's social development specialists and task managers.<sup>1</sup> A focus group discussion was held with NGO representatives. Field visits were made to two projects (Andhra Pradesh Forestry and Andhra Pradesh Irrigation III), where focus group discussions, project site visits, and interviews were conducted. From the analysis of project spreadsheets, the degree of effective participation in the project planning process was rated (see annex A).

### Measuring Participation

There are no commonly agreed on indicators for measuring successful participation, because the key processes and impacts are not amenable to indicators. There is even less agreement on the way in which participation can be measured in the preparation phase. How is it possible to measure whether the primary stakeholders involved have been fairly represented or whether the members of a community-based organization who have participated on a project have truly collaborated or become empowered? How is it possible to measure whether the level of participation of a social group affects project design or whether consultation with an organization leads to a higher level of commitment? How can one distinguish the effects on project design of direct beneficiary participation from the more indirect methods of social assessments, when these methods are closely integrated?

An attempt is made to show how the direct and indirect processes of interaction and inclusion of primary beneficiaries have created support for specific project propos-

als and reforms of institutional and policy arrangements. The study focuses on the two case studies from Andhra Pradesh, where consultation with secondary stakeholders, especially between state agencies and the Bank, was key to the successful adoption of new strategies. The assessment considers how much stakeholder involvement is realistic in India.

Because the study is concerned with planning, and not implementation, it could not use proxy indicators for measuring changes in distribution of endowments and benefits or improvements in livelihoods. Instead, it focused on indirect factors or relationships, including the following:

- The way participatory methods, such as workshops and participatory rural assessments of various kinds, were employed and whether a variety of primary beneficiary groups were included and took part in negotiations about project formulation
- The level of primary stakeholder participation in terms of information sharing, consultation, collaboration, and empowerment.
- The use of beneficiary assessments, social analyses, or social assessments to increase understanding of diverse stakeholder interests and values.
- Adjustments in design to meet the needs and demands of marginal groups.
- The use of institutional analysis of secondary stakeholders and the relationships among them, including an assessment of the commitment and capability of the organizations and executing agencies to provide and distribute resources and services to primary beneficiaries and empower them through property rights and institutional reforms.
- The inclusion of lessons learned from other projects and the relation to the goals and strategies of the country economic and sector work.
- The degree of commitment by Bank teams, in terms of experience and indications of participatory design.

The effects of participation on the design were then assessed through indirect indicators related to explicit integration of and sensitivity to gender and the role of women; vulnerable groups, including scheduled castes and tribes; establishment of community-based organizations and the use of NGOs; poverty and income generation for poor and vulnerable groups; local capacity and frameworks for participation and decentralized capacity building; government capacity and plans for systematic institutional strengthening; and viability and institutionalization of the participatory process. These relationships were considered central to the Bank's approach to participation.

Poor people were often not informed about alternative choices and did not necessarily believe they had choices or power to change their lives through participation. A key question asked in this study is how the preparation process seemed to give voice to the poor and reflected a design that was likely to empower poor people and increase civic engagement.

#### **Is Participation Intrinsically Valuable or Simply Instrumental to Obtaining Other Goals?**

Assessing participation is difficult, because it can be viewed either as intrinsically valuable or as simply instrumental to obtaining other goals. Different interests are also related to these perspectives and to views on what successful participation entails (Estrella 2000; Blackburn 1998; OED 1999; Sachs 1996; World Bank 1996; Picciotto 1992).

Ideally, beneficiary participation can be conceived as an end in itself, as something that has intrinsic value. According to this view, participation is a social and political process that has a bearing on all relationships between people and institutions in society. Such a view would require planners and policymakers to become facilitators who enable the poor and the weak to gain skills, confidence, and knowledge in order to develop the capacity to develop themselves. A top-down initiative would be turned into a bottom-up empowerment process, a process that gradually provides an increasing number of poor people with more influence and control over decisions and resources affecting their lives in many arenas of society. Power would be understood as an asset, as a means to getting things done. In Chamber's words, "They (the weak) then analyze, monitor and evaluate, make presentations, become consultants

and trainers, organize themselves, and negotiate resolution of conflicts" (1997, p. 210). According to Chambers, this is the process that should be started on a wide scale at the project preparation stage.

A more realistic approach in an Indian context is the instrumental view of participation, which perceives participation as a means of achieving certain other goals, such as improving the quality, effectiveness, and sustainability of projects (OED 1999; World Bank 1996). An effective participatory planning process would entail extensive consultation with primary beneficiaries, and it would implicitly or explicitly result in their endorsement of project objectives and strategies so that they reflect concerns voiced by the poor. The preparation process would involve social analysis that systematically increases understanding of the poor and the institutions with which they interact or are embedded (Norton and Stephens 1995). Participation would include large enough numbers and representative enough types of primary beneficiary groups so that their input could inform the preparation process and management decisionmaking about design and implementation (Salmen 1998a).

The instrumental view of participation is in line with current mainstream thinking in the Bank on participation. The intrinsic value view is gaining increasing acceptance, through adoption of extended frameworks for attacking poverty related to empowerment, vulnerability, and opportunity (World Bank 2000a).

Views about participation often do not reflect the fact that participation is a process that is negotiated in many arenas of society. In preparing projects it is important to distinguish among participation in political decisionmaking, administration, legal affairs, economic markets, and cultural institutions. Decisionmaking in each domain affects people's capacity to participate in different ways; each domain is often affected by a project in one way or the other. The social institutions concerned, which have evolved through history, are deeply embedded in institutional structures (authority, norms, rules, customs), which are slow or difficult to change. Reforms of formal or legal structures, for example, do not necessarily change local practice, which is embedded in informal norms and customs.

#### **Lack of Conceptual Clarity about Participation**

Related to these different views of participation is the fact that conceptual clarity as to just what participation

is has not yet been achieved, either within or outside the Bank. The lack of clear concepts compounds problems arising from the fact that participation is perceived differently depending on the stakeholder's position in society, institutional affiliation, and profession. A poor female farmer and a male project manager have different views of participation. Project managers, especially in the government, still commonly use *participation* to refer to all forms of consultation, with primary as well as secondary stakeholders. Bank project managers may perceive the downsizing and reforms of forestry departments and turnover of responsibility to local farmers as mechanisms to obtain more effi-

cient forest management, while forest officers may perceive these transitions as threats related to loss of control, benefit opportunities, and perhaps their jobs. Irrigation engineers may attach less importance to participation than social scientists or ecologists. The world views and mindsets of diverse stakeholders must be appreciated and negotiated if sound strategies and compromises are to be reached.

#### Notes

1. To some extent, the study reflects the Bank's point of view, as it is based on a limited number of interviews with primary beneficiaries.



### 3. Improvements in Primary Beneficiary Participation

The 10 projects reviewed reveal a clear trend toward more support for participation and a change in focus from social mitigation to development and decentralized capacity building. Projects designs are addressing participation more systematically and more effectively over time. However, as this study shows, the direct involvement of large numbers of beneficiaries is not necessarily the key factor that guarantees a successful participatory design or a design that leads to successful and participatory implementation (Narayan and Nyamwaya 1996). It is primarily in the implementation phase that weakness in participatory design reveals itself.

The 10 projects represent a diversity of sectors. Except for the District Primary Education II and Cataract Blindness Control Projects, all are integrated projects involving several sectors, many institutional stakeholders and beneficiaries, and large intervention zones. All of the projects are large and complex, requiring substantial time and input in the preparation phases.<sup>1</sup> The average project costs are about US\$270 million, with an average Bank loan of about US\$190 million and an average government contribution of about 30 percent.

The projects, prepared and appraised between 1990 and 1998 (five before 1995 and five after), are in various stages of implementation. All preparations, except that for the Integrated Watershed Development I Project (appraised in 1990), involved some form of social analysis. Three projects included a complete social assessment; two projects included resettlement and rehabilitation component.

#### Increased Participation by Primary Beneficiaries

Social analysis is more common today than in it was in 1990, both within and across sectors. There is more systematic use and integration of social analysis, greater

depth and breath of participation (especially in pilot phases), and a larger variety and mix of methods and tools. In all projects there is a focus on devolving resource management and service delivery to community-based organizations and decentralized centers. All projects have a clear poverty focus that includes efforts to reach poor people, women, scheduled castes, and tribal groups.

Qualitative assessment of earlier phases of the same type of projects confirms the greater level of participation. This perception of increased participation is also consistent with the fact that between FY94 and FY98, India ranked second in the world in terms of the percentage of Bank-assisted projects that listed community participation as an explicit goal, with 81 percent of projects doing so (Van Wicklin forthcoming).

The importance of participation can be seen by comparing the approaches of the Integrated Watershed Development I, appraised in 1990, and the Uttar Pradesh Sodic Lands Reclamation II, appraised in 1998. The Integrated Watershed Development I was driven mainly by technical approaches to soil conservation. The Sodic Lands II was prepared over a longer time period and included a pilot phase, more capable and committed project and state agencies, a more committed Bank team, a more systematic approach to the creation of community-based organizations and institutional strengthening at various levels, and the use of a variety of participatory mechanisms and of social analysis. Under this project, beneficiaries became landowners of the reclaimed land (box 1).

Two of the "best practice" project preparations in terms of primary beneficiary participation are the Karnataka Rural Water and Sanitation (appraised in 1993) and the Uttar Pradesh Sodic Land Reclamation II. Both involved pilot phases that increased the time and opportunity for beneficiary participation. Both showed how extensive

participation by primary beneficiaries—achieved through participatory rural assessments in about 30 villages, combined with a social analysis and lessons learned from a pilot phase—resulted in projects that were very participatory in design and sensitive to institutional capacity building and inclusiveness at all levels of society. Both included extensive social analysis that revealed conditions for participation of diverse stakeholders based on decentralized and community-based approaches. Both ad-

justed the participatory process identified in the Project Appraisal Documents to local conditions as implementation proceeded, developing innovative participatory monitoring systems.

Preparation of the Sodic Lands Reclamation II, led by a capable executing agency, involved better institutional analysis. The Project Appraisal Document included a proposal for an annual review of the participatory management approach of the executing agency. The project involved more systematic and complete social assessments than did the Karnataka Rural Water and Sanitation, and it used workshops and involved NGOs more extensively. The project was also based on a proven technology that demonstrated visible yield increases from the first year of implementation. In addition to broad-based and direct primary beneficiary participation, the use of social and institutional analysis by committed Bank teams and adaptation of the approach through pilot operations are key factors that triggered acceptance of the participatory preparation process on the Indian side.

When used appropriately, the social analysis underpinning the preparation of the Project Appraisal Document stands out as a key mechanism for formulating participatory approaches and institutions responsive to the needs of a variety of stakeholders (box 2). In the Uttar Pradesh Diversified Agricultural Support the results of the social analysis were combined with lessons from other projects. In several cases, less intense participation in the preparation phase was countered by more intensified participatory efforts in the (early) implementation phase, when more local-level planning and implementation started.

#### **Increased Use of Social Assessment and Institutional Analysis**

The use of social analysis and assessment in preparation became more extensive during the 1990s. Since 1994 all projects have carried out some form of social analysis. Between 1994 and 1999, about 80 percent of the projects in the India portfolio conducted social assessments (Van Wicklin III Forthcoming).

Social assessment facilitated the integration of the social and stakeholder analysis with the design of the participatory approaches. More systematic participatory frameworks evolved in some of the projects as the implementation proceeded. These assessments encouraged greater

#### **Box 1. Conducting a Successful Beneficiary Participation: Uttar Pradesh: Sodic Lands Reclamation II**

The first phase of the Uttar Pradesh Sodic Lands Reclamation project sought to increase agricultural production by reclaiming sodic land that was mostly kept fallow as a result of poorly managed water and soil. This pilot operation rapidly gained farmers' support after it produced visible and significant yield. The pilot phase also created ownership of the participatory process.

Building on the encouraging results of the pilot phase and social assessments, the second phase of the project, Uttar Pradesh Sodic Lands Reclamation II (1998), sought to decentralize responsibility and build capacity among community groups. The stakeholder analysis identified diverse interest groups and small scattered farm plots, and it identified the need for water user groups to cooperate in purchasing tubewell pumps and managing drainage work. The application of gypsum and improved water management were central for leaching salts.

Today more than 150,000 families have been mobilized into more than 12,000 water user groups across 300 villages. Nearly 50,000 landless laborers have been provided with land, and incomes have risen above targets. Two crops are now harvested annually, and migration rates have fallen.

The centrality of women in the rural economy was revealed through gender analysis based on participatory rural appraisals and focus groups. Thirty thousand women in Uttar Pradesh are involved in self-help groups, which obtain credit for microenterprises (animal husbandry, sewing, trading).

Key to successful implementation has been farmers' access to new land, the dramatic effects of land reclamation on yield and production, and the fact that new organizations have formed around economic activities with large income potential.

Source: S. Satish 1999; personal communication, World Bank

**Box 2. Identifying Interest Groups in Uttar Pradesh through Social Analysis**

Social analysis in the Uttar Pradesh Diversified Agricultural Support project identified a range of social groups with different interests in the project. Although primary beneficiary participation was limited in the preparation stage, the project adopted special measures to reach women and the landless. The participatory design included farmers associations and village extension agents, and it focused on women and scheduled castes. Project components for these groups focused on livestock raising, sericulture, and horticulture. A special study on child labor was also included to find ways of addressing the issue (Salmen 1998b).

Source: Author's Compilation.

NGO involvement, since NGOs often undertook the analysis. Social assessment also helped the planning process focus more on poverty reduction, relationships between field staff and beneficiaries, and institutional capacity strengthening, at both the local and the project agency levels.

In general, integration of institutional analysis improved during implementation. The social assessment processes were uneven, however, and the institutional analysis and plans for systematic institutional strengthening of several of the designs were not strong. In the two irrigation projects, the social analysis focused mainly on the resettlement and rehabilitation areas outside the command areas of the project (although the pilot operation gradually brought the institutional issues to the forefront of the preparation of the Andhra Pradesh Irrigation III Project). Preparation of the Resettlement and Rehabilitation Plan and the Indigenous Peoples Development Plan (IPDP) may have taken attention away from the social analysis of the broader stakeholder groups. In the Uttar Pradesh Diversified Agricultural Support Project, the social analysis of stakeholder views and interests was good, but the institutional analysis was insufficient.

**Differences in Participation across Sectors**

The social sectors (health and education) seemed to pay more attention to institutional analysis and institution building in an integrated and systematic manner than did the natural resource sectors, but they appear to have paid less attention to direct primary beneficiary participation (box 3). This difference can be seen by comparing the District Primary Education II (1996) and Cataract Blind-

ness Control (1994) with the Andhra Pradesh Forestry (1994) and Uttar Pradesh Diversified Agricultural Support (1997). The natural resource projects included no systematic institutional analysis or plan for systematic institutional capacity strengthening, focusing instead on skills training. Aycrigg (1998) also found this cross-sectoral differences in her Bank-wide review.

The difference may be attributable to the nature of natural resource management projects, which lend themselves to beneficiary participation. It may also reflect the specific character of the three social sector projects reviewed. All are multistate projects, with millions of potential primary beneficiaries, including children, the blind, and the socially weak. The service delivery institutions of the social sector projects are critical to a client-oriented approach, and therefore central to project analysis and design.

The difference between the sectors may also reflect different historical traditions and focuses during planning. This picture is, however, not uniform. The Uttar Pradesh Sodic Land Reclamation II (1998), the latest of the natural resources management project, made a good effort in both primary beneficiary involvement and institutional analysis, as well as in presenting a convincing plan for institutional capacity strengthening.

**Improved Collaboration and Design through Greater Focus on Secondary Stakeholders**

Secondary stakeholders participated extensively in the preparation of all ten projects. In fact, the Bank prepara-

**Box 3. Analyzing Institutions and Building Capacity in the Health Sector**

The Project Appraisal Document of the Cataract Blindness Control (1994) does a good job of integrating institutional concerns. Throughout preparation, the government of India and the states involved agreed to shift policies toward decentralized services and the involvement of NGOs and the private sector.

This project is the first large health project in which the government of India has invited states (and some NGOs) to take an active part in planning. It included no primary beneficiary involvement in the preparation, however. Instead, the design reflects extensive secondary stakeholder participation, through meetings and workshops, combined with lessons learned from earlier projects.

Source: Author's Compilation.

tion team typically spent much more time with secondary stakeholders than with primary beneficiaries. Consultation and collaboration with the government have become more intense and elaborate, involving a broader spectrum of agencies and arenas (workshops, public hearings, seminars). Many of these consultation processes, including policy dialogue, are not reported in preparation documents.

The preparation of the three social sector projects appears to have involved particularly intense consultations with key secondary stakeholders. This focus on secondary stakeholders perhaps reflects the centrality of the roles of the government of India and state governments in preparing externally funded projects. But it also mirrors the role of the Bank and its concern with large and statewide projects and policy dialogue.

There are several positive implications of increased stakeholder consultation. First, interviews carried out with Indian government officials and NGO representatives clearly reveal that they appreciate this greater involvement. Attitudes toward the Bank have improved, which strengthens working relationships. NGO representatives encourage the Bank to involve them more closely, so that the two can jointly influence the government (see Van Wicklin forthcoming). Second, intense dialogue affects policies and institutions as well as the acceptance of new participatory approaches—as it did in the two Andhra Pradesh projects, the Karnataka Rural Water and Sanitation p, and each of the social sector projects (box 4).

#### **Increased Diversity of Secondary Stakeholders through Increased NGO Involvement**

Before 1995 secondary stakeholders consulted were mainly the central government of India and state government agencies. Since 1996 a greater diversity of NGOs and academic institutions, training centers, and consultants has been involved in project preparation and operations. In recent years, India has had more projects with NGO and community-based organization participation in Bank-assisted projects than any other country (Van Wicklin forthcoming), reflecting the large NGO community, with proven, albeit variable, capacity. NGOs range from highly qualified consultants to advocacy organizations and lobbyists.

All 10 projects involved NGOs in some form, but more so as intermediaries in implementation, than as partners

in the planning process. The extent of NGO involvement varied across sectors. Only the Cataract Blindness Control (1993) involved NGOs in planning to any significant degree. NGOs played only a minor role in irrigation and water sector projects, for example (except in the resettlement component). In the Andhra Pradesh Forestry Project, NGOs were involved only late in the project and only after forest officers on the ground became convinced of their potential in local capacity building. More than 200 NGOs are currently operating in the project (Julia Falconer, personal communication, World Bank, 1999).

NGOs have been particularly valuable in improving the quality of participation and local capacity (for women and tribal groups, for example). Through the use of participatory methods in local planning, front-line workers, district agencies, and local governments have become increasingly involved and listened to as project activities are formulated.

#### **Lessons Learned from Other Donors**

Successful collaboration with other donors depended on the personal capabilities and willingness of staff to exchange ideas about participatory approaches. The Bank preparation team of the Karnataka Rural Water and Sanitation, for example, drew on lessons learned by the staff of a bilateral project supported by the Danish International Development Agency (DANIDA), which worked in depth on a small scale over some time. The approach of a smaller pilot experiment was replicated on a larger scale through Bank-assisted financing. The preparation

#### **Box 4. Involving Secondary Stakeholders in the Women and Child Development Project**

The Women and Child Development (1998) involved intense and strategic discussions with secondary stakeholders, conducted over an extended period of time through social assessment and sharing workshops. This involvement initiated an innovative reform process and resulted in less top-down planning than has been typical in these projects, which have often been used to create political support in rural villages. A recent workshop involving state representatives, Bank representatives, UNICEF, and NGOs revealed diverse views on the project by different states involved and led to adoption of different approaches in each state and for different social groups based on the findings of the social analysis. A large training and capacity building component was included in the final stage.

*Source:* Author's Compilation.

*Improvements in Primary Beneficiary Participation*

of the Women and Child Development benefited from close cooperation with UNICEF staff. The Cataract Blindness Control project adopted an approach and a technology developed by staff of DANIDA, the WHO, and NGOs.

**Notes**

1. Four projects—the three in irrigation and water management and the one in primary education—involve particularly large costs, with the two largest exceeding US\$500 million.



## 4. Impacts of Beneficiary Participation and Social Assessment on Design

The most important impact of the direct participation of primary beneficiaries on planning seems to have been in increasing understanding of the local context, the diversity of stakeholders, and how stakeholders interact and relate to the wider institutional environment. Participation helped focus the poverty reduction strategies and develop decentralized approaches to community capacity building. It also revealed the capacity and interest of different community-based groups for seizing new opportunities and taking on greater responsibility for resource management and local development.

Successful stakeholder participation in the pilot phases resulted in commitment to and ownership of reforms of policy, legal structures, and institutions in ways that devolve responsibility for public service delivery from line agencies to community-based organizations, including forest protection committees, water user associations, village education committees, women's self-help groups, and farmers associations. However, the impact of direct primary beneficiary participation on design cannot be clearly distinguished from the impact of social analysis; the two processes go hand in hand. Beneficiary participation usually took place as an integral part of the social analysis, through the social assessment process.

Several cases show how project strategies were adapted to the interests of a diversity of local stakeholders. In the Uttar Pradesh Diversified Agricultural Support project, for example, the use of participatory rural assessments identified the important roles played by women farmers. As a result, training facilities were located close to women. Both the Uttar Pradesh Sodic Lands Reclamation II project and the Karnataka Rural Water and Sanitation project involved pilot phases, which provided time for combining social analysis and intensive participation and reformulation of project strategies (box 5).

In the Cataract Blindness Control, social analysis identified perceived constraints to access to services. As a result, a decentralized outreach approach was adopted that combined public awareness with greater availability and easier access to surgery services. The project did not involve primary beneficiaries directly in planning, but primary beneficiaries affected the design indirectly, through the social analysis. Social assessment also affected the design of the District Primary Education II (box 6).

The effects of broad-based primary beneficiary participation on preparation and design are neither clear cut nor easy to assess (table 1). Designs of some projects, such as the Women and Child Development and the Cataract

### **Box 5. Identifying Local Willingness to Pay for Services in Karnataka Rural Water and Sanitation**

A major breakthrough in the Karnataka Rural Water and Sanitation project came with a social analysis that revealed local residents' willingness to pay for water and to take more responsibility for the location and management of water pumps. Results from the social analysis were combined with lessons learned by DANIDA pointing to the need to integrate water and sanitation and public awareness in the project. The appraisal team convinced a reluctant state agency, dominated by water and health engineers, to accept an innovative approach through a pilot phase with 10 schemes. The state government agreed to a full-fledged participatory approach.

NGOs, involved for the first time, proved to be critical to the successful implementation of the project. Local residents, who perceived water as a free good to be provided by the government, needed to be convinced of the benefits of the project. Once certain villages had been convinced and started operating, others followed. The participatory aspects were thus critical to the project's success.

Source: L. C. Lund and E. Schaengold, personal communication, 1999, World Bank

Blindness Control, have been participatory without extensive beneficiary participation. The Andhra Pradesh Forestry involved few primary beneficiaries in the preparation phase and no extensive institutional analysis or focus on systematic capacity building. Yet during early implementation, following some successful testing of the joint forest management approach in the field, important achievements emerged in terms of empowering farmers. Despite similar weaknesses in design, the Andhra Pradesh Irrigation III succeeded in developing a participatory approach to water management through a successful pilot operation and follow-up in the early implementation.

Some important lessons can be learned from these experiences. First, primary beneficiary participation in the preparation phase can be (or is likely to be) important for design and for participatory approaches employed in the field, but it is not crucial.<sup>1</sup> It may be more important to ensure extensive participation in the early phases of implementation, when community-level planning is more intense. A main focus during planning and preparation should thus be on developing the ground rules for subsequent engagement. Second, a well-prepared Project Appraisal Document is no guarantee of successful implementation. Key obstacles to successful local-level planning and implementation are often related to lack of government capacity and political commitment and local-level constraints.

**Box 6. Using Social Assessment to Identify Tribal Peoples' Concerns in the District Primary Education II**

A set of social studies initiated in the first phase of the District Primary Education II identified the need for educational programs to address interrelated constraints on the availability and quality of basic educational services. The government had mistakenly thought that tribal people did not like to send their children to formal schools. In fact, as the beneficiary assessment showed, parents' safety concerns, especially for girls, were curbing school enrollment. As a result of the beneficiary assessment, new schools were placed in locations viewed as safe, and enrollment rose 74 percent (Salmen 1998b).

The social analysis showed that local residents were as concerned about the low quality of school education as they were about the cost of sending their children to school. This raised the issue of improving the quality of teaching.

The assessment also found that community groups were willing to take greater part in the planning, management, and operation of schools. Establishment of village education committees was therefore suggested, as well as involvement of NGOs for capacity building and monitoring (against the will of many teachers and teacher organizations).

Source: Author's Compilation.

Less visible but nevertheless important effects of direct beneficiary participation often occur at local levels, through the interaction between communities and exter-

**Table 1. Assessment of Design and Implementation of Selected Projects**

<i>Project</i>	<i>Intense beneficiary participation in preparation</i>	<i>Good participatory design</i>	<i>Good institutional analysis</i>	<i>Systematic institutional strengthening in design</i>	<i>Successful and participatory implementation</i>
Uttar Pradesh Sodic Lands Reclamation II (1998)	Yes	Yes	Yes	Yes	Yes
Women and Child Development (1998)	No	Yes	Yes	Yes	n.a.
Andhra Pradesh Irrigation III (1997)	Yes <sup>a</sup>	No <sup>a</sup>	No	No	Yes
Cataract Blindness Control (1994)	No	Yes	Yes	Yes	Yes (with some reservations)
Andhra Pradesh Forestry (1994)	No	Yes	No	No	Yes
Karnataka Rural Water and Sanitation (1993)	Yes	Yes	Yes	No	Yes

n.a. Not applicable – since implementation has not yet started.

a. Project involved intense beneficiary participation in a successful pilot phase, undertaken as part of the project preparation. The participatory lessons from the pilot phase were not fully reflected in the design of the Project Appraisal Document, however.

Source: Qualitative assessment based primarily on review of Project Appraisal Document.

nal project agents. In one village in the Karnataka Rural Water and Sanitation, for example, three social factions—partly political, partly caste based—could not agree on a common approach to the location and management of the new water and sanitation facilities to be provided by the project. Common agreement was a precondition set by the government and the Bank for inclusion in the project. On the last day of the project team's stay in the area, the three factions managed to agree, realizing that the project would not interfere with their own political disputes. The three factions later established agreement in wider village affairs and improved governance of the village. The participatory ap-

proach to the project had a catalytic effect on resolution of local problems and establishment of new partnerships far beyond that intended (R. Mohan, personal communication, World Bank, 1999). Such catalytic effects of participation were also observed in several villages visited in Andhra Pradesh that are participating in the forestry and irrigation projects.

#### **Notes**

1. It is worth noting that there are no cases among the ten projects studied of broad-based and intense participation and weak participatory design.



## 5. Participation in Implementation: Success Stories from Andhra Pradesh

To assess the process of participation in some depth in the early implementation phase, field work was undertaken in the Andhra Pradesh Irrigation III (1997) and Andhra Pradesh Forestry (1994) projects (see annex C). The participatory process in Andhra Pradesh is unique, largely because of the degree of personal engagement of the current chief minister and the commitment of government officers. The chief minister's ability to gain wide political support for these projects may well be the single most important factor responsible for the large-scale initial achievements in empowering beneficiaries, by establishing water user associations and forest protection committees. The achievements of these projects are underscored by the weaker achievements observed in projects with similar designs in other states, where the government was less committed.

Field assessment of participation in the two projects in Andhra Pradesh paid particular attention to the following features:

- The emergence of local leadership and the representation and participation of wider groups in decisionmaking.
- The increase in local capacities and access to new knowledge.
- The effective operation and viability of the new community-based groups as economic organizations and platforms for civic engagement and learning.
- The institutionalization of participation and the degree of financial and managerial viability of the new organizations, institutional networks, and arenas created for communication.
- The degree of reorientation in institutional cultures of the executing agencies in terms of attitudes, personal behavior, skills, and capacities to reach and collaborate with marginal groups.

The achievements of these two projects in increasing participation are assessed in terms of their efforts to cre-

ate institutional and organizational transitions that help educate and engage farmers in voicing their demands through political and bureaucratic channels and to enhance their capabilities to manage resources. Such political bargaining may, in turn, affect governance, property rights, and the allocation of wealth and status. Systems that foster transparency and resolution of conflict are part of this agenda. So is the exchange of experiences with like-minded social groups and networking with wider associations. More organized communities are about the creation of social capital and more inclusive and accountable organizations and institutions.

The effects of the transfer of property rights to irrigation water management to 10,000 water user associations are particularly striking. Data and observations from the first crop season suggest a substantial increase in irrigated area, improved equity in water distribution, and earlier water delivery in major schemes. Gross irrigated area on 12 major and medium-size schemes increased almost 10 percent to 5.37 million acres (2.17 million hectares), up from an average of 4.86 million acres (1.96 million hectares) in the previous three years (Oblitas and Peter 1999).

Field visits to the two projects, discussions with local officials, and a review of studies conducted as part of the projects confirm that a large number of the water user associations and forest protection committees formed in Andhra Pradesh are now in a position to function well. Many farmers organizations have increased the efficiency of forest and irrigation management significantly; large-scale and visible benefits are being realized, with irrigated areas, crop yields and production, forests, and the sale of forest products growing.

In the Forestry Project, a joint account system is used in which both the president of the forest protection committee and the forest officer need to go to the bank to sign a check. Decisions on work operations are made

jointly, with assistance and guidance provided by the forest staff. An overview of the work carried out and a list of payments to each village worker are supposed to be posted on the wall of the community hall.

Joint management has increased people's understanding of and interest in the program. There are encouraging signs of a dynamic and wide farmers movement emerging from the combined efforts of the two programs and by the additional financial resources provided by a committed government.

Both programs are still at an early stage of implementation, however; the real test will come when support is dramatically reduced, as project funding ceases (Oblitas and Peters 1999). The farmers organizations still rely on external support for capacity strengthening, and few are yet economically or financially viable.

Support for the programs may, however, be sustained beyond the project period, for several reasons. First, the state government has already proved its commitment to both programs by mobilizing substantial funding from its own resources. Second, there are large potential financial savings for the government through more effective and farm-level management. Reorientation of the bureaucracies and reforms of the property rights institutions have created win-win situations. Third, the transformations these programs represent are so visible in terms of improved resource management and income that it may be very difficult to retreat from them, even if the current chief minister is not re-elected. Fourth, the complementarity of the two programs in reaching a variety of social groups and different agroecological regions makes the programs particularly attractive, from the perspectives of both rural development and political mobilization (creation of large vote banks for politicians see annex C).

## 6. Shortcomings in Achieving Participation

Several shortcomings were noted in the ten projects studied. These included lack of beneficiary participation in preparation, lack of ownership and commitment among secondary stakeholders, lack of gender analysis and consultation with women and scheduled castes and tribes, lack of private sector involvement, limitations on NGO involvement, lack of attention to institutional analysis and systematic capacity building, and problems creating sustainable arenas for communication and learning.

### **Lack of Beneficiary Participation**

Despite significant achievements in participation, none of the project planning processes moved beyond consultation with primary beneficiaries to collaboration or empowerment (except to some degree in the four pilot phases), as interviews with task managers and project documentation indicate. Beneficiaries were more intensively consulted as community-level planning started and project implementation began. During planning and implementation, beneficiaries were consulted regarding which project components they wished to take part in. They were also consulted on decisions about the location of new facilities, and they were empowered through transfer of rights and responsibilities to community-based organizations. Beneficiaries seldom shared in decisions on the broader strategy or how they were to be empowered before appraisal, however. The broader project strategy typically evolved from earlier lessons, adjusted through social analysis and inputs from appraisal teams. This lack of beneficiary involvement is a major reason why most of the projects received ratings of “satisfactory” to “marginally satisfactory” in overall achievements on beneficiary participation (see annexes A and B).

### **Lack of Ownership and Commitment among Secondary Stakeholders**

Government commitment and buy-in to participation are considered central to successful preparation and imple-

mentation in all the Project Appraisal Documents; lack of commitment and institutional capacity is one of the key project risks raised. Yet little systematic attention was paid to analyzing how such commitment emerged or how it can be nurtured; government commitment is generally taken for granted and not given the attention it deserves in the institutional analysis. Such commitment is built through interactions with private and public actors at all levels of society and in many arenas, especially within the political and administrative arenas.

The focus in the Project Appraisal Documents is mostly on documenting administrative and departmental capacities; commitment by key political actors is underplayed. But politicians—both those in office and those in opposition—can foster or hinder institutional reorientation and reform. Compelling evidence from Andhra Pradesh suggests that agreements among top-level politicians and administrative commitment were critical to gaining broad acceptance for controversial policy reforms. The chief minister launched a set of conferences at the district and national levels in order to gain acceptance among the political opposition, government officials and farmers for key reforms, such as a new farmers’ management of irrigation law and a tripling of irrigation water charges. He did so in a relatively open and transparent manner, which has often not been the case when Bank-triggered reforms have been introduced.

It was recognized that only by improving income generation in the water user associations could a new farmer-controlled irrigation management regime be built. Convinced that a new regime would result in more reliable water supply and increase their incomes, farmers accepted a major increase in water charges, from Rs. 150 to Rs. 500 per acre of land irrigated. In contrast, in Orissa, where little transparency was involved in the political-administrative decision to introduce a much smaller increase in water charge (from Rs. 40 to Rs. 100 per acre), much

public discussion took place, and the government was attacked daily in the media by the political opposition.

World Bank interference with governments and the building of commitment to policy reforms or new participatory approaches is tricky, however. Bank influence must be balanced against requirements for autonomy over and ownership of political processes related to the preparation process. As Stiglitz observed, effective change cannot be imposed from the outside:

At the heart of development is a change in ways of thinking, and individuals cannot be forced to change how they think. They can be forced to take certain actions. They can even be forced to utter certain words. But they cannot be forced to change their hearts or minds (Stiglitz 1998, p. 20).

Interviews with project managers and consultants at state and lower levels clearly revealed a desire for more involvement and influence over the planning process by secondary beneficiaries. This was particularly true at the lowest level, among front-line workers of the state agencies, but it was also voiced by representatives of NGOs.

A more strategic focus is needed to involve mid- and field-level staff in ways that create ownership and capacity for participatory approaches. These front-line workers are key stakeholders, whose lack of adequate participation represents a shortcoming of these projects.<sup>1</sup>

#### **Lack of Gender Analysis and Consultation with Women and Scheduled Castes and Tribes**

Another important shortcoming was the lack of gender analysis and consultation with women. Half of the projects studied were categorized as weak in this regard (rated “marginally satisfactory” or “unsatisfactory”), half received “satisfactory” ratings.

The nature of these projects suggests that women are likely to be among the key beneficiaries and contributors. Women are often active participants in participatory rural appraisal exercises as well as in community-based groups related to forest, water, and school management.

The Women and Child Development project design revealed the greatest gender sensitivity, but involvement

of women beneficiaries was very weak during preparation. The design of the Uttar Pradesh Diversified Agricultural Support project was responsive to the needs of women farmers, and several participatory elements were included. The Andhra Pradesh Forestry integrated gender issues in the design, but follow-up in the field was lacking, partly because the Forest Department was completely dominated by male staff. The Uttar Pradesh Sodic Lands Reclamation II was relatively sensitive to the problems of women, but full awareness of the importance of women in production and land management developed only late in the process, when a female researcher was hired to conduct a gender analysis. In Orissa an interesting experiment was initiated in the early implementation phase with the establishment of a water user association run by women.

Tribal and scheduled castes were specifically involved through the preparation of indigenous peoples development plans, such as in Andhra Pradesh Forestry, Cataract Blindness Control, Orissa Water Resources, District Primary Education II, and Andhra Pradesh Irrigation III. These plans were designed to address the specific problems of these groups. Such plans were often not followed up by the state governments or projects concerned, however (as in Orissa). Consequently, important vulnerable groups were excluded from the development process. (Van Wicklin forthcoming provides a broader assessment of the Bank’s work on indigenous people and resettlement in India.)

#### **Lack of Private Sector Involvement**

Another important weakness in most of the project preparations was the lack of involvement of the private sector in planning and implementation. This weakness was recognized by project managers as a major flaw in the preparation of the Cataract Blindness Control, where the private sector now accounts for two-thirds of the operations (often at prices that poor people cannot afford). In the District Primary Education II, the private school sector was not involved, despite its rapid growth as an alternative to overcrowded public schools and its potential for undermining government schools. In Karnataka Water and Sanitation the use of private contractors for water supply infrastructure improved only when more local contractors were involved and people could check their work on a more daily basis. In the Andhra Pradesh Forestry some consultation was held with private industry regarding leas-

ing of land, but no extensive efforts were made to involve private enterprises in a more substantial way. The private sector could have been encouraged to play a more important role in extracting timber and marketing nontimber forest products (leaves and fruits) in the community managed forest areas.

### **Limitations on NGO Involvement**

Despite NGOs' proven capacities and their desire to establish closer partnerships, the government and Bank staff did not always seize the opportunities for greater NGO involvement in project preparation. Time constraints on Bank staff and government staff's skeptical or ambivalent attitude toward NGOs may account for this failure to involve NGOs more fully.

There were important exceptions. NGOs were involved in the preparation of the Indigenous People's Development Plan in the Orissa Water Resources Development. And NGO involvement increased during implementation of the Andhra Pradesh Forestry and Uttar Pradesh Sodic Lands Reclamation II, as NGO achievements were recognized by government officials. These projects worked more closely with operational NGOs in the field, which helped build local-level capacity, than with advocacy NGOs located in the state capitals.

Operational-level NGOs generally view participating in Bank projects more positively than do advocacy NGOs (Van Wicklin forthcoming). According to one Bank project manager, NGO involvement may well be strengthened, but one should not forget that NGOs have capacity constraints and that the government, the Bank, and NGOs often have different goals and interests. Different views are thus likely, even with increased dialogue. Involvement of NGOs, whose advantage lies in their responsiveness and flexibility, may also be limited by the Bank's and the government's more rigid procedures (Aycrigg 1998).

### **Lack of Attention to Institutional Analysis and Systematic Capacity Building**

The Project Appraisal Documents focused on the planning and implementation phase, although all of them explicitly cited the lack of institutional capacity to sustain project activities after project completion as the most critical risk to project success. Considerable training and at-

tention to institutional strengthening is required for project staff and government agencies if participatory approaches are to be widely adopted. The Project Appraisal Documents reveal a trend away from the exclusive focus on individual skills training to broader institutional capacity building and integration of institutional perspectives. Nevertheless, half the projects studied did not pay adequate attention to systematic capacity building (see annexes A and B), and few projects presented realistic plans for phase out and withdrawal.

### **Problems Creating Sustainable Arenas for Communication and Learning**

The projects faced problems establishing more permanent arenas, networks, and partnerships for communication and learning at different levels of society. Workshops and public hearings tended to be of an ad hoc nature and were not sustained after the preparation phase (even where partnerships with NGOs were strengthened in the course of implementation, as they were in the Andhra Pradesh Forestry). This shortcoming was stressed by both NGOs and government officials. Dissemination of results and feedback from social analysis and participatory rural appraisals to stakeholders was often weak or nonexistent. Long planning periods with lengthy social assessments made stakeholder interest difficult to maintain, reducing their effects.

For the most part, the initial design of monitoring and evaluation systems was weak, in terms of both traditional indicators for measuring financial and physical targets and indicators of participatory processes and capacity building. The weak monitoring and evaluation systems would limit internal learning about project performance and participation. Innovative and participatory monitoring and evaluation systems were developed in the Karnataka Rural Water and Sanitation, Uttar Pradesh Sodic Lands Reclamation II, and Andhra Pradesh Forestry as implementation proceeded, however. These efforts involved communities in data gathering and enhanced transparency and accountability at the local level.

### **Notes**

1. This perspective is supported by the review of participatory approaches in projects financed by the Department for International Development, which includes a study of perceptions by state-level officials (INTRAC 1998).



## 7. In-Country Constraints to Beneficiary Participation

A set of underlying factors and relationships constrained efforts to involve primary beneficiaries in preparation, making these efforts less successful than they could have been. To a large degree these constraints were related to the Indian government and to local factors such as social diversity, local organizational capacity, and institutional and political constraints.

Implementing agencies, especially mid- and front-line officials, demonstrated a lack of commitment and capacity. Involvement of NGOs was limited, and many NGOs appeared to have capacity constraints. These problems were compounded by the structural constraints within which Bank-assisted projects operated and by the relationship between the Bank and the government of India as the main client.

### The Hierarchical Structure of Indian Institutions

Increasing participation in Bank-assisted projects in India is challenging, for several reasons. First, historically and culturally, Indian institutions at all levels have hierarchical, command and control structures rather than structures that foster cooperation, listening, and face-to-face communication with beneficiaries on equal terms. Mindsets among government bureaucrats have not been geared toward servicing clients or reaching out to poor people.

Second, the federal and centralized character of India's national government, with a tradition of important decisions being planned and made at the center, occasionally created problems for relationships between Bank staff and state-level agencies. It also affected state government commitment to policies and projects to be implemented at local levels among poor villagers in rural areas. This problem was explicitly raised in the preparation of the District Primary Education II, where centralized planning

by the government and the central project bureau limited autonomy for strategy development at state levels. Operational education plans were nevertheless decentralized to district and community levels. In the Women and Child Development, politicians and top-level bureaucrats wanted to remain in control in order to provide visible "support from above" in rural villages, reflecting the political nature of this program.

Third, many Bank-assisted projects in India involve several states and millions of potential beneficiaries. (Of the ten projects reviewed here, four involved more than one state.) This large scale obviously limits the share of potential beneficiaries that can meaningfully be reached during preparation. Participation was also hindered by the multisectoral nature of projects and the highly compartmentalized Indian departments, coordination among which remains weak.

Ineffective property rights and institutions have undermined participation and civic engagement across India, and they work against economic development—with negative effects for the poor as well as the wealthy (Gill 1998; Varma 1998; Drèze and Sen 1996; World Bank 1998b). To address the problem, in the 1990s many states underwent significant policy and institutional transitions in terms of liberalization, decentralization, and a move toward more client-oriented services. The 73rd and 74th Amendments to the Indian Constitution, passed in 1992, for example, represented an important change in the government's attitude and commitment to decentralization and participation, albeit initially more in policy than in practice.

To a large degree the political-administrative transitions of the 1990s were driven by internal dynamics (although

the Bank was instrumental in triggering several of them). The case of Andhra Pradesh illustrates the critical importance of reforms of inefficient state institutional structures for improving economic performance. But the reforms of the 1990s raised new challenges for poverty reduction in India. Although high growth has been sustained over the past decades, the extent to which this growth has been translated into poverty reduction remains unclear. Poverty fell in India in the 1970s and 1980s, but the evidence for the 1990s is mixed. As a result, it is difficult to assess the progress India is making in reducing poverty (World Bank 2000b).<sup>1</sup>

### **Lack of Government Commitment and Institutional Capacity**

The two case studies in Andhra Pradesh provide compelling evidence that political will and government commitment are the single most important factors affecting beneficiary participation—and that lack of such commitment is the greatest constraint to participation. Weak capacity of the executing agencies to prepare and implement projects may be the second greatest constraint. In all project documents the lack of commitment and capacity to implement the project was explicitly raised as a key risk to project success. An interesting observation from the project document of the Women and Child Development project was that “all aspects of a program performed better in states with greater capacity.”

In all but two of the ten projects reviewed, the country capacity and commitment to implement the project was rated “marginally satisfactory” (annex B). Capacity was assessed in terms of how much experience the agencies and the states had with the type of project strategy chosen and how conducive policy and institutional arrangements were to beneficiary participation. In none of the projects did the government want to go farther than the Bank in developing a participatory framework.

Managers involved in the preparation of the ten projects faced widely varying institutional and social contexts. At one extreme, project managers met relatively enabling contexts, as in the case of the Uttar Pradesh Sodic Lands Reclamation II. The Bank team found a committed state government, which provided exceptional project support and showed interest in policy reform; a capable and committed project executing agency; responsive local

beneficiaries; and ample time for planning and involvement of beneficiaries through a successful pilot phase.

In contrast, managers of other projects have been confronted with less benign contexts. In the Integrated Watershed Development I, the natural resource environments of Rajasthan, Gujarat, and Orissa were unpredictable, local perspectives on conservation were in conflict with views of state officials, the technology introduced was experimental, the commitment to participatory approaches was weak, and state government and institutional performance in the sector was not satisfactory.

The importance of reorienting inefficient government agencies and creating supportive property rights institutions, incentives, and services can be illustrated by Andhra Pradesh Irrigation II (cf. annex C). The 10,000 water user associations in the state now cover an area of 4.8 million hectares and have already improved irrigation management considerably. In contrast, in Orissa it has taken three years to establish 50 water user associations covering 20,000 hectares. While commitment to participation may be there at state and top ministerial levels, resistance is typically found among mid-level and front-line staff (engineers, forest officers, teachers, health workers).

Even under unfavorable country conditions, however, the acceptance of participatory approaches can come fairly rapidly, especially among top-level bureaucrats, as the preparation of the Integrated Watershed Development (Hills) II which will cover five states in the Himalayan foothills, shows (Vedeld 2001). In Andhra Pradesh commitment from the top seemed to emerge as a result of a combination of visionary leaders with new ideas about good governance, visible economic effects from reforms at local level, and the scope for using new farmers organizations as vote banks in elections.

### **Organizational, Professional, and Structural Diversity**

The two problems of commitment and capacity reflect the structural relationships and respective roles of the Bank and the government, as its main client. The close relationship that develops between the Bank team and the main implementing agency during preparation may both facilitate and constrain the preparation process. An irrigation department may, for example, develop close relationships and share interests on the more technical aspects of the project with the task manager because he

is an engineer. The task manager may pay less attention to the wider social and participatory aspects of the project, however. A similar situation might develop in the case of an agency responsible for resettlement, which may direct the attention of the Bank team's sociologist to a minority group of people affected by the project. This would draw attention away from the integration of technical aspects with institutional and participatory dimensions in the larger project area (affecting a majority group of people).

To some extent, tensions among social and technical staff of the executing agency or between different institutional stakeholders may reflect tensions between social development and technical development perspectives in general. At the project level such tensions were accentuated and visible in the irrigation and forestry projects. State officials perceived that their professional and vested interests were being threatened by devolution of control over resources to farmers organizations. In Andhra Pradesh Irrigation III, the chief minister tried to solve the problems among government agencies by creating a command area development department to foster water user associations at the local level and to counter resistance among government officers to farmers' participation within the Irrigation and Agricultural Departments. The prominent position of the command area department facilitated the establishment of new organizations in the initial phase, but it also created internal conflict and rivalry among departments. In the Orissa Water Resources Development, the resettlement and rehabilitation component was prepared and implemented by a separate resettlement and rehabilitation directorate. This positively affected the planning of the resettlement component (although it suffered from weak implementation.)<sup>2</sup> In the Uttar Pradesh Diversified Agricultural Support, an independent institute was responsible for participatory monitoring and evaluation. In the District Primary Education II, the teacher associations resisted the establishment of village education committees.

Effective solutions to such structural and organizational problems can be critical for project success, but they are not easy for project preparation teams to establish. Such solutions should be allowed to evolve from the particular historical and institutional context. Continuous adjustment in institutional design and organizational structure might be required as implementation proceeds.

### **Attitudes and Cultures of Bureaucrats**

The Andhra Pradesh projects show that a major threat to sustained participatory reforms came from the mid-level bureaucrats and service organizations of the Forest and Irrigation Departments. Within both the forestry and irrigation sectors, the Andhra Pradesh government introduced radical changes in formal institutions and legal provisions. While formal rules were changed overnight, it remains to be seen how quickly more informal norms, institutional cultures, and practices will change within the executing agencies (as well as within the newly created farmers organizations).

The policy changes introduced were encouraging, in that they led to the enforcement of new property rights institutions. Attitudes, norms, and institutional cultures of the Forest and Irrigation Department staff have started to change. Several forest officers insisted that although work loads had increased with the new program, work satisfaction had also risen. The officers greatly appreciated cooperating with villagers rather than policing and creating fear among them. But the significance of these changes in real terms remains to be seen and can be judged only over a longer period of time.

The evolution of new norms of behavior that will enhance and legitimize new rules is usually a lengthy process. If reorientation does not take place, however, the new institutions are likely to remain ineffective or unstable and setbacks may occur. New institutional structures will become robust only if they are supported by organizations with a continuous interest in their perpetuation. This requires sustained efforts to change behavior, attitudes, professional skills, and cultures. Such changes can be fostered from above, but they depend critically on what sort of arenas and modes of interaction develop between farmer and civic organizations and state agencies and staff at the local level.

New, more client-oriented institutional cultures are required. In particular, the rights of farmers to be heard, to have access to information, and to take part in creating transparent and accountable management systems need to be encouraged, not discouraged. Economic development and growth can occur in the short run with autocratic regimes. But long-run economic growth requires responsive government that adapts to local demand, development of the rule of law, and protection and promotion of civil rights (North 1990).

### **Lack of NGO Capacity to Manage Participatory Processes**

The advantages of involving NGOs in project planning and implementation have been shown. In general, their involvement should be further encouraged, as they have the potential to influence policy and projects in a positive manner.

Problems with capacity constrain NGOs' ability to be effective, however. Although India has a highly developed NGO sector, many NGOs are unable to manage participatory approaches, financially or professionally. Some of the best NGOs are overstretched. Social assessments carried out by academic institutions or NGOs often lack an operational focus or are weak, as both Bank project managers and government officials have noted.

Several of the more operational NGOs would like the Bank to be more involved in NGO capacity strengthening and joint lobbying of the government. The advocacy-oriented NGOs are more skeptical about becoming too closely associated with either the Bank or the government (Van Wicklin forthcoming). Tensions thus remain among these three key partners in development.

In the Andhra Pradesh Forestry, forest officials perceived community-based and operational NGOs as sincere and useful but contended that advocacy NGOs based in the state capital were primarily "after the money." NGOs complained that they were used simply as consultants to undertake participatory rural assessments and micro-planning for forest operations in the villages. NGOs were not necessarily capable of performing as consultants, and often they did not want such limited roles. They were also critical of forest staff's attitudes and rent-seeking behavior as well as the implementation of the joint forest management policy on the ground.

NGOs and academic institutions complained that the Bank and the central government of India still run the show, without paying adequate attention to their views about participation in project and policy formulation. Attitudes among NGO staff toward Bank operations might have become more positive over time with their greater involvement. But frustrations undoubtedly have remained regarding lack of information sharing, creation of sustainable arenas for dialogue, and cooperation.

### **Local Capacity Constraints**

In eight of the ten projects, lack of capacity by local organizations to take over rights and responsibilities was identified as a risk factor. Given the narrow participation in local politics and the large differences in status and income that characterize Indian society, there are critical local barriers to increasing participation.

The attention accorded these problems—in terms of social analysis and support for local involvement and capacity strengthening—did not always seem to reflect their magnitude. Local capacity constraints may have been underplayed, partly since a project aim was to build this capacity.

Where institutional conditions and other contextual factors were favorable, various marginal groups were able to organize and participate in project development. The joint forest management approach employed in Andhra Pradesh, for example, has greatly benefited poor women and tribal groups. The Forest Department developed rules to ensure a minimum representation of women in the forest protection committee councils and their involvement in forest management. In contrast, upper caste men may be dominating the governing bodies of the water user associations of the Andhra Pradesh Irrigation III. These examples suggest that there are limits to what the government and projects can achieve from above in terms of changing local power structures and reducing elite control of access to project benefits.

Even so, the most critical long-term challenge of outside initiatives is to facilitate changes in local institutions and social orders that affect poor people. Poor people do not necessarily have relevant knowledge of contingent circumstances or evidence that it is useful to participate in political processes or project decisionmaking (World Bank 1998a, 1998b). They may be deeply entrenched in dependency relationships and authoritarian cultures. They may be very skeptical of and have little trust in the government—but perceive the state as the provider of "free" water and services. They may need to be convinced about the benefits of increased cost-sharing and the acquisition of new rights and responsibilities.

Participation therefore requires both incentives (at the project, policy, and legal levels) and a focus on literacy and local capacity building. A participatory approach does

not necessarily require much financial support, but it does require effective leadership, attitudinal change, and commitment at the local as well as state levels. Establishment of new or support to more competent local leadership may be a key entry point for local capacity strengthening.

Interviews with the management committees of water user associations and forest protection committees in Andhra Pradesh revealed that before the local elections members had not understood the purpose of these associations or their consent to establish them, despite consultations with department officials during planning. This may indicate shortcomings in the participatory approach; it may also suggest that there are limits to what one can expect in terms of direct contributions by local people to project preparation and design, at least before the formulation of the Project Appraisal Document. Even with extensive participation, informed and committed project planners would be required to carefully interpret local people's interests and ensure that their views are not neglected in the formulation of the project and project activities. Moreover, in designing participatory approaches, it is important to find ways to ensure representativity and limit co-optation and corruption of locally elected leaders within the newly created organizations. Local elites in community-based organizations or local government (*panchayats*) are not by tradition inclusive in their

decisionmaking. Hence decentralization to such bodies might be a necessary, though not sufficient, requirement for broad-based participation. Participatory monitoring and evaluation systems might be one critical element to address issues of governance at the local level.

#### Notes

1. The effectiveness of national reforms in creating more efficient property rights and market systems depends to a large degree on the political commitment to a more inclusive and transparent society by the government and the influential Indian middle class. There are considerable inefficiencies and obstacles to transition in the bureaucracies, the corporate business sector, and the polity of India (Gill 1998). According to some observers, India's middle class is relatively insensitive to the needs of the poor, and liberalization has tended to reinforce its position as a "consumerist predator" rather than opening its eyes to the need for wider social reforms (Varma 1998). There are, however, large regional differences in terms of social and economic reforms and their effects. Kerala, for example, has achieved considerable progress in terms of social development, even if economic development has lagged behind (Drèze and Sen 1996). Andhra Pradesh may also be emerging as an important new role model for consultation and participation in social and political reforms (although results on the ground, especially in the irrigation sector, need to improve before the state can be deemed a success story). Successful decentralization and participation is taking place in Madhya Pradesh, where top-level commitment to such reform by the chief minister is considerable and resulted in his recent re-election.
2. For an assessment of the Bank's performance on involuntary resettlement in India, see Van Wicklin forthcoming.



## 8. Institutional Constraints and the Role of the World Bank

The Bank's approach to participation has been gradually refined, as Bank operations have become more complicated and demands for participation have increased. The approach now consists of five main components:

- Providing assistance to states willing to undertake reforms in macroeconomic policy, fiscal management, and governance (transparency, accountability, willingness to address corruption).
- Supporting the building of more decentralized and demand-driven government institutions and organizations.
- Facilitating the involvement of NGOs, community-based organizations, civil society groups, and the private sector in specific project operations.
- Promoting increased sensitivity to gender issues, indigenous people, vulnerable groups, and involuntary resettlement.
- Promoting poverty reduction as a societal goal, through social assessment and participatory methods.

Several factors have affected efforts to increase participation and ensure good management of the participatory process in India, as project managers and social unit staff have noted. These include the variation in Bank team members' commitment and capacity to undertake participatory approaches, perceptions that there is a lack of convincing evidence of the value of participation, time and resource constraints, weaknesses in participatory methods, procedural rigidity and inflexible planning systems, staff turnover, and government and line agencies' skepticism of participatory aspects as advocated by Bank staff.<sup>1</sup>

### **Increasing the Capacity and Commitment of World Bank Teams**

A positive participatory process starts with a committed Bank team capable of developing close and continuous relationships with government staff, often on a personal basis. Face to face communication was critical for cred-

ible commitments, according to several project managers. News of successful adoption of new approaches led to reconfirmation of commitment among Bank staff.

Other reviews of participation have also identified the importance of personal attitudes and efforts, especially in relation to task and project team managers (Mansolff 2000; Aycrigg 1998; Chambers 1997). Professional skills, experience, and willingness to listen and learn are also important. In several project cases, the "footprints" of committed Bank staff were easy to find—in government offices, project documents, workshops, and articles documenting successful participation. In the Orissa Water Resources Development Project, for example, the appraisal was stopped by the Bank so that an Indigenous Peoples Development Plan could be prepared.

Good management support in the region was cited as important for staff commitment and success in participation. Support from Bank management reflected convictions of the President of the World Bank, who is convinced that stakeholder involvement and collaboration "cannot only make our development efforts more effective and sustainable, but can also foster ownership and a sense of belief in the relevance and value of our programs—right down to the community level" (Wolfensohn 1996, p. ix). Bank team commitment was rated "highly satisfactory" in all projects but one (the Integrated Watershed Development I, appraised in 1990), where the participatory process was not defined. In a follow-up project (the Integrated Watershed Development Project Hills II), the Bank team triggered a participatory process that was later adopted and strengthened by the state governments (Vedeld 2001). The Bank played a key role in the final design in all ten projects, at the policy, institutional, and local levels.

The Bank's experience in participatory project planning was found to be "satisfactory" or better for all ten projects

(annex B). It was rated “highly satisfactory” in the Women and Child Development, which involved long-term involvement in the sector, and in the Uttar Pradesh Sodic Lands Reclamation II, which involved a successful pilot phase and long-term involvement in the sector.<sup>2</sup> In Karnataka Rural Water and Sanitation, the Bank—and the government—had little experience with the type of program initiated. An agreement was therefore reached to carry out a pilot scheme, with community participation.

The Bank’s experience was less impressive in the case of the first Integrated Watershed Development, which was also the least successful in its participatory design. Mediocre performance in terms of a participatory design may reflect the fact that the Bank had little experience with participatory approaches in watershed management.

In none of the projects did the Bank have long-term or very extensive experience in India with the specific type of participatory approaches that were adopted. All projects included NGOs as intermediaries or in other capacities—groups with whom the Bank had limited working experience. The Bank preparation teams were reinforced, however, by the use of external consultants, interaction with government staff, and learning from other projects and donors.

### **Improving the Management of the Participatory Process**

Commitment to participation is not universal within the Bank. Doubts are still expressed about the value of participation, although social analysis and assessment are increasingly recognized as valuable tools. Given the Bank’s institutional history, memory and culture, composition of staff, and modes of operation and the confusion and attitudinal differences over what constitutes participation, universal acceptance could not be expected.

Commitment must be continuously nurtured. But the wider institutionalization of participation in the Bank is constrained by the limited direct interaction that most Bank staff have with primary beneficiaries and the social assessment process. This interaction is often of short duration, reflecting time constraints and the need for Bank team members to consult state officials and executing agencies.<sup>3</sup> Beneficiary interaction is normally

left to consultants and NGOs, who carry out the social assessments. This division of responsibility raises a problem, since the social assessment is critical for the formulation of the framework for participation and social development. Project managers and social unit staff have identified various problems in the management of social assessments:

- Team managers and borrowers are not always convinced of the value of participation and social analysis
- Because of capacity limitations, social assessments carried out by consultants or NGOs are sometimes weak, descriptive, and difficult to operationalize, especially in addressing weakness in institutional arrangements.
- Participation by primary stakeholders is often not placed into its larger macroeconomic or national institutional context.
- Because of time constraints and the lack of involvement by Bank and government staff in the process, results of social assessments are not properly incorporated into project design or fed into the implementation process. Participatory rural assessments are carried out mechanically and as a requirement for the Bank, not as genuine planning mechanisms. As a result, they become information extraction tools.
- Results of participatory methods are often not communicated back to the beneficiaries concerned or to the consultants or NGOs involved.
- Participatory methods and mechanisms are not as applicable or accurate as often assumed.
- Greater direct personal interaction with stakeholders and more involvement by the Bank’s social scientists is needed, but providing such interaction is difficult, because of time and budgets constraints.
- Social targets are often not set or monitored as carefully as financial or physical targets

There are several ways of improving the Bank’s management of participation. But there are also dilemmas that must be addressed, skills that must be improved, and organizational cultures that must be changed. Bank staff complain that certain daily tasks—writing terms of references, reviewing documents, meeting with consultants, participating in missions and workshops that add little to social assessment work—take much time. Some social unit staff members argue that the Bank is preoccupied with procedures and bureaucracy and that it should accept more advocacy in operations and nurture civic engagement and good governance. Others suggest that there

is a tendency to focus more on preparation of a high-quality product (such as a good social assessment conducted by a good local institution) than on the participatory process itself.

Closer coordination is seen by social unit staff as a way of giving social development perspectives greater influence within the Bank. Bank staff in general also express an interest in training seminars and skills development tied to organizational learning, communication, team building, and conducting social assessments in a timely and cost-effective manner.

#### **Maintaining Beneficiary Interest through a Lengthy Planning Phase**

Several project managers noted the difficulty of maintaining commitment and interest among stakeholders if the preparation process is long. Slow preparation on the Indian side combined with lengthy Bank procedures may lead to delays of two to four years between beneficiaries' first involvement in the planning phase and implementation. Delays also make it difficult to develop ownership of the project strategy by primary beneficiaries. More flexible planning and increased focus on participation in the early implementation phase could help deal with this problem.<sup>4</sup>

#### **Dealing with Staff Turnover and Creating Partnership Relationships**

The continuous turnover of Bank staff involved in technical, social, and policy aspects of projects through their cycle impedes strong commitment and makes it difficult for the Bank to establish close relationships with the people and agencies involved in the project. Frequent transfers of top-level administrators on the Indian side further undermine continuity in personal relationships and disrupts communication. And it makes it more difficult to build trust and implement projects effectively.<sup>5</sup>

In a study of participatory approaches in DFID-financed projects, high staff turnover and frequent transfer of DFID staff were identified as major constraints to effective project development (INTRAC 1998). The problem caused staff to tend to service "the DFID machine" rather than build external relationships through formal and informal networks for policy dialogue and project supervision. The problem was compounded by the high rate of staff turnover within government agencies and NGOs.

An advantage of operating a World Bank Office in New Delhi is that many of the people there have long experience in the region. This decentralized structure facilitates sustained participation and creation of partnerships between Indian agencies and Bank staff.

#### **Notes**

1. For a Bank-wide update on institutional constraints to participation, see Aycrigg 1998 and OED 1999. For a review of task managers' views, see Mansolff (2000). For a recent evaluation of Bank assistance to India for social development, see Van Wicklin Forthcoming.
2. For an overview of the level of primary stakeholder participation in 39 projects in the India portfolio approved during FY 94-99, see Van Wicklin Forthcoming.
3. In this regard, preparation of Bank projects differs from that of other donors. A recent report that assesses participation in DFID-financed projects in India notes that DFID focuses on promoting primary stakeholder participation and micromanaging projects, even at the expense of secondary stakeholder participation and long-term institutional sustainability (INTRAC 1998). The focus tends to be on operational issues at the implementation stage rather than on the key partnership issue of what happens when DFID funding terminates.
4. The social analysis and participatory elements do not seem to extend the planning phase much, although complaints have been voiced on the Indian side about lengthy participatory exercises and unfocused social analysis. According to the notes from the Bank's 1998 social assessment workshop in Sri Lanka, social assessments usually take 2 weeks to 6 months and cost US\$20,000-US\$200,000.
5. Of course, handing over implementation to a new person or involving a diversity of staff in a project may also result in innovations and greater flexibility. New people have less stake in maintaining initial designs and can take a fresh look at the project.



## 9. Conclusions and Operational Recommendations

Despite significant achievements, the Bank was not always capable of convincing clients in India of the value of participation. Some variation in Bank teams' capacity and commitment to participation was also evident. In order to foster greater commitment, it may be important for the Bank to further document and convince its various clients that participation is not only about involving poor and vulnerable groups in project activities. The agenda for participation is much broader. Participation is about developing inclusive, accountable, and effective institutions and property rights that favor the poor as well as the middle-class and government employees, both economically, socially and politically. Above all, participation is about good and responsive government. Since numbers count in a democracy, a stable and efficient government in India is likely to depend increasingly on solid vote banks from among the rural and urban poor, as well as more participatory policies and strategies.

Several lessons from the study have operational implications:

1. Direct participation of primary beneficiaries through pilot phases proved to be an effective way of testing participatory approaches and initiating institutional and policy reform processes. Piloting contributed to participatory local planning and implementation and increased the sense of ownership of the process among the staff of the executing agency.

2. Indirect methods of incorporating beneficiary interests and informing the project design, including social analysis and learning from other projects, positively affected project formulation at the local as well as the policy and institutional levels. In several cases, in fact, indirect methods were more important than direct beneficiary involvement in terms of ensuring a project design that was participatory in objectives and strategy (as reflected in the Project Appraisal Documents). This illustrates that the participatory process (and its impacts) is not straightforward.

3. Intense beneficiary participation that began in the early phases of implementation—through broad-based consultation and empowerment at the community level—countered the potential negative impacts of low participation during the preparation phase and enhanced commitment to the project at the local and national levels.

4. The emergence of more accountable and inclusive institutions seemed critically dependent on commitment, effective leadership, and processes initiated by the government. In the past, many errors have been made as a result of command and control systems that have sustained ineffective institutional and organizational structures in which participation, listening, and learning have a marginal place. Government officials and project managers still use top-down approaches to impose solutions on primary clients. But it was the unilateral commitment by political and bureaucratic leadership that effectively started the participatory process and gradually empowered larger groups of primary stakeholders.

These lessons highlight the need to better understand the relationships and processes that build political and bureaucratic commitment to participation in government institutions. How can commitment and ownership be created and participation institutionalized? Success in participation was achieved when committed Bank teams, building on social analysis and pilot experiences, triggered new ideas about good governance and convinced top-level politicians and bureaucrats of the significant benefits that would accrue from new property rights institutions. In Andhra Pradesh effective leaders and project staff made the transformation process their own. Individual efforts and courage among the political leadership were necessary to mobilize political support for reforms. Resistance from mid-level officials was overcome by achieving promising ground-level results from pilot operations. Transparent public hearings, wide-scale consultations at the district and national levels, and the active

use of the media contributed to successful reforms and the establishment of decentralized and more effective community-based management systems. Legal changes transferred rights and powers and built trust. Joint management and transparency in local operations, through which government officials were made accountable to farmers, were essential to building trust in the new institutional arrangements.

These lessons have implications for the way in which effective social assessments should be conceived, managed, and packaged within the Bank. In order to make the management of participatory processes more systematic and effective through the project cycle, more effort should go into developing a participatory framework early in the social assessment process. That framework should provide a general and indicative strategy on how participation of primary and secondary stakeholders is to evolve. The plan should be flexible and responsive to changing demands and circumstances, and it should strike a balance among different goals.

At the preparation stage, it is important to decide whether the scope of the social assessment is primarily to extract information to inform project design, to extract information and create commitment among executing agency staff, or to inform design and create commitment among executing agency staff and primary beneficiaries. It is also important to strike a balance between what is ideal but complex and what is possible and practical in India.

Currently, direct beneficiary participation is used mainly in formulating local approaches in an instrumental way and less in formulating strategy and policy. Women and vulnerable groups are consulted infrequently, and gender analysis of projects is often not carried out. The involvement of secondary stakeholders—NGOs, civil society groups, labor unions, and the private sector—has improved, but it is neither extensive nor systematic.

The Bank could take several steps to address these problems and improve its participatory processes:

1. Improve the quality, effectiveness, and impact of primary stakeholder participation and social analysis through better selection of consultants, closer supervision and management, and improved integration of the social assessment into the project planning and implementation process (through preparation of participatory frameworks). Social assessment should be perceived as

an ongoing negotiation process, not an end-product for data collection

2. Encourage local capacity building and more intense participation by primary beneficiaries during the early stages of implementation, when community-level planning and activities begin. Increasing beneficiary participation and local capacity early would enhance government and project ownership in a process that is gradually broadened and sustained through the project cycle.

3. Devote more attention to the development of institutional capacity of local groups, local governments, and local leadership, both women and men.

4. Encourage the use of pilot initiatives and experiments with local capacity managed by the government through more process-oriented planning, possibly through Learning and Innovation Loans and Adaptable Program Lending.

5. Intensify strategic consultation and partnerships with secondary stakeholders, especially NGOs, academics and private sector actors, and start documenting such consultation. Encourage the shift away from skills training toward plans for systematic institutional capacity building, reorientation of government services, and changes in attitudes toward participation by mid- and field-level staff. Make the willingness to focus on participation a criteria for selecting partners in development.

6. Continue to move from social mitigation of adverse impacts to pro-active engagement, with a stronger focus on integrating social concerns with policy and strategy formulation. Focus social development work more on the issues and opportunities for creating enabling policies and institutions

7. Direct social analysis to the interface between front-line workers and local stakeholders, with a view to understanding how institutions and policy at the macro and meso levels condition participation and negotiation at the local level.

8. Continue to develop indicators for measuring effective institution building and the extent of poverty reduction, related, for example, to innovative and participatory monitoring systems that foster transparency, accountability and learning at local levels.

9. Strengthen efforts to build bridges between social and technocratic world views.

10. Improve conceptual clarity about participation.

A basic conclusion emerging from the study is that improved and sustained participation in development projects is about transforming institutional cultures. More

controlled and protected by the state that had taken place over the past several decades. The state property rights regime had failed to provide effective protection for these resources. The main aim of the project was to improve forest management by introducing joint forest management based on forest protection committees in villages on the fringes of the forest. The project would benefit mainly poor people, women, and tribal communities. Each of the forest protection committees would be granted usufruct rights to about 500 hectares of degraded forest for protection and use (most nongraded or highly productive forests were not included in the scheme). These forest areas were formally part of the state's property.

A key mechanism for reform of the property rights regime was the empowerment of forest protection committees through recognition of their usufruct rights to forest products (timber and nontimber resources). Funds were provided for village labor in forest silvicultural operations. The village would pay for exclusion and protection (often by two local watchmen). Funds were also provided for public facilities, such as community halls, schools, and wells, and for minor items for individuals, such as fuel-efficient stoves. These investments were meant to promote a better relationship and build trust between the Forest Department and the people. Microcredits to individual farmers from the funds of the forest protection committees evolved later.

Preparation of the project involved little direct participation of primary beneficiaries, and the process of consulting and empowering farmers by establishing forest protection committees got off to a slow start: by the end of the first year, only 22 forest protection committees had been created. The slow pace, which reflected reluctance within the Forest Department to speed up the process, provided time to adapt the new approaches to local conditions and to build the capacity of the forest staff.

Gradually, a significant part of the staff became convinced of the potentials of joint forest management. According to one Bank staff member (Julia Falconer, personal communication, World Bank, 1999), the joint forest management program took off because it solved an immediate and pressing problem for the forest officers working in the field: protecting the forests. Visible tangible benefits for villagers, as well as for the Forest Department, were realized quickly. The pioneering efforts of a few Forest Department staff set an example. With incentives from

the top and pressure from below, the forest officers' ways of thinking started to change. People started to place demands on the forest officers, who discussed matters with their superiors (rather than simply taking order from them) and made decisions on their own. As one officer said, "No longer is everything decided from the top."

Initially, there was resistance to the program, with villagers refusing to meet the forest officers. That resistance needed to be overcome. In one village in Telangana, villagers held more than 20 meetings before agreeing to establish a forest protection committee. By August 1995 only 260 forest protection committees had been created.

The process of forming forest protection committees was speeded up considerably after the new chief minister took office in mid-1995. By June 1996 about 1,600 forest protection committees had been formed; by March 1998 their number had increased to 3,700. In December 1998 the supervision mission of the Bank reported that more than 6,000 forest protection committees had been formed, about 1,700 of which were supported by the Bank project. The rest of the program was financed from newly mobilized internal sources made available by the chief minister, who reduced funding for other less efficient public services.

By 1999 more than 1.5 million hectares of the total forest area was managed by forest protection committee, 300,000 hectares of which had been more intensively treated. Field visits revealed a dramatic transformation in the forest landscape and in vegetation around most villages with forest protection committees in operation. The coppice of completely degraded teak stands in 1995 had resulted in new shoots growing as if in plantations; tree heights of 3–4 meters and above were frequently observed.

The forest protection committees started operating as arenas for discussion of forest management and village development in general, often with informal links to *Gram Panchayats* (local self-governments). Ingenious rules on exclusion of outsiders and regulation of internal use of forest products and nonforest resources (fuelwood, bidi leaves, flowers, fruits) were formulated at management committee meetings.

Encroachments within the forests, once a main threat, had almost stopped. Smuggling was dramatically reduced,

partly as a result of villagers reporting such cases and cooperating with the Forest Department. Enforcement and graduated sanctions systems were developed, ranging from warnings to fines to social ostracism (loss of membership in the forest protection committee). Reports by farmers and forest officers confirm that the rapid forest regeneration and use of check-dams for water harvesting in many places led to improved water conservation and ground water recharge. Visits to about 15 villages confirmed reports of transfer of knowledge to farmers of forest management, improved availability of water for irrigation fields, increased sale of forest products, and increased income through sale and wages provided for forest operations.

Several factors led to the transfer of rights to the forest protection committees and the empowerment of farmers:

- A committed Bank team, strengthened by an Indian consultant with experience from West Bengal, triggered a shift in internal political and administrative processes toward participatory or joint forest management.
- A three-day workshop with staff of the Forest Department started a process of changing attitudes toward joint forest management among a reluctant cadre of forest officers.
- A June 1995 Bank review mission expressed serious concern about the lack of progress and participation in project activities, involvement of NGOs, and progress with the tribal development plan which would address social development concerns among indigenous groups
- The new chief minister engaged himself personally in the problem of deforestation. Informed by key senior officers, he facilitated the gradual mobilization of support among the forest staff of the Forestry Department. He allocated new internal resources to expand the program, issued guidelines for the operation of the forest protection committees, coordinated efforts by various rural agencies, held statewide meetings with more than 6,000 forest protection committee presidents and members of management committees, issued government orders demanding that forest protection committees pay equal wages to men and women, and held tele-conferences with district forest officers.
- The visible growth of forests convinced the forest staff of the potential of farmers' participation in forest management.
- NGOs became increasingly involved; nearly 200 are

now participating at the local level to facilitate participation and capacity building within the project.

- A major legal breakthrough came in 1997, when the forest protection committees were given usufruct rights to 100 percent of the produce from the forest, including both timber and nontimber products.

The involvement of the chief minister had different dimensions. He focused on the forest protection committees as self-help groups and paid genuine attention to the forestry staff, bolstering their position in village affairs (something that did not happen in other line agencies). His close personal monitoring kept all government officials on their toes. By vigorously pushing the development of forest protection committees, he placed joint forest management at the forefront of the affairs of the Forest Department.

The villagers of the Telangana region confirmed the attitudinal changes. "Before there was only policing. Now relations are much better," commented one villager. "We now work together." The forest officers disseminate new knowledge, handle regulatory functions, resolve conflicts, and foster participation by vulnerable groups. In fact, most people seemed to prefer keeping the forest officers involved and appreciated the joint management (although younger members of forest protection committee boards more frequently expressed the desire for greater autonomy). Most of the forest protection committees may not yet have matured enough to assume complete and autonomous responsibility for all aspects of forest management.

#### **Weaknesses of the Two Projects in Andhra Pradesh**

The challenge of sustaining more than 10,000 water user associations and 6,000 forest protection committees is great. And some obvious weak points in these projects have come to light. While some of these weaknesses are being addressed, others need to be given fresh or more attention by the program management:

1. More needs to be done to increase the capacity of presidents and management committees to undertake economic planning, bookkeeping, and management of resource systems and farmers organizations in a setting of deep-rooted dependency on local government officials and funding.
2. Attitudinal and systematic capacity strengthening of the Irrigation and Forest Departments as well as

the Revenue and Agricultural Departments are needed to help them adjust to new roles and responsibilities and limit administrative rigidity and nonparticipatory work methods.

3. Improved systems are needed for income generation and distribution of benefits. In the irrigation schemes, collection of water charges needs to be improved. In the common-pool forests, issues arise over the marketing of the increased production and distribution of benefits.

4. Capacity for resolution of water management disputes needs to be increased, especially capacity to resolve head end/tail end structural conditions.

5. Transparency and accountability in the use of funds need to be increased, and the distribution of benefits at the local level needs to be improved in order to limit diversion by rent-seeking office bearers and government officials.

6. Institutional relationships between farmers organizations and local self-governments (*Gram Panchayats*) need to be strengthened in order to harmonize decisions on village affairs and avoid party politics, which could adversely affect development efforts.

7. Women need to be more involved in decisionmaking and practical operations.

8. A forest management policy needs to be developed to address dynamic changes in institutional arrangements, increased forest production and the ecological character of the forest, and improvements in markets at the village, district, and regional levels through transparent involvement of the private sector.

9. Rights to benefits from resources over time need to be secured. The usufruct rights in stands of high (teak) plantations have not been spelled out properly. Farmers' tenure to irrigation water is initially for a three-year period.

10. Steps need to be taken to ensure that NGOs are used in a manner that allows them to pursue their own goals of participation and that they are not simply hired as consultants to undertake participatory rural assessments and micro-planning.

11. Continuous political, financial, and moral support is needed to sustain enthusiasm while developing plans to reduce systems of external dependency (financial, technical, and managerial).

Overall, the autonomy and viability of many of the forest protection committees and water user associations remain low. This lack of autonomy and viability is due partly to

the fact that external financial support is provided for labor in forest and irrigation rehabilitation work and public facilities provided by the projects and partly to the fact that interventionist and top-down modes of operations are used by the department staff.

Economic and technical dependency on external relations remains very high (tables C1 and C2). But the potential is great for creating organizations that are viable financially, particularly in areas in which the potential for forest growth and irrigation is high. With rising income, the problems of allocating rights and distributing benefits may become more intense, placing new demands on the property rights regime and its leaders.<sup>2</sup>

The rights associated with property reform include both operational rights and collective choice rights (table C1). As de jure owner of the forest, the state possesses all rights. As part of the ongoing reform process, it has devolved key usufruct rights to farmers and important aspects of management and exclusion to the management committees.

The distinction between control over various bundles of rights is important in order to understand fully the differences in roles and relationships between the state, the management committee, and farmers in forest management. It can also be used to reveal gender and caste differences. In most cases, both men and women have access and use rights to land and common-pool resources, as well as rights to make improvements on the land. But women and scheduled castes often have fewer rights in terms of ownership and management of land, exclusion, sale, and inheritance. The Forest Department still holds the upper hand on the management committees in many aspects of forest management, as a result of their role as secretaries of the management committees, their control over the joint account, and their role in determining the rules for exclusion and sanctioning. Moreover, the quality of the participation process, especially in relation to the negotiation process between officials and farmers over the local action plans, is still weak. Hence in many ways the regime is not truly participatory.

Institutional relationships are improving, however. The allocation of secure usufruct rights to farmers is, for example, a major achievement. The joint nature of the program may also be essential for the sustainability of the program.

**Notes**

1 According to a World Bank consultant, 'This is a tremendous change, which encourages scheduled groups to ask for access to other benefits, such as water, agricultural credit, and inputs. As farmers they hold passbooks issued by the Revenue Department, which indicate the type of land (irrigated, upland, dry irrigated); survey numbers of holdings; and total holding size. Because of membership in the farmers organizations, they have become *pukka* (accredited) landowners, with privileges and rights. Earlier they depended on the discretion

and favors of irrigation officials to get water to their marginal lands in the tail-end areas of irrigation commands. Now they get their water user associations and distributionary committees leaders to negotiate water requirements and enjoy some sense of ownership over irrigation facilities with other farmers' (J. Perera, World Bank consultant, personal communication, 1998). See also annex 10 in Oblitas and Peter (1999).

2 One problem, partly beyond the scope of the program, is the management of political problems related to the Naxalites, an anti-landowner and anti-government movement active in the Telangana region.

**Table C1. Property Rights Associated with Status Positions under the Forest Institutional Reforms**

Type of right	State (owner)	Management committee (proprietor)	Farmers (claimant)	Authorized users (women)
<i>Operational</i>				
Access	Yes	Yes	Yes	Yes
Usufruct	Yes, but only for wood from developed plantations	Yes, for 100 percent of all timber and nontimber products	Yes, for management committees	Yes, subject to management committee decisions
<i>Collective choice</i>				
Management	Yes, establishes management practices for the forest	Yes, under supervision of Forest Department, organizes all forest operations and collection of nontimber products	Yes, as member of general assembly in village	Limited
Exclusion	Yes, but important rights devolved to management committee	Yes, jointly with Forest Department creates rules and regulations for use	n.a.	n.a.
Alienation	Yes, with limitations set by new legal framework	Yes, subject to rules and regulations set by Joint Management Act and management committee	n.a.	n.a.

n.a. Not applicable.

Note: Access refers to the right to enter a defined physical area and enjoy benefits that do not subtract from others' rights to use the resource (such as trespassing). Usufruct refers to the right to withdraw or obtain benefit streams or products from a resource. Management refers to the right to regulate internal use patterns and transform a resource by making improvements (individually or collectively). Exclusion refers to the right to determine who will have an access right and how that right may be transferred. Alienation refers to the right to sell or lease the above rights.

Source: Field notes from Telangana, January 1999.

**Table C2. Nature of Investments, Viability, and Degree of External Dependence of Forest Protection Committees**

<i>Item</i>	<i>Social investments</i>	<i>Economic investments</i>	<i>Improved land management of individual fields</i>	<i>Improved management of communal forest</i>	<i>Transfer of rights/ change in property rights regimes</i>
Nature of investment or supply	Community halls, shelters, stoves, schools	Labor wages and infrastructure for forest management	Check-dams, bore-holes for rice fields, fruit trees	Forest treatment, plantation, gully plugging, check-dams	Transfer of usufruct rights, training, access and use regulation
Local demand	High	High	High	High for forest treatment	High
Nature of goods	Public, common	Private	Private	Common	Common
Ecological viability	n.a.	Positive	Positive, but of small scale	Large-scale from forest management	Critical to obtain change in local practice
Economic viability	Low, due to risk of low capacity for maintenance	Low; depends on cost recovery of forest management and forest protection committee viability	Depends on technical viability and forest protection committee in maintenance	Large potential from timber and nontimber products	Critical to obtain economically viable property regimes
External dependence	High	High	High, but with potential	High, but high potential to become viable	High, but high potential for self-management

n.a. Not applicable.

Source: Field notes, Telangana, January 1999.

# **Annex D. Participation and Social Analysis/ Social Assessment as an Iterative Process**

**Consider project  
objectives and strategy**

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**Identify stakeholders and  
critical social and institutional relationships**

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**Assess scope of participation and socio-institutional analysis,  
and determine data needs and methods**

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**Examine social and institutional relationships  
that affect participation in preparation and implementation**

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**Develop participatory framework to foster primary and secondary  
stakeholder participation as an explicit element of social assessment**

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**Examine wider institutional and policy arrangements and how institutional  
stakeholders limit or enhance participation and ownership among beneficiaries**

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**Integrate social concerns into policy and institutional arrangements and develop project strategy  
and monitoring and evaluation arrangements in consultation with stakeholders**

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**Ensure capacity to sustain project by integrating plans for systematic institutional capacity  
strengthening and addressing issues of social mitigation and commitment to institutional reforms,  
poverty alleviation, and sustainable development**

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# Annex E. Assessing Participation in Project Preparation

How can a flexible framework for participation be developed during preparation and sustained during implementation? How can such a framework be assessed in terms of indicators for quality at entry and monitoring and evaluation? Some relevant proxy indicators with which to assess the capacity and commitment of the Bank team, the government, and community-based organizations; project preparation; and the quality of design at entry are provided here. The overview is partial.

## Assessing the Capacity and Commitment of the Bank Team

- Does proven experience exist from other Bank-assisted projects with similar participatory approaches (institutions and technologies)?
- Is there full endorsement of participatory objectives and strategies by the task team and team leader (attitudes, experience, knowledge)?
- Does the team possess the required professional skills in social development and institutional analysis?
- What lessons were learned and translated from other donors or NGOs and earlier projects?
- What is the capacity for supervising and guiding project development in a flexible and responsive manner?
- Does the project entail any reputational or development effectiveness risks for the Bank?

## Assessing the Capacity and Commitment of the Government

- Is there declared endorsement of project objectives and buy-in to participatory approaches?
- Does the political and bureaucratic leadership have vision and proven experience and capabilities?
- Do the executing agencies have sufficient autonomy to

manage and develop professional skills and institutional cultures?

- Are counterpart funds sufficient and likely to be sustained?
- Is the approach built on tested technology and institution arrangements? Are economic benefits likely to ensue (for individual entrepreneurs and society)?
- Is the organizational structure appropriate for the scope and activities to be undertaken (structure, management, procedures, attitudes, practice)? Do mid- and field-level staff possess the required commitment and capacity?
- Does the policy and legal framework support decentralization and empowerment? Are required reforms likely to be achieved?
- Has the political leadership recognized the importance of participation in terms of creating political stability and gaining political support (vote banks)?
- Is there appropriate recognition of ecological sustainability as an important societal goal?

## Assessing the Capacity and Commitment of Community-Based Organizations

During preparation:

- Is there a broad-based endorsement of project objectives, strategies, and components by beneficiaries or their representative leaders?
- Was this endorsement achieved through participatory planning tools and genuine negotiation (participatory rural appraisal) and incorporation of beneficiary views and interests?
- Is the approach built on proven technologies and institutional structures?
- Are there good local leadership capabilities in terms of visions, attitudes, and skills in economic management, bookkeeping, accounting, and resource management?

- Are local leaders representative in terms of gender, age, education, wealth, economic interests, power, caste, and ethnicity?

During implementation:

- Have beneficiary organizations started operating and learning (as measured by the number of meetings held, the topics discussed, the degree of consensus, and the outcomes and actions taken)?
- Have rules for community-based organization membership, access, use, and management been created? Have local practices started to change?
- Has the introduction of systems for graduate sanction and conflict management started?
- Are requirements for transparency and accountability being addressed in decisionmaking?
- Was decisionmaking authority transferred and an autonomous body created that is independent of (interventionist) state officers?
- Is there a diffusion of new ideas, knowledge, and civic awareness of rights and rules?
- Are there signs of evolution of new institutional networks, communication, and civic engagements?
- Is there a sign of growth in social capital, reflected, for example, in the capacity for governance of wider village affairs?
- Are there increases in income and improved distribution, reinvestment, and accumulation among individual members and organizations and trends toward institutional viability?
- Is the degree of external dependency being gradually reduced?

#### **Assessing Project Preparation**

- Was a participatory framework developed? Are there any known stakeholder/NGO/media opposition?
- Was sufficient time and budget allocated for participation and social assessment?
- How many and what type of primary and secondary stakeholders were involved in consultation (representativeness)?

- What methods and arenas were used for stakeholder participation (number of meetings, workshops, public hearings with primary versus secondary stakeholders)?
- What is the level of involvement (information sharing, consultation, collaboration, empowerment)? Is participation being institutionalized?
- How is participation with primary and secondary stakeholders being documented and analyzed? Are lessons being drawn in a systematic manner?

#### **Assessing Quality of Entry of Project Design**

- Do the program selection, design, and strategy for implementation incorporate key social issues and views of major stakeholders through a participatory and systematic process?
- Was the social impact disaggregated by social groups and adequate provision made for mitigation of adverse social impact?
- Is the project design comprehensive enough to reach primary beneficiaries and vulnerable groups?
- Is decentralization and empowerment of community-based organizations an integrated strategy concern?
- Were participatory frameworks and plans for capacity building developed at the local level?
- Is the design sensitive to government capacity constraints? Are there plans for systematic institutional capacity strengthening (not just skills development)?
- Is monitoring of social and institutional change an explicit aspect of monitoring and evaluation? Does the monitoring and evaluation system focus on participatory monitoring and organizational learning?
- Does the client have a policy consistent with Bank safeguard policy and relevant laws of the country?
- Does the project design include an action plan to mitigate adverse impacts? Does the design comply with the Bank's safeguard policies?
- Is the design flexible? Does it leave room for responsive adjustments during implementation?
- Are there plans for project withdrawal, and are those plans realistic in terms of institutionalizing participation and sustaining inclusive organizations after project completion?

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**ISBN 0-8213-4932-5**