

The World Bank in Pakistan: See no suffering, hear no cries, speak no truth

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Introduction

There is a wide power gap between the World Bank and local communities. The decisions taken at distance by powerful institutions are beyond the control of local communities. In this context, investment in mega infrastructure projects from donors such as the World Bank have served to detach people from their historical entitlements to natural resources. The social disruption, loss of livelihood and environmental degradation associated with these projects push local communities into poverty and deprivation.. The concomitant violation of rights such as to food, development and shelter is considered a 'transitory cost' in the Bank's terminology.

Water infrastructure projects funded by International Financial Institutions (IFIs) have not only generated huge economic waste, but also caused irreparable damage to the environment and livelihoods. The World-Bank-financed Tarbela Dam and link canals project in the early 1970s reduced fresh water flow to lower riparian zones, especially the Indus Delta. Previously prosperous deltaic communities were forced to migrate. Ecological costs have included sea intrusion, loss of mangrove cover and the disappearance of flora and fauna species. The prevalence of massive poverty in the area is a direct consequence of upstream structures funded by the World Bank.

Similarly, the Asian Development Bank financed the Chashma Right Bank Canal project, which massively disturbed the ecological and livelihood pattern of the area. Flooding caused by alterations in the course of water flows force communities to migrate and negatively impact on the long-term potential of ecosystem functioning and sustainable development, pushing people into vicious cycles of deprivation. Such infrastructure projects are instrumental in extending state and capital control over natural resources through dispossession and limiting people's choices and autonomy.

The reason these projects come about is the dominance of a faulty development paradigm and inadequate accountability. Projects are implemented under the flawed economic belief that investment in major infrastructure projects will generate economic growth that will then seep into local communities and reduce poverty. The question of accountability at local level is omitted at very outset, because the gains are measured at the macro-economic level. The past sixty years have witnessed donors in competition with one another to pour money into such flawed projects, ignoring the fact that previous projects based on economic growth ideology had basically robbed natural resources from poor people and created situations of extreme deprivation.

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Poor communities bear the brunt of these projects and yet they are kept away from decision-making processes at all the levels. In developing countries that lack sufficient democracy, the state authorities are unaccountable to the people. Furthermore, the international donor institutions enjoy immunity from domestic laws and there is no mechanism of international law to hold them accountable. Thus, violations of human rights go unchecked and accountability remains an illusion. Nevertheless, indigenous people all around the world have fought around issues of accountability, transparency and governance in powerful institutions like the World Bank, particularly since the last decade of the previous century.

This paper looks deeply into the case of a World-Bank-financed project - the Left Bank Outfall Drain (LBOD) in the Sindh province of Pakistan - which demonstrates how the World Bank violated people's fundamental rights, uprooting them from their means of survival in southern Pakistan. It also shows how the WB failed to take responsibility for its actions after inspection panel findings.

Left Bank Outfall Drain Project

Background

The Left Bank Outfall Drainage (LBOD) project was initiated in 1984. The project aimed to provide a drainage facility for irrigated agriculture in three districts covering about 516,000 hectares through

the construction of a network of surface drains, installation drainage tube wells and the Chotiari reservoir.¹ The initial estimated project cost was US \$ 635 million. The cost was agreed upon by seven external co-financiers: IDA; ADB; Saudi Fund for Development (SF); Canadian International Development Agency (CIDA); Overseas Development Administration (ODA-UK); Swiss Development Corporation (SDC); and the OPEC Fund for Development. The IDA and ADB were the major donors, contributing US \$150.0 and \$122.0 million, respectively. The early environmental assessments indicated positive effects for the project. It was considered that drainage would improve the productive capacity of farmland and the quality of vegetation, whilst reducing malaria.

The problems

The implementation of the project was disastrous and both the World Bank and ADB have accepted that their performance at the preparation and appraisal stages was not satisfactory. The work of the LBOD project could not be finished to the estimated cost and time and remaining works were included in the National Drainage Program (NDP) launched in 1998 and co-financed by ADB, the World Bank, and the Japan Bank for International Cooperation. The total cost of the LBOD at project completion was estimated to be US \$1021.0 million by the World Bank, \$385.3 million or 60% higher than the appraisal estimate.

¹ See – Staff Appraisal Report (SAR), Left Bank Outfall Drainage Stage 1 Project, South Asia Projects Department Irrigation 1 Division, World Bank Report No. 5185-Pak, November 5, 1984.

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Even more seriously, the project design was too focused on physical and engineering aspects, with insufficient emphasis on social, financial, communication, and environmental aspects.² The consequences for local communities have been devastating:

- The project has made communities so vulnerable that in any monsoon rainy season the upcoming drainage effluent could displace them.
- In the 2003 rains, flooding, breaches and sea intrusion caused the deaths of more than 50 people, thousands of houses were damaged and thousands of acres of agriculture crops were destroyed. The total estimated cost of losses during the 2003 flood was Rs.1,287 million.

Damage Caused By Project-Induced Flooding In 2003

Type of damage or loss	Number
Human life ¹	56
No. of villages affected	506
No. of households affected	21,134
No. of people affected	126,804
Crops (acres)	
Rice	49,330
Sugar cane	13,699
Others	10,530
Total crop acres	73,559
Livestock (numbers)	
Buffalo/Cows	885
Goat/Sheep	2,623
Others	157
Total loss of livestock	3,665

Source: District Administration Badin Pakistan.

- The drainage network has badly affected the environment of the Indus Delta. There is now no fresh water available to maintain the ecological value of the delta, which is essential for coastal forests and marine life. In the absence of fresh water, the disposal of toxic drainage effluent has contributed to the destruction of the remaining natural resources
- Agricultural land is increasingly encroached by seawater channeled through the project infrastructure and entire grazing areas have been lost.
- The ground water - which is a unique drinking source - has become badly polluted causing severe impact on human health
- Important wetlands ecosystems (including two Ramsar sites) have been destroyed with severe loss of habitats and fish. These Dhands (wetlands) provided livelihood resources to forty villages of fishermen having a population of 12-15,000 living around these water bodies.
- After the loss of other sources of livelihood, pressure on scarce forests has increased.
- The project has badly affected the indigenous *Mallah* community. The flooding and devastation that ensued during the 1999 cyclone and 2003 monsoon changed the economic base of these people. Both these shocks were interconnected with the operation of LBOD and aggravated by the overflowing and breaches of infrastructure installed by the project.

² See- para 36 - Implementation Completion Report, LBOD Stage-1 Project, Rural Development Sector Management Unit South Asia Region World Bank Report No. 18037

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A large number of people who either owned land or were happy with fishing, agriculture or livestock rearing have been impoverished. Local communities which were heavily dependent on natural resources for their livelihood have been robbed of the very means of survival and denied the right to life, livelihood and development. These effects and costs were not included in the cost-benefit analysis of this infrastructure project.

The project design and implementation suffered from major defects, many of which contributed directly to the displacements and dispossession experiences during the extreme events of 1999 and 2003. The construction of a tidal link invited sea intrusion and the tidal link canal subsequently collapsed. The Choleri weir was a flawed engineering structure. Its subsequent collapse caused sea water to flow into and degrade wetlands. The Chotiari reservoir and related irrigation infrastructure was always unfeasible as there was no water to fill it. The tube wells and drains were dysfunctional. The project wasted money, took longer to implement than anticipated and cost more than planned.

Flawed accountability

When looking for the explanation of why such a bad project was able to come about, one sees quickly that the lack of accountability to the people most affected by it is a key issue. Since the project designers, donors and national government did not consult the people most likely to be affected by the project and there was no

information sharing with the people, they were not made aware of all the issues and problems that needed to be tackled. They undervalued the importance of the wetlands to the environment and people's livelihood and totally failed to adequately consider the sustainability of the project's management. .

The idea to dispose of drainage effluent through the southern coastal belt in Pakistan by connecting a drain with an active sea tide was never discussed with coastal communities. Historical routes where rivers use to drain into the sea were bypassed and an artificial drain in the form of a tidal link was created, cutting through coastal lagoons. Local wisdom would have been enough to avoid future disaster, but it was not sought. Where local communities became aware of what was happening and raised their voice against ill-planning and the future threat to their lives and livelihoods, they were ignored.

Violation of human rights by the project

The project clearly violated human rights, for which the Government of Pakistan and multi-lateral donors must be considered responsible.

All these violations of the fundamental rights of people came in the name of development and development cooperation. The blind eye of international capital and its collaboration with local non-democratic elite structures forced people from their ancestral land and destroyed or

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Human rights obligation	Violation
Article 3 of Universal Declaration of Human Rights which says “Everyone has the right to life, liberty and security of person”	56 people were killed in the 2003 floods and many more are at risk of flood and hunger.
Article 1 of the Declaration on the Right to Development “The right to development is an inalienable human right by virtue of which every human person and all peoples are entitled to participate in, contribute to, and enjoy economic, social, cultural and political development...”	The project not only excluded people in its development, but the infrastructure created caused people to migrate and lose control over their natural resources and means of livelihood and developing.
The Covenant of Economic, Social and Cultural Rights, which calls on States Parties to take appropriate steps to “improve methods of production, conservation and distribution of food by making full use of technical and scientific knowledge, by disseminating knowledge of the principles of nutrition and by developing or reforming agrarian systems in such a way as to achieve the most efficient development and utilization of natural resources”;	The project induced displacement, loss of crops, fishing and agricultural land. Malnutrition is very common in the area as local communities, after losing control over productive resources, are unable to meet their food requirements. The local communities’ capacity to live healthy lives has been reduced whilst their vulnerability to disease - particularly amongst children - has increased.
Right to Safe Drinking Water, General Comment 15 on the right to water mentions that “The human right to water entitles everyone to sufficient, safe, acceptable, physically accessible and affordable water for personal and domestic uses.”	The project caused flooding and the pollution of surface as well as ground water resources used for drinking.
Ramsar Convention	Project structures have completely damaged two Ramsar sites i.e. Narreri and Jhubo lagoon
<p>Rio Declaration on Environment and Development, including:</p> <p>Principle 1: Human beings are at the center of concerns for sustainable development. They are entitled to a healthy and productive life in harmony with nature.</p> <p>Principle 3: The right to development must be fulfilled so as to equitably meet developmental and environmental needs of present and future generations.</p> <p>Principle 4: In order to achieve sustainable development, environmental protection shall constitute an integral part of the development process and cannot be considered in isolation from it.</p>	<p>The project was too focused on physical infrastructure, with people never being at the center of the development logic.</p> <p>An environmental management plan was not properly prepared and implemented. The project caused severe damage to the natural environment and reduced the future development potential of communities.</p>

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removed their access to other resources. This case indicates the serious lack of accountability mechanisms in place to make aid work for the poor or at the very least not make them more vulnerable to shocks.

The only accountability mechanism available was to approach a World Bank Inspection panel. The owners of resources whose

rights were massively violated did just this, raising their concerns and complaints. The investigation of the panel members backed up many of the communities' claims, thus endorsing the community's view of how irresponsibly the Bank played havoc with the livelihood of people.

The panel found:

Technical Flaws in Design

The alignment of the main disposal drain was technically and environmentally risky. Remote sensing data confirmed doubts expressed by the local people.

A more appropriate technical option would have been to follow the natural route (known historically to the communities) and link the LBOD with Shakoor Dhand.

Significant technical mistakes were made during the design of the Tidal link embankments and the Choleri Weir. Tidal link structures were critical to the performance of the system but the design had substantial inherent risk. The underestimation of risk and lack of appropriate technical measures contributed to the suffering of local people in lower Badin.

Designers did not evaluate the likelihood that, under prevailing metrological conditions, high surface water run-off from upstream areas would coincide with high water levels in the Arabian Sea causing flooding.

The construction of the Tidal Link and embankments cut off and diverted the surface flow and consequently destroyed grazing areas in the area of Runn of Kutch. The overall morphology of the region is being changed.

The outlets of low-lying drains linked to the LBOD such as the Seerani drain are now under the influence of tidal movement. At high tide, water flows back into these drains causing salinization of groundwater and of adjoining land.

Social Problems

Fifty-four breaches in the embankments occurred at different locations, bringing devastation and loss of life to adjacent communities.

The LBOD system, combined with the partial destruction of the Tidal Link, has heightened the risks to local people from flooding. The situation is particularly bad when heavy rainfall inland and high tides and storm sea coincide. Floods during rains in 2003 led to the loss of many lives.

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The Bank failed to identify emerging risks during appraisal that LBOD/Tidal link problems could lead to significant harm and even displacement of local people, even though the project had plans to complete and expand LBOD.

The Bank failed to take the necessary actions under OD 4.30 to identify and prepare for the possibility of such displacement, and the extent to which it has occurred.

Environmental problems

Tidal link failure led to major harm to the Dhands ecosystem, wildlife and fisheries, upon which many people depend for their livelihood.

Although it is difficult to separate impacts of the LBOD system from those of investments financed under the NDP project, the evidence indicates that the two, in combination, have contributed to significant adverse impacts on the internationally recognized wetland sites.

Under the NDP project, neither the potential environmental nor the potential social impacts of the project in the area of concern to Requesters were considered in a meaningful way until the submission of the Request.

Increased salinity has affected large tracts of agriculture land.

Saline intrusion up the Indus Delta has harmed agriculture, including damage to 1.5 million acres of farmland in Thatta and Badin, causing dislocation and extensive economic losses.

The water supply has been reduced and contaminated (by saline drainage and biocides), in Hyderabad, Karachi, Thatta and Badin,

The 1993 DSEA analysis of alternatives rapidly became out of touch with the situation on the ground. Most importantly, the analysis underestimated the potential negative environmental effects in southern Sindh of relying upon and expanding the LBOD.

There was a failure to develop and, in particular, to implement adequately an Environmental Management Plan for the project.

The project focused on ensuring the evacuation of LBOD effluents, and paid little attention to impacts on, or means to rehabilitate, the Dhands as a habitat and ecosystem. The negative effects on the Dhands amount to a “significant conversion or degradation” within the meaning of OP 4.04.

The Bank did not adequately consider the risks of further degradation of the Jhubo lagoon, a critical natural habitat.

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Other Issues

Unfortunately, the people of Southern Sindh, whose lives were already recognized as being affected by the Tidal link, fell outside the field of vision of those who designed and appraised the project.

The Choleri Weir collapsed only one week after the publication of the implementation completion report (ICR). There is concern that the ICR that was circulated to the Board was insufficiently transparent on important shortcomings of the project.

Management was slow to visit the site of the Tidal Link failure, and did not have a consistent approach to interacting with the local population to understand and address the social and environmental implications of this failure. Management's failure to consult with people affected downstream for over half a decade following the breaches in the Tidal Link is of great concern.

Conclusion

To a very large degree, the damages suffered by people in the project-affected areas have not been redressed, and many of the same conditions that led to these harms are still in place.

The World Bank's refusal to take responsibility

In the wake of the independent panel's observations, it was expected that the Bank would accept the truth and take responsibility. However, it refuted all of the panel's observations. By not accepting the communities' concerns and trying to place responsibility on government institutions, the Bank calls into question the validity of its own accountability mechanism (inspection panels). There was no other accountability mechanism available to make the Bank take responsibility for the damage it caused and the lack of respect of people's right to natural resources.

The communities have used all the peaceful means at their disposal to protect their rights, but all in vain. They are still waiting for justice. Frustratingly, the Bank rightly identifies the problems facing the delta and surrounding areas, but is silent about the causes of this situation. In its management report and recommendations for the area it says: "While salinity may be the biggest challenge, other important threats to development benefits in the Indus Basin are growing in importance... urgency-management of the coastal zone and the delta, conservation of wetlands and related environmental services, and management of pollution and water quality. In Sindh and Badin District in particular, the major changes in the Indus Delta that have occurred since the development of the Indus Basin's water

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resources have resulted in sea intrusion, increased salinity and loss of mangrove forest diversity and extent, and reduced productivity of the estuary.” (Para 17)

The management recognizes the degradation of the Indus delta and the poverty and environmental risks in lower Badin and Thatta districts but wrongly highlights natural disasters as the main cause. It also recognizes the suffering of Badin and Thatta as a result of inequity in water distribution. However, the plan of action prepared by the management to address the problems raised in the inspection request and backed up by the panel experts is a joke. None of the communities’ concerns have been addressed, but rather the Bank has approved another loan to fix the problem created by two earlier projects.

Conclusions

World-Bank-funded projects, including the Left Bank Outfall Drain Project, construction of the Tarbela Dam on the river Indus and other upstream structures to divert water on the river Indus are major causes of the degradation of the Indus delta and sources of livelihood for local communities. Flawed designs and inadequate implementation have reduced fresh water flow, increased the risks from flooding and caused sea water to flood delicate fresh water ecosystems.

The bank used a totally misplaced analysis of the sustainability of the infrastructure projects it chose to implement and failed to take into account the needs and risks

facing local communities. None of the projects recognized the need of water for the delta because they were all focusing on inequitable economic growth models, based on the idea of producing for export markets, rather than sustainable human development and meeting local needs. The projects totally disregarded the feasibility of alternative approaches such as drastically reducing water use and hence drainage by switching to ecologically-friendly crops and organic farming or reducing crop intensity.

The absence of accountability at both state and IFI level has encouraged these institutions to continue with the same water resource development paradigm in the face of all the disastrous impacts on the livelihood of local communities. They continue to push a model, which only serves to increase existing inequalities in the control of natural resources, perpetuate poverty and keep violating the basic human rights of local communities.

By putting the burden of proof on communities, with only the limited scope to request an inspection, the existing accountability mechanism has been shown to be inadequate and counter productive. It is lengthy and time consuming, overly technical, builds false expectations in the communities and ultimately fails to hold the Bank to account. Even after establishing the fact that people have been severely negatively affected by projects, no justice has been provided to the communities.

In such a situation, aid has been used to strengthen existing power structures, which

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keep denying peoples' sovereignty over natural resources and facilitates exploitative forces to extract private benefits at the cost of historical owners of resources. Genuine and effective mechanisms of accountability are essential to put a stop to such practices and ensure that aid is used to support local communities in tackling poverty and deprivation.

This note is prepared by Mustafa Talpur, with support from A Ercelan and M Nauman. Comments are invited to piler@cyber.net.pk

Endnote

¹ People died in one sub-district Badin, of district Badin in Sindh province Pakistan. Information collected through police.