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Infrastructures for Resettled Internal Displaced People (IDPs): a Case Study of World Bank's assistant in Jaffna district of Sri Lanka

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Abstract

World Bank assisted US\$ 44 billion during 2009 and 2013 as emergency recovery assistant through economic development ministry of Sri Lanka to repair, reconstruct and restore vital infrastructure facilities damaged by the internal armed conflict in Northern Province. Main objective of this study is to analyze that how foreign aids of international donors go to pork barrel political expenditures hence inefficient infrastructures in Jaffna district of Northern Province as aid for emergency recovery. This study took 127 sub infrastructure projects in Jaffna district valued Rs 1202.36 Million. Among studied projects, 80 projects valued Rs 596.7 Mn directly benefited to resettled people. 44 projects valued 577.94 Million have not benefited to resettled people. It is 48.06 percent of total cost. When resettled people have been suffering without space to sleep in their temporary houses, without class rooms and toilet in schools, lack of other emergency infrastructure needs in resettled area, the funding has been used to build luxury auditorium, class room, tiled floor, air condition, vehicle garages, boundary wall in first grade national schools and offices in urban area which absorbed more resources when internal displaced people settled temporary in war time before 2009. Water supply board of Sri Lanka has increased its capital and revenues sources by constructing new pipe line supply which is mismatch development and much cost services to vulnerable people. Foreign aids have been spent to politically influenced area and bureaucrats of project also misused their position in identification of emergency

needs. Regulations of project mentioned in project paper have been violated severely.

Only around 50 percent of benefits of project went to targeted people. This study does not investigate technical quality of works in engineering side. If we include the quality of work, the overall benefits to target groups become very less. This study compares the findings with findings of William Easterly, famous economist in World Bank in relation to foreign aids and productivity from capital formation. William Easterly found that, "Both Nigeria and Hong Kong have increased their physical capital stock per worker by over 250 percent over 1960 to 1985 time frame. The results of this massive investment were different. Nigeria's output per worker rose by 12 percent from 1960 to 1985, while Hong Kong rose by 328 percent." Politicians in developing countries use poor as hostage to receive foreign aids from donors and get personal benefits from projects. Findings of this study are comparable with Easterly's findings. One of water supply project received Rs 211 Mn from emergency recovery project to supply safety pipe line water to resettled people. No one has received water from this project even after overall project has closed in December 2013.

Key Words: *Resettled people, IDP, World Bank, Pork Barrel Politics, Infrastructures*

Introduction:

William Easterly has written a book about why extensive development assistance over the course of decades failed to alleviate poverty in poor countries. As an economist at the World Bank, Easterly observed how resources and advice provided by the Bank failed to improve the lives of the poor in poor countries. Easterly considers different

explanations for the development failures. He places the blame for persistence of poverty in poor countries on governments and political elites, who use their poor as hostages to personally benefit from aid resources and debt relief. After reading this research paper, this study has learnt practically what happened for World Bank's assistant for recently resettled people in Jaffna district of Sri Lanka. This study gives further evidences from Sri Lanka for misusing aid resources by politicians and politically influenced bureaucrats for getting personal benefits rather than benefits to target groups.

World Bank granted US\$ 79 million to Government of Sri Lanka to assist for emergency needs to recently resettled people in Northern Province of Sri Lanka. This project called "Emergency Northern Recovery Project (ENReP). Around 79 percent of this assistant has been spent to infrastructure development. As William Easterly exposed from developing countries, the economic benefits of this assistant to targeted people in Sri Lanka has been weak and resettled people has been used as hostages to personally benefit from aid resources and debt relief in Northern province of Sri Lanka. Objectives (Mentioned in project paper) of project are:

1. Supporting to Government of Sri Lanka's efforts to rapidly resettle the IDPs in the Northern Province by creating an enabling environment.
2. Restore their social and economic life of IDPs".
 - (A) Emergency Assistance to IDPs; (US\$6 million)
 - (B) A Work-fare Program; Work-fare (US\$12 million)
 - (C) Rehabilitation and Reconstruction of Essential Public and Economic Infrastructure; (US\$44 million) and
 - (D) Project Management (US\$3Million)

Component of Rehabilitation and Reconstruction of Essential Public and Economic Infrastructure provided assistant to repair, reconstruct and restore vital infrastructure and facilities damaged by the internal armed conflict. Reestablish inter-village connectivity; have access to schools,

clinics, markets, and safe drinking water; and have access to essential public and technical services from the Government's civil administration based on Government's needs assessments and plans. Since the funds allocated under this component are not sufficient to cover the entire needs, funds would have to be carefully targeted. The actual amounts would be re-adjusted during implementation. Major school buildings, hospitals and health clinics would be considered only if there are funding gaps to rehabilitate those facilities, as the ongoing other projects have included provisions to undertake such repairs as mentioned above.

Project paper say that There will be consultation with the returned IDPs as feasible and validation of the assessment made by the Government agencies before works commence. The activities included in the initial six months activity plan are essential infrastructure rehabilitation works that are obvious and/or unquestionable priorities and, by and large, are unlikely to be challenged by potential beneficiaries. Good practice generally has consultation with beneficiaries as a key input in project design. It was not possible to do so during the design of ENReP due to the lack of access to the IDPs who were in camps. Consultations with the IDPs will occur when they have moved back to their homes and villages and will feed into choosing activities to be included under the project and adjusting plans as necessary.

The project will also involve returning IDP farmers in the planning, prioritizing of repair and clearing works of irrigation canals. Consultation and participation of farmers in decisions have been emphasized. Regarding irrigation rehabilitation, operation and maintenance and crop season planning is an established practice of the Government through farmer organizations while most of these organizations may have dissipated during the conflict the aim is now to rebuild these institutions. When project preparation was initiated in July 2009, over 290,000 People were being held in camps 2. Project designed to fulfill the emergency needs of recently resettled people basically.

Literature review

World Bank funded many projects in post conflicts region in the world as emergency assistant. They helped to recover disaster effects and improvement of living standard of affected people. However, there are positive and negative critics on process of implementation of project in developing countries. Humanitarian assistant is expected to reach targeted people without any discrimination and corruption since administrators are ordinary human being people with religious beliefs. Expectation is failed in many developing countries. Assistant has not reached the people due to the various reasons. According to William Easterly (2001) and Arye L. Hillman (2002), reasons for failure of assistant are politicians, political elite, government, wonderland academics, ethnic divisions, absent of good governance and population growth. Peter Nunnenkamp, et al (2012) show the empirical research on aid allocation by employing Poisson estimations on the determinants of the World Bank's choice of project locations at the district level in India. The evidence of needs based location choices is very weak, even though World Bank activities tend to concentrate in relatively remote districts. Spatial lags prove to be significant and positive pointing to regional clustering. Institutional conditions matter insofar as project locations cluster in districts belonging to states with greater openness to trade. They do not find any evidence that location choices are affected by political patronage at the state or district level. However, the World Bank prefers districts where foreign direct investors may benefit from projects related to infrastructure. The evidence of needs based location choices across Indian districts by the World Bank is very weak, even though activities tend to concentrate in relatively remote districts.

Several studies suggest that multilateral institutions are vulnerable to pressure of major shareholders. Dreher et al. (2009b: 742) find that loans from the International Monetary Fund are "a mechanism by which the major shareholders of the fund can win favor with voting members of the [United Nations] Security Council." Likewise, World Bank projects have been directed by major

shareholders and funneled to politically important developing countries (Dreher et al. 2009a). According to Fleck and Kilby (2006), the United States influences World Bank lending in pursuit of US commercial (and strategic) interests. Pressure of shareholders may also affect the within country allocation of World Bank projects, notably when specific regions are of particular commercial interest.

Data and Methods

This study collects data from 127 infrastructure projects implemented by ENReP during 2009-2013. Secondary data collected from divisional secretariats, Pradesa Saba, rural development authority at Jaffna. Field visit have made to selected places which having these sub projects. Focus group discussion, Key informant interview, self observation have been made strategically.

Data analysis and Discussion

Infrastructure projects directly benefited to recently resettled IDPs

Rehabilitation of Internal Roads in Maruthankerny Package - I, II, III, IV, V, VI and VII were war front area. The roads are severely damaged. Walking and travelling without road was difficult due to the deep Sand. Tellipalai Roads- Package 1, II and III, also have same war characteristics. Road rehabilitation absorbed around Rs 113 Million to Maruthankerny and Tellipalai divisions. According to the project paper, infrastructure needs assignment should be consultate with local people. Based on our focus group discussion, administration of project has discussed with politically government supported peoples on the need assignment. Majority of community leaders neglected in need assignment. All these area populated in past. Roads had been build up and damaged due the war. As developmental project, newly build up roads can be justified as needs for development of livelihoods. But as emergency recovery project, it is debatable to accept new roads as emergency needs. However, rehabilitation of roads and newly constructed public building in recently resettled are emergency needs made by project. They have been benefited to people directly and indirectly.

Community participation and trickles down income of construction to community is zero. Less people from local area have participated. Most laborers and machineries engaged from southern part of Sri Lanka. Rehabilitation of MPCS in Jaffna more benefited to society. Most of works has been handled by MPCS societies. Local resources have been used. For example some of such projects are Renovation of main store, Pandateruppu Parish MPCS Ltd. Valalai south west, Sandilipai Jaffna, Reconstruction of MPCS Branch-Siththiramely Vali South West, Sandilipay Jaffna, Reconstruction of MPCS Outlets and Sub Post Office at Poompugar, Ariyalai East, Jaffna, Reconstruction of Store for MPCS at Pthameny, Reconstruction of Store for MPCS Idaikkadu, Jaffna, Reconstruction of Cool Room to Vadamaradchi East Fisherman Co-operative Society Union in Maruthankerny Jaffna, Rehabilitation of Vadamaradchi East Palm Development Co-op Society Ltd. Maruthankerny, Renovation Works at Palmyra Product Center at Vasanthapuram, Jaffna.

Rehabilitation of schools in resettled area benefited to recently resettled people. Most of principals and teachers in field visit have witnessed the various impacts of these infrastructures in achievements of students and social and economic impacts. Most of schools have been completely destroyed due the war. Constructions of these buildings to schools are great facilities to resettled people. These buildings have been built in meeting future needs also. They may be mismatch to presents needs. But, they aimed to meet future need with ending the war and expecting permanent peace. Buildings in hospitals at Maruthankerny and Thellipalai are also very useful to resettled people. In sum, 84 infrastructure projects in education, health, public services, transport and MPCS more benefited to recently resettled people, particularly in Maruthankerny and Thellipalai. These findings have been confirmed with focus group discussion, key informant interview, interview with resettled people and self observation. Employing the local constructor and labors were very difficult and project management unit gave contracts to southern companies. They used southern people in development activities.

Infrastructure projects indirectly benefited to recently resettled IDPs

Some projects have been made in urban area and benefited to resettled people indirectly. Some works in teaching hospitals in Jffna benefited to resettled people indirectly when they receive treatment in General hospitals. Like this way of interpretation, this study identifies office construction in urban area, building for public department in Jaffna town and some roads in town indirectly benefited to resettled people. A considerable population has been teaching their children in urban area and benefited with these infrastructures even they have not been located resettled area. Even it is violation of project paper, justification is acceptable in some extent.

Infrastructure projects have not benefited to recently resettled IDPs

Some projects have been made in well being area which have more resources in past. For example Vali South Piradeshaba roads – Uduvil with Rs 36.91 Mn expenditure, Vali East Piradeshaba roads –Kopay with Rs 30.75 Mn expenditure and Municipality Council Roads- Jaffna with Rs 16.67 Mn expenditure are debatable project to justify that they are benefited to recently resettled people. In this view, this study identifies 44 sub projects worth Rs 577.94 Mn which have not benefited to recently resettled people. Among these projects, one leading donation receiving school in Jaffna town, J/St.John Bosco's Vidyalayam have received Rs 3.15 Mn and leading engineers producing school, J/Hartley College in Point Pedtro received to build luxury auditorium worth Rs 14.18 Mn and sister school J/Methodist Girls High School, Point Pedro received Rs 16.04 Mn. Even some outstanding students from elite rich families in Maruthankerny have been studying in these leading schools, it is difficult to say that these expenditures benefited to recently resettled people. This is common features in all district of Sri Lanka. Point Pedtro had displaced only in 1987 and resettled after five months with arrival of IPKF.

Blind copy of western development has been proved in this project clearly. Safety water is one of essential needs in developed countries. Bank insisted and allocated more

aids to water supply project to supply safety water. Safety water in western view is pipe line water to home of people. But in the case of developing countries such as Sri Lanka, safety water can be ensured by tube well and well constructed open well. It is useful to daily water use in home and cultivation at minimum cost. Project paper also highlighted these resources to use as water supply. But, the project at higher cost has built a new pipe line water supply at Valvettithurai WSS, Point Pedro with Rs 211.15 Mn and handed over it to Water Supply and Sanitation Board of Sri Lanka. They charged Rs 17 000 as connection fee and monthly rental subject to usage. Project is for resettled people called as emergency recovery project. When resettled people have been suffering without livelihood and permanent income, project had opened income sources from vulnerable people to WSSB without any cost to WSSB. More family members have been unemployed and they have been managing drinking water since they lived in their village before displaced from common pipes or personnel tube wells and open wells. When well established income receiving people in Jaffna dislike water supply connection at higher cost, how these recently resettled people can pay to water.

Economic impact of Infrastructures made by ENReP for recently resettled IDPs Summary of “C” Component in Jaffna district

	No of sub projects	Total Cost Rs(Mn)	Percentage of projects	Percentage of Cost
Directly benefited to resettled IDPs	80	596.7	62.9	49.62
Indirectly benefited to resettled IDPs	03	27.72	2.36	2.3
Not Benefited to resettled IDPs.	44	577.94	34.6	48.06
Total	127	1202.36	100	100

Like electricity board and Telecommunication companies have been exploiting income of vulnerable people,

government owned WSSB uses foreign aid to enhance their income by exploitation of vulnerable income from resettled people in the name of emergency recovery development. There no other words to say that these are essential services to people. But, the concern is that do the people have income level to enjoy these facilities is more sensitive question to consider in formulation of projects. Coverage total families of this water supply project initially are less than 1000. There is no connection until now due to the political reason. If we divided total cost by 1000, one family receives Rs 0.211 Mn and will able to build individual safety well or tube well within this cost. Total cost for tube well with motor connection in Jaffna is less than 0.1Mn. When resettled people have been suffering without money to buy bread for one time meal, the project brought rich cake at market price in the name of emergency recovery project.

Problems of Infrastructure development in the district

Problems in need assignment Planning: short run Vs Long run coordination among the projects. Absent of Trickle down of expenditure as income to local people. Cost benefits analysis, Mismatch of development, Preservation of culture and history. Absent of consultation with local experts, Quality of works and Technical assignment, Assignment of economic and social impact of projects. Politicalization of projects. Pork Barrel political expenditure on projects. Maintenance of infrastructures. Less connection with regional people’s livelihood and income generation. Misusing financial resource to personal community oriented projects by bureaucrats

Conclusion and recommendations

As concerns the World Bank, this study suggests that it will become increasingly important to target resettled people. Location choices within district could be an essential element in this regard. However, this study finds little evidence that the project favours locations with greater need for aid. This invites the conclusion that the World Bank should adhere to its own insights more strictly than Sri Lanka government suggests it does. In particular, it appears that local needs for aid have to be

assessed more systematically in order to render World Bank aid more effective in improving livelihood of resettled people at the local level. In this context, the ENReP case is encouraging as it appears possible for the World Bank to deal directly with provincial government and, thereby, avoid political patronage and meddling by the central government. The implications of our analysis extend beyond the World Bank as a leading multilateral donor. Bilateral donors face the same challenge of targeting aid not only to poor countries with appropriate governance for aid to be effective, but also to locations within recipient countries where the need for aid is most obvious and local conditions are conducive to a productive use of external support. Progress in mapping the geography of aid projects within districts of recipient countries could provide an important step towards meeting this challenge. It would allow for comparisons between bilateral and multilateral donors in future research. Deeper insights into the allocation of aid may be gained in particular if location specific information on aid projects as well as the economic, institutional and political covariates covered an increasing number of donors and recipient countries.

Recommendations of this study to implement effective infrastructure projects are employing local experts for need assignment. Beyond the political motivation, project should give the priority to generate local people's income. Incorporation of popularized local politicians with government is essential for success of project. Consultation of local people and experts is needed to solve problems. Local politicians should go to Pro-government politics. Community experts council can formulated for economic development. This council can recommend the project after long discussion. Appointment of local experts to access the quality of works and economic social impacts of projects is necessary to assess the project. Good governance in projects (Accountability, transparency) and Awareness of projects to public, particularly to academics and journalists are important. First priority of formation of projects should be to enhance

the livelihood of local people and to generate income of local people.

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