Economics of Sanitation

Shyam Sunder

"Haven't they cut off the phones to India yet?" asked my friend when I called him from Pittsburgh in early October. The jest barely concealed the edge of hurt Indians everywhere shared, first at the news from Surat, and then at the world's reaction to it.

The Center for Disease Control in Atlanta assured Americans that they face little risk of contacting plague in India. Citizens of many other countries did not have the benefit of such informed advice.

India's anguish at being made an untouchable in the world community is understandable. However, it would be unfortunate if all this emotion were spent on the foreigners for their over-reaction, or on recriminations within India.

Many thoughtful people ask: why did this happen, and what can be done to prevent its repetition? The unfortunate epidemic can still be turned to India's advantage.

In India, infectious diseases cause much pain, suffering, disability, and death; they also drain vitality of the workforce, and inflict major economic losses through missed work, lost production, and spending on treatment of the sick. Prevention is cheaper: inoculate the population,
provide clean drinking water, and collect, process and dispose of sewage and garbage in cities, towns and villages, and much disease in India will vanish.

In spite of its great contributions to human longevity, public health does not match the glamour and remuneration of neurosurgery. Public sanitation requires expensive public works, and large organizations in cities and towns to maintain and operate them. In personal cleanliness, ritual often dominates hygiene.

Perhaps the plague will compel India to advance on these fronts. If the pain of a few weeks of international ostracism lasts long enough, sanitation might remain a high priority even after the newspapers move on to other stories. To achieve results in this field, two more fundamental issues must be confronted.

The first is the economics of labor and investment in sanitation. Handling of garbage and sewage was traditionally assigned to the poorest and the most oppressed castes in the Indian society. In pre-independence India, the feudal forces of the caste system coerced the untouchables to collect and dispose of garbage and sewage. They complied, because the alternative was starvation, even death.

Under Gandhi's influence, Indian constitution provided more alternatives for the dispossessed castes. As educational and occupational opportunities expanded, the pressure of feudal compulsion
on these castes gradually eased, first in cities, then in towns and villages. Reluctance to do the low-paid and unpleasant menial work of gathering and disposing off garbage and sewage naturally followed.

In an open economy, some members of other castes would have migrated to sanitation jobs, especially those who have no alternatives. But the social stigma, low wages, and appalling working conditions have blocked movement of labor across caste lines.

This leaves a vacuum in the sanitation labor market. Those who do hold the sanitation jobs have little pressure to perform. With the feudal pressures gone, and economic pressures absent, the work simply does not get done. It is not uncommon to find heaps of rotting garbage outside expensive bungalows in the wealthiest parts of Bombay and Delhi.

Investment in even simple technology of garbage collection and sewage disposal will make the sanitation jobs less repulsive, and attract more labor. Technology will also raise the productivity of sanitation workers, making it possible to sustain a higher wage for these jobs, again attracting more labor.

India must break the ancient link between caste and sanitation. Better technology, higher wage, even reserved sanitation jobs for members of higher castes for a few years, may help weaken, if not sever, that link. In sanitation, as in other parts of the economy, job guarantees must be replaced by performance-contingent jobs. These jobs cannot be
made performance-contingent without migration of labor across the caste lines, and such migration would not occur without better technology and higher wages.

A second problem concerns the scope of government. Public health and sanitation is a quintessential government function, because private companies have little incentive to provide such public services. Since independence, federal and state governments have been busy grabbing a share of commerce and industry and neglecting public services. Most commerce and industry can function well in the private sector with some government oversight but without its direct role. Public services cannot exist without government.

To be effective, all levels of government will have to become streamlined, and refocus their limited energy and resources on public services that cannot be provided efficiently by private parties. Public health and sanitation will have to be an important portfolio in such a compact government.

Improvement in public health and sanitation in India is long overdue. Application of economic resources and technology will help, provided that we also confront the basic problem in the market for sanitation labor, and narrow the scope of government activity to such essentials.
In Mulik Raj Anand's novel *Untouchable*, the harijan boy Bakha has three ways out of his miserable existence—embrace Jesus Christ, embrace Gandhi, or put in flush toilets. It is time for flush toilets.

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