

COMMENTARY

Tie-up of 5 Asian nations can help avert water crises globally

By Danilo Turk and Sundeep Waslekar

MICHAEL Burry, the American hedge fund manager who predicted the financial collapse of 2008 and was featured as the hero of the movie *The Big Short*, retired from the financial market after the crisis. He decided to concentrate his investments only in one sector – water.

Howard Buffet directs his entire charity activities towards water, so does Aamir Khan, India's leading movie actor. King Willem Alexander of the Netherlands and Prince Hassan of Jordan have devoted the last several years to addressing the water crisis.

The World Economic Forum has proclaimed water as the greatest risk in the world. The Strategic Foresight Group has established a correlation between water cooperation and comprehensive peace. Its Water Cooperation Quotient demonstrates that any two countries engaged in active water cooperation do not go to war for any reason whatsoever.

That water would emerge as an important issue on the global agenda was foreseen by

Lee Kuan Yew. He invested in research and development of new technology and governance practice in the water sector that enabled Singapore to reduce its dependence on Malaysia and therefore mitigate the risk of conflict.

In addition to technological innovation and good governance, averting water crisis also requires cooperation between neighbours. In the Asean region, cooperation is highly valued. In the rest of Asia, this is not the case. In Africa and Latin America, there is growing appreciation of the idea of cooperation but the countries in these regions lack finance and technology to make it work, due to their low level of economic development.

A new Asian Blue Compact between China, India, Japan, South Korea and Singapore can intervene in such a situation worldwide.

South Korea and Singapore have the governance know-how and technology for urban water management. India has expertise in rural irrigation. China and Japan have comprehensive experience in the water sector. While China's involvement in Africa is known, Japan has been quietly engaged in Syria and other

challenging parts of the Middle East. All five countries have the financial resources to invest despite the current economic slowdown.

If the five countries form a compact and emphasise providing financial incentives and technologies only to those needy countries that are willing to practise good governance in the water sector, use technologies to enhance efficiency and work in cooperation with their neighbours, it will bring about a paradigm shift in the world.

WEAPON OF WAR

It is important to emphasise cooperation since in its absence, conflicts can occur and water infrastructure may get destroyed by various armed factions. This is exactly what has happened in Iraq and Syria. Also, in the absence of cooperation, there are delays in implementing large projects in irrigation and hydroelectricity, increasing the cost of capital. This is exactly what has happened in Central Asia and the Nile Basin and it can happen with the Laotian dams in the Mekong basin.

The five countries may work together to

promote an efficient, collaborative and sustainable water sector through institutions such as the World Bank, Asian Development Bank and the Asian Infrastructure Investment Bank. They may coordinate their existing national programmes for concessional finance to developing countries. Or they may create special purpose vehicles. They may particularly focus on investments in central and poorer parts of South-east Asia but they need not be confined to the Asian continent. They can also invest in Africa and Latin America.

It is necessary to provide incentives for the countries that want to manage shared water resources in a sustainable and collaborative manner. Such a regime of incentives requires new instruments and leadership of new economies like the five that may form the Asian Blue Compact.

While creating new infrastructure, it is also necessary to protect existing ones. Daesh (ISIS) uses water as a weapon of war to spread terror. In April 2014, Daesh closed the Fallujah dam in Iraq, which flooded the surrounding villages resulting in the displacement of

12,000 families. In January 2016, it captured Syria's largest dam, Taqba, where it is hiding high-value prisoners. It did this to escape airstrikes, knowing well that the bombing of the dam can flood large parts of Iraq and cause a power outage in eastern Syria.

The counterparts of Daesh in Africa, in particular Boko Haram, are reported to be contemplating a similar strategy.

If extremist groups in Central Asia or western China collaborate with Daesh in future, water infrastructure in Asia will be at risk. It is therefore essential for all responsible countries, including those in the West and the East, to take measures to prevent such a menace from spreading.

It is often said that the 21st century will be an Asian Century. If this is to happen soon, the Asian Blue Compact will be a way to begin.

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COMMENTARY

India has to resolve its water woes now if it is to keep growing rapidly

By Eduardo Araral and Sun Xi

IS there anything that India can learn from China? Sceptics may say no. The governance systems of the two countries are worlds apart. However, we argue that China can offer potentially useful lessons on water governance. This, at least, is the conclusion of researchers at the Institute of Water Policy at the Lee Kuan Yew School of Public Policy, National University of Singapore. Their study surveyed 182 water experts from 19 provinces/states in both countries, including engineers, water legal experts, academics, economists and bureaucrats. They then compared 17 indicators of water governance in terms of water laws, policies and administration.

As the two largest developing and water-stressed countries, China and India are similar in that both are facing a water crisis due to rapid urbanisation and industrialisation and the attendant problems of pollution, as well as inefficient water use.

The Yellow River in China has been badly polluted by more than 4,000 petrochemical firms to the extent that it is no longer fit even for agricultural use. Likewise, the Ganges River is one of the most polluted in the world. Only half of China's urban water sources are safe to drink, while more than half of the groundwater in the northern provinces cannot be used for industrial purposes. India's story is not much different. Tourists are advised not to drink tap water in India. However, the similarities stop here.

The differences lie in the approach to water governance. For instance, China's main approach to solving its water (and energy) crisis is to build more large dams and diversion canals. Some 22,000 medium-sized and large dams (at least 15 metres) have been built since the 1950s, including the world's largest dam – the Three Gorges Dam with a capacity 10 times that of Hoover Dam – and the world's largest water transfer project – the 4,345 kilometre South-North Water Transfer Project. These water and power projects have helped China's rapid industrialisation, urbanisation and growth.

By contrast, in India, dam-building has been much more difficult for a variety of reasons. First, conflicts over water rights are prevalent among different states and among different user groups (farmers, urban users and industry). Cases drag on in courts for years and projects cannot be started. Second, India's democratic system of governance means that there are far more veto players in the approval process for dam-building. Third, unlike China, state governments in India do not have the same engineering, financial, administrative and political capacity to undertake massive dam-building projects.

There are other things that make water governance in China different. Many of China's top political leaders were trained in water management, including former president Hu Jintao who has a degree in water engineering. In contrast, none of India's top national or state leaders have formal training in water management. Chinese universities have established world-class training programmes for water professionals. The Yellow River Commission alone has about 40,000 water professionals. India has no such equivalent agency.

Moreover, in China, energy and water state-owned enterprises are somehow more powerful than ministries and provincial governments. They can get things done. By contrast, water agencies in India are not as politically powerful because they have been weakened by a large number of veto players and have been highly politicised. In China, local governments are able to raise water tariffs to fund expansion of water supply. In India, it is very difficult to raise tariffs and hence few resources to expand services. In China, water issues are consistently on the very top of the political agenda. Not so in India, except when Delhi becomes dry.

Academic research shows that improving water governance holds the key to improving water security in developing countries. Notably, China's achievements and determination in water governance are remarkable. Only in the past five years, China solved the problem of drinking water safety for over 300 million rural people. In the next five years, China plans to ambitiously reduce its water consumption per unit of GDP by 23 per cent, and this year alone, 20 new major water conservation projects will be initiated.

The main lesson from China is this: if India is to grow rapidly in the next 30 years – as did China – it has to decisively address its water problems now. For a start, India's politicians should put water on top of their agenda. Good water economics is also good politics.

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Many of Mr Trump's public addresses seem to focus on Mr Trump himself and are devoid of substance when it comes to policy issues. PHOTO: REUTERS

There's a parallel between Trump and Reagan but it ends soon enough

Reagan was also dismissed as a US presidential candidate but he wasn't seen as a dangerous man

WITH your permission, let me take a stroll down memory lane. It was 1980 and I was enrolled in the prestigious Columbia University's School of Journalism in New York City, and together with my classmates I was taking part in my first Big Time political journalism undertaking: Covering the Republican presidential primary race in New Hampshire.

Two leading candidates were dominating the then GOP presidential fight. First, there was George HW Bush, the former congressman, CIA director and US ambassador to China, who was the favourite of the Republican establishment and who – according to the major media outlets – was going to win his party's nomination. He had the Big Momentum, they argued.

Challenging him was Ronald Reagan, an ageing former B-grade movie star who had served as the governor of California and who held extremist right-wing views on domestic and foreign policy issues – calling for a return to the Gold Standard and for ending the diplomatic détente with Red China – and who was, not surprisingly, supported by the ultra-conservative wing of the GOP.

To make a long story short, at some point during the primary campaign, I joined my fellow students for a roundtable with several of the famous journalists, including the legendary Theodore "Teddy" White, the author of a series of bestsellers on the earlier US presidential races (*The Making of the President*) that – like other young political junkies – I devoured and regarded as the bible of political reportage. For me, the idea of meeting Teddy White was akin to a young kid shooting hoops when Michael Jordan suddenly shows up in his backyard.

So you can understand when Teddy asked us what we were thinking – Will Mr Reagan or Mr Bush win the primary? – I hesitated to raise my hand. But then I did and little me told the great Teddy that, well, I had a feeling that Mr Reagan would beat Mr Bush.

Mr White was a gentleman so he did not respond to my words of wisdom by laughing out loud. I remember him giving me the sweetest, most grandfatherly smile, and saying, "Well, young man, I don't believe that an elderly and mediocre Hollywood actor would win the Republican presidential nomination, and in the unlikely case that he does, I can predict now that he wouldn't be able to win in the general election."

My ego was depleted as Teddy and the rest of the political experts and journalists on the panel went on to explain that candidate Reagan was not very smart and lacked any basic knowledge of world affairs. He was a "lightweight" and a "radical" whose candidacy would be rejected by the majority of Americans (as most opinion

polls indicated at the time) and who would eventually be recalled as a historical footnote, if not as a "joke".

As we all know, Mr Reagan did beat Mr Bush and went on to win the presidential race and then to be re-elected by a landslide for a second term. He ended up introducing major reforms of the American economy and presided over the end of the Cold War with the Soviet Union. He is regarded today as one of the great American presidents of the 20th century.

I recalled my encounter with Teddy White in 1980 as I was following the emergence of New York real estate magnate Donald Trump as the leading Republican presidential candidate this year. The majority of contemporary political pundits and the members of what we now refer to as the mainstream media (MSM) had initially dismissed that scenario as a political fantasy.

They predicted with quite a lot of confidence that the favourite of the Republican Establishment Jeb Bush, the son of Mr Reagan's challenger in New Hampshire, would win the race this year.

In a way, the response by the pundits and the MSM to the political rise of The Donald this year echoes the sentiments expressed by *The New York Times* and other elite newspapers in reaction to the primary victories of The Gipper in 1980

(Mr Reagan's first big role as an actor was playing ill-fated football star George Gipp in the 1940 film classic, *Knute Rockne: All-American*). Disbelief. Denial. Anger. Disparagement. Vilification.

Today's tough talk by the New Yorker, who has pledged to abolish radical Islam from the face of the earth and launch trade wars against China, raises concerns that he would devastate the global economy. Similarly, the former California governor who was a long-time anti-communist crusader, and had vowed to toughen US policy towards the Soviet Union and China and the other "commies", ignited fears that his policies would lead to World War III. Would you allow these dangerous warmongers to have their fingers on the nuclear button?

Mr Reagan, like Mr Trump, was not an intellectual or policy wonk, but an entertainer. And as in the case of the Republican frontrunner this year, much of what he said during the presidential primaries sounded like a mixture of stream-of-consciousness babble and sound bites. So it is not surprising that the press depicted the

two as lacking in substance and turned them into targets for insults and jokes.

The secret of the electoral successes of both The Gipper and The Donald can be traced to their ability to communicate with their followers through simple messages. While exploiting fears of foreign enemies, the two combine a sense of national pride and strength, which appeals in particular to lower middle class white Americans, including economically squeezed blue-collar workers who had voted for the Democrats in the past.

Hence, the Reagan Democrats of the 1980s are coming back in the form of the Trump Democrats of today who are helping the brash GOP candidate score major victories in the primaries. And in the same way that the Republican bosses had tried to place obstacles on candidate Reagan's road to winning the nomination in 1980, the current Republican establishment – led by former presidential candidate Mitt Romney – is seeking to stop candidate Trump's rise as the GOP presidential frontrunner this year.

But Mr Trump is not a political clone of Mr Reagan by any stretch of the imagination. Candidate Reagan did not go out of his way to insult and humiliate his rivals, and he certainly did not enlighten voters about the size of his genitalia. Candidate Reagan surrounded himself with the best and brightest advisers on domestic and foreign policy and hired talented speech writers, allowing him to deliver addresses that outlined his plans to reform the American economy and to strengthen US national security.

Many of Mr Trump's public addresses, on the other hand, seem to focus on, well, Mr Trump himself and are devoid of substance when it comes to policy issues. He continues to bombard voters with incoherent and inconsistent ideas about building a "beautiful wall", barring Muslims from entering the United States, punishing China for its trade policies, and "making America great again". That rhetoric plays directly into the hands of Mr Trump's opponents who portray him as a xenophobic and racist candidate, a dangerous man who should not occupy the White House.

Surprising his critics, Mr Reagan turned out to be not a fantastic ideologue but a pragmatic leader who recognised the limits operating on American power. Contrary to the earlier fears of his bashers who had worried that he would launch a nuclear attack on Russia, he ended his presidency making peace with it.

Unfortunately, at this stage of the presidential campaign, much of what candidate Trump says or does tends to reinforce anxieties about his leadership style and his policies at home and abroad. Like in the case of Mr Reagan, a president Trump could end up proving wrong his critics, the Teddy Whites of today. But he has a long way to cover before he reaches that point.



By Leon Hadar